



J. Safra Asset Management Corporation

Item 1 – Cover Page

J. Safra Asset Management Corporation

546 Fifth Avenue

New York City, NY 10036

(212) 704-5553

www.jsinvestments.com

May 14, 2020

Brochure

This Brochure provides information about the qualifications and business practices of J. Safra Asset Management Corporation (“JSAM”). If you have any questions about the contents of this Brochure, please contact us at (212) 704-5553 or by email to peter.javier@safra.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

JSAM is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information with which you determine to hire or retain an adviser.

Additional information about JSAM also is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a Central Registration Depository (“CRD”) number. The CRD number for JSAM is 131243.

Item 2 – Material Changes

On July 28, 2010, the SEC published “Amendments to Form ADV” which requires amendments to the disclosure document that JSAM provides to client, as prescribed by SEC Rules. This Brochure dated May 14, 2020 is an update to the previously filed Brochure dated March, 2019. At this time, JSAM does not have any Material Changes to report.

Currently, our brochure may be requested by contacting Peter Javier, Chief Compliance Officer at (212) 704-9361 or peter.javier@safra.com. Additional information about JSAM, including a copy of its brochure, is also available via the SEC’s web site www.adviserinfo.sec.gov.

Item 3 – Table of Contents

| | |
|---|-----|
| Item 1 – Cover Page | i |
| Item 2 – Material Changes | ii |
| Item 3 – Table of Contents | iii |
| Item 4 – Advisory Business | 4 |
| Item 5 – Fees and Compensation | 5 |
| Item 6 – Performance-Based Fees and Side-By-Side Management | 5 |
| Item 7 – Types of Clients | 5 |
| Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss | 6 |
| Item 9 – Disciplinary Information | 7 |
| Item 10 – Other Financial Industry Activities and Affiliations | 7 |
| Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading | 7 |
| Item 12 – Brokerage Practices | 8 |
| Item 13 – Review of Accounts | 9 |
| Item 14 – Client Referrals and Other Compensation | 9 |
| Item 15 – Custody | 9 |
| Item 16 – Investment Discretion | 9 |
| Item 17 – Voting Client Securities | 10 |
| Item 18 – Financial Information | 10 |
| Brochure Supplement(s) | |

Item 4 – Advisory Business

JSAM is owned by Safra New York Corporation, USA and has been providing advisory services since April 2004.

As of December 31, 2019, JSAM managed \$17,343,348 on a non-discretionary basis and \$1,884,816,680 on a discretionary basis; assets under management as of December 31, 2019 totaled \$1,902,160,028.

Investment Management Services

Client Advisory Services

a. Non-Discretionary Advisory Services

JSAM offers non-discretionary Advisory Services to clients generally referred by Safra National Bank of New York as disclosed in Item 14 (“Client Referrals and Other Compensation”) of this Brochure. JSAM provides ongoing recommendations to clients by identifying potential investments, based on and tailored to each client’s individual needs. Recommendations may include private funds (hedge funds), mutual funds, fixed income instruments, equities and derivatives, as well as any other investment that JSAM may deem suitable for the client. JSAM typically monitors, on an ongoing basis, 40 to 80 different investment opportunities as part of its process, predominantly private funds (pooled investment vehicles exempt from Investment Company Act of 1940 registration).

Clients are responsible for approving the investments presented by JSAM, as well as the allocation, if any, to cash, and for implementing selected investments with their custodian. JSAM will not have discretionary authority to make investment decisions or to execute the transactions for clients without the client’s consent. JSAM receives from its clients an advisory fee.

b. Discretionary Advisory Services

JSAM offers discretionary advisory services to clients generally referred by Safra National Bank of New York as disclosed in Item 14 (“Client Referrals and Other Compensation”) of this Brochure. Upon execution and acceptance of a JSAM Discretionary Investment Agreement, JSAM implements the investment strategies based on and tailored to that client’s individual needs. Generally, JSAM serves as the sole investment adviser. JSAM receives from its client an advisory fee.

c. Investment Management Services

As of the date of this brochure, JSAM serves as the investment adviser to private fund-of-one structures. In addition, JSAM serves as the sub-adviser to a private pooled investment vehicle, the securities of which are offered on a private placement bases to investors outside the United States. JSAM receives from its clients an advisory fee.

d. Managed Account Services

JSAM offers model portfolio investment strategies to clients either as a sole investment product or in various combinations or blends, as determined in reaching the clients’ specific investment objectives. This includes a wide range of asset classes (*i.e.*, fixed income and mutual funds) through actively managed accounts such as Unified Managed Accounts (“UMAs”). JSAM offers two types of UMAs: 1) Asset Allocation UMAs for different risk/reward profiles (*i.e.*, Conservative, Balanced and Aggressive), and 2) Single Strategy UMAs focused on a specific strategy (*i.e.*, fixed income, equities).

The clients are responsible for selecting the investment strategy from the model portfolios presented by JSAM. When a client invests in a UMA, the client directly owns the individual securities. The client may request limitations or restrictions on investing in certain securities and/or asset classes. The imposition of limitations or restrictions on an UMA portfolio may result in investment performance results and account volatility that could be materially different than that experienced by client accounts without such restrictions or limitations. JSAM may be unable to provide its services to clients with certain investment limitations or restrictions. JSAM receives from its clients an advisory fee.

Institutional Investment Consulting Services

JSAM also provides consulting services to certain affiliates through a service level agreement whereby JSAM provides administrative services, information, market perceptions and advice in regard to New York’s asset market, including insights, analysis and updates of markets, private funds and any other investments as identified by JSAM.

Based on its ongoing investment research, JSAM provides research reports and, if requested, specific recommendations to affiliates that have contracted for this service. JSAM does not provide advice to the affiliate’s clients as part of this consulting service. JSAM receives a fee for these services.

Item 5 – Fees and Compensation

Management Fees

JSAM receives from its clients an advisory fee calculated as a percentage of the assets under management. The fees may vary according to the strategy and risk tolerance of each client and are subject to negotiation.

| <u>Account Size</u> | <u>Annual Fee (%)</u> |
|----------------------------|------------------------------|
| \$0 – \$5 million | 1.5% |
| \$5 - \$10 million | 1.25% |
| Above \$10 million | Negotiable |

Advisory fees for non-discretionary and Investment management clients are typically payable quarterly in arrears, and are based on the market value of the assets under management as of the last day of each month in the quarter as per the custodian's statement. There is a minimum annual fee of \$50,000 for discretionary and non-discretionary advisory clients.

Advisory fees for discretionary clients and managed account clients are typically payable quarterly in arrears, and are based on the percentage of the average daily closing market value of the assets under management.

Discretionary clients and JSAM may typically terminate the relationship upon receipt of written notice from the other party. Non-discretionary clients and JSAM may typically terminate the relationship upon receipt of 60 days written notice. Investors in the various funds are requested to refer to the offering documents of the specific fund for information on redemption.

Institutional Investment Consulting Services

JSAM receives a fixed fee for this service, and the firm does not have a fee schedule for this type of service. Fees are subject to negotiation with each client. Fixed fees are due and payable monthly in arrears. Institutional Investment Consulting Service clients and JSAM may typically terminate the advisory agreement upon receipt of 30 days written notice.

Mutual Fund Fees and Expenses

To the extent a client invests in mutual funds, exchange traded funds or private funds, all fees paid to JSAM for investment advisory services are separate and distinct from the fees and expenses charged by such funds to their shareholders. These fees and expenses are described in each fund's prospectus or offering documents. These fees will generally include a management fee, a possible distribution fee, other fund expenses and, in the case of private funds, a performance-based fee as described in Item 6 below ("Performance-Based Fees and Side-By-Side Management").

Other Fees

Clients generally bear all expenses related to the investment program, including, but not limited to: brokerage commissions; expenses related to buying and selling securities; custodian fees and interest and other borrowing expenses. Please refer to Item 12 ("Brokerage Practices") for additional information on how JSAM selects brokers.

Additional Compensation and Conflicts of Interest

JSAM does not receive compensation for the sale of securities or other investment products. JSAM's affiliates may receive compensation from securities invested in by JSAM's clients.

Item 6 – Performance-Based Fees and Side-By-Side Management

At present, JSAM does not receive any Performance-Based Fees or perform any Side-by-Side Management Fees.

Item 7 – Types of Clients

JSAM provides portfolio management services to high net worth individuals, corporations and other business entities, private pooled investment vehicles (*e.g.*, hedge funds) and other U.S. and international institutions.

Advisory Services

JSAM typically targets clients who seek a professional investment advisor to recommend suitable investments based on that client's investment objectives and risk constraints. These potential clients have at least \$10,000,000 in investable assets, including cash. An advisory relationship can be established with less than the minimum amount subject to senior management approval.

Managed Account Services

Typically, JSAM targets client accounts with minimum investable assets of \$500,000 for UMA Asset Allocation and \$250,000 for UMA Single Strategy. A managed account can be established with less than the minimum amount subject to senior management approval.

Investment Management Services

JSAM targets multi-family offices with private pooled investment vehicles, where JSAM can serve as either the investment manager or the sub-adviser for the vehicle. JSAM targets ultra high net worth individuals with private fund-of-one structures for which JSAM can serve as the investment manager.

Institutional Investment Consulting Services

Typically, JSAM targets affiliated institutions seeking information regarding different asset classes, including, but not limited to, real estate, hedge-funds and mutual funds.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Types of Investments

JSAM offers investment advice on equities and fixed income. JSAM also provides advice with respect to all types of collective investment vehicles, including hedge funds.

Methods of Analysis

JSAM conducts a thorough evaluation of money managers and investment vehicles using quantitative and qualitative analysis. To the extent such information is available, JSAM considers factors including, without limitation, education, experience and background of key personnel; risk management techniques employed; risk/reward attributes of each money manager's strategy; information obtained through personal interviews and literature; portfolio composition; comparison of manager track record to peer group and market indices; independent verification of past performance; and political and economic factors.

Sources of Information

JSAM relies in part on information (including historical performance data) obtained directly from money managers. JSAM endeavors to obtain independent verification of certain information when it deems appropriate. When evaluating passive investments, JSAM may also rely on publicly available information of various companies. Attending industry and investment conferences as well as reading and analyzing sell-side research further complements the investment evaluation process.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear.

All investments present the risk of loss of principal – the risk that the value of securities, such as hedge funds, private funds, mutual funds, ETFs, equities and individual bonds, when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment. There can be no guarantee that a portfolio or investment strategy will meet its objectives or that it will not suffer losses.

JSAM provides advice primarily regarding security products to foreign investors. Certain funds or model portfolios utilized by JSAM may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

JSAM cannot guarantee the future performance of Client's accounts, promise any specific level of performance, or promise that any strategy or overall management of Client's account will be successful. The investment recommendations JSAM makes for Client, including equity, fixed-income and other investments, are subject to various risks, including but not limited to market, currency, economic, foreign, political and business risks, and will not necessarily be profitable.

The investment decisions made by JSAM are not intended as a complete investment program. In making investment decisions for the Account, JSAM will not consider any other securities, cash or other investments Client owns unless Client has told JSAM to do so in written instructions on Schedule B or other verified and executed communications.

Certain hedge funds are speculative and involve substantial risks. Hedge funds usually are not registered or regulated under any laws, should be considered illiquid investments, are not freely transferable, may be highly leveraged, may be volatile, and may involve higher fees and expenses than other types of investments.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses or private placement memoranda.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of JSAM or the integrity of JSAM's management. JSAM has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

As part of a diversified company, JSAM is affiliated with a number of other privately held financial services entities, both domestic and international, which include:

1. Safra National Bank of New York ("SNB")
2. J. Safra Sarasin Asset Management (Bahamas) Ltd. ("JSSAM Bahamas")
3. Safra Securities LLC ("SSL")
4. Bank J. Safra Sarasin Ltd and its affiliates ("BJSS")

SNB is the custodian for a majority of non-discretionary and discretionary clients and JSAM provides certain institutional consulting services to SNB as described in Item 4.

JSAM provides certain institutional consulting services to JSSAM Bahamas as described in Item 4.

SSL is an SEC registered broker-dealer and a member of FINRA and SIPC. JSAM at times will execute discretionary trades through SSL or other affiliated broker-dealer or others affiliates, such as SNB. JSAM does not receive any other compensation that would create a material conflict of interest to clients.

All JSAM's advisory clients are either SNB customers or referred by SNB.

BJSS provides research as well as fund products. JSAM may utilize research or recommend products produced or managed by affiliated entities. It has no direct financial interest in these entities and receives no compensation for recommending these investments to its clients.

JSAM is indirectly affiliated with a number of other domestic and foreign entities such as real estate partnerships, banks and other non-investment related entities. JSAM's clients are not solicited to invest in, and have no financial interest in, any of these non-investment related entities.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

JSAM has adopted a Code of Ethics which sets forth appropriate ethical standards of business conduct that JSAM requires of its employees, including compliance with applicable federal securities laws. JSAM's Code of Ethics permits its officers and employees to trade in securities, subject to review and reporting of such transactions according to the firm's policies. Therefore, personnel of JSAM may from time to time have acquired or sold, or may subsequently acquire or sell, for their personal accounts, securities that may also be held, or have been purchased or sold, in client accounts. JSAM's Code of Ethics is designed to monitor and protect the interests of clients, and to prevent conflicts of interest or abuse of JSAM's or its employees' position of trust.

JSAM's Code of Ethics includes policies and procedures for the review of quarterly securities transaction reports as well as initial and annual securities holdings reports that must be submitted by JSAM's covered persons. Among other things, JSAM's Code of Ethics requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement), an initial public offering or any personal investment in "reportable" securities. Finally, JSAM's Code of Ethics also includes oversight monitoring, enforcement and recordkeeping provisions.

JSAM or certain of JSAM's international affiliates may, at times, become party to non-public information. A restricted list is maintained by JSAM and any such affiliates, and is provided, updated as necessary to JSAM. Supervised persons of JSAM and its affiliates are prohibited from investing in any entities, on either a personal or professional basis, that are included on the restricted list.

A copy of JSAM's Code of Ethics is available to JSAM's advisory clients upon request to the Chief Compliance Officer at JSAM's principal office address.

Item 12 – Brokerage Practices

JSAM has an affiliated broker-dealer, Safra Securities LLC ("SSL"). JSAM has made the policy decision that SSL may be utilized for trading for discretionary advisory services accounts, as well as for managed accounts.

Transaction costs are not saved by aggregating orders in almost all circumstances in which JSAM arranges transactions.

JSAM allocates trades in its managed account strategies on a pro-rata basis.

Non-Discretionary Advisory Services

For Non-Discretionary advisory services, JSAM will not have discretionary authority to make investment decisions on the client's behalf. JSAM does not have the discretion as to which securities to buy or sell or discretion regarding the execution of the transaction. In other words, clients are responsible for selecting the investments from those presented by JSAM, as well as the allocation, if any, to cash, and for implementing selected investments with their custodian. Put differently, JSAM will not have any authority to give any instructions on the client's behalf to any broker, dealer, custodian, hedge fund administrator or any other person, without the client's prior written consent.

When implementing a securities recommendation, clients generally will direct an institution to execute the transaction, which can be any bank, custodian or broker-dealer of the client's choice, including implementing or arranging the transaction with SNB or SSL.

Discretionary Advisory Services/Managed Accounts

a. Selection of Brokers

For discretionary advisory services, JSAM will determine which securities and the amounts of securities that are bought or sold, as well as the brokers, dealers or counterparties (collectively "Brokers") to be used (including SSL), and the associated commissions or other rates to be paid. JSAM will endeavor to select those brokers which will provide the best execution at competitive rates. In placing orders to purchase and sell securities, JSAM typically considers a number of factors in selecting appropriate brokers, including, among others: the overall costs of a trade (*i.e.*, net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of JSAM's knowledge of negotiated commission rates currently available and other current transaction costs; quality and consistency of market access and of execution including accurate and timely execution, clearance and error/dispute resolution; the broker's ability to execute transactions of size in both liquid and illiquid markets at competitive market prices without disrupting the market for the security traded; the range of services offered by the broker, including the quality and timeliness of market information, the range of markets and products covered, quality of research services provided and recommendations made by the broker; the broker's provision of, and access to, companies (*e.g.*, coverage of securities, access to public offerings and research materials); the broker's responsiveness to queries; the broker's reputation, financial strength and stability as compared with others; and the broker's ability to efficiently document and settle trades, as well as the ease of setup and maintenance of the relationship. As stated in Item 13 ("Review of Accounts"), the Investment Committee of JSAM meets periodically to review best execution and approved brokers list.

JSAM may cause a client's account to pay a broker (including SSL) a higher amount of commission or effecting a transaction for the client's account than another broker would have charged for effecting that same transaction if JSAM determines in good faith that the amount of commissions is reasonable in relation to the value of the broker's overall services.

A client may direct JSAM to execute transactions for the client's account through a specified broker. In this instance, JSAM does not negotiate commissions with respect to transactions executed by the specified broker. Any such commissions will be negotiated solely between the client and the specified broker.

b. Soft Dollars

JSAM may look to use commissions or "soft dollars" to pay for research products that will fall within the safe harbor for soft dollars created by Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended. In these cases, JSAM will make a good-faith determination that the services to be used in the investment decision making process, and that total commissions paid to a broker (including SSL), are reasonable in relation to the value of brokerage and research services provided. If in its judgment the commission is reasonable in relation to the brokerage and research services provided, JSAM is authorized to pay brokerage commission in excess of commission another broker would have received for effecting the same transaction.

Due to the anticipated relatively small amount of commissions that would be generated on an annual basis, and the importance placed on the receipt of third-party research by JSAM, the firm may utilize SSL or a small number of unaffiliated executing brokers for client transactions, in order to maximize the value of such commissions to brokers. While JSAM places transactions solely with brokers subject to best execution requirements, investors should understand that by limiting transactions to SSL or to a small number of executing brokers, as well as receiving bundled research from certain of such brokers, that JSAM may cause clients to pay higher commissions than may be available elsewhere. Without currently limiting transactions to SSL or to a small number of executing brokers, the independent research would be impossible to receive given anticipated commission levels. Clients should understand that when JSAM uses client brokerage commissions (or markups or markdowns) to obtain research, JSAM receives a benefit because JSAM does not have to produce or pay for the research. Therefore, JSAM has an

incentive to select or recommend a broker-dealer based on JSAM's interest in receiving the research, rather than on the clients' interest in receiving most favorable execution. In the past, JSAM directed trades to particular broker-dealers which provided independent research. Generally, all of JSAM's clients benefit from any such independent research. Nevertheless, instances may arise when independent research obtained for a particular account may benefit other client accounts or independent research obtained are not used for the benefit of any client.

Under JSAM's Section 28(e) soft dollar policies, JSAM may utilize research products and services used in the investment decision making process and order execution/brokerage products and services to effect securities transactions and perform trading and settlement functions. Most brokers and/or dealers that custody client assets or effect securities transactions provide their own research services which JSAM may utilize if it believes the information to be useful. JSAM may pay higher commissions than those obtainable from other brokers and/or dealers for its soft dollar arrangements.

Item 13 – Review of Accounts

Reviews

JSAM's Investment Committee, consisting of Patrick Barros, Simoni Morato, Parin Tolia, Adriano Vieira and Nathaniel Gabriel meets at least six times per year. At such meetings, the Investment Committee reviews overall market conditions and any notable performance or change to strategy of underlying money manager(s). The Committee also reviews all accounts during its meetings, and may, as a result of this review, determine or recommend adding new managers and/or investment vehicles to the client, removing existing money managers, and/or investment vehicles and/or adjusting the level of assets maintained with money managers and/or investment vehicles. The Committee also approves, by majority vote, all asset allocation recommendations and investment decisions.

Advisory clients and Institutional Investment Consulting client accounts will be reviewed as contracted for at the inception of the advisory relationship.

Management is responsible for reviewing best execution, the approved brokers list, and soft dollar and other trading considerations on a periodic basis.

Reports

Clients typically receive monthly reports from JSAM which show performance on both an individual security level and consolidated across the advisory account. Estimated market values are provided from the custodian, fund administrator or fund managers.

Clients also receive a periodic investment newsletter through the relationship with their account officers.

Item 14 – Client Referrals and Other Compensation

JSAM may refer potential clients to any affiliated entities and vice versa. JSAM receives no compensation for any referrals to affiliated or unaffiliated entities.

JSAM may receive potential client referrals from eligible employees of affiliate SNB pursuant to a written agreement. In the event that the referred client becomes a JSAM Client, JSAM will compensate SNB for the referral with a percentage of its Management Fees listed in Item 5 at no additional cost to the Client.

Item 15 – Custody

Clients will receive at least quarterly statements directly from their brokerage firm, and bank, including statements from affiliated broker-dealers and affiliated banks, or other qualified custodians or sub-custodians that hold and maintain client's investment assets. JSAM urges its clients to carefully review such statements and compare such official custodial records to the reports that JSAM may provide. JSAM's reports may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

The SEC's custody rule sets forth certain requirements for the safekeeping of client assets. Under this rule, JSAM may be viewed as having custody of certain client assets due to its ability to deduct fees directly from certain client accounts. Pursuant to the rule, JSAM has an independent Public Company Accounting Oversight Board ("PCAOB") accounting firm conduct an agreed-upon procedures audit annually and, according to regulations, an internal controls review is performed on its affiliates SNB and SSL. As a result of this review, Deloitte & Touche LLP provides an AT-C 205 Internal Controls report. Additionally, SNB, as a US National Bank is subject to the supervision of the Office of the Comptroller of the Currency and is subject to various regulatory and reporting requirements. SSL, as a U.S.-registered broker dealer, is subject to oversight by FINRA.

Item 16 – Investment Discretion

Client Non-Discretionary Advisory Services & Institutional Investment Consulting Services

For Non-Discretionary advisory services, JSAM will not have discretionary authority to make investment decisions on the client's behalf. JSAM does not have discretion as to which securities to buy or sell or discretion regarding the execution of the transaction. In other words, clients are responsible for selecting the investments from those presented by JSAM, as well as the allocation, if any, to cash, and for implementing selected investments with their custodian. Put differently, JSAM will not have any authority to give any instructions on the client's behalf to any broker, dealer, custodian, hedge fund administrator or any other person, without the client's prior written consent.

Client Discretionary Advisory Services

Once JSAM has approved and accepted the executed Investment Advisory Agreement, there are no limitations from the client to JSAM's authority to buy or sell securities on the client's behalf to seek to satisfy the client's account objectives. Any limitations to this discretionary authority requested by the client must be submitted in writing and may be amended by the client in writing at any time.

Item 17 – Voting Client Securities

For non-discretionary clients, JSAM does not have authority to vote proxies with respect to client securities. For discretionary clients, except to the extent that a client otherwise instructs JSAM in writing, JSAM will vote (by proxy or otherwise) on all matters for which a shareholder vote is solicited by, or with respect to, issuers of securities beneficially held in client accounts in such manner as JSAM deems appropriate in accordance with its Proxy Voting Policies and Procedures.

Clients may contact the Chief Compliance Officer in order to obtain a copy of Adviser's Proxy Voting Policies and Procedures by contacting Peter Javier at (212) 704-9361 or by email at peter.javier@safr.com.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide certain financial information or disclosures about their financial condition. JSAM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.