FIRM BROCHURE
(Part 2A of Form ADV)

April 2, 2021

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Part 2A of Form ADV (the "Brochure") provides information about the qualifications and business practices of RocketTrader, Inc. *dba* Quants Compete Inc. If you have any questions about the contents of this Brochure, please contact us at (510) 788-0774. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

RocketTrader, Inc. *dba* Quants Compete Inc. is registered as an investment adviser registered with Securities and Exchange Commission; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

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

Item 1: Cover Page

Please refer to previous page.

Item 2: Material Changes

RocketTrader, Inc. *dba* Quants Compete Inc. ("Quants" or the "Firm") is a newly registered investment adviser with the U.S. Securities and Exchange Commission. As such, no material changes are noted here. Our prospective clients are strongly encouraged to read this Brochure in its entirety prior to engaging the Firm for any advisory services.

Pursuant to U.S. Securities and Exchange Commission ("SEC") Rules, the Firm will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of our fiscal year, along with a copy of this Brochure or an offer to provide the Brochure. Additionally, as we experience material changes in the future, we will send you a summary of our "Material Changes", along with an offer to provide the Brochure under separate cover. For more information about Quants, please contact us at (510) 788-0774.

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

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ITEM 4: ADVISORY BUSINESS

A. Description of Firm

Founded in 2020, Quants is a California based corporation dually organized under Delaware corporate laws that maintains its principal office at 2351 Sunset Blvd. Suite 170721, Rocklin, CA 95765.

Quants is an internet investment adviser firm that uses proprietary algorithms that will provide investment advice and portfolio management (the "Services"). Such Services are provided by Quants to a client exclusively through its proprietary interactive website in which a client will complete a client questionnaire or similar form (collectively the "Questionnaire") for the Quants proprietary algorithm to analyze. Subsequently, the client will be provided with a variety of different automatic trading models (the "Models") that are derived from the information inputted by the client into the client Questionnaire, which will be tailored to the client's risk tolerance, time-horizon, and financial objectives. Once the client selects the client's desired Model, the Model will execute discretionary trades within the client's account through the Model and a brokerage's Application Programing Interface. A Model will output either a buy or sell signal based on how it processes inputted data (e.g., fundamental data, technical data).

B. Types of Advisory Services Offered

Quants is a digital-only asset manager, offering its Services through its interactive website (quantscompete.com) to individuals and businesses using its proprietary algorithm.

1. Investment Management Services

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

Quants makes use of its proprietary interactive website and algorithm, which customize clients' portfolios via a Quants Model according to the client's individual risk tolerance, time horizon and specific goals. For each Model, general documentation regarding the method of analysis will be disclosed to the client. For example, one Model may rely exclusively on technical analysis, whereas another may scour EDGAR SEC filings in a purely fundamental analysis. Such information will be made available to the client, including the sources of information used by the Models, which can include market news reports, financial publications, rating services, outside research reports, quarterly and annual reports, prospectuses, regulatory filings, interpretation of exchange market data, to the client to ensure that the client can chose a Model that closely aligns with the client's particular financial goals and objectives.

Prior to engaging Quants to provide Services, the client is required to enter into a written Investment Services Agreement, or similar agreement, with the Firm setting forth the terms and conditions of the engagement, as well as describing the specific scope of the services to be provided. Such agreement will be provided to each client through the Quants interactive website and will be available to each client upon completion. Once engaged, the client will be prompted to complete a Quants Questionnaire to allow the proprietary algorithm to analyze the client information.

Quants will not assume any responsibility for the accuracy of the information provided by the client in the client Questionnaire. The Firm is not obligated to verify any information received from the client or from the client's other professionals (*e.g.*, attorney, accountant, etc.) and is expressly authorized to rely on such information. Under all circumstances, clients are responsible for promptly notifying the Firm online through the client profile to update any material changes to the client's financial situation, investment objectives, time horizon, tax status, risk tolerance or other material information that the Firm may have relied upon in rendering its services. If a client notifies the Firm of such changes, Quants will review the changes and may recommend revisions to the client's portfolio.

Quants does not allow clients to place restrictions on the types of securities, industries or sectors that may be included as part of the client's account.

C. Wrap-Fee Programs

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

D. Amount of Client Assets Managed

The Firm is newly formed and, as such, the Firm has no assets under management as of the date of this Brochure. Accordingly, as of the date of this Brochure, the following represents the amount of client assets under management by Quants on a discretionary and non-discretionary basis:

Type of Account	Assets Under Management ("AUM")
Discretionary	$0
Non-Discretionary	$0
Total:	$0

Item 5: Fees and Compensation

A. Compensation for its Services

As described in greater detail below, Quants charges different types of fees, including fees based on a percentage of assets under management ("AUM") or fixed fees, depending on the size of a client's account and/or the number of Models used by a client. The specific fees charged by Quants for its Services will be set forth in the written agreement between Quants and the client. Although Quants believes its fees are competitive, clients should be aware that lower fees for comparable services can be available from other sources. As further detailed in the client's written agreement, the Firm uses a bifurcated fee structure. Please see the details below.

1. **Fixed Fee Arrangements**

For the first Model selected by a client in connection with Quants' Services, and for client accounts with up to $5,000.00 in AUM, Quants charges a fixed fee of $3.99 per month ("Fixed Fee"). The Fixed Fee is assessed monthly, in advance, as of the first business day as of the first day of the calendar month. By engaging the Firm to perform its Services, clients authorize Quants to request that the custodian remit payment for the Fixed Fees, which shall be paid directly from the client's account(s). Accordingly, Quants' Fixed Fees will be automatically deducted from the client's account by the custodian at the beginning of each calendar month. Quants does not prorate its Fixed Fee for client accounts that are opened after the first day of any calendar month. For client accounts that exceed $5,000.00 in assets under management, and that are not eligible for a Fixed Fee arrangement, please see the fee schedule in Section 5.A.2 below.

2. **Fees Based Upon a Percentage of Assets Under Management**

For the first Model selected by a client in connection with Quants' Services, and for client accounts that hold more than $5,000.00 in AUM, the Firm charges a fee ("Advisory Fee") based upon a percentage of such AUM which is calculated based on the total AUM as of the close of business on the last business day of the preceding calendar month. The Firm's Advisory Fee for its Services for such accounts is 0.95% of AUM per year and is calculated and assessed monthly, in advance. By engaging the Firm to perform its Services, clients authorize Quants to request that the custodian remit payment for the Advisory Fees, which shall be paid directly from the client's account(s). Accordingly, Quants' Advisory Fees will be automatically deducted from the client's account by the custodian at the beginning of each calendar month.

A client may add additional Models to the client account at a fee of $1.99 per month (the "Additional Model Fee") for each additional Model, which is assessed monthly, in advance. By engaging the Firm to perform its Services, clients authorize Quants to request that the custodian remit payment for the Additional Model Fees, which shall be paid directly from the client's account(s). Accordingly, Quants' Additional Model Fees will be automatically deducted from the client's account by the custodian at the beginning of each calendar month. For avoidance of doubt and example purposes only, once the aggregate amount of funds held by a client, whether such funds are held in an individual account or multiple accounts, reaches $5,000.00 or more in AUM in the aggregate, for each additional Model beyond the first Model, the Firm charges its Advisory Fee plus the Additional Model Fee $1.99 per month, which is associated with each additional Model you use.

As stated above, the fees for Quants Services are billed monthly in advance. By engaging the Firm to perform its Services, clients authorize Quants to request that the custodian remit payment for the Advisory Fees, Fixed Fees, and Additional Model Fees in connection with the Services , which shall be paid directly from the client's account(s). Accordingly, Quants' Advisory Fees, Fixed Fees, and Additional Model Fees will be automatically deducted from the client's account by the custodian at the beginning of each calendar month. The amount due for Advisory Fees is calculated by applying the above monthly fee percentage to the previous month-end account value(s). For accounts opened after the beginning of a new month, Advisory Fees will be prorated from the date of engagement to the end of month based on the amount of initial assets in the account(s) and the number of days remaining in the month. The Fixed Fees and Additional Model Fees will not be prorated.

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

B. General Information on Quants' Compensation and Fees

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

As stated above, Quants charges its fees in advance for the services it provides to clients. Either party, upon written notice to the other, may terminate the relationship and the services to be performed by the Firm. In these circumstances, Quants' fee will be prorated through the date of termination and any remaining, unearned fees will be refunded to the client in a timely manner. If a client is unable to be reached or refunded through the custodian (due to unknown location of the client), the client will receive a refund of the pro rata share of the fees upon written notification and request to Quants.

The Advisory Fees charged for Quants' Services are calculated as described above and are not charged based on a share of capital gains or the performance of the client's account.

The Client maintains the ability to buy/sell securities (via their broker) within the client's account. Quants does not recommend this practice, since independent transactions can adversely affect the Model and how it performs with respect to its intended strategy. By way of example only, consider a Model that utilizes covered calls in an effort to mitigate risk. Assume the Model purchases 100 shares of ABC stock within the client account. Next, assume the client independently sells half of the position. In this scenario, the Model could be unable to write a covered call in accordance with the intended strategy of the Model.

Given that independent transactions can impede the functionality of any given Model, clients are advised of this risk in this Brochure throughout the Quants website and prior to Model selection. Quants will also recommend that if a client is insistent on transacting independently, that the client first "turn off" the Model being applied to the client's account.

C. Outside Compensation

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

Item 6: Performance-Based Fees and Side-by-Side Management

Quants does not charge performance-based fees (*i.e.,* fees calculated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client). Consequently, the Firm does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management). As described in Item 5, above, Quants provides its Services for fees based upon either a Fixed Fee, the Additional Model Fee, and/or an Advisory Fee based on a percentage of AUM.

Item 7: Types of Clients

A. Description

As stated in Item 4 above, Quants is an internet investment adviser that provides services through its interactive website to individuals and businesses.

B. Conditions for Managing Accounts

There is no minimum account size.

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

A. Methods of Analysis and Investment Strategies

At account opening, the client will complete a Questionnaire that will allow Quants to gather material information regarding the client such as age, financial condition, employment status, investment objectives, risk tolerance, and time horizons. Next, the Quants proprietary algorithm analyzes the client's responses and ranks the potential Models accordingly. The client can then either select from a list of recommended Model provided by Quants, or permit Quants to select the most appropriate Model automatically and on behalf of the client. Moreover, it is the responsibility of the client to update their profile periodically, especially when the material information provided to Quants for review has changed. If the client is not satisfied with the selected Model, the client is free to discontinue using the Model, either in favor of a different Model, or to cancel Quants' Services.

Clients should be aware of key similarities and differences that exist between Models. At the most basic level, Models are comprised of algorithms that have been programmed to process input data in order to output a decision (i.e., a buy/sell signal to the client's account).

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

Each Model has its own underlying strategy - a coded set of rules. Once the Model has received the required input data, the algorithm will process the data in order to determine whether conditions have been met to trigger a buy or sell signal. For example, a Model can compare the market price of an equity to a variety of factors (e.g. 90-day moving average, volatility, volume, PEG, etc.). A different Model may utilize machine learning to price a security. As provided below, the client will receive information as to the type of securities that will be traded pursuant to the applicable Model and the investment strategy of the applicable Model.

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

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

Additionally, Quants provides clients with material written information pertaining to each Model. Such information includes, but is not limited to, general strategy, and performance & risk metrics. While a given Model can change the specific assets within a client account without notice, this will only occur so long as the asset change does not significantly deviate from the underlying strategy of the Model. Put another way, Quants will strive to minimize misalignment between a client's financial objectives and the performance/risk metrics of the Model itself.

B. Risk of Loss

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

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

- Business Risk: These risks are associated with a particular industry or a particular company within an industry. Generally, business risk is that a company will go bankrupt or perform below expectations. Every company carries the business risk that it will produce insufficient cash flow in order to maintain operations. Business risk can come from a variety of sources, some systemic and others un-systemic. That is, every company has the business risk that the broader economy will perform poorly and therefore that sales will be poor, and also the risk that the market simply will not like its products.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Equity (stock) Market Risk: Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- ETF and Mutual Fund Risk: When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations might result in bankruptcy and/or a declining market value.
- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- Interest-Rate Risk: Fluctuations in interest rates might cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if there is an active market for the asset. For example, Treasury Bills are highly liquid, while real estate properties are not
- Management Risk: Your investment with our Firm varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio securities. If

our investment strategies do not produce the expected returns, the value of the investment will decrease.

- Market Risk: The price of a stock, bond, mutual fund or other security could drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.
- Non-diversification Risk: The risk of focusing investments in a small number of issuers, industries, or foreign currencies, including being more susceptible to risks associated with a single economic, political, or regulatory occurrence than a more diversified portfolio might be.
- Opportunity Cost Risk: The risk that an investor can forego profits or returns from other investments.
- Political and Legislative Risks: Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning and with significant impact, this is especially true for companies operating outside of the United States or that conduct a portion of their business outside of the United States.
- Reinvestment Risk: This is the risk that future proceeds from investments might have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- Sector Risk: The chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall stock market. Daily fluctuations in specific market sectors are often more extreme than fluctuations in the overall market.

For certain clients, Quants can make use of options. For example, the selected Model could buy put options if a client owns a stock in order to help reduce market risk of a large loss in the position. While options do carry certain risks as mentioned above, and when appropriate, the Quants Model(s) will use certain option strategies to mitigate market risks and for purposes of leveraging client assets to meet the client's investment goals with a defined risk level. The following risks are associated with these types of transactions:

- Options: An option is a contract to buy or sell a specific financial product officially known as the option's underlying instrument or underlying interest. For equity options, the underlying instrument is a stock, ETF, or similar product. The contract itself is very precise. It establishes a specific price, called the strike price, at which the contract could be exercised, or acted on. It also has an expiration date. When an option expires, it no longer has value and no longer exists. Options come in two varieties, calls and puts, and you can buy or sell either type. Call contracts will expire worthless if the underlying security closes below the strike price on expiration. Put contracts will expire worthless if the underlying security closes above the strike price on expiration. Selling a covered call could limit the upside if the underlying security closes above the strike price on expiration. Special tax rules might apply, depending on the outcome. Prior to buying or selling an option, clients should read Characteristics and Risks of Standardized Options. Copies of this document can be obtained from the Firm, from any exchange on which options are traded, on the web at: http://www.optionsclearing.com/components/docs/riskstoc.pdf or by contacting The

Options Clearing Corporation, One North Wacker Dr., Suite 500, Chicago, IL 60606 (1-888-678-4667).

- Option buying: This is a basic options strategy where investors buy a call or put option with the hope that the price of the underlying stock will move far enough to cover the premium paid for the option.
- Option writing: Investors can sell options in order to obtain additional income from premiums paid by the option buyer. Option writing is often associated with the investment strategy known as covered call writing. Covered calls limit the upside of a stock holding.

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

Item 9: Disciplinary Information

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

Item 10: Other Financial Industry Activities and Affiliations

A. Financial Industry Activities and Affiliations

In addition to his activities as the owner of Quants, Matthew Jones, Ph.D., is employed as an engineer at an aerospace company ("Aerospace Company"), which is a subsidiary of a publicly traded company ("Public Parent"). To the extent that Quants' Models include securities that are part of the aerospace industry, a conflict of interest can exist. To mitigate such potential conflicts of interest, neither Quants nor Matthew Jones, Ph.D. will include the Public Parent's securities as part of the Models during the term of his employment with the Aerospace Company.

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

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

A. Description of Code of Ethics

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

Quants' Code of Ethics contains provisions adopted for:

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

Quants will provide a copy of its Code of Ethics to any client or prospective client upon request. To obtain a copy of Quants' Code of Ethics, please contact the Firm at (510) 788-0774.

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

B. Participation or Interest in Client Transactions

It is Quants' policy not to enter into any principal transactions or agency cross transactions on behalf of client accounts. Principal transactions occur where an adviser, acting as principal for its own account, buys securities from or sells securities to any advisory client. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

Quants or individuals associated with Quants can buy or sell for their personal account(s) securities or investment products identical to those recommended to or already owned by clients. Alternatively, Quants can cause clients to buy a security in which Quants or such individuals have an ownership position. Such recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Nevertheless, such practices present potential conflicts of interest. To mitigate these conflicts, Quants has adopted a Code of Ethics, which outlines the procedures regarding personal trading that must be followed (see details below). Additionally, as part of Quants' fiduciary duty owed to clients, Quants and its supervised persons will endeavor at all times to put the interests of the clients first and at all times are required to adhere to Quants' Code of Ethics.

C. Personal Trading

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

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

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

ITEM 12: BROKERAGE PRACTICES

A. Selection Criteria

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

- Cybersecurity protections and generally well-established internal software processes provided by TD Ameritrade;
- Minimum or no-cost commission fees in connection with stock trades;
- Ability to trade mutual funds and other investments that Quants determines suitable for a client's Model(s);
- Any custodial relationship between the client and the broker-dealer;
- Reliability, accessibility and quality of customer service and interaction with Quants;
- Ease of client access to funds via cashiering services (*e.g*., direct deposits, withdrawals, wire, overnight check and ACH to clients' bank account(s));
- Ease of website access, document, and tax form accessibility;
- Discount transaction rates;
- Reliability and financial stability;
- Overall mutual fund product offerings (including no-load fund access and no transaction fees assessed); and
- Fees for ancillary services (*e.g.,* wire transaction and overnight fees)

It is possible that the broker-dealer custodian recommended by the Firm will not provide the lowest commission rate available taking into consideration factors outlined above.

Quants does not accept or allow directed brokerage arrangements; see Item 12.F, below.

B. Best Execution

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

To ensure that brokerage firms selected by Quants are conducting overall best qualitative execution, Quants will periodically (and no less often than annually) evaluate the trading process and brokers utilized. This evaluation will include, but is not limited to price, commission, timing, research, aggregated trades, capable floor brokers or traders, competent block trading coverage, ability to position, capital strength and stability, reliable and accurate communications and settlement processing, use of automation, knowledge of other buyers or sellers, and administrative ability.

C. Research and other Soft Dollar Benefits Provided by TD Ameritrade to Quants

Quants participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA, an unaffiliated SEC-registered broker-dealer and FINRA member. The Firm recommends TD Ameritrade to clients for custody and brokerage services. There is no direct link between the Firm's participation in the Program and the investment advice it gives to its clients. Through its arrangement with TD Ameritrade, Quants receives some economic benefits that are typically not available to TD Ameritrade retail investors. These benefits can include the following products and services (provided without cost or at a discount): access to various tools that help Quants in client logistics; receipt of duplicate client statements and confirmations; research related products and tools; access to a trading desk serving the Firm's clients; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have its fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; benefits that Quants passes along to its clientele (such as access to mutual funds with no transaction fees and to certain institutional money managers; ability for direct deposit wires to client-linked bank accounts pursuant to a written standing letter of authorization at no charge). Some of the products and services made available by TD Ameritrade through the Program can benefit the Firm but not benefit its client accounts. These products or services via the Program can assist the Firm in managing and administering client accounts. The benefits received by the Firm or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, the Firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the use of the Program by the Firm or its related persons in and of itself creates a potential conflict of interest and is a factor in the Firm's choice of utilizing TD Ameritrade for custody and brokerage services.

D. Economic Benefits of Being on the TD Ameritrade Platform

Other than the TD Ameritrade Program features and benefits provided above, Quants does not receive any additional economic benefits from being on the TD Ameritrade platform.

E. Receipt of Incidental Benefits

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

In connection with this relationship, Quants does receive certain incidental benefits. Such benefits include research reports, document reproduction in connection with client accounts; computer software and other products and services to assist the Firm in its day-to-day activities as well as providing Services to the Firm's clients. Because the Firm does not have to produce or pay for such incidental benefits, Quants has an incentive to select or recommend this broker-dealer rather than making use of a different broker-dealer or allowing for directed brokerage arrangements. The Firm's use of TD Ameritrade can also cause clients to pay fees that are higher than those that another qualified broker-dealer might charge to effect the same or similar transaction. Quants does not attempt to match a particular client's trade executions with other broker-dealers who have directly benefited that client's Model. Rather, research services and other benefits received by Quants are generally used for the ultimate benefit of all of its clients. Alternatively, some of the services and other benefits received by Quants can benefit only a specific segment of Quants' clients.

To help mitigate the conflicts of interest created by Quants' receipt of incidental benefits and to help ensure that broker-dealer custodians recommended by the Firm are conducting overall best qualitative execution, Quants will periodically evaluate its trading process and brokers utilized. Quants will review the brokerage firm's services, their value added to the Firm's investment process along with the broker's ability to affect trades in a fair and timely manner at competitive commission rates.

F. Directed Brokerage

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

G. Order Aggregation

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

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

Item 13: Review of Accounts

A. Periodic Reviews

Client accounts are monitored on an ongoing basis. At least annually, reviews are conducted by Quants to check for consistency with the investment strategy implemented in accordance with the parameters set forth by the client in the Questionnaire and the client's financial plan, and to determine if any adjustments need to be made. Following such review, and in the event rebalancing or potential changes are recommended by Quants, the client will be afforded such information in accordance with the client's Investment Services Agreement. In the event a Model drifts by a significant amount in terms of risk and performance, clients will be notified by email from Quants. With this in mind, client accounts are monitored on an ongoing basis. Additionally, Quants continuously monitors the performance and risk metrics associated with each of its

Models. Quants recognizes that each of these metrics are subject to change as functions of time, and thus, client account reviews can also occur more frequently upon request by the client.

B. Other Reviews and Triggering Factors

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

C. Regular Reports

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

Item 14: Client Referrals and Other Compensation

A. Incoming Referrals

The firm does not compensate third parties for client referrals.

B. Referring Clients to Third Parties

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

C. Other Compensation

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

Quants' fiduciary duty to its clients, the Firm endeavors at all times to put the interest of the clients first.

As stated in Item 10 above, Quants' owner, Matthew Jones, Ph.D., is employed as an engineer at the Aerospace Company, a subsidiary of the Publicly Parent. In this capacity, Matthew Jones, Ph.D., receives ordinary income as part of his employment status and spends approximately 95% of his time on average on this activity. To the extent that Quants' Models include securities that are part of the aerospace industry, a conflict of interest can exist. To mitigate such potential conflicts of interest, neither Quants nor Matthew Jones, Ph.D., will include Aerospace Company's securities as part of the Models during the term of his employment.

Clients are not obligated to implement recommended transactions through any Quants Model. Clients have the option to purchase recommended products or services through brokers or agents other Quants.

ITEM 15: CUSTODY

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

Clients will receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. Clients are urged to carefully review all custodial statements and compare them to any account reports provided by Quants. Quants' reports can vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Please refer to Item 12 for additional important disclosure information relating to Quants' practices and relationships with custodians.

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

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

Item 16: Investment Discretion

A. **<u>Discretionary Authority; Limitations</u>**

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

B. **<u>Limited Power of Attorney</u>**

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

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

Item 17: Voting Client Securities

Quants' policy and practice is to not vote proxies on behalf of its clients, and therefore, shall have no obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a client's account. Consequently, the Firm's clients retain the responsibility for receiving and voting all proxies for securities held within the client's account. Quants shall not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client.

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

Item 18: Financial Information

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