

Form ADV Part 2A: Disclosure Brochure

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This brochure provides information about the qualifications and business practices of Quiet Foundation, Inc.

If you have any questions about the contents of this brochure, please contact Quiet Foundation at (312)-300-4825. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Quiet Foundation is registered with the United States Securities and Exchange Commission as a Registered Investment Adviser. Registration with the Securities and Exchange Commission does not imply a certain level of skill or training.

Additional information about Quiet Foundation is available on the SEC's website at <https://www.adviserinfo.sec.gov/IAPD>. You can search this site by a unique identifying number, known as a CRD number. Quiet Foundation, Inc. CRD Number is: 315282

Item 2 – Material Changes

Form ADV, Part 2, requires registered investment advisers to amend their brochures when information becomes materially inaccurate. If there are material changes to an investment adviser's brochure, the investment adviser is required to notify you and provide you with a description of the material changes.

This is our initial Form ADV Part 2 filing, as the Quiet Foundation, Inc. is a newly registered investment advisor.

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Item 4 – Advisory Business

As used in this brochure, the words “we,” “our,” “us,” “Quiet Foundation,” “QF,” or “Firm” refer to Quiet Foundation, Inc. and the words “you,” “your,” “subscriber,” and “client” refer to you as either a client or prospective client of our Firm. In addition, as used in this brochure, the term “Associated Persons” refers to our officers, employees, and all individuals involved in providing services on behalf of our Firm.

About QF

Quiet Foundation, Inc. is registered with the United States Securities and Exchange Commission as an investment adviser and is based in Chicago, Illinois. QF was formed on February 21, 2018 as a wholly owned subsidiary of tastytrade, Inc. (“tastytrade”). tastytrade and its affiliated companies focus on empowering individual investors through content, technology and know-how. As of June 2021, tastytrade is owned by IG Group Holdings, Plc. a London based financial firm publicly traded on the London Stock Exchange (IGG).

QF’s mission is to innovate the way investment advice is disseminated to individual investors. QF currently offers three independent services to its clients. QF’s primary line of business is its proprietary Alpha Boost service which conducted through a paid subscription. Clients are welcome to use the other free services without subscribing to the subscription service. We do not manage investment portfolios and do not offer or sell financial products.

Alpha Boost Trade Service

We offer clients recommended option trades based on a proprietary analysis of their current portfolio holdings, including stocks, some limited real-estate investment trusts (REITs), exchange traded funds (ETF), exchange traded notes (ETNs), and derivative holdings¹. These recommended trades, known as the Alpha Boost service, are unique to each client and are generated by an algorithmic database. QF advisory representatives monitor underlying securities and strategies each day to ensure the proprietary system generates trades in viable options markets. The trades are designed to provide clients option trade opportunities in equities, ETFs, ETNs, and indices, that provide additional, theoretical diversification, add to the bias of existing positions or reduce the bias of existing positions. The recommended trades will reflect a variety of options trading strategies as explained in Item 8 of this brochure. Clients will decide whether the option trade opportunities are sufficient for their trading account and risk tolerance, or not. The recommendations do not take into account any client’s specific investment objectives.

Clients that subscribe to the service will receive a weekly email with their trade ideas. Option expirations chosen for each trade will vary; however, our system will favor more liquid, monthly

¹ QF’s Alpha Boost systems can analyze most equity and index options but does not analyze futures, or futures options at this time.

option expirations. We aim to provide 5 trade ideas per weekly email; however, market conditions may mean we provide fewer than 5 on any given week. If a client does not have any existing positions in their account, we will provide 3 to 5 trade ideas in various broad stock market index ETFs, sector ETFs, or liquid stocks.

Each morning, the Alpha Boost system will run to generate and email trade ideas to each client due ideas for that day. The system will be run in the first hour after the market opens to allow for more efficient pricing of all securities. Once the system runs the analyses and generates trade ideas, unique emails will be sent to each client. While the systems are optimized to run quickly and efficiently, there will be some time lag between when the trades are generated and when the client receives them. Clients should always check current market pricing to assess feasible prices at which to attempt to execute a trade, should they wish to execute it.

In addition to the client specific trade idea emails described above. We also send clients emails with supplementary trade ideas. These emails are the same for all clients and do not take into consideration a client's current holdings or investment objectives. These trades are generated by Quiet Foundation advisory representatives, based on current market conditions. These trades will also focus on various options strategies, similar to our system generated trade ideas.

Clients wishing to utilize the Alpha Boost service should already have a working knowledge of options trading. A client's financial situation is not considered by our system when making these option trade recommendations. It is ultimately up to a client to understand the risks involved with options and decide if trades suit their risk tolerance. QF does not monitor trade recommendations after the initial email. All recommendations provided are opening trade ideas, QF does not provide advice regarding trade management or closing trades, the client bears this responsibility through their own evaluation of risk.

Eligible Accounts. This service is only applicable if a tastyworks, Inc. (tastyworks) brokerage account is established and connected to QF's subscription service via our website (quietfoundation.com). The secure connection software is provided by a third-party vendor, Plaid, Inc. Connecting your tastyworks account gives QF read-only access to your account to conduct our analysis and provide trade recommendations.

Free Portfolio Analysis Services for Self-Directed Investors

We offer clients a free to use, proprietary data science-driven, investment analysis service for self-directed investors. QF will offer this service built on its proprietary online platform using Exploratory Portfolio Intelligence™ ("EPI"). EPI is a combination of data science and math-driven research that provides unique risk analysis of any investment portfolio held by the client at any financial institution. The portfolio analysis offered by QF is designed to help clients assess risk, evaluate asset allocation and existing product commitments and can be applied to any account size.

QF's portfolio analysis services will be limited to the client's portfolio analysis generated by QF's proprietary EPI and include QF's insights on the financial and risk exposure of the client's current portfolio of securities positions (including equity securities, ETFs, ETNs, and mutual funds). QF's portfolio analysis is intended to provide a deeper insight for each client about the risk profile of the client's portfolio, which may allow the client to make more informed investment decisions moving forward.

Uniform Level of Service. Despite each analysis being unique for each client's portfolio, QF offers the same level of service to all clients, using the same EPI online platform.

Services Provided to Clients. Each portfolio analysis client of QF will receive service in the form of a snapshot portfolio analysis report, delivered to him or her in PDF format via the online platform.

Client Data Entry Details. QF will perform a portfolio analysis using EPI for each client upon the client's submission of his or her positions to QF. This portfolio analysis will be conducted based on the positions each client wishes to disclose to QF for analysis.

After consenting to a client agreement and the proper disclosure documents, the client will be given access to a secure online portal where he or she will be able to connect their brokerage accounts via Plaid (see above) to import account holdings and minimize data entry time.

Otherwise, clients are able to manually enter the symbol and quantity of each stock, mutual fund, ETN, or ETF to be included in the analysis. Clients will be made aware of any securities that are not currently in QF's EPI and not subject to analysis.

The analysis will be conducted based on the securities entered or imported by the client. This also applies to the quantity of each security to be analyzed; it is up to the client to provide accurate information of each ticker symbol and quantity. All analysis on the date a report is generated will be based on the previous day's published closing prices. Any symbol not found in the EPI database will not be included in the analysis.

Services are Not Customized. As a provider of portfolio analysis services, we do not customize our services, as each client will have access to the same EPI platform, which will produce the same report based upon the securities entered or imported by the respective client.

The QF Peace of Mind Account Liquidation Services

For those investors who have eligible brokerage accounts that are traded through tastyworks, our broker-dealer affiliate, and are held by clearing firms chosen by tastyworks, QF will provide the account liquidation services described below. These services, known as the QF Peace of Mind services, will allow tastyworks customers with eligible accounts (described below) to trade securities while knowing that, in the event of their death, QF will liquidate the securities in the

account at the direction of qualified personnel. The QF Peace of Mind is intended to enable tastyworks customers who trade actively to have some comfort regarding the ability of their account survivors or trustees to liquidate potentially complex securities positions.

Eligible Accounts. The QF Peace of Mind services are only available to tastyworks brokerage accounts that are held in an irrevocable trust, a living trust or a joint account with a right of survivorship at the time of the tastyworks customer's death ("Eligible Accounts").

One-Time Liquidation of Securities Positions. QF will initiate a one-time liquidation of securities positions held in an Eligible Account upon receipt of an appropriate letter of direction and other required documents following the tastyworks customer's death. Any tastyworks customer desiring to utilize the QF Peace of Mind services will be required to provide the documentation referenced in the QF Customer Agreement Addendum that must be executed in order to obtain such services. The liquidation of securities positions involves risks, which are addressed in Item 8 of this brochure. QF will attempt to complete an orderly liquidation of the securities and will attempt to minimize the risks, based on current market conditions, but cannot guarantee any results of such liquidation. Upon receipt of an appropriate letter of direction to proceed with the liquidation process, QF will be given discretion to execute such transactions as it deems appropriate. As a result, QF will not seek permission or approval from a surviving joint tenant or a trustee with respect to the entry of orders or the execution of transactions. Normal brokerage fees and other charges associated with such transactions will be incurred. Such brokerage fees and charges are separate and apart from any fee that may be imposed by QF for these account liquidation services.

The QF Peace of Mind is Limited to Liquidation Services. The QF Peace of Mind service is limited to the liquidation services described above. Accordingly, QF will not be providing any investment advice in connection with such liquidation services. As is the case with QF's portfolio analysis services, the QF Peace of Mind offers the same level of service to all clients.

All QF services are available to residents living in the United States and are not generally available to foreign individuals. QF offers no other services at this time.

Wrap Fee Programs

We do not sponsor a wrap fee program nor do we provide portfolio management services to a wrap fee program.

Assets Under Management

We do not have assets under management.

Item 5 – Fees and Compensation

Alpha Boost Trade Service:

Clients who subscribe to this service for the weekly recommendations email will be charged a monthly fee of \$9.99. This subscription fee allows the client to receive weekly trade idea emails for one tastyworks account. To subscribe to trade idea emails for additional tastyworks accounts the fee is \$3.99 per account per month. Annual pricing is available at \$99.99 and \$39.99 respectively.

Discounts, Offers and Features. We reserve the right to provide discounts or special offers to new or existing clients at our discretion. In the future we may add additional features for clients to opt into for additional fees.

Other Fees. QF does not charge account maintenance, termination or other fees not listed here. If we institute any changes to our fee structure, we would do so only after providing prompt notification to all clients.

Clients who choose to execute trades recommended by our service, whether at tastyworks or another broker of their choosing, are responsible for all commissions and all exchange and clearing fees. Options strategies that include the simultaneous sale and purchase of two or more options will incur additional commission charges in their brokerage account. QF does not pay for or reimburse customers for costs incurred by executing any trades at their broker.

Free EPI Portfolio Analysis Services

The EPI portfolio analysis service is offered for free to any QF client. Clients can sign up for an account on quietfoundation.com at any time to access the EPI analysis. Clients do not have to be a paying subscriber to other QF services to access this free service.

We reserve the right to begin assessing a fee for EPI analysis services at our discretion, which would occur after clients receive notice of the effective date and amount of such fees. At this time there is no intention to charge for this service.

Accounts. With respect to the client accounts that are opened on the QF website, we do not charge an account opening or account maintenance fee.

Reports. With respect to the EPI Reports that are generated by client inputs, we do not charge a separate subscription or access fee for the reports that are generated.

Terminations. Clients may close their account at any time. We do not charge a termination fee to clients.

Brokerage Account Liquidation Services

The Peace of Mind account liquidation service is offered for free to any QF client, with an eligible tastyworks account, who completes the necessary documentation on the QF website. A client does not need to be a paying subscriber to other QF services to receive the Peace of Mind service for free. However, we reserve the right to begin assessing a fee for the Peace of Mind services at our discretion, which would occur after clients receive notice of the effective date and amount of such fees. At this time there is no intention to charge for this service.

Additional Services

We reserve the right to offer additional services to new and existing clients in the future. We reserve the right to negotiate fees for any such services with each client and may choose to waive fees from time to time at our discretion.

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

Form ADV Part 2 requires investment advisers such as QF to disclose whether the Firm or any person associated with the Firm accepts performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account.

We do not charge any performance-based fees or provide side by side management.

Item 7 – Types of Clients

Alpha Boost Trade Service:

We provide our recommended trade service to retail brokerage investors, including individuals, joint account owners or business entities, such as limited liability companies, partnerships and corporations. Clients wishing to utilize this service are required to have a funded tastyworks brokerage account.

Before utilizing this service, it is expected that the client has a working knowledge of and experience with options trading. QF does not monitor brokerage account holdings for clients. The management of brokerage account holdings is the client's sole responsibility.

Free EPI Analysis Services

We provide free portfolio analysis services for individual investors who may hold investment accounts as individuals, joint account owners or business entities, such as limited liability

companies, partnerships and corporations. We do not service other client types, such as pension plans or investment companies.

The analysis offered by QF is relevant to various types of clients ranging from those who have a basic understanding of investing and trading to those who have a sophisticated understanding of investing. If a client has better investment knowledge, there could be a higher potential benefit derived from this analysis, despite uniform service to all clients (see “Uniform Service” under Item 4).

There is no minimum or maximum account size.

Peace of Mind Account Liquidation Services

We provide the QF Peace of Mind services, as described in Item 4, to those investors who have eligible accounts that are traded through tastyworks and are held by clearing firms chosen by tastyworks.

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

Alpha Boost Recommended Trade Service

This service is designed for clients to aid them in identifying trades for their personal options trading. Any client wishing to utilize this service should have a working knowledge of options trading and experience with options trade management. Options involve risk and are not suitable for all investors as the special risks inherent to options trading may expose investors to potentially significant losses. It is important that all investors utilizing options review and are familiar with the [Characteristics and Risks of Standardized Options](#).

Methods of Analysis

Liquidity Analysis:

QFs recommended trades are focused on options contracts that exhibit high liquidity. These criteria include liquidity of both the option contracts and the shares of the underlying securities.

We seek underlying securities with consistent daily volume of shares traded with tight bid-ask spreads during normal market hours. For the options contracts, we focus on securities whose options exhibit consistent levels of volume and open interest.

Risks: Liquidity in securities and their options is subject to change with changing market conditions. All securities, including options can exhibit lower liquidity at any time. This can lead to a less desirable execution on option purchases or sales.

Volatility Analysis:

QF seeks to recommend options strategies in securities that exhibit a high implied volatility ("IV"). IV indicates the theoretical magnitude of movement, up or down, for the given security. Stock/ETF IV is measured as an aggregate of option volatility. When option volatility is high, options prices are typically higher. IV is typically cyclical. Securities exhibiting high IV will often see this drop in the future. This can be advantageous for traders who sell options or option spreads as the prices then fall and traders buy their option or spread to close at lower prices. We measure high IV via implied volatility rank ("IVR"). IVR is a simple measure of IV for an underlying security relative to itself over the past year. IVR is measured from 0 to 100.

Risks: There is no guarantee that IV will be cyclical in any given scenario. IV can be high and continue to increase. This can result in losses for option and option spread sellers. Additionally, IV is not the only component of an option's price, meaning that option trades that benefit from a falling IV can still see losses due to disadvantageous price moves in the underlying security.

Probability Analysis:

Option pricing models allow for calculation of the probability that the underlying security will be above or below a certain price at a specific date, typically an option expiration date. QF utilizes probability analysis to construct option trades and option spread trades that provide clients with a greater than 50% probability of profit on each individual trade, at trade entry (where possible). At any given time, a stock or ETF price has a theoretical 50/50 chance of moving higher or lower over a given time period. Therefore, selling an option or option spread above or below the current price, that option (or spread) has a higher than 50% chance of being worthless, and therefore profitable, at expiration. These options that are away from the current price (out-the-money) are worth only "time value" if they stay out-the-money, this value decays as time passes and expiration approaches.

Risks: Option pricing models and probability analysis are theoretical in nature and may not accurately predict price ranges and movement of the specific security. Probabilities when initiating a trade are a snapshot for that moment in time and are susceptible to drastic changes with exaggerated market movement.

Beta and Beta weighted delta analysis:

Beta measures the volatility, or sensitivity, of securities relative to the overall stock market. If stock XYZ has a beta of 2, it is expected that stock moves with double the magnitude of a movement in the overall market.

Delta is a security's number of shares equivalency per option. Stock has a static share equivalency; 100 shares is equal to 100 delta. Options have a dynamic share equivalency

depending on various factors of that option such as strike price, current underlying security price, time to expiration, volatility.

By combining measures of beta and delta for all holdings in a portfolio it is possible to get one beta weighted delta value for that portfolio. This value gives a theoretical number of shares of a market index ETF that each client is exposed to. From this we can gather if that portfolio is overall bullish, bearish, or neutral on the market as a whole.

Risks: Beta, delta, and beta weighted delta are all theoretical values. Beta is calculated from historical movement and delta for options is calculated via an options pricing model.

There is no guarantee that beta values will remain constant into the future. Likewise, changes in option prices and other factors into the options pricing model will impact the delta of those derivatives.

As such, the theoretical mathematical relationships between different securities may change over time changing the levels of diversification provided by our trade ideas throughout the life of the trade.

Investment Strategies

QF offers clients a variety of options strategies as part of our subscription Alpha Boost service. Detailed here are the current strategies that are utilized. If we update the strategies, we will amend this document. While we provide detail of strategy construction, benefits, and risks, these explanations assume a working knowledge of option contracts. In the section below “short” refers to selling an option contract or spread as an opening trade, “long” refers to purchasing an option contract or spread as an opening trade.

Clients may not see all strategies represented each week. The tastyworks account type and positions within your account may also impact the strategies you receive.

Short Naked Put (selling a put option)

Strategy Construction:

A short naked put is a simple bullish strategy that consists of selling an option contract. The position is achieved by selling a put option for an associated underlying security. Typically, the strike price of the option is below the current price of the underlying security. For example: if stock XYZ is trading for \$50, a put may be sold with a \$48 strike price. As there is only a single sold option, the total credit is the credit received for the naked put.

How the strategy can be profitable:

A short naked put is fundamentally a bullish trade which profits best from an increase in the underlying security's price. However, it is possible for the short put to become profitable due to the passage of time, whereby the option's price decays with no movement or upward movement in the underlying security.

Profit is realized on this strategy by purchasing the put option back for less than the sale price. Maximum profit is the credit collected. For example: if a put was sold for \$1.50 the maximum profit is \$150 ($\1.50×100 shares).

Risk and loss potential:

The maximum loss would be realized if the security fell to \$0. The risk is equivalent to owning 100 shares of the security. For example: if a \$48 strike price put was sold for \$1.50 and you collected \$150 per contract ($\$1.50 \times 100$ shares) and the price of the security dropped to \$0 you would buy back that option at \$48 and lose \$4650 per contract ($\$48 \times 100$) - \$150.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

Clients who choose to execute short naked put trades should be prepared to own the security shares upon assignment of the short put. Otherwise, they should be willing to close out for the associated loss, depending on the price of the security, at or before expiration. The use of short naked puts is completely contingent on individual risk tolerance and account size.

While a strategy can be constructed with a hypothetical high probability of profit, there are no guarantees that actual results will reflect that probability.

Short Naked Call (selling a call option)

Strategy Construction:

A short naked call is a bearish strategy that consists of selling a single option contract. The position is achieved by selling a call option of an associated underlying security. Typically, the strike price of the option is above the current price of the underlying security. For example: if stock XYZ is trading for \$50, a call may be sold with a \$52 strike price. As there is only a single sold option, the total credit is the credit received for the naked call.

How the strategy can be profitable:

A short naked call is fundamentally a bearish trade which profits best from a decrease in the underlying security's price. However, it is possible for the short call to become profitable due to the passage of time, whereby the option's price decays with no movement or downward movement in the underlying security.

Profit is realized on this strategy by purchasing the call option back for less than the sale price. Maximum profit is the credit collected. For example: if a call was sold for \$1.75 the maximum profit is \$175 per contract ($\1.75×100 shares).

Risk and loss potential:

In theory, the maximum loss on a short naked call is unlimited, though unlikely. This risk is the same as being short 100 shares of the security.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

Clients who choose to execute short naked call trades should be prepared to become short 100 shares on assignment of the short call. Otherwise, they should be willing to close out for the associated loss, depending on the price of the security, at or before expiration. The use of short call trades is completely contingent on individual risk tolerance and account size.

While a strategy can be constructed with a hypothetical high probability of profit, there are no guarantees that actual results will reflect that probability.

Short Strangle (selling a strangle)

Strategy construction:

A Short Strangle is a neutral strategy that combines the simultaneous sale of a call option and a put option. These two options are for the same expiration date and are traded on the same underlying security. QF seeks to recommend Short Strangle trades with a high theoretical probability of profit. Each option is chosen away from the price of the current underlying security price.

For Example:

Underlying ETF is priced @\$100

Sell the 105 Call for \$1.00

Sell the 95 Put for \$1.00

Total credit \$2.00

Maximum profit: \$200

How the strategy can be profitable:

A short strangle can profit if the underlying security increases or decreases slightly by option expiration. The ideal scenario is for the underlying security price to remain between the strike price of the short put and the strike price of the short call.

Between order entry and expiration, the strategy can become profitable with a fall in implied volatility, the passage of time, and limited movement in the security.

Profit is realized on this strategy by purchasing the trade back for less than the sale price. Maximum profit is the credit collected (in the above example maximum profit is \$200, $\$2.00 \times 100$ shares)

Risks & Loss Potential:

While unlikely, the maximum downside loss per contract would be realized if the security fell to \$0. The risk is equivalent to owning 100 shares of the security.

In theory, the maximum loss to the upside is unlimited, though unlikely. This risk is the same as being short 100 shares of the security.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

Clients who choose to execute Short Strangle trades should be prepared to own the security shares upon assignment of the short put or to be short shares on assignment of the short call. Otherwise, they should be willing to close out for the associated loss, depending on the price of the security, at or before expiration. The use of Short Strangle trades is completely contingent on individual risk tolerance and account size.

While the strategy can be constructed with a hypothetical high probability of profit, there is no guarantee that actual results will reflect that probability.

Short Put Spread (selling a put spread):

Strategy construction:

A short put spread is a bullish option strategy that combines the sale of a put option and simultaneous purchase of a different put option where both options are expiring on the same day and both options are traded on the same security. The strike price for the sold put is below the current price of the security. The strike price for the purchased put is below that of the sold put. This strategy collects a net credit which is the maximum profit for the spread.

How the strategy can be profitable:

As the put spread strikes are below the current price of the security at order entry, the spread can profit from the security price increasing, remaining unchanged or decreasing slightly by option expiration. This means the spread has a theoretically higher than 50% probability of profit on order entry. Between order entry and expiration, the spread can become profitable with a fall in implied volatility, the passage of time, or an increase in the security price. Profit is realized on this strategy by purchasing the spread back for less than the sale price. The maximum profit on this trade is the credit collected, and the maximum profit is realized at expiration if the underlying security is above the short put strike.

Risks & Loss Potential

The maximum loss for the spread is known at order entry. The maximum loss is the width of the spread minus the net credit collected. The width refers to the distance between the strike prices of each option.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment, or exercise risks.

While the trade can be constructed with a hypothetical high probability of profit, there is no guarantee that actual results will reflect that probability.

Short Call Spread (selling a call spread):

Strategy construction:

A short call spread is a bearish options strategy that combines the sale of a call option and simultaneous purchase of a different call option where both options are expiring on the same day and both options are traded on the same security. The strike price for the sold call is above the current price of the security. The strike price for the purchased call is above that of the sold call. This strategy collects a net credit which is the maximum profit for the spread.

How the strategy can be profitable:

As the call spread strikes are above the current price of the security at order entry, the spread can profit from the security price decreasing, remaining unchanged or increasing slightly by option expiration. This means the spread has a theoretically higher than 50% probability of profit on order entry. Between order entry and expiration, the spread can become profitable with a fall in implied volatility, the passage of time, or a decrease in the security price. Profit is realized on this strategy by purchasing the spread back for less than the sale price. The maximum profit on this trade is the credit collected, and the

maximum profit is realized at expiration if the underlying security is below the short call strike.

Risks & Loss Potential

The maximum loss for the spread is known at order entry. The maximum loss is the width of the spread minus the net credit collected.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

While the trade can be constructed with a hypothetical high probability of profit, there is no guarantee that actual results will reflect that probability.

Iron Condor

Strategy construction:

An Iron Condor is a neutral strategy that combines the simultaneous sale of a call spread and the sale of a put spread (see above). The two spreads are for the same option expiration and are constructed with options traded on the same security. QF seeks to recommend Iron Condors where the call spread and put spread have the same strike width. Equal spread width means there is equal risk in both directions of the underlying security movement. This strategy collects a net credit which is the maximum profit for the spread.

How the Strategy can be Profitable:

An Iron Condor can profit from the underlying security price decreasing slightly, remaining unchanged or increasing slightly by option expiration. QF seeks to recommend iron condors with a higher than 50% probability of profit on order entry.

Between order entry and expiration, an Iron Condor can become profitable with a fall in implied volatility and the passage of time, with limited movement of the underlying security.

Profit is realized on this strategy by purchasing the Iron Condor for less than the sale price. The maximum profit on this trade is the credit collected, and the maximum profit is realized at expiration if the underlying security is below the short call spread and above the short put spread.

Risks and Loss Potential:

The maximum loss for the Iron Condor is known at order entry. The maximum loss is the width of the spreads, assuming equal width spreads, minus the net credit collected.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

While the trade can be constructed with a hypothetical high probability of profit, there is no guarantee that actual results will reflect that probability.

Jade Lizard

Strategy construction:

A Jade Lizard is a neutral to bullish strategy that combines a short call spread with the sale of a single put option. The put option strike is below the current price of the underlying security while the call option spread is above the underlying price.

The target total net credit of the single put and call spread should be greater than or equal to the width of the call spread strikes. Width is the purchased call strike, minus the sold call strike. All options selected will be expiring on the same day and trade on the same security.

For Example:

- Underlying ETF is priced @ \$100
- Sell the 102 Call for \$1.11
- Buy the 103 Call for \$0.80
- Sell the 97 Put for \$0.71
- Total credit is \$1.02

The credit in the example is greater than the width of the call spread (\$1), theoretically protecting the strategy from losses (at expiration) if the underlying security moves higher.

How the strategy can be profitable:

A Jade Lizard can profit from the underlying security price decreasing slightly, remaining unchanged or increasing by option expiration. If the above parameters regarding a credit greater than the spread width are met, then there is no risk of loss (associated with the trade) if the security sees an aggressive up move. The ideal scenario is for the underlying security price to remain between the short put and short call. This would yield maximum profit at option expiration.

Between order entry and expiration, the spread can become profitable with a fall in implied volatility, the passage of time, and limited movement in the security.

Profit is realized on this strategy by purchasing the spread back for less than the sale price. The maximum profit on this trade is the credit collected.

Risks & Loss Potential:

While unlikely, the maximum loss would be realized if the security fell to \$0. The risk is equivalent to owning 100 shares of the security.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

If the net credit is greater than the width of the call spread, there is no theoretical risk with an increase of the security. This logic applies to expiration. Option prices before expiration could still show an unrealized loss on this position with an increase in the security price.

Clients who choose to execute Jade Lizard orders should be prepared to own the security shares upon assignment of the short put or be willing to close out for the associated loss, depending on the price of the security, at or before expiration.

While the strategy can be constructed with a hypothetical high probability of profit, there is no guarantee that actual results will reflect that probability.

Long Call Spread (buying a call spread):

Strategy construction:

A long call spread is a bullish options strategy that combines the purchase of a call option and simultaneous sale of a different call option in the same expiration cycle for the same underlying security. For QF long call spread recommendations, we select a call to purchase whose strike price is below the current price of the security. The strike price of the sold call is above the current price of the ETF. This construction typically provides a near “risk one, to make one” risk-reward payoff. Typically, the trade can be constructed to provide slightly better than 50% probability of profit. This strategy is executed for a net debit which is the maximum loss for the spread.

How the strategy can be profitable:

The spread can be profitable before expiration with an aggressive price increase of the underlying security. The maximum profit is the width of the spread minus the debit

paid. The maximum profit is realized at expiration if the underlying security is above the short call.

Risks & Loss Potential:

The maximum loss for the spread is known at order entry. The maximum loss is the debit paid.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

While the trade can be constructed with a probability of profit greater than 50%, there is no guarantee that actual results will reflect that probability.

Long Put Spread (buying a put spread)

Strategy construction:

A long put spread is a bearish options strategy that combines the purchase of a put option and simultaneous sale of a different put option in the same expiration cycle for the same underlying security. For QF long put spread recommendations, we select a put to purchase whose strike price is above the current price of the security. The strike price of the sold put is below the current price of the security. This construction typically provides a near “risk one, to make one” risk-reward payoff. Typically, the trade can be constructed to provide slightly better than 50% probability of profit. This strategy is executed for a net debit which is the maximum loss for the spread.

How the strategy can be profitable:

The spread can be profitable before expiration with an aggressive price decrease of the security. The maximum profit is the width of the spread minus the debit paid. The maximum profit is realized at expiration if the security is below the short put.

Risks & Loss Potential:

The maximum loss for the spread is known at order entry. The maximum loss is the debit paid.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

While the trade can be constructed with a probability of profit greater than 50%, there is no guarantee that actual results will reflect that probability.

Covered Call

Strategy construction:

A covered call is a bullish strategy which combines the purchase of 100 shares of the underlying security, coupled with a short call option in the same security. The short call's strike price is typically above the current price of the underlying security. For example, if a stock is purchased for \$50 per share, the 52 call may be sold to construct the covered call.

The trade is initiated for a net debit, the cost of the stock minus the credit received from the short call option. Quiet Foundation seeks to recommend covered call strategies in lower cost ETFs and stocks (typically under \$50 per share).

How the Strategy can be Profitable:

A covered call can be profitable if the underlying security increases in price, stays the same or decreases slightly. The most direct way for the strategy to profit is if the underlying security exhibits a significant price increase. With no movement in the underlying price between trade entry and expiration, a fall in volatility or the passage of time will cause the value of the call to drop and the strategy to be profitable.

Profit is realized on the trade by selling the stock and buying the call option to close the position.

Risk and Loss Potential:

The maximum loss of the covered call is known on order entry. The maximum loss would be realized if the underlying security fell to \$0 per share. The maximum loss is therefore the total value of the stock purchase minus the credit collected from selling the call option.

As long as the ratio of stock to calls (100 to 1) is the same, there is no theoretical loss possible with an increase in the price of the underlying security. This scenario is at option expiration. It would be possible to see a loss before expiration with no movement in the underlying security if volatility of the option increased, creating a loss on the short call with no profit on the shares.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

While a strategy can be constructed with a hypothetical high probability of profit, there are no guarantees that actual results will reflect that probability.

Butterfly

Strategy Construction:

Butterflies are option trades that combine the purchase of a call or put spread with the simultaneous sale of a call or put spread whereby the short strike of each spread is the same (see example below). A butterfly utilizes either all call options or all put options, but the options always have the same expiration date and trade on the same underlying security. Based on the chosen option strikes, the trade can be bullish, neutral, or bearish. The width of both spreads must be equal to create equal risk on both sides. The strategy is constructed for a net debit. The maximum profit is the width of a single spread minus the debit.

For Example:

Underlying Stock is priced @\$100

Buy the 98 Call for \$3.80 (x1 contract)

Sell the 100 Call \$2.30 (x2 contracts = \$460)

Buy the 102 Call \$1.50 (x1 contract)

This example is long the 98/100 call spread and short the 100/102 call spread

The spread width is 2

Net Debit: \$0.70

Maximum profit per contract: \$130, Example: if the stock closes at \$100 on expiration:
($\$460$ profit on short options - $\$330$ loss on long options = $\$130$)

Maximum loss per contract: \$70, Example if stock falls to \$90: and positions are closed out or upon expiration:

$\$460$ profit from short options - $\$530$ loss on long options = $-\$70$

How the strategy can be profitable:

During the life of the trade, if the underlying security's price stays within the two spreads the short options will lose value and the butterfly can be sold for a profit. Maximum profit is only achieved if the underlying security is the exact price of the short options strike, in this example \$100 at expiration ($\4.60 gain from selling the 100 calls minus $\$1.80$ loss in the 98 call and $\$1.50$ loss in the 102 call). Thus, maximum profit is highly unlikely for a butterfly spread.

Risk and Loss Potential:

The maximum loss for the spread is known at order entry. The maximum loss is the debit paid.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

While a strategy can be constructed with a hypothetical high probability of profit, there are no guarantees that actual results will reflect that probability.

Broken-Wing Butterfly

Strategy Construction:

Similar to the standard butterfly described above, the broken-wing butterfly combines the simultaneous purchase of a call or put spread and sale of a call or put spread. Again, the strategy is constructed of all call options or all put options. In a Broken-Wing butterfly the distance between the short and long option is wider in the short spread than the long spread. This allows the strategy to be executed for a net credit, where possible. A broken-wing butterfly for a net credit has no theoretical risk to one side and therefore a higher probability of profit. The tradeoff is a higher maximum loss value.

For Example

Underlying ETF is priced @\$100

Buy the \$98 Call for \$3.20 (x1 contract)

Sell the \$100 Call for \$1.75(x2 contracts = \$350)

Buy the 104 Call for \$0.25(x1 contract)

Net Credit: \$0.05

Maximum Profit per contract: \$205 Example if the ETF closes at 100 on expiration:

\$350 profit on the short options - \$145 loss on the long options = \$205

Maximum Loss: \$195 Example if stock price increases to \$110:

\$1455 profit on long options - \$1650 loss on short options = -\$195

How the strategy can be profitable:

As with the butterfly, the decline in value of the short options would allow the spread to be closed for a profit prior to expiration. In the example above, the spread was executed for a net credit of \$0.05. This means that there is no theoretical risk to the downside if the underlying security is below the 98 strike at expiration, the \$0.05 credit is retained, resulting in a profit of \$5 per contract. Maximum profit is the width of the long spread (2) plus the net credit. Like a standard butterfly, this profit is realized if the underlying security is at exactly the short strike price at expiration, in this example \$100 at expiration (\$3.50 gain from selling the 100 calls minus \$1.20 loss in the 98 call and \$.25 loss in the 104 call). Thus, maximum profit is highly unlikely for this spread.

Risk and Loss Potential:

The maximum loss for the spread is known at order entry. The maximum loss is width of the credit spread minus the maximum profit.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

While a strategy can be constructed with a hypothetical high probability of profit, there are no guarantees that actual results will reflect that probability.

Calendar Spreads

Strategy Construction:

Calendars are time spread trades that use two options in different expirations with the same strike price for the same underlying security. Calendars can be created with either two call options or two put options.

QF seeks to present calendar trades where the strikes are close to the current price of the underlying security in an effort to increase the probability of profit. QF will only present calendar trade ideas that are purchased (for a net debit). Buying a calendar spread means selling the front month option while buying the same strike option in a later expiration. The ideal scenario for a calendar spread is for the underlying stock price to be the same as the option strike price. A calendar spread benefits from a passage of time (as the front month option decays) or an increase in volatility (that inflates the value of the spread). Either scenario could lead to the calendar being worth more than it was purchased for, allowing it to be sold for a profit.

For Example:

Underlying ETF is trading for \$100

Sell the 101 Call for \$2.00 (December Expiration)

Buy the 101 Call for \$3.00 (January Expiration)

Net Debit: \$1.00

Maximum Loss per contract (both options closed at December Expiration): \$100

How the strategy can be profitable:

Because of the time component it is not possible to know the exact maximum profit potential of a specific calendar spread. However, the maximum profit would be achieved at the front month expiration with the shorter-term option expiring worthless while the longer dated option has retained value. The goal for a trader is to sell a calendar spread for more than was paid for it. In the above example a trader would

need a credit greater than \$1 to realize a profit. If the spread was sold for \$1.50 the resulting profit would be \$50 per contract.

During the life of the trade, a calendar spread may show a profit as the time premium in the front month option decays faster than the back month. Additionally, an increase in implied volatility of the underlying security will also typically increase the value of the spread.

Risk and Loss Potential:

If the trade is held until the front month expiration and then closed at a loss, the maximum loss is the debit paid for the spread. If only the front month option is closed or expires worthless and the trader holds the back-month option, much larger losses could be incurred. During the life of the trade, a large price movement in the underlying security can cause a loss on the spread.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

Diagonal Spreads

Strategy Construction:

Similar to a calendar spread, a diagonal spread involves two options at different expirations. Unlike the calendar spread, a diagonal spread utilizes two options with different strike prices.

This creates a calendar spread with an embedded long or short call/put spread, depending on the position of the strikes. QF seeks to recommend trade ideas that are long spread style diagonals. More specifically QF diagonals will seek to buy a high delta (>70) longer dated call option, acting as a stock replacement and sell a lower delta (<45) call at a shorter date. The higher an option's delta the more sensitive it is to stock movement. For example, a long 70 delta call will, in theory, gain \$0.70 in value for every \$1.00 movement in the underlying stock. Buying a high delta call while selling a lower delta call creates a profit potential similar to a covered call, without purchasing shares of the underlying security.

For Example

Underlying ETF is trading for \$50

Sell the 51 Call for \$2.00 (February Expiration)

Buy the 45 Call for \$6.20 (March Expiration)

Net Debit: \$4.20

Maximum loss per contract (both options closed at February Expiration): \$420
Due to the nature of using two options with different expirations, it's difficult to know the profit or loss value at the first expiration. In this example, maximum loss would typically occur as a result of a large decline in the underlying security by front month expiration.

How the strategy can be profitable:

As with any spread trade, the goal with the diagonal is for the options that are sold to lose value and the purchased options to retain or gain value. With the covered call replacement diagonal, the best-case scenario is for an upward movement in the underlying security. The spread must be sold for a higher price than was paid for it to realize a profit on the trade. In the above example, the spread was purchased for a \$4.20 debit, therefore it needs to be sold for more than a \$4.20 credit to realize a profit.

As with the calendar spread, the maximum profit of a diagonal is not predictable. The maximum profit would be achieved if the short option expires worthless while the long option has retained or increased in value.

Risk and Loss Potential:

If the trade is held until the front month expiration and then closed at a loss, the maximum loss is the debit paid for the spread. If only the front month option is closed or expires worthless and the trader holds the back-month option, much larger losses could be incurred. For a covered call styled diagonal, during the life of the trade, a downward price movement in the underlying security can cause a loss on the spread.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

Short Put Ratio Spread (selling a put ratio spread)

Strategy construction:

A short put ratio spread is a typically bullish strategy that combines the purchase of a put option with the simultaneous sale of two put options at a different strike. Both options expire on the same day and trade on the same underlying security. QF seeks to recommend put ratio spreads where the long put strike is below the current underlying price and the strike price of the short puts is below that of the long put. QF will only recommend put ratio spreads that can be constructed for a net credit.

A net credit for a put ratio spread, sold below the current price of the underlying security, gives the strategy a theoretically high probability of profit. The net credit also means there is no theoretical risk with upward movement in the underlying security.

The strategy is the combination of a long put spread and a short naked put.

Example:

Underlying stock is priced @ \$50

Buy the 48 Put for \$2.00 (x1 contract)

Sell the 46 Put for \$1.50 (x2 contracts = \$3.00)

This trade is a combination of the 48 / 46 long put spread and the 46 short naked put.

Net Credit: \$1.00 (\$3.00 Credit - \$2.00 Debit)

Maximum profit per contract: \$300

Maximum profit equals the spread width ($48 - 46 = 2$) plus the net credit, $2 + 1 = \$3.00$

Maximum profit is realized if underlying stock is \$46 at expiration

\$300 profit from short puts - \$0 loss from long put

Maximum loss per contract: \$4300

Maximum loss is realized if the underlying stock falls to \$0 by expiration

\$4600 profit from the long put - \$8900 loss from the short puts

How the strategy can be profitable:

With both the long and short put strikes below the current price of the underlying security at order entry, the spread can profit from the security price increasing, remaining unchanged, or decreasing slightly by option expiration. Between order entry and expiration, the spread can become profitable with a fall in implied volatility, the passage of time, or an increase in the security price. Profit is realized on this strategy by purchasing the spread back for less than the sale price.

Because the ratio spread contains the long put spread, it's possible that downward movement, combined with the passage of time could result in a profit greater than the net credit received. The maximum profit for the trade is the width of the spread (long put strike – short put strike) plus the net credit received (see above). The maximum profit would be achieved if the underlying security price was at exactly the short put price, at expiration. This is highly unlikely.

Risk and loss potential:

As the strategy is net short one put option, the risk is the same as being short that put. The maximum loss would be realized if the underlying security price fell to \$0, the equivalent risk of owning 100 shares.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

Clients who choose to execute trades that include short naked puts should be prepared to own the security shares upon assignment of the short put. Otherwise, they should be willing to close out for the associated loss depending on the price of the security at or before expiration. The use of short naked puts is completely contingent on individual risk tolerance and account size.

While a strategy can be constructed with a hypothetical high probability of profit, there are no guarantees that actual results will reflect that probability.

Synthetic Long Stock (selling a put option and buying a call option)

Strategy Construction:

A synthetic long stock position combines a single short put option and a single long call option. Both options have the same strike price, trade on the same underlying and expire on the same day. The strategy is executed for a net debit or a net credit depending on which strike price is chosen.

For example, if XYZ stock is trading at \$50.50 the 50 strike long synthetic could be executed for a \$0.50 debit or the 51 strike long synthetic could be executed for a \$0.50 credit. Both trades have the same profit and loss potential.

How the strategy can be profitable:

This strategy has the same profit potential as buying 100 shares of the underlying security. For each \$1 the underlying increases, this strategy would profit \$100.

A potential benefit of the strategy for traders in a margin account is the lower capital requirement of a short put compared to long stock.

Profits are realized on long synthetic stock positions by selling the call option and buying the put option to close.

Risk and loss potential:

While this strategy profits the same as 100 shares of stock it can also see losses equivalent to 100 shares. For each \$1 decline in the underlying, the long synthetic will lose \$100. The maximum loss would occur if the underlying security fell to zero before expiration.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

Clients who choose to execute trades incorporating short naked puts should be prepared to own the security shares upon assignment of the short put. Otherwise, they should be willing to close out for the associated loss depending on the price of the security at or before expiration. The use of short naked puts is completely contingent on individual risk tolerance and account size.

Synthetic Short Stock (selling a call option and buying a put option)

Strategy Construction:

A synthetic short stock position combines a single short call option and a single long put option. Both options have the same strike price, trade on the same underlying and expire on the same day. The strategy is executed for a net debit or a net credit depending on which strike price is chosen.

For example, if XYZ stock is trading at \$50.50 the 50 strike short synthetic could be executed for a \$0.50 credit or the 51 strike short synthetic could be executed for a \$0.50 debit. Both trades have the same profit and loss potential.

How the strategy can be profitable:

This strategy has the same profit potential as selling short 100 shares of the underlying security. For each \$1 the underlying decreases, this strategy would profit \$100.

A potential benefit of the strategy for traders in a margin account is the lower capital requirement of a short call compared to short stock.

Profits are realized on short synthetic stock positions by selling the put option and buying the call option to close.

Risk and loss potential:

While this strategy profits the same as 100 shares of short stock it can also see losses equivalent to 100 short shares. For each \$1 increase in the underlying, the short

synthetic will lose \$100. The maximum loss is theoretically unlimited, the same risk as being short 100 shares.

The maximum loss does not include commissions or other fees charged by your broker. The maximum loss also does not include any dividend, assignment or exercise risks.

Clients who choose to execute trades incorporating short naked calls should be prepared to become short 100 shares on assignment of the short call. Otherwise they should be willing to close out for the associated loss depending on the price of the security at or before expiration. The use of short call trades is completely contingent on individual risk tolerance and account size.

Free Portfolio Analysis Services

QF's portfolio analysis aims to provide a deeper insight for clients about the risk profile of their portfolios. QF's portfolio analysis is based on statistical analysis of historical data, volatility-based risk metrics, probabilities of market outcomes, and analysis of unsystematic and systematic exposure. The following are the key components of this analysis:

Statistical Analysis of Historical Data:

This involves collecting daily price data from a historical period of stocks, mutual funds ("funds") and ETFs that can be used for mathematical analysis such as calculating correlations between assets, returns for past periods, and asset volatility. The resulting calculations are applied to a portfolio to estimate how its value might change in the future.

Risk: Historical price data may not accurately predict future price movements, and correlations, returns and volatility in the future can be different from past values. Market prices of portfolio assets may follow random patterns and not have a reliable predictability.

Volatility-based Risk Metrics:

The volatility of stocks, funds and ETFs can indicate their future potential price range, and thus the risk of positions in them. Mathematical equations convert volatility into the price range using the asset's price and a future date for analysis. The resulting metrics are applied to portfolios to estimate their potential future losses or gains.

Risk: Volatility is not constant and can change on a daily basis. That can make the risk analysis based on previous values of an asset's volatility less accurate. Volatility may also not fully capture all potential risk in a stock, fund or ETF, making it less reliable in assessing risk.

Probabilities of Market Outcomes

Quantitative methods and mathematical equations can be used to estimate the probability of a stock, fund or ETF reaching a higher or lower price at some point in the future. These estimates are applied to a portfolio of assets to evaluate the likelihood of the portfolio's value changing to a target level, either higher or lower.

Risk: The probability metrics are theoretical in nature and offer no guarantee of portfolio outcomes. As the inputs, such as asset price and volatility, into the mathematical probability equations can change daily, the resulting probability numbers may not reflect the actual outcomes of asset price changes in the future.

Analysis of Systematic and Unsystematic Risk Exposure

Portfolio theory suggests that an asset's risk can be viewed as a combination of systematic risk (market risk, non-diversifiable) and unsystematic risk (asset specific, diversifiable). These are measured with quantitative methods and applied to a portfolio of stocks, funds and ETFs to assess how sensitive it is to broad market movements and/or price changes in specific assets.

Risk: Systematic and unsystematic risk is theoretical in nature and may not be reliably predictive of realized asset or portfolio risk.

Peace of Mind Account Liquidation Services

QF will execute brokerage account liquidation transactions in accordance with the Customer Agreement Addendum related to the provision of these services. While QF will seek to liquidate securities positions in an orderly fashion and will attempt to minimize the risks associated with liquidating such securities positions, market conditions may cause losses to be incurred. QF does not guarantee any results with respect to its provision of these services.

General Risks

Although QF does not manage client assets, or custody discretionary or non-discretionary assets, clients are reminded of the general risks associated with using an online platform, which include:

Technology Risk: QF may use proprietary and third party data and systems to support our services. Data imprecision, software or other technology malfunctions, programming inaccuracies and similar circumstances may impair the performance of these systems, which may negatively affect services.

Cybersecurity Risk: Cybersecurity breaches may allow an unauthorized party to gain access to

customer data, or proprietary information, or others to suffer data corruption or lose operational functionality. These breaches may result in private lawsuits and/or regulatory actions and declines in an issuer's security price.

Item 9 – Disciplinary Information

Form ADV Part 2 requires us to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business and/or our management.

Neither QF nor any of our management persons have been involved in any events that are material to a client's or prospective client's evaluation of QF or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

We are required to disclose any relationship or arrangement with certain related persons that is material to our advisory business or our clients. Related persons are our officers, partners, or directors (or other persons occupying a similar status or performing similar functions), or employees or any other person or company who is under common control with our Firm.

QF is a subsidiary of tastytrade. tastytrade also owns tastyworks. tastyworks is a registered broker-dealer and member of FINRA, NFA and SIPC. tastyworks offers self-directed brokerage accounts to its customers. tastyworks does not give financial or trading advice nor does it make investment recommendations. tastyworks does not engage in investment banking nor does it produce research materials. Additionally, QF does not require its free portfolio analysis clients to have a tastyworks account. QF does, however, require each recipient of its recommended trade service and brokerage account liquidation services to have an eligible brokerage account that is traded through tastyworks.

QF does benefit from its ownership by tastytrade. tastytrade has afforded QF a separate space designated specifically for QF within the office location operated by tastyworks. tastytrade also provides technology for the EPI analysis described in Item 8.

tastyworks is compensated in the form of brokerage commissions and payment for order flow when its brokerage customers execute trades on its online platform. This compensation creates a conflict of interest in the form of an additional incentive for QF to promote its services that require QF clients to maintain a tastyworks brokerage account. QF clients are under no obligation, however, to use these QF services or to maintain a tastyworks brokerage account. As indicated above, QF clients can receive portfolio analysis services at no charge without having to maintain a tastyworks brokerage account.

tastyworks and tastytrade share certain employees who are dually employed with QF, which is necessary to the operation of QF. Accordingly, management persons of QF may also be

employees of tastytrade or tastyworks. For example, QF's Chief Financial Officer holds the same title at tastytrade.

Any tastyworks employee who is also responsible for any of the day-to-day operations of QF will be dually registered, as required by applicable SEC, state and/or FINRA regulations.

tastyworks does not provide any investment advisory services or otherwise perform any function on behalf of QF. QF maintains all necessary records and information relating to the services it provides to meet its legal and contractual obligations.

tastytrade also owns Dough LLC. (Dough), a brokerage firm. At this time QF does not conduct any services related to Dough's business. However, QF's CFO holds the same title at Dough.

tastytrade is also a shareholder in Small Exchange, Inc. (Small Exchange). Small Exchange is a futures exchange launched in 2020. QF may include futures and futures options products listed by the Small Exchange as part of its newsletter-style trade emails. QF is not compensated for any inclusion of Small Exchange products within its services but this may be understood as a conflict of interest because QF may discuss Small Exchange products which may benefit its parent tastytrade. QF's CFO holds the same title for Small Exchange.

On June 28th, 2021, tastytrade was acquired by IG Group Holdings, PLC (IG), a London based financial firm publicly traded on the London Stock Exchange (IGG). IG operates various financial businesses around the world, including regulated entities. At this time, QF does not share any employees nor conduct any business activities with any IG affiliates other than those indicated above. Any changes will be reflected in future updated versions of our Form ADV.

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

Code of Ethics

We have adopted a code of ethics in accordance with Rule 204A-1 under the Investment Advisers Act of 1940 ("Code of Ethics"). Our Code of Ethics strives to uphold the highest standards of moral and ethical conduct, including placing our clients' interests ahead of our own.

Our Code of Ethics covers all supervised persons ("Supervised Persons"), including access persons ("Access Persons"). The term "Supervised Persons" includes each officer, director, employee and any other person who is subject to QF's supervision and control. The term "Access Persons" includes any Supervised Person with access to customer data. Our Code of Ethics addresses such topics as professional and ethical responsibilities, compliance with securities laws and the personal trading practices of Access Persons. Our Code of Ethics also

addresses receipt and/or permissible use of material non-public information and other confidential information our Access Persons may be exposed and/or have access to, given their position. The Code of Ethics is provided to Supervised Persons upon joining the Firm and at least annually thereafter. Supervised Persons must certify in writing that they have received, read, and understand the Code of Ethics and that they agree to comply with its contents.

Participating or Interest in Client Transactions

Our only interest in client transactions pertains to our provision of brokerage account liquidation services, as described in Item 4.

As a provider of portfolio analysis services, we do not have an interest in client transactions. Further, we do not maintain proprietary trading accounts, engage in principal transactions (i.e., acting in our own account, buy a security from or sell a security to a client's account) or engage in agency cross transactions (i.e., transactions where we execute a transaction while acting as a broker for both our client and the other party in the transaction) on behalf of QF clients.

Personal Trading

Our Firm's Code of Ethics describes our fiduciary duties and responsibilities to our clients and sets forth our practice of supervising the personal securities transactions of Access Persons.

Individuals associated with the Firm may buy or sell securities for their personal accounts identical to or different from those that clients may trade based on the portfolio analysis provided by QF. It is our expressed policy that no Supervised Person shall prefer his or her own interest to that of a QF client or make personal investment decisions based on the investment decisions of QF clients.

To supervise compliance with our Code of Ethics, we require Access Persons to provide annual securities holdings reports and quarterly transaction reports to QF's Compliance Department. We require that all Supervised Persons act in accordance with all applicable federal and state regulations governing registered investment advisers. Our Code of Ethics also includes our policy prohibiting the improper use of material non-public information. Any Supervised Person not in observance of the requirements of our Code of Ethics may be subject to discipline.

A copy of our Code of Ethics is available to our advisory clients and prospective clients upon written request to QF's Compliance Department at the Firm's principal office address.

Item 12 – Brokerage Practices

QF's recommended trade service and brokerage account liquidation service both require an eligible tastyworks brokerage account. Clients without an eligible tastyworks account cannot sign up for those services.

QF's free portfolio analysis does not require a client to maintain a brokerage account at any specific brokerage firm.

QF does not select or recommend broker-dealers for client transactions.

Research and Other Soft Dollar Benefits

"Soft dollars" are defined as a form of payment investment firms can use to pay for goods and services such as news subscriptions or research. When an investment firm gives its business to a particular brokerage firm, the brokerage firm in return can agree to use some of its revenue to pay for these types of services.

We do not accept or use research or soft dollars provided by broker-dealers or other service providers in connection with providing our services (see Item 10 for information on QF's benefits from its affiliated companies).

Brokerage for Client Referrals

We do not select, recommend or require specific broker-dealers for portfolio analysis clients.

Directed Brokerage

Since we do not execute transactions on behalf of our clients, they do not direct us to place trades. However, QF requires clients to maintain a funded tastyworks brokerage account with securities holdings as QF's option analysis and recommendation system is only compatible with tastyworks holdings data. QF does not have discretionary authority over these trades nor do we assume custody of clients' funds or holdings. Clients must decide if a trade recommendation suits their risk tolerance and investing goals before executing a trade order. While trade recommendations are influenced by a client maintaining a current tastyworks account with holdings, a client may choose to place the trade through their tastyworks account, another broker, or decide to take no action.

QF's brokerage liquidation service is only available to eligible tastyworks accounts as account liquidation is executed by dually-registered QF representatives who are also registered representatives of tastyworks.

Item 13 – Review of Accounts

Form ADV Part 2 requires investment advisers such as QF to disclose whether the Firm periodically reviews client accounts and the frequency of reports that are provided to clients.

As a provider of portfolio analysis services, recommended trade services, and account liquidation services, we do not review our clients' accounts, nor do we provide them with written reports regarding their accounts other than the portfolio analysis report described in

this brochure. Client trade decisions are self-directed, at the sole discretion of the client based upon their own assessment.

Item 14 – Client Referrals and Other Compensation

Form ADV Part 2 requires investment advisers such as Quiet Foundation to disclose any economic benefits the Firm may receive from any third party in connection with providing investment advice to our clients. The Form also requires investment advisers to disclose all arrangements whereby the investment adviser compensates, directly or indirectly, any person or firm for client referrals.

We do not pay for client referrals and we have not entered into any arrangements with third-party solicitors. We do not receive extra compensation or any other economic benefit for providing investment advice or other advisory services to clients.

Item 15 – Custody

We do not manage client accounts or take custody of any client assets or funds.

Item 16 – Investment Discretion

We do not provide discretionary portfolio or investment management services. Please refer to your client agreements or addendums for more information.

Item 17 – Voting Client Securities

We do not exercise proxy voting authority for any client securities.

Item 18 – Financial Information

We are required to provide you with certain financial information or disclosures about our financial condition.

Balance Sheet

We do not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to provide a balance sheet.

Financial Condition

We do not have a financial commitment that impairs our ability to service our clients.

Bankruptcy

We have not been the subject of any bankruptcy proceedings.