

Quant Alpha LLC

Form ADV Part 2A — Firm Brochure
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This brochure provides information about the qualifications and business practices of Quant Alpha LLC ("Quant Alpha"). If you have any questions about the contents of this brochure, please contact us at the email address listed above.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration does not imply a certain level of skill or training.

Item 2 – Material Changes

This is Quant Alpha LLC's *initial* Form ADV Part 2A brochure. Accordingly, there are no material changes to report.

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Item 4 – Advisory Business

Quant Alpha LLC is applying for registration as an *internet-only* investment adviser with the SEC under Rule 203A-2(e). We offer model-driven, risk-managed investment strategies that dynamically allocate among exchange-traded products linked to the Nasdaq-100® Index.

Our investment approach is fully systematic. Strategies are built on proprietary quantitative models that evaluate market trends, momentum, volatility, and downside risk across varying timeframes. These models generate position signals that are executed programmatically across client accounts.

All services are delivered exclusively through our digital platform. We do not offer individualized financial planning, personalized advice, or in-person meetings. Each client retains full ownership and transparency through accounts held in their name at our third-party custodian, Interactive Brokers.

Item 5 – Fees and Compensation

Quant Alpha charges asset-based fees and, for Qualified Clients, performance-based fees:

- **Testing Clients** (< \$50,000): No AUM fee during the first 12 months, then strategy-specific AUM fee.
- **Non-Qualified Clients** (\$50,000 – \$1.1 million): AUM fee only.
- **Qualified Clients** (> \$1.1 million): AUM fee *plus* performance fee calculated quarterly.

Client Type	Nx1	Nx2	Nx3
Testing	1.0% AUM	1.5% AUM	2.0% AUM
Non-Qualified	1.0% AUM	1.5% AUM	2.0% AUM
Qualified	1.0% AUM + 10% performance fee (5% hurdle)	1.5% AUM + 20% performance fee (7.5% hurdle)	2.0% AUM + 30% performance fee (10% hurdle)

Fees are billed *monthly in arrears*. Performance fees employ a perpetual high-water mark and are computed at the end of each calendar quarter. Clients bear all transaction costs charged by the broker.

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

Quant Alpha LLC charges performance-based fees to Qualified Clients, as defined under Rule 205-3 of the Investment Advisers Act of 1940. These fees are calculated as a percentage of net profits above a specified hurdle rate and subject to a perpetual high-water mark.

Charging performance-based fees may create an incentive to favor higher-fee accounts. Quant Alpha mitigates this potential conflict of interest through strict operational safeguards. All strategies are model-driven, and trades are executed simultaneously across all client accounts using programmatic systems. No discretionary deviation occurs between accounts.

In addition, employees and the founder may invest in the same strategies only through personal client accounts, with identical pricing, execution, and access. No preferential treatment is permitted under any circumstances.

Item 7 – Types of Clients

Quant Alpha LLC serves U.S. and international clients who are both legally permitted to receive investment advisory services and able to open and maintain an account with Interactive Brokers, our designated qualified custodian. Eligibility is subject to applicable laws, regulations, and the account opening requirements imposed by the custodian.

Our typical clients are growth-oriented individual investors seeking professionally managed exposure to the Nasdaq-100® Index through systematic strategies with integrated risk management. The platform may also serve financial professionals, family offices, and institutions interested in model-based portfolio exposure.

There is no firm-wide minimum investment requirement. However, access to certain strategies or pricing tiers may depend on account size, as outlined in our fee schedule.

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

Methods of Analysis: Quant Alpha’s investment strategies are built on proprietary quantitative models that analyze market behavior across multiple timeframes. These models evaluate trend strength, volatility regimes, momentum signals, and downside risk to generate systematic long-only or defensive allocations. The models are backtested over historical data and monitored for robustness and statistical integrity. No discretionary judgment is used in trade decisions.

Signals are produced daily and executed programmatically across client accounts, ensuring discipline, consistency, and avoidance of behavioral biases. All analysis is performed in-house using institutional-grade tools and infrastructure.

Investment Strategies:

1. **Nx1** — 1× Nasdaq-100 exposure with systematic risk management.
2. **Nx2** — 2× Nasdaq-100 exposure with systematic risk management.
3. **Nx3** — 3× Nasdaq-100 exposure with systematic risk management.

Each strategy dynamically adjusts exposure based on real-time model outputs. In certain market conditions, the strategies may shift to a lower-exposure or cash-equivalent position to reduce drawdowns.

Material Risks: Investing in securities involves the risk of loss, including the loss of principal. Quant Alpha’s strategies are *actively managed alternative investments* and may not be suitable for all investors. Specific risks include, but are not limited to:

- **Leverage Risk:** Nx2 and Nx3 strategies employ leverage, which magnifies gains and losses.
- **Volatility Risk:** Strategies may experience significant short-term swings and high daily variability.
- **Tracking Error:** Returns may deviate materially from the Nasdaq-100 or other benchmarks due to active reallocation.
- **Model Risk:** While models are rigorously tested, no system can predict future market behavior with certainty.
- **Market Risk:** Broader macroeconomic, geopolitical, or liquidity shocks may impact all strategies regardless of signal strength.

Past performance is not indicative of future results. Investors should carefully consider their tolerance for risk before participating in any strategy.

Item 9 – Disciplinary Information

Quant Alpha LLC and its principal have no reportable legal, regulatory, or disciplinary events. The firm has never been subject to any criminal, civil, administrative, or self-regulatory organization proceedings.

We are required to disclose all material facts regarding any legal or disciplinary event that would be material to a client’s evaluation of our advisory business. No such events exist.

Item 10 – Other Financial Industry Activities and Affiliations

Quant Alpha LLC is not affiliated with any other financial services firm. We do not engage in other financial industry businesses such as broker-dealer operations, futures trading, banking, or insurance.

The firm does not receive compensation, commissions, referral fees, or other economic benefits from third parties in connection with the advisory services we provide. We operate as an independent, fee-only investment adviser.

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

Quant Alpha LLC has adopted a written Code of Ethics in accordance with Rule 204A-1 under the Investment Advisers Act of 1940. The Code establishes standards of conduct for all supervised persons and requires compliance with federal securities laws, confidentiality obligations, and the firm's internal trading policies.

The founder and employees may invest in the firm's strategies only by opening accounts as clients, under the same terms and fee structures as other clients. All trades are executed using programmatic systems, and internal trade-timing controls are in place to ensure no employee may front-run, exploit, or otherwise disadvantage client accounts.

We treat all accounts equitably and maintain strict separation between personal accounts and firm operations to prevent conflicts of interest. A copy of the Code of Ethics is available to clients upon request.

Item 12 – Brokerage Practices

All client accounts are held at Interactive Brokers, a FINRA-registered broker-dealer and SIPC member. Quant Alpha LLC does not maintain custody of client assets and has no affiliation with the broker.

We require clients to open and maintain an account with Interactive Brokers, which serves as our designated qualified custodian. Clients authorize Quant Alpha to place trades in their account through limited trading authorization.

Clients are solely responsible for all brokerage commissions, trading fees, regulatory transaction fees, and any other charges imposed by the broker. These costs are separate from and in addition to our advisory fees.

Quant Alpha does not receive any compensation, soft dollars, or other benefits from Interactive Brokers or any third-party service provider. All trades are executed programmatically using the Interactive Brokers API. We do not accept directed brokerage or allow clients to select an alternative custodian.

We seek best execution through automation, consistent order handling, and minimizing slippage. Because our strategies are fully systematic and executed simultaneously across all accounts, trade timing and pricing are uniformly applied to ensure fairness.

Item 13 – Review of Accounts

Client accounts are reviewed daily through fully automated systems that monitor model adherence, position limits, trading execution, and risk exposure. These systems are designed to detect anomalies, signal drift, and unexpected deviations from strategy logic.

Periodic manual reviews are conducted by the firm's founder to ensure operational integrity, strategy alignment, and compliance with internal risk protocols. While the investment process is fully systematic, oversight ensures model signals continue to perform as intended under changing market conditions.

Clients can access their accounts at any time via the custodian's platform and view real-time performance and allocation dashboards through Quant Alpha's digital interface. No formal written performance reports are provided unless requested, as full transparency is maintained through ongoing digital access.

Item 14 – Client Referrals and Other Compensation

Quant Alpha LLC does not directly or indirectly compensate any person or entity for client referrals. We do not participate in solicitor arrangements and do not share advisory fees with third parties.

Additionally, the firm receives no sales-related compensation, commissions, or non-cash benefits from fund sponsors, custodians, or other service providers. All advisory services are offered on a fee-only basis, and our compensation comes exclusively from our clients.

Item 15 – Custody

Quant Alpha LLC does not maintain custody of client funds or securities as defined under Rule 206(4)-2 of the Investment Advisers Act of 1940. All client assets are held in the client's name at Interactive Brokers,

an independent, SEC-registered broker-dealer and qualified custodian.

While Quant Alpha deducts advisory fees from client accounts, this is done under the SEC's custody rule exemption procedures, which require client authorization, custodian invoicing, and direct delivery of account statements to clients. We do not have access to client funds beyond this limited, authorized fee deduction.

Clients receive account statements directly from the custodian and are encouraged to review them carefully and compare them with any information provided through our digital platform.

Item 16 – Investment Discretion

Quant Alpha LLC exercises full discretionary authority over client accounts pursuant to a signed advisory agreement. This authority allows the firm to determine the specific securities to buy or sell, the timing of trades, and the allocation of assets, all in accordance with our systematic, model-driven investment strategies.

Our discretion is strictly limited to executing the strategies agreed upon at onboarding. We do not engage in individualized investment decisions outside the scope of the models. Clients authorize this discretionary authority during account setup and may revoke it at any time with written notice, subject to the terms of the advisory agreement.

Item 17 – Voting Client Securities

Quant Alpha LLC does not vote client proxies or exercise any rights related to client-held securities. Clients retain sole authority and responsibility for all voting decisions and will receive proxy materials, annual reports, and related communications directly from the account custodian, Interactive Brokers.

While we do not provide proxy voting services or advice, we are available to answer general questions about a particular solicitation upon request.

Item 18 – Financial Information

Quant Alpha LLC has no financial condition that is reasonably likely to impair its ability to meet contractual obligations to clients. The firm does not require or solicit the prepayment of advisory fees six months or more in advance and has not been the subject of any bankruptcy petition at any time.

We maintain a lean, scalable digital infrastructure and operate without debt or outside capital obligations.