



## Quantbase

Quantbase, LLC is a registered investment adviser with the Securities and Exchange Commission and provides investment advisory accounts and services, rather than brokerage accounts and services, via the internet. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### What Investment Services and Advice Can You Provide Me?

Quantbase, LLC is a robo-adviser that offers investment advisory services in a wrap fee program to retail investors (“you”). We offer portfolio management services on a discretionary basis through our interactive website. This means you grant us ongoing and continuous discretionary authority to make, and to enter orders with a broker/dealer for the execution of, its investment recommendations in accordance with your investment profile without your prior approval of each specific transaction. You grant us discretionary authority through signing our investment advisory agreement. You may, at any time, revoke this authority or impose reasonable restrictions on the degree of risk level (less aggressive, aggressive and more aggressive growth), which portfolios to invest in, and the amount of assets invested in each portfolio. However, you are not able to select specific securities or restrict the purchase of specific securities as the portfolio recommendations created by us are based solely upon the information provided by you on our website. Once an investment strategy is recommended and you invest in a portfolio, you cannot change the portfolio as these investment strategies are automated.

As part of our standard services, we automatically rebalance your advisory account to ensure it continues to perform as we intend. We will also monitor your accounts to ensure that they are meeting your investment objectives and other requirements. Specifically, we will continuously monitor your portfolio for performance, risk and asset allocation at least monthly, and conduct a review of your account at least annually. If any changes are needed to your investments, we will make the changes or recommend the changes to you.

We offer advice with respect to stocks, ETFs, and leveraged ETFs. There is no minimum account size to invest with us.

For more detailed information about our services, please see Items 4.A. and 5 of our Part 2A Appendix 1 “Wrap Fee Brochure”.

#### Conversation Starters

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

### What Fees Will I Pay?

You will pay an advisory fee which certain transactional costs are included in the client’s management fee (“Wrap Fee”). The typical Wrap Fee charged by us is 1% annually for accounts with about \$12,000 in assets under management, and \$10/month for accounts below this. The Wrap Fee is calculated based on the value in the account on the first day of the month. Quantbase shall have the ability to have its advisory fee for each client debited by the custodian on a monthly basis.

Fees included in the Wrap Fee include transaction fees for the purchase or sale of securities, but do not include expenses related to the use of margin, wire transfer fees, the fees (including expense ratios) charged to shareholders of mutual funds or ETFs, short-term redemption fees, mark-ups and mark-downs, spreads, odd-lot differentials, paper statement fees, fees charged by regulatory agencies, exchange fees, American Depositary

Receipt fees, transfer taxes, fees required by law and any transaction fees for securities trades executed by a broker-dealer other than Alpaca Securities. Asset-based fees associated with the wrap fee program will include most transaction costs and fees to a broker-dealer or bank that has custody of these assets, and therefore are higher than a typical asset-based advisory fee.

Our receipt of asset-fees for managing client accounts results in conflicts of interest. For example, the more assets in a client's advisory account, the more a client will pay in asset-based fees, and the firm may therefore have an incentive to encourage clients to increase the assets in their accounts. Please review Items 4 and 9 of our Part 2A Appendix 1 "Wrap Fee Brochure" for detailed descriptions of conflicts and how we address them.

*You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more detailed information about our fees and costs, please see Item 4 of our Form ADV 2A Appendix 1 "Wrap Fee Brochure".*

#### Conversation Starters

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

### **What Are Your Legal Obligations to Me When Acting as My Investment Adviser? How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?**

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

- We receive brokerage services (trading, custody, reporting and related services) as well as various support services that help us manage or administer your accounts and/or help us manage and grow our business. Because we receive these services from our custodian at no charge (or at a discount), this presents a conflict of interest in that we have an incentive to continue recommending a custodian based on our existing relationship and the benefits we receive.

Please review Items 4 and 9 of our Part 2A Appendix 1 "Wrap Fee Brochure" for detailed descriptions of conflicts and how we address them.

#### Conversation Starters

- How might your conflicts of interest affect me, and how will you address them?

### **How Do Your Financial Professionals Make Money?**

Our IARs are compensated by fixed salary, stock options, restricted and unrestricted stocks.

### **Do You or Your Financial Professionals Have Legal or Disciplinary History?**

No. Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research Quantbase and our financial professionals.

#### Conversation Starters

- As a financial professional, do you have any disciplinary history? For what type of conduct?

For more information about our investment advisory services or to request the most- current- version of this relationship summary, please go to [getquantbase.com/FormCRS](https://getquantbase.com/FormCRS), call us at 540 656 3127, or email us at [hello@getquantbase.com](mailto:hello@getquantbase.com).

#### Conversation Starters

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?