



## Form ADV Part 2A - Client Brochure

Effective: August 31, 2021

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### Item 1 - Cover Page

This Part 2A of Form ADV: Firm Brochure (hereafter “Brochure”) provides information about the qualifications and business practices of Quartz Partners, LLC. Quartz Partners, LLC primarily markets and conducts advisory business under the branding name of Quartz Partners Investment Management and, to a lesser extent, Quartz Partners Retirement Plan Services or *adapt*Investing, collectively referred throughout this document as “Quartz”. If you have any questions about the contents of this Brochure or would like to receive a copy, please contact us at (800) 433-0422 option 1 or [compliance@quartzpartners.com](mailto:compliance@quartzpartners.com). The most current version of this Brochure is always available on our website, [www.quartzpartners.com/disclosures](http://www.quartzpartners.com/disclosures). Additional information about Quartz is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for our name “Quartz Partners” or our unique CRD number, 174327.

The information contained in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (hereafter “SEC”) or by any state securities authority. Quartz’s use of the term “registered investment adviser” or being “registered” with the SEC, any state securities authority or self-regulatory organization does not imply a certain level of skill or training



## Item 2 - Material Changes

This section addresses only those changes that have been incorporated since our last Brochure update on May 20, 2020 that we consider material or otherwise important to the total mix of information contained within.

Other immaterial changes were made throughout the document in an effort to present information clearly and concisely. This includes updating the Firm's assets under management through 12/31/20.

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## Item 4 - Advisory Business

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### Description of Our Firm

Quartz is a limited liability company organized and operated in New York state. Formed in December 2014, Quartz commenced operations as an SEC registered investment adviser in January 2015 and offers fee-based investment advisory services (hereafter “Service”). The Firm is unaffiliated with any other person or company and is equally owned and operated by Joseph William Arena, Principal, Managing Partner and Chief Investment Officer, and Kyle Patrick Webber, Principal, Managing Partner and Chief Compliance Officer.

### Advisory Services Offered

Quartz primarily uses proprietary asset allocation strategies (hereafter “Strategy”) to guide investment decisions in an attempt to monitor our advisory clients’ (hereafter “Client”) investments and manage portfolio risk within a Client account (hereafter “Account”) on a continuous basis. Our investment approach is the result of extensive independent research into the economic, fundamental, technical and behavioral factors that impact the global capital markets. An active asset or tactical asset allocation methodology differs from strategic asset allocation, or buy-and-hold strategy, which typically adheres to rigid asset class mixes and buy-and-sell rules. Please see “Item 8. Methods of Analysis, Investment Strategies & Risk of Loss” for more details on our investment Strategies, multi-strategy portfolios (hereafter “Portfolios”) and the risks associated with our investment analysis and methodology.

We limit our investment advice and the investments that we utilize in Client Accounts to exchange-traded products (hereafter “ETPs”) like exchange traded funds, pooled investment vehicles (hereafter “Funds”) defined under the Investment Company Act of 1940, (e.g., Mutual Funds, Variable Annuity Subaccounts) and equities publicly traded on a major U.S. stock exchange (e.g., New York Stock Exchange, NASDAQ). Collectively, we refer to ETPs, Funds and equities as “Securities”. Quartz and our employees do not hold insurance licenses, recommend or sell variable annuities or other insurance products that provide compensation (e.g., sales commissions or distribution fees). However, some Clients may ask us to provide our Separately Managed Account (hereafter “SMA”), Dual-Contract SMA or Model Delivery Program (hereafter “MDP”) Services for a “Held Away Account” like a pre-existing variable annuity product or a participant’s individual account in an employer sponsored retirement plan, like a 401K, that was not originally recommended or sold by Quartz. We refer to these scenarios as a “Sub-Account Management Overlay”. In these scenarios, Quartz will only provide investment advice concerning the available investment options available within the Client’s variable annuity policy or individual employer sponsored retirement plan account rather than the policy’s terms, riders, or the employer sponsored retirement plan in its entirety or features and benefits.

Clients are allowed to impose reasonable restrictions in accordance with their values, beliefs or unique situation on the Services we provide and the investment management of their Account. A proposed restriction will be considered unreasonable if it is inconsistent with Quartz’s stated investment objectives or nature of the Strategy. If a proposed restriction is determined to be unreasonable, Quartz will request the Client to modify or withdraw the restriction. At Quartz’s sole discretion, we reserve the right to end an advisory relationship if we believe a Client’s imposed restriction is detrimental in servicing or managing a Client Account. The potential impact of any restrictions on investment performance should be carefully considered.

- **Separately Managed Account:** Quartz provides discretionary Services to SMA clients based on the Client’s individual goals, objectives, time horizon, and risk tolerance. Unless otherwise stated, our SMA Service requires that Clients grant Quartz full investment discretion. Typically, with the help of a Financial Professional and a guided questionnaire, a Client’s Account will be invested in one or more Quartz Strategies. Quartz has an ongoing responsibility for identifying the Client’s financial situation and needs, determining suitability, advisory fee billing, service requests, investment decisions, security



selection, day-to-day portfolio management of the assets, and/or the general timing in which to effect securities transactions, along with continuously monitoring and managing the Client Account congruent with the Quartz Strategy or Portfolio selected. From time-to-time, a custom Strategy or investment portfolio based on a Client's request or their unique circumstance may be designed and implemented.

- **Digital Advice:** Quartz provides the ability to service Clients through an automated online platform referred to as “*adapt*Investing”. The *adapt*Investing platform guides Clients through the investment advice process. Clients subscribing to the *adapt*Investing service will authorize Quartz full discretion to invest Client Accounts based on the results of their risk profile questionnaire in one of Quartz *adapt*CORE Portfolios. Information about the Client's account will be available through an online portal, which includes investment style, objectives, current security holdings, and transaction history. Quartz will have an ongoing responsibility for identifying the Client's financial situation and needs, determining suitability, advisory fee billing, service requests, investment decisions, security selection, day-to-day portfolio management of the assets, and/or the general timing in which to effect securities transactions, along with continuously monitoring and managing the Client Account congruent with the Quartz *adapt*CORE Portfolio selected.

The table below describes the key differences between the Digital Advice Service and the Separately Managed Account Service:

	Digital Advice	Separately Managed Account
Client Directed Brokerage	No	Yes
Investment Strategies	<u>Only</u> <i>adapt</i> CORE Portfolios	All Quartz Strategies, <i>adapt</i> CORE Portfolios, & custom strategies.
Available Securities	<u>Only</u> ETP's	All securities traded on a major U.S. exchange, Variable Annuity Sub Accounts, Mutual Funds.
Customized Investments	No	Yes
Client Imposed Restrictions	No	Yes
Delivery of Service	Digital	In-Person and Digital

- **Retirement Plans:** Quartz provides both discretionary and non-discretionary investment advice, certain administrative oversight, and consulting services to employer sponsored retirement plans (hereafter “Retirement Plan”). Quartz offers the following Employer Sponsored Retirement Plan Services as either a turn-key comprehensive solution or a la carte depending on a Retirement Plan's unique needs:

#### NON-FIDUCIARY SERVICES

Monitoring and Reporting Key Metric: Performance monitoring and reporting can assist plan sponsors in making sure investment decision making adheres to the plans investment policy statement and identifies any areas of concern or recommended changes.

Plan Design: Quartz will aid the Client in determining the unique needs, requirements, and goals of the Retirement Plan. Quartz will then work with the covered service providers to design, draft and implement the Retirement Plan “Plan Document,” a formal document that addresses the policies, procedures, administration and participant benefits of the Pension.

Ongoing Fiduciary Governance: For plan sponsors to have a sound fiduciary discharge of their duties, they must establish sound fiduciary governance. Quartz helps sponsors develop and implement the optimal organization and governance design.



**Provider Search and Selection:** Quartz will assist plan sponsors in the serious fiduciary obligation of evaluating, selecting and implementing provider services. Quartz can oversee and maintain relationships with plan providers and act as a liaison.

**Fee Assessment and Negotiation:** As a fiduciary, plan sponsors have an obligation to ensure that plan fees and expenses are reasonable. Quartz can monitor plan fees and recommend specific steps that can be taken to reduce plan fees when applicable. When appropriate, Quartz will identify candidates, request estimates and negotiate service arrangements.

**Education:** Quartz provides educational support to both Retirement Plan Sponsors and participants which includes advising them on the Retirement Plan's investment options, features, benefits, online account access, regulatory updates, enrollment and servicing paperwork. Participants will receive a Participant Education Guide outlining relevant educational material. Quartz or an assigned Financial Professional will meet individually with those participants who desire assistance in constructing a participant-directed portfolio or choosing a Quartz Portfolio within the Retirement Plan. Any investment recommendations so provided will be based on information relating to age, time horizons (e.g., life expectancy, retirement age), risk tolerance, current investments in designated investment options, other assets or sources of income, and investment preferences of the participant or beneficiary. Such recommendations will not incur additional fees paid to Quartz and will not include ongoing monitoring or rebalancing of a participant's portfolio unless a Quartz adaptCORE Portfolios.

## **FIDUCIARY SERVICES**

**Investment Policy Statement:** As a fiduciary, Quartz prepares a customized written Investment Policy Statement (hereafter "IPS") that roadmaps the investment methodologies, objectives, asset class guidelines, performance monitoring, duties and responsibilities, implementation of investment options, and expense monitoring of the Retirement Plan.

**Designated Investment Alternatives ("DIAs") Investment Menu:** As a fiduciary, Quartz provides prudent investment recommendations and ongoing monitoring of Retirement Plan investment options. Quartz will select a well-balanced and diversified menu of plan investments including a qualified default investment alternative (hereafter "QDIA"), monitor and replace investment options when appropriate using a repeatable process.

**Model Asset Allocation Portfolios:** At times, our proprietary Strategies and/or Portfolios will be made available to Participants as a means of more efficiently delivering investment advice to Participants. When a Participant selects one of our Strategies and/or Portfolios, Quartz has an ongoing responsibility for investment decisions, security selection, day-to-day portfolio management of the assets, and/or the general timing in which to effectuate securities transactions. Selecting Quartz's Strategies and/or portfolios will not result in additional advisory fees paid to Quartz.

- **Retirement Plan Consulting Limited Scope of Advice and Discretion:** Quartz does not provide nor have any responsibility to provide any Services with respect to the following: employer securities, real estate, loans, non-publicly traded securities or assets, illiquid investments, legal or tax advice. Further, unless Quartz agrees in writing to be appointed as a discretionary ERISA 3(38) investment manager, our recommendations are non-discretionary and will only be implemented at the Pension trustee's sole discretion.



**ERISA Information Disclosure:** Pursuant to ERISA Regulation Section 2550.408b-2(c), Quartz will disclose any change to the information that we are required to disclose under ERISA Regulation Section 2550.408b-2(c)(iv) as soon practicable, but no later than sixty (60) days from the date on which we are informed of the change (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable). Further, in accordance with ERISA Regulation Section 2550.408b-2(c)(vi)(A), we will disclose within thirty (30) days following receipt of a written request from the responsible plan fiduciary or plan administrator (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable) all information related to the Retirement Plan agreement and any compensation or fees received in connection with the agreement that is required for the Retirement Plan to comply with the reporting and disclosure requirements of Title 1 of ERISA and the regulations, forms and schedules issued thereunder. If we make an unintentional error or omission in disclosing the information required under ERISA Regulation Section 2550.408b-2(c)(1)(iv) or (vi), Quartz will disclose to the Retirement Plan the correct information as soon as practicable, but no later than thirty (30) days from the date on which Quartz identifies such error or omission.

- **Model Delivery Program:** Quartz provides investment advisory services on a non-discretionary basis for our Model Delivery Program (hereafter “MDP”). Quartz may provide Strategy allocations and trading pertaining to one or more of its Strategies to Financial Intermediaries who sponsor an investment management platform (hereafter “Platform Sponsors”). Quartz has an ongoing responsibility for investment decisions, security selection, day-to-day portfolio management of the assets, and/or the general timing in which to effectuate securities transactions, along with helping to continuously monitor and manage the Client Account congruent with the Quartz Strategy or Portfolio selected. Unlike Quartz’s discretionary SMA services, Quartz is solely responsible for updating the Platform Sponsor with any changes made to a Strategy’s target asset allocation. The Platform Sponsor and/or associated Financial Professional is responsible for determining the Client investment objectives, risk tolerance, and trade execution based upon Quartz’s instructions. In the absence of ultimate control over trading execution, performance in MDP Accounts may differ from that of Clients for which we maintain ultimate control over trading execution. Some MDP relationships may be a “dual contract” arrangement, where the Client simultaneously engages both Quartz and a Financial Intermediary in some type of contractual relationship (e.g., unaffiliated broker-dealer, registered investment adviser, insurance agency).
- **Investment Company Portfolio Management:** Quartz offers portfolio manager or sub-adviser Services to Funds and/or ETPs. For these services we may manage one or more of the following: investment decisions, Security selection, day-to-day portfolio management of the assets, and/or the timing amount and manner in which to effect Securities transactions. Full investment discretion is typically granted. Contractual terms between the Investment Company and Quartz shall be negotiated between parties but ultimately the sole responsibility of the Investment Company.
- **O-CIO:** Quartz can provide ongoing investment research, investment related communications, security selection and portfolio investment strategy recommendations for a fixed monthly subscription fee. For this service, Quartz does not have the authority to execute any security transactions or have investment discretion over any investment account. Subscribers are under no obligation to implement any recommendations provided by Quartz and this service may be marketed or offered through intermediaries in the business of offering outsourced services of this nature.

### **IRA Rollover Recommendations**

To the extent an Advisor recommends Client’s rollover their employer sponsored retirement plan account to a





Rollover IRA, managed by Quartz please know that this presents a conflict of interest. As with any Account we have an economic incentive due to increased advisory fees to recommend our Client's rollover their retirement plan account to a rollover IRA managed by Quartz. We have taken steps to manage this conflict of interest. we have adopted an impartial conduct standard whereby our we will (i) provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described below, (ii) not recommend investments which result in Quartz receiving unreasonable compensation related to the rollover of funds from the retirement plan to a Rollover IRA, and (iii) fully disclose compensation received by Quartz and our supervised persons and any material conflicts of interest related to recommending the rollover of funds from the retirement plan to a Rollover IRA and refrain from making any materially misleading statements regarding such rollover. To the extent we provide you investment advice as a participant in a retirement plan regarding whether to maintain investments and/or proceeds in the retirement plan, roll over such investment/proceeds from the retirement plan to a Rollover IRA or make a distribution from the retirement plan, Quartz here by acknowledges our fiduciary obligations to you with regard to our investment advice about whether to maintain, roll over or distribute proceeds from the retirement plan, and as such a fiduciary with respect to its investment advice to you about whether to maintain, roll over or distribute proceeds from the retirement plan. Our Advisors shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a Client's needs, without regard to the financial or other interests of Quartz or our affiliated personnel.

### **Wrap Fee Programs**

Quartz does not sponsor a wrap fee program (hereafter "Wrap Program"). However, Quartz offers its Strategies and Portfolios to Clients of Financial Intermediaries who sponsor a Wrap Program ("Platform Sponsor"), typically under Quartz's MDP Service. Wrap Programs are investment management programs in which a Client pays one stated monthly or quarterly Wrap Program fee based upon a percentage of the value of the assets under management in which the expenses arising from investment advice, investment management, trading and custodial service are "bundled". Our participation in these Wrap Programs pays Quartz a flat asset-based advisory fee in return for providing the investment management component of the Wrap Program. Clients should carefully evaluate the fees for the services provided under a Wrap Program, including the identification of infrequent trading activity or transaction-based expenses not covered by the Wrap Program fee. Quartz does not manage Wrap Program accounts differently than non-Wrap Program accounts, barring restrictions placed by the platform or platform sponsor.

### **Assets Under Management**

As of December 31, 2020, Quartz receives fees on a total of \$54,962,046 of Client assets. Of this, Quartz managed \$48,660,473 in discretionary assets under management. The remaining \$6,349,263 are non-discretionary assets under management in which we do not have full investment trading discretion. These non-discretionary assets under management are typically comprised of MDPs.

## **Item 5 - Fees & Compensation**

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### **Advisory Fee Schedule**

Quartz provides our Services on a continuous fee-only basis calculated as a percentage of the total Account value including all cash and Securities (hereafter "asset-based fee"). The proceeding section describes the maximum allowable asset-based fees for the Services we supply. Asset-based fees are negotiable, and Quartz may adjust asset-based fees downward at our sole discretion. The specific advisory fee and schedule for the advisory services is outlined and agreed upon in either the Quartz Client agreement specific to the advisory services the Client has selected or the associated Financial Intermediary agreement and disclosure documents. Any modification to our advisory fee schedule will be explicitly defined and memorialized in writing and shall be effective no less than



sixty (60) days after written notice is provided to the Client. Clients should consider that other Financial Professionals or Financial Intermediaries may offer similar or more comprehensive services, and/or the same Securities utilized in Quartz Strategies, for comparable or lower fees.

- **Separately Managed Account:** SMA accounts are billed quarterly in advance. The initial asset-based fee is calculated based on the total initial account value. Subsequent asset-based fees will be calculated based on the ending value on the last day of the previous quarterly billing period. Unless otherwise restricted, asset-based fees will be deducted automatically from a Client's Account. After the initial quarterly billing period for the Account, Client deposits of additional monies will not be billed until the billing period following the deposit. The SMA accounts that are eligible to be combined for Fee breakpoint purposes (hereafter "Aggregate Assets") are those Accounts with the same registrations or accounts having the same address. In addition, Accounts with the following persons may also be eligible: (a) the Client's spouse; (b) the Client's children and their spouses; (c) an individual whose relationship to the Client, while not listed in the foregoing, is similar to one of the enumerated relationships. The fee schedules for SMAs are as follows:

Client Aggregate Assets	Maximum Annual Asset-Based Fee %
\$0 to \$249,999.99	2.00% (200 basis points)
\$250,000 to \$499,999.99	1.80% (180 basis points)
\$500,000 and over	1.50% (150 basis points)

- **Digital Advice Service:** Annual advisory fee is up to 0.60% (60 basis points) which is billed in arrears (e.g. following the end of the quarter). Advisory fees will be calculated based on the ending value on the last day of the quarterly billing period and automatically deducted from your investment account by the qualified custodian. No breakpoints are offered.
- **Employer Sponsored Retirement Plan Consulting:** Retirement Plans will be assessed an asset-based fee up to 0.95% (95 basis points) prorated and charged quarterly, based upon the market value of the assets on the first or last day of the month services were provided depending on whether advisory fees are charged in advance or arrears. Accounts terminated during the month will be charged a prorated fee. Retirement Plan Sponsors will authorize either a third-party administrator, record keeper or another unaffiliated Retirement Plan service provider to calculate and facilitate the debiting the Pension for the amount of our asset-based fee and to directly remit that fee to Quartz in accordance with applicable custody rules. Fees shall be paid either by the Retirement Plan Sponsor or directly out of the participants' account. If a portion of the fees are paid via a participant's accounts, the Retirement Plans, custodian or record keeper will properly disclose fees as a line item on account statements. We will not receive, directly or indirectly, any fee or other compensation (including commissions, salary, bonuses, awards, etc.) that is based in whole or in part on the selection of a Retirement Plan service provider or a participant's selected investment options. The specific fee amount, schedule, and any breakpoints will be determined through negotiations with the Retirement Plan Sponsor and shall be defined and memorialized in an agreement.

Certain Retirement Plan sponsors may require a fixed dollar-based fee schedule as an alternative to an asset-based advisory fee schedule. Under this scenario, the specific fee amount and schedule will be negotiated and approved by the Retirement Plan sponsor and explicitly defined within an investment management agreement.





- **Model Delivery Program:** Model Delivery Program will be assessed an asset-based fee on the assets managed by Quartz at an annual rate up to 0.75% (75 basis points). The Financial Intermediary or Platform Sponsor will calculate and automatically bill a Client account that is subscribed to one of our Strategies and remit asset-based fees owed to Quartz. The specific asset-based fee and schedule will be determined through negotiations with the Financial Intermediary or Platform Sponsor and shall be defined and memorialized in an agreement. Generally, breakpoints are not offered.
- **Investment Company Portfolio Management:** Quartz will typically receive fees monthly in arrears at an annual asset-based fee of up to 0.75% (75 basis points). The specific fee amount, breakpoints and schedule will be approved by the Investment Company and Funds Trustees and explicitly defined within an agreement.
- **O-CIO:** Quartz will typically charge a fixed subscription fee ranging from \$100 to \$15,000 per month depending on the level of service provided. Generally, no breakpoints are offered. The specific fee amount, breakpoints and schedule will be memorialized in writing prior to performing O-CIO services. Fees can be negotiated.

### Payment of Advisory Fees

Unless otherwise stated, our fees are deducted from Client Accounts by the Custodian based on the specific advisory fee schedule contained within the Client agreement unless the Client or Custodian explicitly restricts the deduction of fees from a Client Account. Unique circumstances or restrictions may arise in which, at Quartz's sole discretion, fees may be paid via check or a qualified payment merchant. Since fees are typically directly deducted from Client Accounts, we require Clients to understand and acknowledge that:

1. The Client's Custodian or record keeper must agree to send statements, no less than quarterly, indicating all transactions and amounts disbursed from the account including trading activity and the amount of asset-based fees paid to Quartz;
2. The Client's Custodian provides the Account values to Quartz, which are used to calculate asset-based fees; and
3. The Client will contact Quartz immediately if statements are not received at least quarterly or seem incomplete or incorrect.

### Other Non-Advisory Fees

In addition to Quartz's fees described above, Clients will likely incur and be responsible for additional expenses from entities which are unaffiliated with Quartz. Quartz is not responsible for payment of non-advisory fees contained within this section and we do not receive any portion of these non-advisory fees and expenses.

- **Custodial Fees:** A Custodian's function is to hold Client assets and securities in an account titled in the Client's name while typically providing some or all of the following services; trade execution, facilitation of Account deposits and withdrawals, electronic fund and wire transfer, delivering regular Client statements, account closure, check writing, certificates of delivery, reorganization, short-term redemptions and other services related to a Client Account. Custodians may impose charges for some or all of the aforementioned services, as well as regulatory fees, and transfer taxes mandated by law. Employer Sponsored Plans may incur additional administrative expenses charged by third party administrators, record keepers and other covered service providers. These fees are outlined in the custodial agreements and other disclosure documents.
- **Fund and ETP Expenses:** Funds and ETPs have an "expense ratio", which is a measure of the cost to operate the Fund or ETP. The expense ratio consists of investment advisory, administrative, distribution,



transfer agent, custodial, legal, audit, and other customary fees and expenses related operating a Fund or ETP as set forth in the prospectus of a Fund or ETP. These operating expenses are paid by the Funds or ETPs but ultimately are borne by Clients as shareholders as they are deducted from the share price of the Fund or ETP. The expense ratio is calculated by dividing a Fund or ETP operating expenses by the average dollar value of the total assets within the Fund or ETP. These fees are outlined in the Fund or ETP's prospectus available on the custodian's website or upon request.

- **Taxes:** Depending on the Account type, Clients may incur tax consequences for profits from the sale of investments, capital gains, dividends, distributions, etc. associated with their Account. Quartz Strategies are not managed for tax efficiency and Accounts may experience adverse tax consequences related to short-term holding periods for non-qualified accounts that do not benefit from a tax exempt or a tax deferred status. Clients should speak with a tax professional about the specific tax treatment and ramifications for each Account.

### **Termination and Refunds**

The agreement between Quartz and the Client and the advisory services provided thereunder will continue in effect until terminated by either party by written notice in accordance with the terms of the agreement. Advisory fees for Accounts opened or terminated during a billing period that are paid in advance will be refunded pro rata based on the number of days the Account was managed during the billing period. Quartz does not charge Clients a cancellation fee for terminating their Account(s). However, until a termination notification is provided to Quartz in writing, we will consider the Account to remain active until the date that either a zero balance or an Account closure is discovered, typically the end of a quarter.

SMA Clients have a “free look” period in which they will receive a full refund of our asset-based fees if they choose to terminate their Account within (30) days from the date our agreement is signed. Digital Advice Clients have a “free look” period of (90) days. However, Client Account(s) will be assessed any market value changes and other non-advisory fees, as applicable, during that time period which may result in a gain or loss to the Client's original investment.

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

Neither Quartz nor our supervised persons accept trading commissions, sales commissions, asset-based sales charges, loads, markups, service fees or distribution fees (hereafter “12b-1 fee”) from Fund companies as it relates to the Services provided by Quartz.

However, some unsupervised Financial Professionals who recommend our Services may receive the aforementioned compensation arrangements through their affiliated Financial Intermediary. This activity is unaffiliated with Quartz. Clients are under no obligation to act upon any recommendations and have the option to purchase investment products or services through other Financial Professionals not recommending our Services.

## **Item 6 - Performance-Based Fees**

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Quartz does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a Client.

## **Item 7 - Types of Clients**

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### **Minimum Account Size**

The minimum account size for new and existing Client relationships is \$10,000, unless otherwise stated or if the value drops below the minimum level due to market fluctuations. Exceptions to this policy may be made at



Quartz's sole discretion. Clients should be aware that small Accounts may not be able to invest in every Security selected by Quartz due to their share price and absence of partial share purchases. Custodians, Financial Intermediaries and Investment Companies may have their own minimum requirements or minimum fees.

### Types of Clients Served

We seek to provide our Services to the following clientele:

- Charitable Organizations
- Retirement & Profit Sharing Plans
- Financial Intermediaries & Professionals
- Individuals
- Insurance Companies
- Investment Companies
- Corporations
- Business Entities
- Estates & Trusts

## Item 8 - Methods of Analysis, Investment Strategies & Risk of Loss

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### Methods of Analysis

Quartz primarily employs top-down analysis and active or tactical asset allocation strategies. A top-down approach begins with analysis of the economy and financial markets. The resultant findings are the main driver of the asset allocation decisions within our Strategies. Specifically, the seven primary factors guiding our analysis are as follows: Monetary & Fiscal Policy, Economic Conditions, Earnings, Inflation, Interest Rates, Liquidity & Credit, and Market Dynamics. Market Dynamics is defined as measures such as momentum, value, and investor sentiment. Technical analysis may be employed at times in order to seek inflection points, identify overbought and oversold conditions, and to conduct relative strength analyses. Using these inputs, we create Security allocations within the parameters of each Strategy. The general asset class mix is typically the first decision, i.e., the strategy allocations to stocks, bonds, and/or cash. Then, decisions are made on factors including but not limited to market capitalization, momentum, style, sector, geography, and credit quality. There are no minimum allocation parameters for any asset class, sector, or style. For example, if Quartz determines that large cap stocks are more attractive than small cap stocks, we may maintain a 0% weighting in small cap stocks. The portfolios constructed at any given time are monitored and evaluated on a dynamic, ongoing basis. They will be modified (re-allocated or traded) when Quartz's Investment Committee determines that such a change is warranted based on changes to the market and/or economic outlook, which is guided by the seven factors discussed above.

### Investment Strategies

The Strategies below are Quartz's core strategies, and are not inclusive of all Strategies including custom Strategies developed as requested on or those currently under development for future availability. These Strategies, do not attempt to target a particular level of risk over short periods. Instead, flexible risk levels are undertaken with a goal of aligning strategies with their stated risk objective over a full market cycle, which typically lasts more than 7-years. For example, a strategy defined as having a moderately conservative risk profile over a full market cycle may at times be invested in line with an aggressive risk profile over certain market periods. Therefore, investors should carefully consider their particular risk tolerance and have a time horizon of no less than 5-years before investing in our Strategies. There is no guarantee that Quartz's goals will be achieved.

A note on listed Benchmarks: Because of our strategies' unconstrained investment approach, no appropriate benchmark exists. We have included benchmarks, including the risk benchmark, for reference purposes only to aid in understanding the overall risk profile and investment style of the strategies.

- **Quartz Equity:** The Quartz Equity is a global equity Strategy with an aggressive risk profile over a full market cycle that seeks long-term capital appreciation with a secondary emphasis on capital preservation. The Strategy will be primarily determined based on our outlook on the financial markets and global



economy. Relative strength and other technical analyses may also be used to make asset allocation decisions.

The Strategy may consist of a mix of US equity, foreign equity, real estate investment trust (hereafter “REIT”), commodity, government bond and or cash or equivalent Securities. Target allocations to REITs and commodity Securities are each limited to 30% of the Strategy, while equity, government bond and/or cash or equivalent Securities may make up to 100% of the Strategy. The Strategy is non-diversified and will often be concentrated in one or a select number of Securities.

In an attempt to meet the Strategy’s secondary emphasis of capital preservation, the Quartz Equity Strategy will at times be invested up to 100% in US Treasury/government bond Securities and/or cash or equivalent Securities. This will generally occur when our market and/or economic outlook become negative, or when investment opportunities are constrained by valuations or other factors.

Benchmark: MSCI ACWI Index

Risk Benchmark: Morningstar Aggressive Target Risk Index

- **Quartz Spectrum:** The Quartz Spectrum is a multi-asset Strategy with a moderate risk profile over a full market cycle and seeks long-term capital growth with a secondary emphasis on capital preservation. The Strategy will be primarily determined based on our outlook on the financial markets and global economy. Relative strength and other technical analyses may also be used to make asset allocation decisions. The Strategy may invest across the entire asset class universe and seeks to provide positive total returns through tactical allocations amongst each of the distinct asset classes. As a result, the Strategy may offer varying levels of risk and does not resemble a traditional, diversified allocation of stocks and bonds.

The Strategy may consist of a mix of US equity, foreign equity, bond, REIT, Commodity, and or cash or equivalent Securities. Target allocations to REITs and Commodity Securities are each limited to 30% of the portfolio, while equity, fixed income, and/or cash or equivalent Securities may make up to 100% of the Strategy. The Strategy is non-diversified and will often be concentrated in one or a select number of Securities.

In an attempt to meet the Strategy’s secondary emphasis of capital preservation, the Quartz Spectrum Strategy will at times be invested up to 100% in US Treasury/government bond Securities and/or cash or equivalent Securities. This will generally occur when our market and/or economic outlook become negative, or when investment opportunities are constrained by valuations or other factors.

Benchmark: 60% MSCI ACWI Index / 40% Bloomberg Barclays US Aggregate Bond Index

Risk Benchmark: Morningstar Moderate Target Risk Index

- **Quartz Yield Plus:** The Quartz Yield Plus Strategy has a moderately conservative risk profile over a full market cycle and seeks positive total returns and current income with a secondary emphasis on capital preservation. The Strategy will be primarily determined based on our outlook on the financial markets and global economy. Relative strength and other technical analyses may also be used to make asset allocation decisions.

The Strategy will often invest up to 100% in high yield corporate bond Securities, which typically represents the primary source of return and risk to the Strategy. The Strategy may also consist of an unconstrained mix of bond Securities (including but not limited to bank loans, global bonds, emerging markets debt, government bonds, and municipal bonds), convertible Securities, REITs, and or cash or



equivalent Securities. Target allocations to equity Securities with a positive yield may represent up to 30% of the Strategy. The Strategy is non-diversified and will often be concentrated in one or a select number of Securities. Leveraged Securities may be used in the Strategy.

In an attempt to meet the Strategy's secondary emphasis of capital preservation, the Quartz Yield Plus Strategy will at times be invested up to 100% in US Treasury/government bond and/or cash or equivalent Securities. This will generally occur when our market and/or economic outlook become negative, or when investment opportunities are constrained by valuations or other factors.

Benchmark: Bloomberg Barclays US Aggregate Bond Index

Risk Benchmark: Morningstar Moderately Conservative Target Risk Index

- **Quartz High Yield Legacy:** The Quartz High Yield Legacy Strategy has a moderately conservative risk profile over a full market cycle and seeks positive total returns with a secondary emphasis on capital preservation. The Strategy's portfolio will be primarily determined based on our outlook on the financial markets and global economy. Relative strength and other technical analyses may also be used to make asset allocation decisions.

The Strategy will often invest up to 100% in high yield corporate bond Securities, which typically represents the primary source of return and risk to the Strategy. The Strategy is non-diversified and will frequently be 100% invested in high yield bond Securities, government bond Securities, or cash or equivalent Securities.

In an attempt to meet the Strategy's secondary emphasis of capital preservation, the Quartz High Yield Legacy Strategy will at times be invested up to 100% in US Treasury/government bond and/or cash or equivalent Securities. This will generally occur when our market and/or economic outlook become negative, or when investment opportunities are constrained by valuations or other factors.

Benchmark: Bloomberg Barclays US Corporate High Yield Bond Index

Risk Benchmark: Morningstar Moderately Conservative Target Risk Index

- **adaptCORE Portfolios:** These (4) four multi-strategy portfolios are built through allocations to our Quartz Strategies to provide a total portfolio solution and help balance risk and return. Each target-risk portfolio offers an all-inclusive portfolio solution which seeks positive total returns within its asset class and risk constraints. Please refer to the aforementioned individual Quartz Strategies for a full and complete description.

The table below sets forth the target percentages of Quartz's **adaptCORE** Portfolios to Quartz Strategies. The actual percentages may change over time due to market fluctuations. Quartz periodically rebalances **adaptCORE** Portfolios to maintain target percentages; however, the timing of rebalances is at the discretion of Quartz due to the dynamic investment process of each Strategy.

adaptCORE Portfolio	Risk Profile (full cycle)	Years to Retirement	Quartz Strategy Allocations		
			Equity	Spectrum	Yield Plus
Aggressive Growth	Aggressive	Greater than 20	60%	20%	20%
Long-Term Growth	Growth	11 to 20	40%	40%	20%
Balanced Growth	Moderate	6 to 10	20%	50%	30%
Conservative Growth	Moderately Conservative	5 or less	0%	20%	80%



*Please Note: Due to investment and operational limitations certain Strategies/Portfolios may not be available as a Variable Annuity Overlay. Please ask your Financial Professional for further information.*

### **Risks Associated with Analysis Methods**

- Macroeconomic: Analysis of the general condition of economies and the policies that surround them. Solely using this form of analysis poses a risk because it does not look at individual securities, industries, or sectors and the prices of which may move irrespective of the economies.
- Fundamental: Analysis of the intrinsic value of a security or asset class by looking at financial and economic data. Solely using this form of analysis poses a risk because it does not consider that security or asset class prices may rise and fall with the overall market regardless of their intrinsic value.
- Technical and Cyclical: Analysis of historic economic or security data in an attempt to identify recurring patterns to forecast future price movement of a security, industry, sector, industry, or asset class. Using solely this form of analysis poses a risk because it does not consider the fundamental value, economic data, or policies which may affect security and asset class prices regardless of market sentiment, trends or cycles.

### **Risks Associated with Investing**

Clients should be aware that their accounts will typically be exposed to the following risks:

- General Investing Risk: Investment management involves a high degree of risk and uncertainty. Investment performance is not guaranteed, and no method of analysis or investment strategy is immune from loss. Investment management is exceedingly challenging, and success depends greatly on the investment skills of Quartz's Investment Committee. High volatility and/or the lack of deep and active liquid markets for a security could prevent Quartz from selling their securities at all, or at an advantageous time or price because Quartz and the Client's Custodian could have difficulty finding a buyer and might be forced to sell at a significant discount to market value. While rare, Clients should be prepared to bear the loss of their entire investment. It is important that Clients understand the risks associated with investing in Securities and we request that they contact us promptly with any questions or concerns.
- Commodity Risk: Investments linked to the prices of commodities may be considered speculative. Exposure to commodities may subject the Fund to greater volatility than investments in traditional securities. Therefore, the value of such instruments may be volatile and fluctuate widely based on a variety of macroeconomic factors or commodity-specific factors. At times, price fluctuations may be quick and significant and may not correlate to price movements in other asset classes, such as stocks, bonds and cash. Commodity exposure is typically achieved through either investment in futures contracts or commodity-linked notes, each of which carry unique risks.
- Counterparty: Exchange-traded notes (hereafter "ETN") expose investors to the credit risk of the issuer. ETNs also have some "product" or "structural" risk associated with underlying derivatives, as they will sometimes provide market exposure through indirect means, like futures, options and forwards contracts.
- Custodian: If the Custodian of the Account (chosen by the Client) were to go out of business, Client assets may only be protected up to the Securities Investor Protection Corporation (hereafter "SIPC") limits.





- Cybersecurity Risks: Quartz and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs, and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss, or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks may cause losses to Client's by interfering with the processing of transactions, affecting Quartz's ability to calculate net asset value, or impeding or sabotaging trading. Quartz and our Client's may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased, and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose Quartz to civil liability as well as regulatory inquiry and/or action. While we have established business continuity plans, incident response plans and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cybersecurity risks also are present for issuers of securities in which we invest, which could result in material adverse consequences for such issuers and may cause a Client's investment in such securities to lose value.
- Derivative Risk: The primary risks associated with trading derivatives are market, counterparts, liquidity, and interconnection risks. Derivatives are investment instruments that consist of a contract between parties whose value derives from and depends on the value of an underlying financial asset.
- Diversification: Our Strategies are typically limited to only a few investments and concentrated in or significantly exposed to a particular sector. This may result in performance being more sensitive to any single economic, business, political, or regulatory event than the value of a more diversified portfolio. High Turnover. Active or Tactical allocation strategies can have a high degree of portfolio turnover which may result in adverse tax treatment for taxable accounts.
- ETP Net Asset Valuations and Tracking Error: ETP performance may not exactly match the performance of the index or market benchmark that the ETP is designed to track because 1) the ETP will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETP may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETP and/or for the securities held by the ETP may cause the ETP shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETP. Certain ETP strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate. A ETP typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance. Quartz prefers to utilize ETPs in their Strategies. ETPs have inherent risks generally associated with investments in a portfolio of underlying securities, including the risk that the general level of those underlying security prices may decline, thereby adversely affecting the value of each unit of the ETP. Although ETPs themselves are generally classified as equities, the underlying holdings of ETPs can include a variety of asset classes including, but not limited to equities, bonds, foreign currencies, physical commodities, and derivatives. A full disclosure of the specific risks of ETPs is located in the respective prospectus of each ETP and can be furnished upon request.



- **Inflation, Currency, and Interest Rate Risks:** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. The liquidity and trading value of foreign currencies could be affected by global economic factors, such as inflation, interest rate levels, and trade balances among countries, as well as the actions of sovereign governments and central banks. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Quartz may be affected by the risk that currency devaluations affect Client's purchasing power.
- **Large Investment:** Clients may collectively account for a large portion of the assets in certain investments. A decision by many Quartz or other investors to buy or sell some or all of a particular investment where Clients hold a significant portion of that investment may negatively impact the value of the investment.
- **Legislative & Taxes:** Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities and changes in the tax code that could affect interest income, income characterization, and/or tax reporting obligations (particularly for ETFs dealing in natural resources). Quartz does not engage in financial, or tax planning and Quartz's Strategies are not designed to address specific tax objectives. Ongoing investment income, capital gains, capital losses, and miscellaneous deductions for some ETPs including, but not limited to, certain commodity and currency ETPs, are reported annually on the Schedule K-1, and when certain commodity ETPs are sold in a taxable account, proceeds will be reported on Form 1099-B. The Schedule K-1 is mailed separately to clients each year and needs to be included in the Clients' income tax return. In cases where the entity generating the Schedule K-1 files for a tax extension beyond April 15, Clients may receive their Schedule K-1 after the due date for their income tax return. Individual taxpayers who do not request a filing extension may need to file an amended federal and/or state tax return if they receive their Schedule K-1 after filing their original return. In certain circumstances, a Client may incur taxable income on her investments without a cash distribution to pay the tax due. Clients should consult a tax professional for help with their unique situation.
- **Leveraged ETPs & Funds:** Our Strategies may invest in ETPs and Funds that utilize leverage. Leverage intensifies gains and drawdowns and the products themselves can suffer significant losses. These products typically "reset" daily. Due to the compounding effect their performance over longer periods of time can differ significantly from the performance of their underlying index or benchmark. Over long holding periods, these products tend to underperform in volatile markets. There is a high probability that these investments will lose money regardless of market direction over a long holding period.
- **Manager Risk:** Our tactical asset allocation strategies rely on our Investment Committees ability to identify the best allocation opportunities for investment within each Strategy. This creates the risk that our Investment Committees decisions will lead to periods of uncertainty and/or losses, even during rising markets. There is no guarantee that Quartz's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. Quartz's judgment could prove to be incorrect, and a Client might not achieve his or her investment objectives.
- **Market & Systemic:** Equity, Fixed Income, and other global capital markets rise and fall daily. The performance of Client investments is, to varying degrees, tied to these markets. When markets fall, the value of a Client's investments will fluctuate, which means a Client could lose money.



- Quantitative Analysis Risks: Quartz may use quantitative analyses. Any imperfections, limitations, or inaccuracies in its analyses could affect its ability to implement strategies. By necessity, these tools make simplifying assumptions that may limit their effectiveness. Quantitative analysis that appears to explain prior market data can fail to predict future market events. Further, the data used in quantitative analysis may be inaccurate and/or it may not include the most current information available.
- Socially Responsible Investing: Investments may focus on “low carbon” or other areas of socially responsible investing. This investment category represents a relatively new area of investment with a relatively limited performance track record. Due to the consideration of non-monetary factors in investment decisions, these investments may experience a lower rate of return. There may be a relatively limited number of investments to consider in this investment category, and available investments may be subject to increased competition.
- Trading & Liquidity: High volatility and/or the lack of deep and active liquid markets for a security may prevent a Quartz from selling the Client’s securities at all, or at an advantageous time or price because Quartz and the Client’s Custodian may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios. While Quartz values the securities held in Client Accounts based on reasonably available exchange-traded security data, Quartz may from time to time receive or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting fees paid to Quartz. Quartz may be unable to sell Securities on behalf of a Client at an advantageous time and/or price due to the existing trading market conditions.
- Volatility & Correlation: Although the prices of equity and fixed-income Securities, as well as other asset classes, often rise and fall at different times so that a fall in the price of one may be offset by a rise in the price of the other, in down markets the prices of these Securities and asset classes can also fall in tandem. It is possible that different or unrelated asset classes may exhibit similar price changes in similar directions, which may adversely affect a Client’s account, and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections might not reflect actual future performance.

#### UNDERLYING SECURITIES RISKS: EQUITY

- Sentiment, Results, Fundamentals: The prices of equity Securities, and thus the value of ETPs or Funds that invest in them, rise and fall daily. These price movements may result from factors affecting individual companies, industries or the Securities market as a whole. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of Securities issued by such companies may suffer a decline in response. In addition, the equity market tends to move in cycles, which may cause stock prices to fall over short or extended periods of time.
- Large- & Mid-Cap: ETPs or Funds that focus on large- and/or mid-cap segments of the U.S. stock market bear the risk that these types of stocks tend to go in and out of favor based on market and economic conditions. However, stocks of mid-cap companies tend to be more volatile than those of large-cap companies because mid-cap companies tend to be more susceptible to adverse business or economic events than larger, more established companies. During a period when large- and/or mid-cap segment of U.S. stock markets fall behind other types of investments—bonds or small-cap stocks, for instance—the



performance of the portion of the Strategy invested in large- and/or mid-cap U.S. stocks will lag the performance of these other investments. The Quartz Equity and Spectrum Strategies typically invest in U.S. equity Securities as a core allocation.

- Small-Cap & International: Historically, small-cap and international stocks have been riskier than large- and mid-cap U.S. stocks (also see Foreign Investment section below for additional information). During a period when small-cap and/or international stocks fall behind other types of investments— large- and mid-cap U.S. stocks, for instance—the performance of the portion of the investment strategies invested in small-cap or international stocks will lag the performance of these other investments.

#### UNDERLYING SECURITIES RISKS: FIXED INCOME

- General Bond Risks: Bond markets rise and fall daily, and fixed income investments, which generally also include instruments with variable or floating rates (including cash and cash-like investments), are subject to various risks. As with any investment whose performance is tied to bond markets, the value of a fixed income ETP or Fund will fluctuate, which means that the client could lose money.
- Interest Rates: When interest rates rise, bond prices usually fall, and the value of an ETP or Fund holding the bonds. A decline in interest rates generally raises bond prices and the value of a bond fund but could also reduce the future performance of an ETP or Fund by lowering its yield. The longer the duration of the investments held by an ETP or fund, the more sensitive to interest rate movements its value is likely to be.
- Credit: A decline in the credit quality of a fixed income investment could cause the value of a fixed income ETP or Fund to fall. The ETP or Fund could lose value if the issuer or guarantor of a portfolio investment fails to make timely principal or interest payments or otherwise honor its obligations. The emphasis of a fixed income strategy on quality and preservation of capital also could cause an ETP or Fund to underperform certain other types of bond investments, particularly those that take greater maturity and credit risks.
- High Yield Bonds: High yield Securities and unrated Securities of similar credit quality (sometimes called junk bonds) are subject to greater levels of credit and liquidity risks. High yield securities and the ETPs or Funds that invest in them may be considered speculative. Quartz Yield Plus and High Yield Legacy Strategies typically invest in high yield securities as a core allocation.
- Government Securities: Many U.S. government securities are not backed by the full faith and credit of the United States government, which means they are neither issued nor guaranteed by the U.S. Treasury. Certain issuers, such as the Federal Home Loan Banks (FHLB), maintain limited lines of credit with the U.S. Treasury and there can be no assurance that the U.S. government will provide financial support to securities of its agencies and instrumentalities if it is not obligated to do so under law.

#### UNDERLYING SECURITIES RISKS: FOREIGN

- General Foreign Investment Risks: Investments in ETPs or Funds that hold securities of foreign issuers may involve certain risks that are greater than those associated with investments in securities of U.S. issuers. These include risks of adverse changes in foreign economic, political, regulatory and other conditions; changes in currency exchange rates or exchange control regulations (including limitations on currency movements and exchanges); differing accounting, auditing, financial reporting, foreign taxes,



and legal standards and practices; differing securities market structures; differing trading and settlement practices; ownership restrictions; and higher transaction costs.

- Emerging Markets: The general risks of foreign securities (and other risks, e.g., nationalization, expropriation, or other confiscation of assets of foreign issuers) are greater for those ETPs or Funds investing in companies tied economically to emerging countries, the economies of which tend to be more volatile than the economies of developed countries.
- Frontier Markets: The risks associated with investing in ETPs or Funds that hold foreign or emerging markets generally are magnified in frontier markets, also known as ‘next emerging’ markets. Some frontier markets may operate in politically unstable regions of the world and may be subject to additional geopolitical/disruption of markets risks.
- Geopolitical & Disruption of Markets: Geopolitical events may adversely affect global economies and markets and thereby decrease the value of and/or the ease of trading those ETPs or Funds invested in those affected markets. Those events as well as other changes in foreign and domestic economic and political conditions could adversely affect the value of foreign securities.
- Currency: Fluctuations in exchange rates may adversely affect the value of ETPs or Funds that hold foreign currency holdings and investments denominated in foreign currencies.

The foregoing list of risks does not purport to be a complete enumeration or explanation of the risks involved in investing in investments. As investment strategies develop and change over time, Client’s may be subject to additional and different risk factors. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

## **Item 9 - Disciplinary Information**

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Quartz does not have any material legal or disciplinary events to report.

## **Item 10 - Other Financial Activities & Affiliations**

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### **Broker-Dealer Affiliations**

Neither Quartz nor our employees are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

### **Other Affiliations**

Neither Quartz nor any employee are registered as a futures commission merchant, commodity pool operator, commodity-trading advisor, or associated person of any of the foregoing entities.

### **Outside Relationships and Arrangements**

Quartz is not required to devote its full time or any material portion of time to any particular investment activity it is currently involved in and may in the future become involved in other business ventures are the same or similar which will compete for Quartz’s time and attention. Quartz and our management personnel do not have any relationship or arrangement that is material to our advisory business or to our Clients with any related persons.

### **Selection of Other Advisers**

Quartz does not recommend or select other investment advisers for our Clients.



## **Item 11 - Code of Ethics, Participation in Client Transactions & Personal Trading**

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### **Code of Ethics**

Quartz has adopted a Code of Ethics (the “Code”) pursuant to SEC rule 204A-1 and also claims compliance with the CFA Institute’s “Asset Manager Code of Professional Conduct” and “Global Investment Performance Standards”. A complete copy of Quartz’s Code is available for any current or prospective Client at [quartzpartners.com/disclosures](http://quartzpartners.com/disclosures) or upon request. The Code outlines the ethical and professional responsibilities required of Quartz supervised personnel to demonstrate a commitment to our fiduciary duties of honesty, good faith, and fair dealing. The Code covers the following areas; loyalty to clients, investment process and actions, trading, disclosures, performance and valuation, and risk management, compliance and support. The following general principles can be found throughout the Code:

- Act in a professional and ethical manner at all times
- Uphold the applicable rules governing capital markets
- Communicate with Clients in a timely and accurate manner
- Act for the benefits of Clients
- Act with independence and objectivity
- Act with skill, competence and diligence

### **Recommendations Involving Quartz Financial Interests**

Quartz nor any related person recommends to Clients, or buys or sells for Client Accounts, Securities in which our Firm or a related person has a material financial interest.

### **Investing Personal Money in Client Securities**

Quartz’s supervised personnel may buy or sell Securities for themselves that they also buy or sell for our Clients. Further, other than advisory fee discounts, Accounts managed by Quartz for supervised personnel shall receive neither special advantages nor disadvantages. Our Compliance Department reviews relevant supervised personnel’s Securities holdings and transactions each quarter to identify and address any potential conflicts of interest, or misdealing.

### **Trading Securities Around the Same Time as Clients**

Conflicts of interest may exist when Quartz or an employee owns the same Security as a Client because of the ability to trade slightly ahead or after and potentially receive more favorable prices than the Client. Quartz’s supervised personnel are strictly prohibited from engaging in this type of activity. Our Compliance Department reviews relevant supervised personnel’s Securities holdings and transactions.

## **Item 12 - Brokerage Practices**

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### **Factors Used to Recommend Custodians**

Quartz requires that Clients establish a separate custodial agreement with a qualified Custodian. When Quartz is granted full trading discretion, we are responsible to ensure that the Client receives the best execution possible. Best execution does not necessarily mean that Clients receive the lowest possible trading fees but that the qualitative execution is in the Clients best interest. When exercising reasonable due diligence in considering best execution, Quartz evaluates a number of factors besides trading fees including, but not limited to:

- Reputation and integrity
- Financial strength
- Execution expertise (block-trading, execution prices)
- Custody (holding Client assets for various Account types)
- Tax reporting (providing Client tax documentation)





- Customer Service and Technology

In addition to custody and trading fees outlined below, Custodians may impose additional charges for additional a la carte services, as well as regulatory fees, and transfer taxes mandated by law. Quartz currently recommends the following Custodians:

- *APEX Clearing Corporation (“APEX”)*: Quartz can recommend (and in some cases require depending on the Account type or Service) that Clients establish brokerage accounts with APEX. APEX is a subsidiary of Peak6 Investments, LLC. and is a member of FINRA/SIPC and is an independent (and unaffiliated) SEC-registered broker-dealer. APEX allows for the trading of fractional shares which can be to the benefit smaller Accounts. Through negotiations with Quartz, APEX has agreed to charge Quartz Clients’ accounts custodied with APEX the greater of \$0.25 per transaction or an asset-based fee of 0.04% to 0.10% annually for custody and trading. APEX’s annual custody and trading fee will be calculated based upon the Client’s Account balance and billed monthly in arrears. APEX may impose a monthly funded account fee of \$0.20 to \$5.00 per month for accounts that don’t meet their account minimum threshold. APEX’s specific Account fee schedule depends on the Account type and Advisory Service and is outlined in APEX’s custodial agreement between APEX and the Client.
- *Folio Institutional (“Folio”)*: Quartz can recommend (and in some cases require depending on the Account type or Service) that Clients establish brokerage accounts with Folio. Folio is a subsidiary of Goldman Sachs & Co. and is a member of FINRA/SIPC and is an independent (and unaffiliated) SEC-registered broker-dealer. Folio allows for the trading of fractional shares which can be to the benefit of smaller Accounts. Through negotiations with Quartz, Folio has agreed to charge Quartz Clients a monthly asset-based fee at an annual rate of 0.15%. Folio’s annual custody and trading fee will be calculated based upon the Client’s monthly Account balance and billed monthly in advance for their custody and trading service.
- *TD Ameritrade Institutional (“TD Ameritrade”)*: Quartz can recommend (and in some cases require depending on the Account type or Service) that Clients establish brokerage accounts with TD Ameritrade. TD Ameritrade is a member of FINRA/SIPC and is an independent (and unaffiliated) SEC-registered broker-dealer. TD Ameritrade only allows for the trading of whole shares (not fractional) and does not charge Clients for trading exchange traded funds or stocks traded on a U.S. exchange.
- **Research and Soft-Dollar Benefits:** Quartz does not charge commission markups and has no formal soft-dollar arrangements in which fees generated from trading and custody services are used to pay for third party services. However, through Quartz’s relationship with various Custodians, is offered research, products, discounts and certain other services from Custodians holding Client Accounts which may at one time have been offered under a “soft-dollar” agreement consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, and may consider these benefits in recommending Custodians. Although these arrangements may not benefit particular Clients individually, Quartz benefits by not having to source or pay for these products or services that benefit Quartz Clients as a whole. For example, unlike other Custodians, APEX requires Quartz to utilize a portfolio management solution like Orion Advisor Services to facilitate account opening, account closing, deposits, withdrawals, trade execution, viewing transactions, account statements, the Client online portal along with other daily service needs typically offered by Custodians. APEX has a direct relationship with Orion Advisor Services whereas Orion Advisor Services will reduce the quarterly fee that they charge to Quartz for Accounts maintained at APEX. This results in an economic benefit to Quartz. Clients should be aware that this does not result in higher transaction costs charged to the Client.



- **Brokerage for Client Referrals:** Quartz does not receive Client referrals from Custodians, broker-dealer or other third-parties in exchange for using or recommending a particular Custodian, broker-dealer, or other third party to execute Client Securities transactions or custody assets.
- **Directed Brokerage:** Although Quartz recommends, and in some cases requires, the use of certain custodians or Financial Intermediaries, Clients are allowed to or in some cases required select the broker-dealer or other Custodian that will be used for their Accounts contingent on our approval and ability to have sufficient access to such Accounts in accordance with our compliance and regulatory obligations. Clients directing the use of a particular broker/dealer or other Custodian must understand that we may not be able to obtain the best prices and execution for the transaction. Under a Client-directed brokerage arrangement, Clients may receive less favorable prices than would otherwise be the case if the client had not designated a particular broker/dealer or Custodian. In the event that a Client directs Quartz to use a particular broker or dealer, Quartz may not be authorized to negotiate commissions and may be unable to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to Clients who direct Quartz to use a particular broker or dealer versus clients who do not direct the use of a particular broker or dealer. Not all advisers require their Clients to direct brokerage.

## Trading

A primary goal of Quartz's trading policy is to avoid giving one Client preference over another. Quartz has an incentive to favor one or more of its Clients with regard to the allocation of investment opportunities, depending on the revenue we receive from a particular Client versus another. Quartz will act in a fair and reasonable manner in allocating suitable investment opportunities among Clients; however, no assurance can be given that (i) a Client participates in all investment opportunities in which other Clients participate, (ii) particular investment opportunities allocated to Clients will not outperform investment opportunities allocated to other Clients, or (iii) equality of treatment of Clients will otherwise be assured.

When Quartz intends to buy or sell the same Security with the same Custodian in more than one Account we may, but are not obligated to, aggregate those transactions to form a single block trade. As a firm practice, Quartz almost exclusively executes market orders and has discretion to wait to place orders if it is aware of potential additional trades for the same security that may be pending, or it may decide to execute trades immediately when it receives them. Decisions around the timing and aggregation of trades are made with the goal to seek best execution and to effectively manage order flow across numerous types of Custodians and Accounts. Shares will be distributed to each Account based on the Account value and Strategy allocation.

We have a responsibility to effect orders correctly, promptly and in the best interests of our Clients. We have instituted policies and procedures to monitor, identify and resolve any trade errors promptly without disadvantaging the Clients.

- **Trade Rotation Policy:** In an effort to remove any potential conflicts of interest when updating Quartz's Strategy allocations, Quartz has implemented a trade rotation policy in executing or submitting trade instructions. Trade instructions are distributed to Custodians/Platforms in an alphabetic order rotation (e.g., Trade Day #1 Order: A to Z, Trade Day #2 Order: Z to A). The following exceptions will be made to this trade rotation policy:
  - **Funds:** Custodians and/or Platforms that exclusively utilize Funds which receive end-of-day execution and pricing will not participate.
  - **Folio Institutional:** Folio Institutional trade orders are executed at predetermined "trading windows" at 11:00am ET and 2:00pm ET. For example, trades received by Folio Institutional prior to 11:00am ET will



trade at 11:00am ET. Therefore, trade execution Folio Institutional will be submitted for the first available trading window after the Investment Committee has authorized trade instructions.

**Special Circumstances Outside of Quartz's Control:** Restrictions and/or fees applied by Funds may also affect the performance and/or trading of Client Accounts. Some Funds impose trading restrictions and/or short-term trading fees. For example, a Fund may charge 1% of the fund's value if an exchange is made within a certain time period, e.g., (90) ninety calendar days. In this scenario, Quartz's choose not to buy or sell an investment in the Client's Account that we otherwise would have during the trade restriction period. The decision to sell or not sell a security with short-term trading fees is predicated on what we determine is in the Client's best interest at the time of the decision. If incurred, Clients are responsible for these non-advisory fees.

From time to time, trading at a particular Custodian will be disrupted due to circumstances outside of our control. For example, a Custodian may have technical difficulties which delays or prevents timely trading of Client Accounts. These infrequent disruptions may lead us to temporarily modify the daily trading schedule in order to maximize the value for our Clients as a whole.

Due to the often-limited investment options, differing custodial fees and trading restrictions, trading execution lags or waiting periods and other considerations with Variable Annuity Overlay, 401(K)'s, 403B's, and 457's there may be a wide dispersion of investment performance vs. traditional investment accounts that can invest in ETPs. Further, during periods of heightened market volatility where trading windows are perceived to be small (e.g., potential holding period (30) thirty days or less) Quartz's Investment Committee may exercise discretion and exclude Custodians with trading execution lags or waiting periods out of a Strategy or Portfolio allocation change in an effort to reduce risk.

## **Item 13 - Review of Accounts**

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### **Frequency and Nature of Account Reviews**

Our Investment Committee will invest Client accounts into the proprietary Strategy(s) or Portfolio(s) selected by the Client. No less that quarterly, Quartz will review Client portfolios to determine if an account is outside of the tolerance for the Account's Strategy allocation. If an Account is determined to be out of Strategy tolerance, the Investment Committee will determine if resolution trades are required.

Annually by April 30th, a written request will be sent asking Clients to supply any updated information including, but not limited to, their financial situation, investment objectives, risk tolerance, and receipt of quarterly statements and their accuracy.

### **Factors Triggering a Non-Periodic Review**

Accounts will be reviewed promptly if we receive updated information pertinent to the management of their Account(s) or upon Client request. Clients are responsible for communicating to Quartz any significant changes to their financial circumstances or risk tolerance. Reviews may also be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **Content and Frequency of Reports**

Quartz only maintains relationships with Custodians that provide complete written reports to our Clients no less than quarterly.

## **Item 14 - Client Referrals & Other Compensation**

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### **Economic Benefits Provided by Third Parties**

Quartz does not receive “revenue sharing” or “expense reimbursement” payments or other compensation from Fund/ETP companies, Custodians, vendors, or Platform providers associated with our Clients’ Accounts. In the event that Quartz becomes entitled to any such payments in the future and elects to receive such payments, Quartz will disclose the terms of the payments to the Client and will apply those amounts as a direct offset to fees incurred under any preexisting investment management agreement with Quartz. However, Quartz and its employees may from time-to-time receive an indirect economic benefit from Custodians or Investment Companies we maintain a relationship with. These benefits are not related to trading or other transactions and may include operational support, discounted services, marketing support, and complimentary accommodations and/or meals at sponsored events. The receipt of economic benefits whether direct or indirect creates a conflict of interest and may influence Quartz and our employees’ decision to do business with these companies. Our Chief Compliance Officer monitors these activities to ensure this does not dissuade Quartz or their employees from acting in the Clients’ best interest.

### **Compensation for Client Referrals**

Quartz has agreements in place to pay a portion of its investment management fee to Solicitors for referring Clients to Quartz or who assist with certain administrative tasks associated with the management of Client Accounts. Quartz actively markets our advisory services to other Financial Intermediaries and Financial Professionals for use with their Clients. These Financial Intermediaries and Financial Professionals may receive usual and customary compensation on the sale of other investment products and services to their Clients. These activities are unrelated to Quartz’s services, and Quartz does not receive any portion of this compensation. Under a Solicitor agreement with Quartz, Solicitors will receive a portion of our advisory fee, which may exceed 75%, for performing these duties. This fee will not necessarily result in Clients paying higher advisory fees, but Quartz advisory fees are negotiable, and the inclusion of a Solicitor may decrease the probability of a Client negotiating a lower advisory fee. It should be noted that Quartz offers similar advisory services that are limited in scope at potentially at a lower fee rate.

At the time of solicitation and in compliance with Rule 206(4)-3 under the Investment Advisers Act of 1940, Clients will receive this Brochure along with a disclosure contained within our agreement that states the name of the Solicitor, nature of the relationship and a description of the compensation to be paid to the Solicitor.

From time-to-time Quartz may provide marketing and educational support to assist Solicitors as requested. This support includes payments such as those for continuing education, Client educational events or reimbursement for the costs of sales promotional activities. Quartz’s arrangement with Solicitors may create an incentive for the Solicitor to refer Clients to Quartz rather than another Financial Intermediary, based on the compensation the Solicitor receives. Quartz reserves the right in any of the above circumstances to terminate our arrangement with any Solicitor’s.

## **Item 15 – Custody**

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As discussed above under "Fees and Compensation," where authorized by the client, Quartz will directly debit advisory fees from Client Accounts. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. However, Quartz does not have authority to possess or take actual custody of Clients’ assets. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the Account during the reporting period. Because Quartz relies upon a qualified third-party to calculate advisory fees, not the Custodian, it is important for Clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us immediately if they feel there are any inaccuracies.



## Item 16 - Investment Discretion

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Pursuant an agreement with Quartz, Clients typically grant us a limited power of attorney to provide Quartz with investment discretion over the Client's Accounts. Quartz's investment discretion is limited to the purchase and sale of Securities and investment of cash, and not to the distribution of assets (except for the limited grants of authority to facilitate withdrawal of money to the Client according to their instructions).

We may not be given full investment discretion for our services, in this scenario, it is the responsibility of the Financial Intermediary or Trustees to exercise ultimate trading discretion and execution based on our instructions.

Quartz accepts full investment discretion authority to manage its Clients Securities. Full investment discretion facilitates placing trades in Clients Accounts on their behalf so that Quartz may promptly implement the investment a Client's investment objectives based on their risk tolerance. Full investment discretion is granted pursuant an agreement with the Client that grants us a limited power of attorney to provide Quartz with investment discretion over the Client's Account(s). When investment discretion is granted, Quartz or a Quartz financial professional will have the authority to determine, without obtaining specific Client consent, the individual Securities to be bought and sold as well as the amount of the Securities to be bought or sold. Investment discretion is to be exercised in a manner consistent with the stated investment objectives, risk profile, and restrictions provided by the Client in writing. Quartz's investment discretion is limited to the purchase and sale of Securities and investment of cash, and not to the distribution of assets (except for the limited grants of authority to facilitate withdrawal of money to the Client according to their instructions).

In certain circumstances, Quartz may not be given full investment discretion. Below we have listed a few examples where Quartz may act in a limited or non-discretionary capacity:

- Employer Retirement Plans: When Quartz acts in a 3(21) fiduciary capacity we will provide plan sponsors with the plans recommended investment line-up. Ultimately the plan trustees will have the discretion to select and replace plan investment options.
- Model Delivery Program: With certain Platform Sponsor require the Quartz to provide asset allocation or trading instructions or recommendations to the Platform Sponsor, Client or Trustee who will then exercise the ultimate trading discretion and execution responsibility in determining the timing of the trade and seeking best execution.

## Item 17 - Voting Client Securities

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We do not accept authority to vote Client securities, nor do we provide information or advice about any particular solicitation. Clients receive proxies or other solicitations directly from their Custodian, ETP or Fund company.

## Item 18 - Financial Information

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Quartz does not require nor solicit prepayment of more than \$1,200 in advisory fees per Client, six months or more in advance and is therefore not required to include a balance sheet with this Brochure. Quartz has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been subject of a bankruptcy proceeding.

While, COVID-19 has not materially impacted Quartz's ability to fulfill our fiduciary commitments to clients, in April of 2020 due to the economic uncertainty posed by COVID-19, Quartz received funds obtained under the Payroll Protection Program ("PPP") offered by the U.S. Small Business Administration. Quartz met the terms and conditions of the PPP loan program by using the proceeds for the intended purpose and the loan was forgiven in its entirety on 1/1/21.



## Privacy Policy

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Quartz Partners, LLC (the “Firm”) as a fiduciary to our Clients understands the value of maintaining privacy when handling financial information. Because we respect the privacy of financial information, Quartz Partners ensures the security of consumer personal information in accordance with the following Privacy Policy (the “Privacy Policy”).

You (collectively “You” or “Your”) utilized the Quartz Partners websites, and/or services (the “Services”) at the request of Your financial advisor. Alternatively, to use the Services, Your Financial Professional, benefit plan sponsor, employer or association has input Your personal information and, if applicable, Your co-client’s personal information in order to service financial account(s) on Your behalf, provide You customized financial planning information, or generally assist You with Your overall financial wellness. These parties and, if applicable, the Firm with whom they are affiliated with, have access to personal information on the Services that You have permissioned them to have. Those parties’ use of Your personal information is governed by their or their respective firm’s privacy policy. Please contact Your financial advisor if You have questions about their firm’s privacy policy.

### Personal Information We Collect

As part of providing a holistic picture of Your financial wellness, Quartz Partners may collect some or all of the following types of personal information:

- Identifiers like postal address, email address, account name, unique personal identifier, login credentials, or other similar identifiers;
- Customer records like a signature, address, telephone number, passport number, Social Security Number, driver’s license or state identification card number, insurance policy number, employment, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information as applicable as required to utilize insurance-related tools;
- Classification characteristics like age, marital status, and sex;
- Commercial information such as records of personal property, investment assets, account activity (including transactions, balances, positions and history), anticipated retirement expenses, expected values of future assets such as lump sum distributions from pensions or inheritances, and
- other purchasing or consuming histories or tendencies (for example, if You opt to share this information in order to view and analyze spending habits and work on budget performance);
- Internet or other similar network activity, like online identifier, Internet Protocol address, web browser, and information on interactions with our products, websites, applications, or advertisements;
- Sensory data, such as customer service requests or questions directed to Quartz Partners through our websites or via telephone conversations;
- Professional or employment-related information, such as current or past job history and income;
- Inferences drawn from other personal information, such as any additional profile information reflecting preferences and behavior (for example, a person’s risk tolerance related to investment strategies); and
- Personal information does not include publicly available information from government records, publicly available business contact information, de-identified or aggregated consumer information, or personal information covered by certain sector-specific privacy laws, including the Fair Credit Reporting Act, the Gramm-Leach-Bliley Act, or other laws.

### How We Use Personal Information

Quartz Partners does not sell, rent or lease consumer personal information we collect. In compliance with federal and state laws, we may use consumer personal information for one or more of the following business purposes:

- To fulfill or meet the reason You provided personal information in the first place to use or to your Financial Professional on Your behalf;
- To create, maintain, customize and secure Your Account;
- To process requests, purchases, transactions and advisory fee payments;
- To prevent transactional fraud;
- To provide support and to respond to inquiries;
- To personalize and develop experiences with our Services, including offers through our websites, applications, emails, and or text message (with Your consent, where required by law);
- To help maintain the safety, security, and integrity of our Services, databases, other technology assets, and business lines;
- For testing, research, analysis and product development, including to develop and improve our websites, products and services;
- To evaluate or conduct a merger, divestiture, restructuring, reorganization, dissolution or other sale or transfer of some or all of Quartz Partners’ assets, whether as a going concern or as part of a bankruptcy, liquidation, or similar proceeding, in which personal information held by Quartz Partners about users is among the assets transferred;





- To respond to law enforcement requests and as required by applicable law, court order or governmental regulations;
- As described to You when collecting Your personal information; and
- For the reasons otherwise set forth in this Privacy Policy.

Quartz Partners may develop, use distribute and publish information and statistics derived from aggregate consumer information and the content that You contribute for use on a masked, aggregate basis.

### **A Word About “Cookies”**

"Cookies" are small files used by websites to store information on Your computer that provide technical and navigational information, such as computer browser type, Internet protocol address, pages visited, and average time spent on our website. Quartz Partners cookies contain information that identifies You during a session and allows the software to function, to facilitate site navigation, and to personalize Your experience. For the Services to work properly, Your browser must be enabled to accept cookies. Quartz Partners may also use anonymous log file information to: (a) make the websites better, faster and more robust; (b) monitor statistics relating to the websites; and (c) police the websites and enforce the terms of use and any other guidelines for usage. This information is also not for sale. We do not use cookies to pull data from Your hard drive or view data in cookies created by other websites. Third parties may view, edit, or set their own cookies. The use of these technologies by third parties is subject to their own privacy policies and is not covered by this Privacy Policy, except as required by law.

### **Disclosing Personal Information to Others**

We do not sell, lease, or rent consumer personal information about current or former accounts to third parties. In compliance with federal and state laws, we may disclose personal information to nonaffiliated businesses for a business purpose. These companies are required to treat Your private information with the same high degree of confidentiality that Quartz Partners does and access Your private information only for the services for which they are engaged. We disclose personal information for a business purpose to the following categories of third parties:

- Quartz Partners corporate affiliates;
- Companies that perform services for us or on Your behalf, including the custodians, administrators, and recordkeepers who manage Your assets;
- Companies participating with Quartz Partners in a proposed or actual sale, merger, transfer, or business exchange;
- Companies that participate in joint marketing activities with us;
- Non-affiliated parties as allowed by law, such as in responding to a subpoena, preventing fraud, or complying with an inquiry by a government agency or regulator; and
- Other organizations as directed by You or Your representative.

### **Retaining Personal Information**

Quartz Partners complies with financial laws and regulations to maintain records for statutorily required periods of time. Retaining personal information is often necessary for us and our service provider(s) to:

- Complete the transactions for which we collected the information, provide a requested good or service, take actions reasonably anticipated within the context of our ongoing business relationships, or otherwise perform our contract with You or on Your behalf;
- Enable solely internal uses that are reasonably aligned with consumer expectations based on their relationship with us;
- Comply with a legal obligation, including but not limited to maintaining a books and records requirement under the SEC;
- Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities;
- Debug products to identify and repair errors that impair existing intended functionality;
- Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law; and
- Make other internal and lawful uses of that information that are compatible with the context in which the information was provided.



## **Form ADV Part 2B – Brochure Supplement**

**Joseph W. Arena**

Quartz Partners, LLC  
17 1st Street, Suite 206  
Troy, NY 12180  
Telephone: 800-433-0422  
Email: [jarena@quartzpartners.com](mailto:jarena@quartzpartners.com)

March 16, 2021

### **Item 1 - Cover Page**

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This brochure supplement provides information about Joseph Arena that supplements the Quartz Partners, LLC Form ADV Part 2A Firm Brochure. You should have received a copy of that brochure. If you have not received Quartz Partners, LLC's brochure or if you have any questions about the contents of this supplement, please contact us at 800-433-0422 or [compliance@quartzpartners.com](mailto:compliance@quartzpartners.com).

Additional information about Joseph Arena is also available on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov). You can search the site by using a unique identifying number, known as a CRD number. Mr. Arena's CRD number is 4997368.

## Item 2 - Educational background and business experience

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**Joseph W. Arena**

Year of Birth: 1980

### Education:

- Binghamton University, B.S. Management, Finance Concentration, 2002

### Business Background:

- |   |                   |
|---|-------------------|
| • Quartz Partners, LLC, Managing Partner and Chief Investment Officer | 12/2014 - Present |
| • PageOne Financial, inc., President and Chief Market Strategist      | 1/2005 - 12/2014  |
| • PageOne Funds, LLC, Portfolio Manager                               | 2/2012 - 12/2013  |

### Licenses:

- Uniform Investment Adviser, Series 65

## Item 3 - Disciplinary Information

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Mr. Arena does not have any history of legal or disciplinary events.

## Item 4 - Other Business Activities

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Mr. Arena is not engaged in any investment-related business or occupation other than Quartz Partners, LLC. Mr. Arena does not receive commissions, bonuses or other compensation on the sale of securities or other investment products. Mr. Arena is not engaged in any non-investment-related business or occupation that provides substantial compensation or involves a substantial amount of his time.

## Item 5 - Additional Compensation

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Mr. Arena does not engage in any investment-related activities outside of Quartz Partners, LLC. Other than salary, bonuses, profit sharing, from Quartz Partners, LLC, Mr. Arena does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Quartz Partners, LLC or any other investment-related activity.

## Item 6 – Supervision

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As co-owner, Managing Director and Chief Investment Officer, Mr. Arena is responsible for overseeing the Firm's Investment Committee along with managing the business operations of the Firm. Mr. Arena only delivers investment advice and has discretionary authority over a Client's assets as a member of the Firm's Investment Committee along with Kyle Webber, the Firm's Managing Director and Chief Compliance Officer. As co-founder of Quartz Partners, LLC, Mr. Arena does not report to a supervisor but is required to abide by the Firm's Code of Ethics and Compliance Policies and Procedures Manual, along with self-reporting material compliance violations to Mr. Webber. Mr. Webber is aware of Mr. Arena's investment and Firm activities and can be contacted at [compliance@quartzpartners.com](mailto:compliance@quartzpartners.com) or (800) 433-0422.



## **Form ADV Part 2B – Brochure Supplement**

**Kyle P. Webber**

Quartz Partners, LLC  
17 1st Street, Suite 206  
Troy, NY 12180  
Telephone: 800-433-0422  
Email: [kwebber@quartzpartners.com](mailto:kwebber@quartzpartners.com)

March 16, 2021

### **Item 1 - Cover Page**

This brochure supplement provides information about Kyle Webber that supplements the Quartz Partners, LLC Form ADV Part 2A Firm Brochure. You should have received a copy of that brochure. If you have not received Quartz Partners, LLC's brochure or if you have any questions about the contents of this supplement, please contact us at 800-433-0422 or [compliance@quartzpartners.com](mailto:compliance@quartzpartners.com).

Additional information about Kyle Webber is also available on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov). You can search the site by using a unique identifying number, known as a CRD number. Mr. Webber's CRD number is 5093059.

## Item 2 - Educational background and business experience

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### Kyle P. Webber

Year of Birth: 1983

#### Education:

- Clarkson University, B.S. Financial Information Analysis, 2006

#### Business Background:

- |   |                   |
|---|-------------------|
| • Quartz Partners, LLC, Managing Partner and CCO            | 12/2014 - Present |
| • PageOne Financial, inc., Executive Vice President and CCO | 5/2011 - 12/2014  |
| • PageOne Funds, LLC, Assistant Portfolio Manager           | 2/2012 - 12/2013  |

#### Licenses:

- Uniform Investment Adviser, Series 65

## Item 3 - Disciplinary Information

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Mr. Webber does not have any history of legal or disciplinary events.

## Item 4 - Other Business Activities

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Mr. Webber is not engaged in any investment-related business or occupation other than Quartz Partners, LLC. Mr. Webber does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

Mr. Webber is not engaged in any non-investment-related business or occupation that provides substantial compensation or involves a substantial amount of his time. However, Mr. Webber is a member with a minority interest in Slocum-Webber Group, LLC (project management consulting and property management services) and SKI VT House, LLC (real estate investment and property management services). These business activities represent less than 10 percent of Mr. Webber's time and income.

## Item 5 - Additional Compensation

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Mr. Webber does not engage in any investment-related activities outside of Quartz Partners, LLC. Other than salary, bonuses and profit sharing from Quartz Partners, LLC, Mr. Webber does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Quartz Partners, LLC or any other investment-related activity. However, Mr. Webber is eligible to receive profits from Slocum-Webber Group, LLC and SKI VT House, LLC proportionate to his membership interest.

## Item 6 – Supervision

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As co-owner, Managing Partner and Chief Compliance Officer, Mr. Webber is responsible for compliance, managing the business operations of the Firm, and aiding in the Firm's investment research. Mr. Webber only delivers investment advice and has discretionary authority over a Client's assets as a member of the Firm's Investment Committee along with Joseph Arena, the Firm's Managing Director and Chief Investment Officer. As co-founder of Quartz Partners, LLC, Mr. Webber does not report to a supervisor but is required to abide by the Firm's Code of Ethics and Policies and Procedures Manual, along with self-reporting material compliance violations to Mr. Arena. Mr. Arena is aware of Mr. Webber's investment and other Firm activities and can be contacted at [jarena@quartzpartners.com](mailto:jarena@quartzpartners.com) or (800) 433-0422.