

## Form ADV Part 3: *Relationship Summary* Octant Quantitative Investment Management LLC

### Introduction

Octant Quantitative Investment Management LLC (“Octant” or “we”) is an investment adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professional at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

### What Investment Services and Advice can You Provide me?

**Description of Services:** We offer investment advisory services to “retail investors”. Our investment advisory services include: Asset Management Services.

**Asset Management Services:** Octant provides asset management services which involves us managing and trading one or more of our strategies on your behalf in an account(s) designated by you. Octant does not provide financial planning services, nor does it provide advice on client portfolios as a whole, nor does it customize any of its strategies for your specific situation. Octant will continuously monitor your account when providing asset management services and contact you at least annually to ask about the suitability of the strategy in your account(s). For more information please see [Item 4](#) of our [Form ADV Part 2A](#). Asset management services are provided on a **discretionary** basis, meaning we will have the authority to determine the type and amount of securities that can be bought or sold in your account without obtaining your consent for each transaction. For more information please see [Item 16](#) of our [Form ADV Part 2A](#).

**Limited Investment Offerings:** Octant limits money management to actively traded (daily) mutual funds. When providing you services, we do not recommend or offer advice on any proprietary products.

**Account & Fee Minimums:** Octant requires an account minimum of \$1,000,000 for institutional clients and \$250,000 for individual clients which may be waived or lowered by Octant at its discretion.

**Conversation Starters:** *Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

### What Fees Will I Pay?

**Description of Principal Fees & Costs:** Asset based fees charged for our asset management services are 1.5% and are charged based on a percentage of assets under management. Strategies that do not have Performance-based fees have asset based fees up to 2.5%. These fees are negotiable depending upon the needs of the client and complexity of the situation, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees may also be lowered based on the strategy executed. Asset management fees are billed in arrears on a monthly basis and calculated based on the fair market value of your account as of the last business day of the current billing period. Because our fee is based upon the value of your account we have an incentive to recommend that you increase the level of assets in your account. Qualified investors (defined as 1. An investor that has at least \$1,100,000 under the management of the investment adviser; 2. An investor that has a net worth of more than \$2,200,000 (excluding the value of your primary residence); 3. a “qualified purchaser” within the meaning of Section 2(a)(51)(A) of the 1940 Act; or 4. an officer or bona fide employee of the adviser) are charged an asset based management fee of 1.50% and a Performance-based fee of 20% of capital gains/capital appreciation of client accounts above a high water mark. Clients that are paying a Performance-based fee should be aware that investment advisors have an incentive to invest in riskier investments when paid a Performance-based fee due to the higher risk/higher reward attributes. For more information about the fees we will charge you please see [Item 5 of our Form ADV Part 2A](#). When engaging us for asset management services you will also incur other fees and expenses. The broker-dealer/custodian on your account may charge you transaction fees for executing trades in your account. You will also be charged management fees by the funds we invest in, within your account. For more details on the other fees and expenses you may incur please see [Item 5 of our Form ADV Part 2A](#).

**Additional Information:** You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

**Conversation Starters:** *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

### **What Are Your Legal Obligations to Me When Acting as My Investment Adviser? How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?**

**Standard of Conduct:** When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you.

Here are some examples to help you understand what this means. Octant manages accounts that are billed on Performance-based fees (a share of capital gains on or capital appreciation of the assets of a client) as well as accounts that are NOT billed on Performance-based fees. Managing both kinds of accounts at the same time presents a conflict of interest because Octant or its supervised persons have an incentive to favor accounts for which Octant and its supervised persons receive a performance-based fee. Clients that are paying a Performance-based fee should be aware that investment advisors have an incentive to invest in riskier investments when paid a Performance-based fee due to the higher risk/higher reward attributes. Because our fees are based upon the value of your account we have an incentive to recommend that you increase the level of assets in your account. When we provide asset management services, we will ask that you establish an account with Pro Funds and/or Jefferson National (**our custodians**) to maintain custody of your assets and to effect trades for your account. Our recommendation to use our custodians is not based solely on your interest of receiving the best execution possible. We also recommend our custodians because they provide us with research, products and tools that help us manage and further develop our business operations. As a result, we do not have to pay for such benefits, which save us money; however, these arrangements create a conflict of interest. See [Item 12 of our Form ADV Part 2A](#) for more information about our arrangements with our custodians. We actively manage our own personal accounts while at the same time managing your accounts and other client accounts. This creates different conflicts of interest for which we have developed procedures to mitigate and control for those conflicts. For more information see [Item 11 of our Form ADV Part 2A](#).

**Additional Information:** For more information about our conflicts of interests and the ways we are compensated please see [Item 5 and Item 10 of our Form ADV Part 2A](#).

**Conversation Starters:** *How might your conflicts of interest affect me, and how will you address them?*

### **How Do Your Financial Professionals Make Money?**

**Description of Salary/Payment of IARs:** We compensate our investment adviser representatives based on the level of client assets that they place under management with Octant and/or the profitability of the firm. This creates a conflict of interest as it gives your representative an incentive to recommend you invest more in your account with us due to the potential for increased payments.

### **Do You or Your Financial Professionals Have Legal Or Disciplinary History?**

No, neither us, nor our investment adviser representatives have a legal or disciplinary history to report. You can look up more information about us and our investment adviser representatives at <https://www.investor.gov/CRS>.

**Questions to Ask Us:** *As a financial professional, do you have any disciplinary history? For what type of conduct?*

### **Additional Information about Octant Quantitative Investment Management**

Additional information about us and a copy of this relationship summary are available on the Internet at [www.octantqim.com](http://www.octantqim.com). You can also find our disclosure brochures and other information about us at <https://adviserinfo.sec.gov/firm/summary/165355>. If you have any questions or want an up-to-date copy of this relationship summary, we can be reached by phone at (307) 201-6275.

**Questions to Ask Us:** *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*