

## Quantitative Finance LLC

### Form ADV Part 2A Wrap Fee Program

This Wrap Fee Program Brochure, Form ADV Part 2A ("**Brochure**"), provides information about the qualifications and business practices of Quantitative Finance LLC, a registered investment adviser. If you have any questions about the contents of this Brochure, please contact us at (443) 752-9529 or by email at [Logan@surmount.ai](mailto:Logan@surmount.ai). 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. Registration does not imply a certain level of skill or training.

Additional information about Quantitative Finance LLC is also available on the SEC's website at [www.adviserinfo.SEC.gov](http://www.adviserinfo.SEC.gov). Quantitative Finance LLC's CRD number is 323380.

March 1, 2024

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**Item 2: Material Changes**

This Form ADV, Part 2A is Quantitative Finance LLC's initial Form ADV Part 2A. Therefore, there are no material changes to report.

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## **Item 4: Services, Fees and Compensation**

### **A. Types of Advisory Services**

Quantitative Finance offers non-discretionary investment advisory services to individuals (referred to as "**Clients**") over the Internet through an interactive website and or mobile platform (the "**Platform**"). We act as an "Internet-Only" investment adviser and provide investment advice by offering a subscription-based wrap fee program solely through the Platform. The wrap fee program has a bundled fee structure that covers our investment advisory, brokerages, clearing, and custodial services, which includes the costs for the Client to execute all transactions within the Client's account.

The Platform's proprietary method employs algorithmic-based investment advice rather than in-person investment advice. Clients will upload their brokerage account and investment advisory statements, held at third-party broker-dealers and investment advisers, to the Platform, wherein the online interface will make recommendations based on the information uploaded to the Platform by the client and select strategies and portfolios based on their displayed statistics including (but not limited to) aggression level, historical performance, target assets, and activity frequency. These statistics consider, among other things, horizon, position sizing, and diversity across sectors. In addition, these statistics consider strategy targets and regression models. These automated investment solutions are customized to each client and based on individual characteristics, such as the client's age, risk tolerance, income, and current assets. However, it is essential to note that our recommendations are provided solely upon the information provided by you, and the suitability is limited by and relies on the accuracy and completeness of the information you provide.

Our investment advice is limited to certain types of investments, and we provide recommendations on publicly traded equities and exchange-traded funds (ETFs) based on the analysis of the information supplied by the client on the Platform. We will never accept or maintain custody of a client's funds or securities. All client assets will be managed within their designated account[s] at the custodian under the terms of the Platform agreement.

If you decide to open an account with us, you must enter into an advisory agreement with us, a service agreement with our affiliate, Surmount AI Incorporated. Where you wish to open an investment account directly with us, you must open a securities brokerage account and enter into an account agreement with Interactive Brokers LLC ("**Interactive Brokers**"). This SEC-registered broker-dealer provides execution, clearing, custody, and other brokerage-related services to our Clients.

### **B. Fees and Compensation**

#### **Fees for Advisory Services**

The monthly or annual subscription wrap fee is \$20 per month in advance or \$180 per year annually. Fees are negotiable, and some individuals may receive access to the Platform for free.

#### **Payment of Fees**

The wrap fee is payable monthly or annually in advance and is billed for the period services are performed. The monthly billing period is each calendar month. The annual billing period starts on the initial billing date for the following twelve (12) calendar months. In the event of the termination or cancellation of the client's advisory services, we will not refund any prepaid portion of the wrap fee for the monthly billing period during which the client's accounts are closed, and the Platform services are canceled. In such cases, we will continue to provide the client with advisory services, and the client will retain access to the Platform through the end of the monthly billing period. For Clients that elect to prepay the wrap fee in advance

annually, we will refund the prepaid portions of the wrap fee for the remaining months in the client's annual billing period, except the monthly billing period during which the client's services are terminated or canceled.

### **Other Fees and Expenses**

Interactive Brokers may charge other fees for providing additional services to Clients. Clients will pay those other fees directly to Interactive Brokers. Other fees may include fees for transferring a brokerage account from Interactive Brokers to another brokerage firm, charges for miscellaneous requests such as requesting a physical copy of a trade confirmation or requesting tax documents, as well as charges for withdrawal or other administrative requests, such as outgoing ACH transfers and wire transfers. To learn more about the different fees that could be charged to Clients, please see the fee disclosures Interactive Brokers provides upon opening a brokerage account with them.

In addition, all fees paid to us for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees, other fund expenses, account administration (e.g., custody, brokerage, and account reporting), and a possible distribution fee.

### **Advance Payment of Fees and Termination**

We are compensated for its services in advance of the completion of the month in which investment advisory services are rendered. Either party may terminate the Platform agreement at any time by providing advance written notice to the other party. The client's account may be suspended, closed, or otherwise terminated if there has been a default under the terms of the agreement with us. This includes failing to pay advisory fees when they become due.

### **Compensation for Sale of Securities**

Neither we nor our Supervised Persons (as defined below) accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

## **Item 5: Account Requirements and Types of Clients**

Our investment advisory services are available to individuals who are U.S. citizens or lawful residents of the U.S. for tax purposes, have a social security number or ITIN, located in the United States, and maintain an active brokerage or investment advisory account with a third party.

## **Item 6: Portfolio Manager Selection and Evaluation**

We neither manage any Client assets nor select portfolio managers for Clients. Our investment advice is limited to certain types of investments, and we provide recommendations on publicly traded equities and exchange-traded funds (ETFs) based on the analysis of the information supplied by the client on the Platform. We will never accept or maintain custody of a client's funds or securities. All client assets will be managed within their designated account[s] at the custodian under the terms of the Platform agreement.

## **Item 7: Client Information Provided to Portfolio Managers**

The Platform's proprietary method employs algorithmic-based investment advice rather than portfolio manager investment advice. Clients will upload their brokerage account and investment advisory

statements, held at third-party broker-dealers and investment advisers, to the Platform, wherein the online interface will make recommendations based on the information uploaded to the Platform by the client and select strategies and portfolios based on their displayed statistics including (but not limited to) aggression level, historical performance, target assets, and activity frequency. These statistics consider, among other things, horizon, position sizing, and diversity across sectors. In addition, these statistics consider strategy targets and regression models. These automated investment solutions are customized to each client and based on individual characteristics, such as the client's age, risk tolerance, income, and current assets. However, it is essential to note that our recommendations are provided solely upon the information provided by you, and the suitability is limited by and relies on the accuracy and completeness of the information you provide.

## **Item 8: Client Contact with Portfolio Managers**

We provide online "Internet-Only" investment advice pursuant to Section 203A-2(e) of the Investment Advisers Act of 1940, as amended (the "**Advisers Act**"). Under this registration, we provide investment advice solely through the Platform. We are not available to Clients for telephone conversations or communications through other means such as U.S. mail, courier, or email (other than operational emails). We do not meet with Clients at its offices. All advice, support, and inquiries are delivered through the Platform. To gain access to our investment advisory services, the client must join the Platform and agree to its terms of use.

## **Item 9: Additional Information**

### **Disciplinary Information**

There are no criminal, civil, administrative, regulatory, or disciplinary actions to report. We value the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider you partner with. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.SEC.gov](http://www.adviserinfo.SEC.gov) and can be found by searching by our firm name or our CRD# 323380.

### **Other Financial Industry Activities and Affiliations**

Neither we nor its representatives are registered as, or have pending applications to become, a broker-dealer or a broker-dealer representative. Neither we nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Advisor, or an associated person of the preceding entities.

Our sole business is to provide investment advisory services to our Clients. However, the Supervised Persons of our company are involved in other business endeavors. These different business endeavors are not investment-related.

We are affiliated with Surmount AI, Inc., the entity providing the bundled savings Platform for a fee. You may not open an account with us without maintaining an account with our affiliate, Surmount AI, Inc.

We do not utilize nor select third-party investment advisers.

### **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Our written Code of Ethics (the "**Code**") covers our fiduciary commitment to each client. This Code applies to all persons associated with us (our "**Supervised Persons**"). The Code was developed to provide general

ethical guidelines and instructions regarding our duties to you, our client. Our Supervised Persons, and we owe a duty of loyalty, fairness, and good faith towards each client. Our Supervised Persons must adhere not only to the specific provisions of the Code but also to the general principles that guide the Code. The Code covers various topics that address employee ethics and conflicts of interest, including reviewing and approving certain securities transactions and holdings by Supervised Persons with access to client information. Our Code is available free upon request to any client or prospective client.

### **Review of Accounts**

We do not review robo-advisory portfolio management accounts periodically. Clients are encouraged to update their accounts with any change in their objectives, risk tolerance, or other pertinent information, as that information factors into the portfolio's composition. There is only one level of review for subscription services, which is the initial review before rendering the subscription advice.

Robo-advisory portfolio management Clients will receive a quarterly statement detailing the client's account, including assets held and asset value, which report will come from the custodian. We do not provide reports relating to the subscription service.

### **Client Referrals and Other Compensation**

We are a subscription fee-based advisory firm solely compensated by its Clients and not from any investment product. We do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our Clients.

### **Financial Information**

We do not have any financial condition that is reasonably likely to impair us from meeting our contractual obligations to Clients and have never been subject to bankruptcy proceedings.