

**Form ADV Part 2A**  
**Firm Brochure**  
*(Amended 09/14/2018)*

*High Probability Advisors, LLC*

---

110 Office Park Way  
Suite 130  
Pittsford, NY 14534  
Telephone: (585) 485-0135  
Facsimile: (585) 248-8334  
E-mail: [scarl@highprobabilityadvisors.com](mailto:scarl@highprobabilityadvisors.com)  
Web: [www.highprobabilityadvisors.com](http://www.highprobabilityadvisors.com)

**This brochure provides information about the qualifications and business practices of High Probability Advisors, LLC (hereinafter “HPA” or “firm” or “we”). If you have any questions about the contents of this brochure, please contact us at (585) 485-0135 or at [scarl@highprobabilityadvisors.com](mailto:scarl@highprobabilityadvisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about HPA is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for HPA is 289541. Registration with the SEC does not imply any level of skill or training.**

**Item 2. Summary of Material Changes**

Since our last filed Form ADV, there has been a change to ownership of the firm. Stephen J. Carl and Mike Jones, formerly owning 50% of the firm's shares, have consolidated their ownership interest into Carl Jones Group, LLC. Carl Jones Group, LLC is now the majority shareholder of the firm. Additionally, Bonadio & Co, LLP has acquired a minority share in the firm.

Our current Form ADV, Part 2 is available to our existing and prospective clients 24 hours a day through the Investment Adviser Public Disclosure website. Additionally, we will annually and within 120 days of the end of our fiscal year, provide you either: (i) a copy of our Form ADV, Part 2 that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Form ADV, Part 2. We urge you to carefully review all subsequent summaries of material changes, as they will contain important information about any significant changes to our firm, including but not limited to advisory services, fee structure, business practices, conflicts of interest, and disciplinary history.

**Item 3. Table of Contents**

Item 2.	Summary of Material Changes .....	2
Item 3.	Table of Contents .....	3
Item 4.	Advisory Business.....	4
Item 5.	Fees and Compensation .....	5
Item 6.	Performance-Based Fees and Side-By-Side Management.....	6
Item 7.	Types of Clients .....	6
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss.....	7
Item 9.	Disciplinary Information.....	9
Item 10.	Other Financial Industry Activities and Affiliations .....	9
Item 11.	Code of Ethics, Participation in Client Transactions and Personal Trading .....	9
Item 12.	Brokerage Practices .....	10
Item 13.	Review of Accounts .....	12
Item 14.	Client Referrals and Other Compensation.....	13
Item 15.	Custody.....	13
Item 16.	Investment Discretion.....	13
Item 17.	Voting Client Securities .....	13
Item 18.	Financial Information .....	14

#### Item 4. Advisory Business

High Probability Advisor (hereinafter “HPA” or “we”) is a fee-based SEC-registered investment adviser with its principal place of business located in Pittsford, New York. We have been in business since 2017. Stephen Carl and Michael Jones are the principal owners of the firm, with Bonadio & Co., LLP, an affiliated accounting firm, having a minority ownership stake.

As of December 31, 2017, we had \$25,251,329 in discretionary assets under management. We do not offer non-discretionary services.

##### Portfolio Management Services

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal portfolio allocation and create and manage a portfolio based on the client's specific investment objectives. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, income tax situation and income and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.

We will manage advisory accounts on a discretionary or non-discretionary basis, as agreed with each client. Account supervision is guided by the stated objectives of the client. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Generally, client portfolios will be comprised of Exchange Traded Funds (ETFs), mutual funds, equity and fixed-income securities, Real Estate Investment Trusts (REITs), and money market mutual funds (or other short-term investment vehicles).

##### Financial Planning Services

HPA also provides financial planning advice. HPA gathers required information through in-depth personal interviews and may ask clients about their current financial status, future goals and attitudes towards risk. HPA carefully reviews any appropriate documentation thus provided.

In general, financial planning discussions may address any or all of the following areas that may be of concern to clients:

*Personal:* Family records, budgeting, personal liability, estate information, and financial goals;

*Education:* Education IRA's, financial aid, state savings plans, grants and general assistance in preparing to meet dependents' continuing educational needs through development of an education plan;

*Tax & Cash Flow:* Income tax planning and spending analysis. For example, HPA may illustrate the impact of various investments on a client's current income tax and future tax liability;

*Death & Disability:* Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis;

*Retirement:* Analysis of current strategies and investment plans to help clients achieve their retirement goals; and

*Investments:* Analysis of investment alternatives and their effect on clients' portfolios.

If a client chooses to implement the recommendations discussed in the financial planning consultation, HPA suggests that the client work closely with his/her attorney, accountant, insurance agent and/or stockbroker. Implementation of financial planning recommendations is entirely at a client's discretion.

HPA's financial planning recommendations are not limited to any specific product or service offered by a broker dealer or insurance company. All recommendations are of a generic nature.

HPA does not charge clients any fees for financial planning consultations. However, financial planning consultations are available only to existing or prospective portfolio management clients. Receipt of free financial planning consultations is generally contingent on becoming a portfolio management client of HPA. Item 5- Fees and Compensation - provides additional information regarding how and when management fees are assessed.

### Services in General

Our investment recommendations are not limited to any specific product or service offered by a broker dealer or insurance company.

### *Item 5. Fees and Compensation*

#### Portfolio Management and Sub-Advisory Fees

Our fees for Portfolio Management Service are charged at an annual rate of 0.75% of a client's assets under HPA's management.

Portfolio management fees are charged quarterly in advance or in arrears, as agreed with each client, based upon the net value of the assets in the client account on the last business day of the previous quarter or current quarter.

#### Fees in General:

Depending on the particular arrangement with each client, we will either invoice clients or directly debit their custodial accounts for portfolio management or consulting fees.

Fees and account minimums for all services are negotiable based upon certain criteria (i.e. level of service required, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition and complexity, negotiations with client, etc.).

We may group certain related client accounts for the purposes of determining the account size and/or annualized fee.

Certain client agreements may be governed by fee schedules different from those listed above.

### Account Termination and Refunds:

Clients may terminate the advisory agreement by providing us with a 30-day notice at our principal place of business. This notice requirement may be waived at our discretion. If you notify your account's custodian that you're terminating the custodial account linked to your separately managed account with our firm, we will consider this to constitute a notice of termination.

Upon termination of an account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

We will have no obligation to recommend or take any actions with regard to the securities, cash or other investments in a terminated account, but we may, at our discretion, assist you in liquidating assets and in effecting the transfer of assets to a new custodian designated by you.

Mutual Fund and ETF Fees and Expenses: All fees paid to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or an ETF directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

### Brokerage, Custodial and Other Transaction Fees

In addition to advisory fees paid to our firm, clients will also be responsible for all transaction, brokerage, trade-away and custodial fees incurred as part of their account management. Please see Item 12 of this Brochure for important disclosures regarding our brokerage practices.

### *Item 6. Performance-Based Fees and Side-By-Side Management*

We do not charge any fees based on a share of capital gains on or capital appreciation of the assets of a client.

### *Item 7. Types of Clients*

Our firm primarily provides advisory services to the following types of clients;

- Individuals, including high net worth individuals
- Trusts, estates and charitable organizations
- Corporations or other business entities

We typically require a minimum annual fee of \$3,750 or a minimum account size of \$500,000, both of which may be negotiated or waived, at our sole discretion.

#### Item 8. *Methods of Analysis, Investment Strategies and Risk of Loss*

##### Methods of Analysis and Associated Risks

*Quantitative Analysis:* We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

*Fundamental Analysis:* Fundamental analysis of a business involves analyzing its income statement, financial statements and health, its management and competitive advantages, and its competitors and markets. Fundamental analysis school of thought maintains that markets may mis-price a security in the short run but that the "correct" price will eventually be reached. Profits can be made by trading the mis-priced security and then waiting for the market to recognize its "mistake" and re-price the security.

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock. Therefore, unforeseen market conditions and/or company developments may result in significant price fluctuations that can lead to investor losses.

*Technical Analysis:* Technical analysis seeks to identify price patterns and trends in financial markets and attempt to exploit those patterns. We follow and examine such indicators as price, volume, moving averages of the price and market sentiment. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

*Mutual Fund and/or ETF Analysis:* We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable of the client's portfolio.

### *Investment Strategies and Associated Risks:*

We use the following strategies in managing client accounts:

*Long-term Purchases:* We typically purchase securities with the idea of holding them in the clients account for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

*Short-term Purchases:* We may, on rare occasions, purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

All investments in securities include a risk of loss of a client's principal (invested amount) and any profits that have not been realized. Stock markets and bond markets fluctuate substantially over time and performance of any investment is not guaranteed.

Our investment approach takes into consideration the potential risk of loss and seeks to match the investment strategy employed for you with your tolerance for potential fluctuations in markets and incurring losses. Generally, you must invest in securities that have a higher risk of loss in order to obtain a higher potential for long-term gains. There is no guarantee that our investment strategies will meet your objectives or, in any event, protect your assets from the potential for losses. Depending on the types of securities you invest in, you may face the investment risks described below:

- Equity investments are highly volatile and are subject to stock market risk, with the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- Bond and interest rates have an inverse relationship. For example, when interest rates rise, bond prices fall.
- Portfolios that invest in lower-rated debt securities involve additional risks because of the lower credit quality of the securities in the portfolio. As a result, investment in these types of bonds may expose clients to a higher level of volatility and increased risk of default.
- International investing involves special risks, including greater economic and political instability, as well as currency fluctuation risks.



- Investments in stocks of small companies involve additional risks. Smaller companies typically have a higher risk of failure and are not as well-established as larger blue chip companies. Historically, smaller-company stocks have experienced a greater degree of market volatility than the overall market average.
- Investments in real estate have various risks, including possible lack of liquidity and devaluation based on adverse economic and regulatory changes.
- The price of commodities is subject to substantial price fluctuations of short periods of time and may be affected by unpredictable international monetary and political policies. The market for commodities is widely unregulated and concentrated investing may lead to higher price volatility.
- Alternative investments such as non-rated and/or emerging market issues, derivatives, options and other structured products involve different and heightened risks and may not be suitable for investors who are not sophisticated and have no prior experience with these types of investments.
- Mutual funds and ETFs are also subject to market volatility and risk of loss.
- Money market mutual funds are not insured or guaranteed by the United States, the FDIC or any other governmental agency and may lose value.

#### *Item 9. Disciplinary Information*

Our firm has no reportable disciplinary events to disclose.

#### *Item 10. Other Financial Industry Activities and Affiliations*

As of 2018, Bonadio & Co. LLP (hereinafter “Bonadio”) became a minority owner in HPA. As part of the agreement between Bonadio and HPA, Bonadio will offer HPA’s services to its clients. Likewise, HPA clients in need of accounting services will be recommended Bonadio’s services. HPA clients are under no obligation to utilize Bonadio’s services.

#### *Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading*

##### Code of Ethics Disclosure:

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm’s access persons. Our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code provides for oversight, enforcement and recordkeeping provisions. A copy of our Code of Ethics is available to our advisory clients and prospective clients upon request to Stephen Carl, Chief Compliance Officer, at the firm’s principal office address.

Our principals and employees do not typically participate in investment contemplated for advisory clients.

Additionally, to ensure the fulfillment of our fiduciary responsibilities, we have established the following restrictions:

1. No principal or employee of our firm may buy or sell securities or other investment instruments for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No principal or employee of our firm may prefer his or her own interest to that of the advisory client.
2. We maintain a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by Stephen Carl, Chief Compliance Officer or his designee.
3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
4. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
5. Any individual not in observance of the above may be subject to disciplinary action or termination.

#### Item 12. Brokerage Practices

We do not have any formal soft-dollar arrangements and do not receive any soft-dollar benefits.

We do not request or accept the discretionary authority to determine the broker dealer to be used for client accounts. This means that we will not survey or shop the brokerage market place for best execution on a transaction-by-transaction basis. As such, clients must direct us as to the broker dealer to be used. Generally, this direction is given via the client selection of a particular custodian and/or their specific platform and is memorialized in the advisory agreement. In directing the use of a particular broker or dealer, it should be understood that we will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients. Not all advisers require their clients to direct brokerage.

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we will recommend the use of one of several broker dealers, provided that such recommendation is consistent with our fiduciary duty to the client. Generally, we will recommend the brokerage services offered by the client's custodian and/or their respective platforms. Our clients must evaluate these brokers before opening an account. The factors considered by our firm when making this recommendation are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, and the broker's quality of execution services and costs of such services, and the custodial platform provided to clients, among other factors.

*Clients are not under any obligation to effect trades through any recommended broker.*

If a client, when undertaking an advisory relationship with our firm, already has a pre-established relationship with a broker and instructs us to execute all transactions through that broker, it should be understood that under those circumstances, we will not have the authority to negotiate commissions, obtain volume discounts and best execution may not be achieved. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to other clients since our firm may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

We reserve the right to decline acceptance of any client account for which the client directs the use of a broker if we believe that this choice would hinder its fiduciary duty to the client and/or its ability to service the account.

For clients in need of brokerage and custodial services, we will typically recommend Charles Schwab & Company, Inc. ("Schwab") or National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity"), both unaffiliated FINRA-registered broker dealers.

Our firm participates in the Schwab Advisor Services (SAS) program offered to independent investment advisers by Schwab. As part of the SAS program, our firm receives benefits that it would not receive if it did not offer investment. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving SAS participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. The benefits received through participation in the SAS program may or may not depend upon the amount of transactions directed to, or amount of assets custodied by, Schwab.

Participation in the SAS program may result in a potential conflict of interest for our firm, as the receipt of the above benefits creates an incentive for us to recommend Schwab to clients.

We also have an arrangement whereby Fidelity provides our firm with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist us in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Fidelity also offers other services intended to help us manage and further develop our advisory practice. Such services include, but are not limited to, performance reporting, financial planning,

contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom we may contract directly.

Our firm is independently operated and owned and is not affiliated with Fidelity.

Fidelity generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

While, based on our business model, we will not seek to exercise discretion to negotiate trades among various brokers on behalf of clients, we will, however, periodically attempt to negotiate lower commission rates for our clients with Schwab and Fidelity.

#### Trade Aggregation and Allocation

We may aggregate client trades when doing so is advantageous to our clients. Mostly, we will batch client transactions to receive volume discounts and to obtain better and more uniform pricing across client accounts. If we determine that aggregation of trades in a certain situation will be beneficial to our clients, transactions will be averaged as to price and will be allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

#### Cross Trades

We may cross trades between certain client accounts, if such a transaction is in the best interest of all parties involved and a fair value of the securities bought and sold can be established and documented.

#### *Item 13. Review of Accounts*

The following individuals are responsible for client account reviews and model reviews:

- Stephen Carl, Chief Executive Officer, Chief Compliance Officer

We will continuously monitor the underlying securities in client accounts and perform at least monthly reviews of account holdings for all clients. Accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. More frequent reviews may be triggered by changes in an account holder's personal, tax or financial status. Economic and political specific events may also trigger reviews. Clients will receive monthly or quarterly statements and confirmations of transactions from their broker dealer

and/or custodian. Our firm will send additional customized quarterly reports showing portfolio positions, cash and cost basis, market value and/or performance compared to relevant index benchmarks. Annually, either via a client meeting or written correspondence, we will seek to provide the client with a discussion of his specific account(s), market commentary, request information concerning any changes in their specific situations and discuss any changes deemed to be appropriate.

#### *Item 14. Client Referrals and Other Compensation*

Other than that already described in this Brochure, HPA does not receive any additional compensation from third parties for providing investment advice to its clients and does not compensate anyone for client referrals.

#### *Item 15. Custody*

Custody is defined as any legal or actual ability by our firm to access client funds or securities. All client funds and securities are held with one or more “qualified custodians.” However, although our firm does not take actual possession of client funds or securities, we are deemed to have custody of client funds solely due to our ability to directly debit their custodial accounts for our advisory fees. Therefore, we urge all of our clients to carefully review and compare the reviews of account holdings and/or performance results they receive from us to those they receive from their qualified custodian. Any discrepancies should be reported to us and/or the qualified custodian immediately.

#### *Item 16. Investment Discretion*

For clients granting us the discretionary authority to determine which investments and the size of investments to be bought or sold for their account(s), we request that such authority be granted in writing, typically in the investment advisory agreement.

Should the client wish to impose reasonable limitations on this discretionary authority, such limitations shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments must be submitted to us by the client in writing.

#### *Item 17. Voting Client Securities*

Clients whose portfolios we manage may elect to delegate their proxy voting authority to us. Alternatively, clients may, at their election, choose to receive proxies related to their own accounts, in which case we may consult with clients as requested. (With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor’s right to vote proxies.) Since all proxies are voted in bulk across client accounts, we are unable to accept instructions from clients on how to vote a particular proxy. However, clients who have elected to delegate their proxy voting authority to us may withdraw this grant of authority at any time with a written request. Any change in proxy voting delegation will take place immediately upon client notification but may not result in the client having the ability to vote an existing proxy via the new delegation during the current specific

proxy period.

Clients may obtain a copy of our voting policies, procedures and guidelines by contacting Stephen Carl directly. Clients may request, in writing, information on how proxies for their shares were voted. If any client requests a copy of our complete proxy policies and procedures or information on how we voted for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s). We will however, upon client request, file "Proofs of Claims" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

#### *Item 18. Financial Information*

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered, and therefore we have no obligation to disclose our firm financials as part of this Brochure.

Our firm has no financial condition that impairs our ability to meet our contractual obligations to you, and have never been the subject of a bankruptcy proceeding.