

FIRM BROCHURE
(PART 2A of Form ADV)

December 2, 2024

ROCKETTRADER, INC.

***dba* Quants Compete**

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Part 2A of Form ADV (the “Brochure”) provides information about the qualifications and business practices of RocketTrader, Inc. *dba* Quants Compete (“Quants” or the “Firm”). If you have any questions about the contents of this Brochure, please contact us at (334) 332-3007. 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.

RocketTrader, Inc. *dba* Quants Compete is an investment adviser that is registered with the State of Tennessee. The Firm was formerly registered with the Securities and Exchange Commission. However, such registrations do not imply a certain level of skill or training and no inference to the contrary should be made.

Additional information about RocketTrader, Inc. *dba* Quants Compete (CRD #313310) is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 1: COVER PAGE

Please refer to previous page.

ITEM 2: MATERIAL CHANGES

RocketTrader, Inc. *dba* Quants Compete (“Quants” or the “Firm”) has updated this ADV Part 2A Disclosure Brochure (the “Brochure”) to reflect the following changes:

- Item 4.A – Description of Firm – updated to indicate the Firm will assess the financial goals, risk tolerance and time horizon of a client and subsequently manage the client’s portfolio through human calculation methods (i.e., not algorithmic).
- Item 4.E – Amount of Client Assets Managed – updated to reflect the assets under management for the Firm, as of the date of this Brochure.
- Item 5 – Fees and Compensation – Firm currently only charges an Advisory Fees, as of the date of this Brochure;
- Item 8.A – Methods of Analysis and Investment Strategies – updated to require that the Firm have discretion to identify and apply portfolio management for a client’s account, and that such management by the Firm shall be accomplished without the client’s prior approval.
- Item 10 – Other Financial Industry Activities and Affiliations – updated to reflect employment status of the Firm’s supervisory personnel;
- Item 14 – Client Referrals and Other Compensation – updated to reflect employment status of the Firm’s supervisory personnel.

Our prospective clients are strongly encouraged to read this Brochure in its entirety prior to engaging the Firm for any advisory services.

The previous version of this Brochure was dated March 26, 2024. Pursuant to U.S. Securities and Exchange Commission (“SEC”) Rules, the Firm will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of our fiscal year, along with a copy of this Brochure or an offer to provide the Brochure. Additionally, as we experience material changes in the future, we will send you a summary of our “Material Changes” along with an offer to provide the Brochure under separate cover. For more information about Quants, please contact us at (334) 332-3007.

Additional information about Quants and its investment adviser representatives is available on the SEC’s website at www.adviserinfo.sec.gov.

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ITEM 4: ADVISORY BUSINESS

A. Description of Firm

Founded in 2020, RocketTrader Inc. dba Quants Compete ('Quants', 'Firm') is a Tennessee based corporation duly organized under Delaware corporate laws and maintains its principal office at 785 Old Hickory Blvd., Suite 301, Brentwood, TN 37027. The Firm is registered with the State of Tennessee as an investment adviser and provides specialized investment advice to individual and institutional clients. Quants is dedicated to delivering tailored investment strategies focused on stocks, ETFs, bonds, options, and cash management services such as money market instruments.

B. Types of Advisory Services Offered

Quants provides discretionary investment management services, including the selection and management of securities tailored to each client's financial goals, risk tolerance, and investment horizon. The Firm offers advice on the following asset classes: stocks, ETFs, bonds, options, and cash management.

The Firm works with Clients to define investment objectives and preferences. Based on this information, Quants creates and implements customized portfolio strategies and conducts ongoing portfolio reviews.

1. Investment Management Services

Quants provides clients with ongoing Services, which are performed on a discretionary basis and allow Quants to provide investment advice and portfolio management. The Firm's diversified Strategies typically consist of equities, fixed income, derivatives, and/or cash management instruments, including stocks, mutual funds, ETFs, bonds and other financial products. In addition, when appropriate, Quants can use certain option strategies to mitigate market risks.

Quants customizes client portfolios according to the client's response to our Questionnaire. The Questionnaire assesses the client's risk tolerance, time horizon and specific goals. Strategies may rely on technical analysis, fundamental analysis (e.g., the scouring of EDGAR SEC filings), and publicly available data to identify market trends. Such information will be made available to the client, per their written request.

Prior to engaging Quants to provide Services, the client is required to enter into a written Investment Client Servicing Agreement, or similar agreement, with the Firm setting forth the terms and conditions of the engagement, as well as describing the specific scope of the services to be provided. Such agreement will be provided to each client via email.

Quants will not assume any responsibility for the accuracy of the information provided by the client in the client Questionnaire. The Firm is not obligated to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly

authorized to rely on such information. Under all circumstances, clients are responsible for promptly notifying the Firm through email or phone to update any material changes to the client's financial situation, investment objectives, time horizon, tax status, risk tolerance or other material information that the Firm may have relied upon in rendering its Services. If a client notifies the Firm of such changes, Quants will review the changes and may recommend revisions to the client's portfolio. Quants does not allow clients to place restrictions on the types of securities, industries or sectors that may be included as part of the client's account.

C. Wrap-Fee Programs

Quants does not provide its services to any wrap fee program, as that term is defined in the instructions to Form ADV Part 2.

D. Amount of Client Assets Managed

As of December 2, 2024, the following represents the amount of client assets under management by Quants on a discretionary and non-discretionary basis:

Type of Account	Assets Under Management ("AUM")
Discretionary	\$2,019,636
Non-Discretionary	\$0
Total:	\$2,019,636

ITEM 5: FEES AND COMPENSATION

A. Compensation for its Services

As described in greater detail below, Quants charges its fees based on a percentage of assets under management ("AUM"), depending on the size of a client's account. The specific fees charged by Quants for its Services will be set forth in the written agreement between Quants and the client. Although Quants believes its fees are competitive, clients should be aware that lower fees for comparable services can be available from other sources.

1. Fees Based Upon a Percentage of Assets Under Management

The Firm charges a fee ("Advisory Fee") based upon a percentage of such AUM which is calculated based on the total AUM as of the close of business on the last business day of the preceding calendar month. The Firm's Advisory Fee for its Services for such accounts is 0.95% of AUM per year and is calculated and assessed monthly, in arrears based on the total AUM as of the close of business on the last day of the preceding calendar month. The Advisory Fee is charged against the client's account as of the first business day of the next calendar month. Thereafter, the client will be charged the Advisory Fee monthly until the client terminates their agreement with

Quants. By engaging the Firm to perform its Services, clients authorize Quants to request that the custodian remit payment for the Advisory Fees, which shall be paid directly from the client's account(s). Accordingly, Quants' Advisory Fees will be automatically deducted from the client's account by the custodian monthly based on the date in which the client registered with Quants.

By engaging the Firm to perform its Services, clients authorize Quants to request that the custodian remit payment for the Advisory Fees in connection with the Services, which shall be paid directly from the client's account(s). Accordingly, Quants' Advisory Fees will be automatically deducted from the client's account by the custodian as described above. The amount due for Advisory Fees is calculated by applying the above monthly fee percentage to the previous month-end account value(s).

Under certain conditions (such as for friends and family of the firm, or for a particularly large client), Quants may, at its sole discretion, choose to reduce or waive its Advisory Fee.

B. General Information on Quants' Compensation and Fees

Clients will incur certain fees or charges imposed by third-parties other than Quants in connection with investments or recommendations made by the Firm and vary depending on the applicable Strategy. These fees and charges are separate and distinct from the fees or charges assessed by Quants stated above and can include, but are not limited to: mutual fund 12b-1 fees, certain deferred sales charges on previously purchased mutual funds transferred into the account, other transaction related fees, IRA and Qualified Retirement Plan fees, "spreads" imposed by brokers and dealers representing implicit transaction costs, commissions and transfer taxes and transfer fees, administrative and software fees, and other fees and taxes on brokerage accounts and securities transactions. Information regarding fees or charges assessed by any mutual funds held in client accounts is available in the appropriate prospectus. Quants is not responsible for, and does not receive any portion of, the fees imposed by such third-parties. Please note, such fees will differ from client to client based on their own unique situation and selection of products and services.

Either party, upon written notice to the other, may terminate the relationship and the Services to be performed by the Firm. Upon receipt of such termination notice, the client's account will be closed by the Firm at the end of the billing cycle for the respective client. The Advisory Fees charged for Quants' Services are calculated as described herein, and are not charged based on a share of capital gains or the performance of the client's account.

C. Outside Compensation

Neither Quants, nor any of its associated persons, engages in any outside business activity that would result in accepting compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Quants does not charge performance-based fees (*i.e.*, fees calculated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client). Consequently, the Firm does not engage in side-by-side management of accounts that are charged a

performance-based fee with accounts that are charged another type of fee (such as assets under management). As described in Item 5, above, Quants provides its Services for fees that are accessed in accordance with the Quants' Advisory Fee calculated based on a percentage of AUM.

ITEM 7: TYPES OF CLIENTS

A. Description

As stated in Item 4 above, Quants is an internet investment adviser that provides services to individuals and businesses based upon an assessment of their financial goals, risk tolerance and time horizon.

B. Conditions for Managing Accounts

There is no minimum account size.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies

At account opening, the client will complete a Questionnaire that will allow Quants to gather material information regarding the client such as age, financial condition, employment status, investment objectives, risk tolerance, and time horizons. Next, Quants will analyze the client's responses and recommend a trading Strategy that most closely aligns with the client's financial goals, risk tolerance, and time horizon. Since Quants will rely on the information provided by each client via its Questionnaire, it is the responsibility of the client to update their profile periodically, especially when the material information provided to Quants for review has changed. The client is free to cancel Quants' Services at any time, and shall remain responsible for any Advisory Fee owed as of such termination, pursuant to the client's agreement with the Firm.

Clients should be aware of key similarities and differences that exist between Strategies. At the most basic level, Strategies are methods used to process input data in order to output a decision (i.e., to buy/sell securities to the client's account). Strategies take into consideration the financial goals, risk tolerance and time horizon of the client.

Input data is what a Strategy uses to make decisions about whether to buy/sell or hold a particular position. Each Strategy is designed to receive a specific set of input data. Such input data can derive from either fundamental and/or technical sources. For example, consider a Strategy that uses fundamental data from a company's Form 10-Q to run analysis designed to determine whether the company's common stock is undervalued or overvalued. Consider another Strategy that uses the ex-dividend date of a given stock, its 90-day moving average and the company's debt-to-equity ratio as inputs to the Strategy. Consider yet another Strategy may consider the volatility of an ETF and its trading volume to establish a buy or sell signal within a client account. Note: in addition to securities-related input, a Strategy can also consider the client's material information (e.g., account size, risk tolerance, time horizon, if the account is tax-deferred).

Once the Strategy has received the required input data, Quants will process the data in order to determine whether conditions have been met to trigger a buy or sell signal. For example, a Strategy can compare the market price of an equity to a variety of factors (e.g. 90-day moving average, volatility, volume, PEG, etc.). A different Strategy may consider writing covered calls to protect a clients unrealized gain in an underlying stock position. Per the client's written request, the client will receive information as to the type of securities that will be traded pursuant to the applicable Strategy and the investment strategy of the applicable Strategy.

When specific conditions are met, a Strategy will result in a buy/sell signal. Each buy/sell signal that is outputted by a Strategy will include the appropriate details for that given security (e.g., market/limit order, limit price, quantity, stock symbol, strike price, call/put, etc.) It should be noted that Strategies can trade in one or more of the following securities: stocks, options, ETFs, bonds, mutual funds and/or cash.

Since each Strategy is generally unique, Quants prioritizes transparency in disclosing pertinent details regarding the Strategy, per the written request of the client. For example, a Strategy that is designed to rebalance a portfolio will include information in connection with this rebalancing process.

Accordingly, when a written request is submitted by the client, Quants will provide the client with material written information pertaining to each Strategy. Such information includes, but is not limited to, general strategy, and performance & risk metrics. Since the risk associated with a given Strategy can fluctuate according to both the changing risk tolerance of a given client, and the dynamic economic landscape, Quants reserves the right and maintains discretion to change the Strategy it applies to a client's portfolio without first obtaining consent from the client. This is done in an effort to minimize misalignment between a client's financial objectives and the performance/risk metrics of the Strategy itself. Moreover, Quants reserves the right and maintains discretion to apply one or more Strategies in order to manage a client portfolio without first obtaining consent from the client..

B. Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. Prior to engaging Quants to perform its Services, a client should carefully consider: 1) committing to management only those assets that the client believes will not be needed for current purposes and that can be invested on a long-term basis, usually a minimum of three to five years, 2) that volatility from investing in the stock market can occur, and 3) that over time the client's assets will fluctuate and at any time be worth more or less than the amount invested.

Some of risks of loss a client should be aware of include, but are not limited, to the following:

- Business Risk: These risks are associated with a particular industry or a particular company within an industry. Generally, business risk is that a company will go bankrupt or perform below expectations. Every company carries the business risk that it will produce insufficient cash flow in order to maintain operations. Business risk can come from a variety of sources, some systemic and others un-systemic. That is, every company

has the business risk that the broader economy will perform poorly and therefore that sales will be poor, and also the risk that the market simply will not like its products.

- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Equity (stock) Market Risk: Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- ETF and Mutual Fund Risk: When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations might result in bankruptcy and/or a declining market value.
- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- Interest-Rate Risk: Fluctuations in interest rates might cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if there is an active market for the asset. For example, Treasury Bills are highly liquid, while real estate properties are not.
- Management Risk: Your investment with our Firm varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.
- Market Risk: The price of a stock, bond, mutual fund or other security could drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.
- Non-diversification Risk: The risk of focusing investments in a small number of issuers, industries, or foreign currencies, including being more susceptible to risks associated with a single economic, political, or regulatory occurrence than a more diversified portfolio might be.
- Opportunity Cost Risk: The risk that an investor can forego profits or returns from other investments.
- Political and Legislative Risks: Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning and with significant impact, this is especially true for companies operating outside of the United States or that conduct a portion of their business outside of the United States.
- Reinvestment Risk: This is the risk that future proceeds from investments might have to

be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

- **Sector Risk:** The chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall stock market. Daily fluctuations in specific market sectors are often more extreme than fluctuations in the overall market.

For certain clients, Quants can make use of options. For example, a selected Strategy could buy put options if a client owns a stock in order to help reduce market risk of a large loss in the position. While options do carry certain risks as mentioned above, they can be used in conjunction with other Strategies to mitigate market risks and/or for the purposes of leveraging client assets to meet the client's investment goals with a defined risk level. The following risks are associated with these types of transactions:

- **Options:** An option is a contract to buy or sell a specific financial product officially known as the option's underlying instrument or underlying interest. For equity options, the underlying instrument is a stock, ETF, or similar product. The contract itself is very precise. It establishes a specific price, called the strike price, at which the contract could be exercised, or acted on. It also has an expiration date. When an option expires, it no longer has value and no longer exists. Options come in two varieties, calls and puts, and you can buy or sell either type. Call contracts will expire worthless if the underlying security closes below the strike price on expiration. Put contracts will expire worthless if the underlying security closes above the strike price on expiration. Selling a covered call could limit the upside if the underlying security closes above the strike price on expiration. Special tax rules might apply, depending on the outcome. Prior to buying or selling an option, clients should read Characteristics and Risks of Standardized Options. Copies of this document can be obtained from the Firm, from any exchange on which options are traded, on the web at: <http://www.optionsclearing.com/components/docs/riskstoc.pdf> or by contacting The Options Clearing Corporation, One North Wacker Dr., Suite 500, Chicago, IL 60606 (1-888-678-4667).
- **Option buying:** This is a basic options strategy where investors buy a call or put option with the hope that the price of the underlying stock will move far enough to cover the premium paid for the option.
- **Option writing:** Investors can sell options in order to obtain additional income from premiums paid by the option buyer. Option writing is often associated with the investment strategy known as covered call writing. Covered calls limit the upside of a stock holding.

As mentioned above, the Quants Strategy could use short-term trading as one of its investment strategies. Clients should be aware that frequent trading will result in increased brokerage and other transaction costs, and that such costs generally reduce investment returns over time.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisers, such as Quants, are required to disclose all material facts regarding

any legal or disciplinary events that would be material to a client's or prospective client's evaluation of the Firm or the integrity of its management. Quants does not have any such legal or disciplinary events and thus has no information to disclose with respect to this Item.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Financial Industry Activities and Affiliations

Neither Quants nor any of its associated persons, are registered, or have an application pending to register, as a broker dealer, a registered representative of a broker-dealer, a futures commission merchant, commodity pool operator, a commodity pool trading advisor, or an associated person of the foregoing entities. Further, Quants does not select other investment advisers to manage some or all of the client's assets.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Description of Code of Ethics

The Firm has adopted a Code of Ethics, which must be adhered to by all associated persons. The Code of Ethics sets forth the professional behavior which must be followed by all employees, including the Firm's owner and associated persons.

Quants' Code of Ethics mandates that the Firm be in compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. To accomplish this mandate, Quants has adopted a firm wide policy statement outlining insider trading compliance for the Firm and its associated persons. This policy statement has been distributed to all associated persons of the Firm and has been signed and dated by each such person. A copy of the policy statement is left with each of the Firm's associated persons and the original is maintained in a master file. Further, Quants has adopted a written supervisory procedures statement highlighting the steps which shall be taken to implement the Firm's policy. These materials are also distributed to all associated persons and other employees of Quants, are signed, dated and filed with the insider trading compliance materials.

Quants' Code of Ethics contains provisions adopted for:

- Restricting access to files;
- Providing continuing education;
- Restricting and/or monitoring trading on those securities of which the Firm's employees can have material non-public information;
- Requiring all of Quants' employees to conduct their trading through a specified broker or reporting all transactions promptly to the Firm; and
- Monitoring the securities trading of Quants and its employees and associated persons.

Quants will provide a copy of its Code of Ethics to any client or prospective client upon request. To obtain a copy of Quants' Code of Ethics, please contact the Firm at (334) 332-3007. Quants obtains

information from a wide variety of publicly available resources. The Firm and its personnel do not have, nor claim to have, insider or private knowledge.

B. Participation or Interest in Client Transactions

It is Quants' policy not to enter into any principal transactions or agency cross transactions on behalf of client accounts. Principal transactions occur where an adviser, acting as principal for its own account, buys securities from or sells securities to any advisory client. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Quants or individuals associated with Quants can buy or sell for their personal account(s) securities or investment products identical to those recommended to or already owned by clients. Alternatively, Quants can cause clients to buy a security in which Quants or such individuals have an ownership position. Such recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Nevertheless, such practices present potential conflicts of interest. To mitigate these conflicts, Quants has adopted a Code of Ethics, which outlines the procedures regarding personal trading that must be followed (see details below). Additionally, as part of Quants' fiduciary duty owed to clients, Quants and its associated persons will endeavor at all times to put the interests of the clients first and at all times are required to adhere to Quants' Code of Ethics.

C. Personal Trading

On occasion, employees of Quants can buy or sell securities identical to those recommended to clients for their personal account, subject to restriction imposed by Quants. It is possible that officers or employees of Quants can buy or sell securities or other instruments that Quants has recommended to a client and can engage in transactions for their own account in a manner that is inconsistent with Quants' recommendations to a client. Personal securities transactions by employees can raise potential conflicts of interest when such person's trade in a security that is owned by, or considered for purchase or sale for, a client.

In order to mitigate this conflict of interest and to comply with all applicable laws and regulations, Quants' Code of Ethics sets forth the professional and fiduciary standards that all associated persons must follow. The Firm's intention is to protect client interests at all times and to demonstrate Quants' commitment to its fiduciary duties of honesty and good faith and fair dealing with clients. All associated persons are expected to adhere strictly to the policy and are required to follow specific procedures regarding personal trading, including:

- Adhere to the fundamental standard that employees should not take inappropriate advantage of their position;
- Conduct all personal securities transactions in a manner consistent with the adopted policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities; and
- Comply with applicable provisions of the federal securities laws.

ITEM 12: BROKERAGE PRACTICES

A. Selection Criteria

When performing its Services, Quants requires that the client has an existing account or opens an account with Interactive Brokers, LLC (“Interactive Brokers”). This is due to the fact that the Firm uses Interactive Brokers’ brokerage trading platform software. However, Quants periodically evaluates the commissions charged and the service provided by broker-dealer custodians and compares those with other broker-dealers to evaluate whether overall best qualitative execution could be achieved by using alternative broker-dealer custodians. Other factors the Firm can consider when evaluating its choice of broker-dealer custodian include:

- Ability to trade equities, fixed income instruments, mutual funds and other investments that Quants determines suitable for a client's portfolio;
- Any custodial relationship between the client and the broker-dealer;
- Reliability, accessibility and quality of customer service and interaction with Quants;
- Ease of client access to funds via cashiering services (*e.g.*, direct deposits, withdrawals, wire, overnight check and ACH to clients’ bank account(s));
- Ease of website access, document, and tax form accessibility;
- Discount transaction rates;
- Reliability and financial stability;
- Overall platform and product offerings (including no-load fund access and no transaction fees assessed); and
- Fees for ancillary services (*e.g.*, wire transaction and overnight fees).

It is possible that the broker-dealer custodian recommended by the Firm will not provide the lowest commission rate available taking into consideration factors outlined above. Quants does not accept or allow directed brokerage arrangements; see Item 12.F, below.

B. Best Execution

Quants will generally seek “best execution” in light of the circumstances involved in transactions. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the overall best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including among others, net price, reputation, financial strength and stability, efficiency of execution and error resolution, the size of the transaction, and the market for the security. Quants will not obligate itself to obtain the lowest commission or best net price for an account on any particular transaction. Consistent with the foregoing, while Quants will seek competitive rates, it can not necessarily obtain the lowest possible commission rates for client transactions.

To ensure that brokerage firms selected by Quants are conducting overall best qualitative execution, Quants will periodically (and no less often than annually) evaluate the trading process and brokers

utilized. This evaluation will include, but is not limited to price, commission, timing, research, aggregated trades, capable floor brokers or traders, competent block trading coverage, ability to position, capital strength and stability, reliable and accurate communications and settlement processing, use of automation, knowledge of other buyers or sellers, and administrative ability.

C. Research and other Soft Dollar Benefits Provided by Interactive Brokers to Quants

Quants participates in the institutional advisor program (the "Program") offered by Interactive Brokers. Interactive Brokers is a member FINRA/SIPC/NFA, an unaffiliated SEC-registered broker-dealer and FINRA member. The Firm recommends Interactive Brokers to clients for custody and brokerage services. There is no direct link between the Firm's participation in the Program and the investment advice it gives to its clients. Through its arrangement with Interactive Brokers, Quants receives some economic benefits that are typically not available to Interactive Brokers retail investors. Interactive Brokers will at times provide additional services to the Firm in its sole discretion and at the expense of Interactive Brokers, and the Firm does not pay any fees to Interactive Brokers for such additional services. Examples include, among other things, access to research, webinars and conferences, educational events and compliance updates. These products or services assist the Firm in managing and administering client accounts, and helps the Firm develop its business. The benefits received by the Firm or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to Interactive Brokers.

The Firm's receipt of such benefits does not diminish its duty to act in the best interests of its clients, including seeking best execution of trades for client accounts. As part of its fiduciary duties to clients, the Firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of benefits by the Firm or its associated persons in and of itself creates a conflict of interest and is a factor in the Firm's choice of utilizing Interactive Brokers for custody and brokerage services.

D. Economic Benefits of Being on the Interactive Brokers Platform

Other than the Program features and benefits provided above, Quants does not receive any additional economic benefits from being on the platform offered by Interactive Brokers.

E. Receipt of Incidental Benefits

As indicated in Item 12 A and B, above, Quants maintains a relationship with, and typically recommends the services of Interactive Brokers as a qualified third-party broker-dealer custodian. In a large part, Interactive Brokers is selected based on the overall qualitative benefits that Quants' clients receive (including overall benefits and costs to clients for services and execution).

In connection with this relationship, Quants does receive certain incidental benefits as detailed above. Because the Firm does not have to produce or pay for such benefits, Quants has an incentive to recommend a broker-dealer based on these incidental benefits rather than the clients' interest in receiving most favorable execution. These practices could also cause clients to pay fees that are higher than those that another qualified broker-dealer might charge to effect the same or similar transaction. Some of these benefits are provided to Quants as part of a "bundled package" from

Interactive Brokers. Quants does not attempt to match a particular client's trade executions with broker-dealers who have provided research services, which have directly benefited that client's portfolio. Rather, the benefits received by Quants are generally used for the ultimate benefit of all of the Quants' clients, and in certain instances, the benefits can only be used for the benefit of a specific segment of the Quants' clients.

F. Directed Brokerage

Quants does not allow a client to direct the Firm to execute all or a portion of client transactions through a specific broker ("Directed Brokerage").

G. Order Aggregation

Quants typically affect transactions for each client account independently and does not aggregate trades of accounts.

As referenced in Item 11, it is possible that Quants or its related person(s) will have an interest or position in certain securities which also are invested by the client pursuant to the client's particular Strategy. When possible, if Quants or its related person(s) wish to transact in the same securities on the same day as client accounts, such transactions must adhere to Quants' Code of Ethics policies. At all times, the interests of Quants' clients will come first.

ITEM 13: REVIEW OF ACCOUNTS

A. Periodic Reviews

Client accounts are monitored on an ongoing basis. At least annually, reviews are conducted by Quants to check for consistency with the investment strategy implemented in accordance with the parameters set forth by the client in the Questionnaire and the client's financial plan, and to determine if any adjustments need to be made. Following such review, and in the event rebalancing or potential changes are recommended by Quants, the client will be afforded such information in accordance with the client's Client Servicing Agreement. In the event a Strategy drifts by a significant amount in terms of risk and performance, clients will be notified by email from Quants. With this in mind, client accounts are monitored on an ongoing basis. Additionally, Quants routinely monitors the performance and risk metrics associated with each of its Strategies. Quants recognizes that each of these metrics are subject to change as functions of time, and thus, client account reviews can also occur more frequently upon request by the client.

B. Other Reviews and Triggering Factors

In addition to the periodic reviews described above, reviews will be triggered when a client notifies the Firm of changes in his/her personal, retirement, tax or financial status. Other events that can trigger a review of an account are material changes in market conditions, macroeconomic and company-specific events, and rebalancing needs, such as client requests for short-term income needs. Clients are encouraged to notify Quants of any changes in their personal financial situation that might affect their investment needs, objectives, risk tolerance, tax status, time horizon or other material information that Quants relied upon during the course of applying certain Strategies.

C. Regular Reports

Written brokerage statements are generated no less than quarterly and are sent directly from the account custodian. These reports list the account positions, activity in the account over the covered period, and other related information, including any fees deducted from the account. In addition, clients are able to receive other supporting reports from mutual funds based on their investments held within their accounts and their applicable internal reporting requirements.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

A. Incoming Referrals

The firm does not compensate third parties for client referrals.

B. Referring Clients to Third Parties

Quants does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them by the Firm.

C. Other Compensation

As more fully explained in Item 12, above, Quants receives certain benefits because of its relationship and recommendation of certain broker-dealers, including its use of the Interactive Brokers' Program. Based on the placement of client assets with, for example, Interactive Brokers, Quants receives investment research products and/or services which assist the Firm in its investment decision-making process. The receipt of such services is perceived to serve as an economic benefit to the Firm, and although customary, these arrangements give rise to potential conflicts of interest, including the incentive to allocate securities transactional business to broker-dealers based on the receipt of such benefits rather than on a client's interest in receiving most the favorable execution. To mitigate this potential conflict of interest, and as part of Quants' fiduciary duty to its clients, the Firm endeavors at all times to put the interest of the clients first.

Matthew P. Jones, Ph.D. currently devotes the majority of his professional time and efforts on the development of the Firm. In addition to Quants, Matthew P. Jones, Ph.D. devotes a minority of his professional time and efforts to his role as Managing Partner to a Private Equity firm.

ITEM 15: CUSTODY

Under federal regulations, Quants is deemed to have custody of client funds or securities in that Quants has authority to debit its fees directly from the client's account. To mitigate potential conflict of interest, all Quants client account assets will be maintained with an independent qualified custodian.

Clients will receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. Clients are urged to carefully review all custodial statements and

compare them to any account reports provided by Quants. Quants' reports can vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Please refer to Item 12 for additional important disclosure information relating to Quants' practices and relationships with custodians.

Under federal regulations, advisers with custody are generally required to undergo an independent verification of the assets for which the adviser has custody through an annual surprise examination by an independent certified public accountant. Advisers, such as Quants, which are deemed to have custody solely as a consequence of the authority to debit fees directly from client accounts are not required to obtain an independent verification of those client funds and securities maintained by a qualified custodian so long as certain steps are followed. This includes providing each client with an invoice or similar statement that includes the adviser's fee and information on how it was calculated. Clients should understand that it is their responsibility to ensure that the fee calculation is correct, and not the custodian.

If funds or securities are inadvertently received by Quants, they are returned to the sender immediately or as soon as practical.

ITEM 16: INVESTMENT DISCRETION

A. Discretionary Authority; Limitations

Quants has full investment discretion over (1) which securities are to be bought or sold in client accounts; (2) the amount of securities to be bought or sold in client accounts; and (3) when transactions are made. This means that Quants does not have to obtain prior consent from the client when investing client assets. In addition, the Firm's authority to trade securities can be limited in certain circumstances by applicable legal and regulatory requirements.

B. Limited Power of Attorney

By signing the Firm's client agreement, clients authorize the Firm to exercise this full discretionary authority with respect to all investment transactions involving the client's account. Pursuant to such agreement, Quants is designated as the client's attorney-in-fact with discretionary authority to effect investment transactions in the client's account, which authorizes Quants to give instructions to third parties in furtherance of such authority.

Quants' authority to trade securities can be limited in certain circumstances by applicable legal and regulatory requirements. In some instances, Quants' discretionary authority can be limited by conditions imposed by clients, including restrictions on investing in certain securities or types of securities. All such limitations, restrictions, and investment guidelines must be provided to Quants in writing and when the client completes the Quants Questionnaire.

ITEM 17: VOTING CLIENT SECURITIES

Quants' policy and practice is to not vote proxies on behalf of its clients, and therefore, shall have no obligation or authority to take any action or render any advice with respect to the voting of

proxies solicited by or with respect to issuers of securities held in a client's account.

Consequently, the Firm's clients retain the responsibility for receiving and voting all proxies for securities held within the client's account. Quants shall not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client.

Quants does not advise or act for clients with respect to any legal matters, including bankruptcies and class actions, for the securities held in clients' accounts.

ITEM 18: FINANCIAL INFORMATION

Quants does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet. Quants does not have any financial commitments that impair its ability to meet contractual and fiduciary obligations to clients and has not been the subject of a bankruptcy proceeding.