BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE

TENNESSEE SECURITIES DIVISION,	)	
	)	
Petitioner,	)	
	)	
v.	)	**Matter No.: 25-0002283**
	)	
ROCKETTRADER, INC.	)	
DBA QUANTS COMPETE	)	
and MATTHEW JONES	)	
	)	
Respondents.	)	

CONSENT ORDER

The Securities Division of the Tennessee Department of Commerce and Insurance ("Division") and Rockettrader, Inc. DBA Quants Compete ("Quants Compete") and Matthew Jones ("Jones"), and together "Respondents," agree to the entry and execution of this Consent Order in accordance with Tennessee Code Annotated ("Tenn. Code Ann.") § 48-1-116 of the Tennessee Securities Act of 1980 ("Act") as amended and Tenn. Code Ann. § 48-1-101 *et seq.*, subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance ("Commissioner").

AUTHORITY AND JURISDICTION

1. Pursuant to Tenn. Code Ann. § 48-1-115(a), the responsibility for the administration of the Act is vested in the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility pursuant to Tenn. Code Ann. § 48-1-115(b).

2. Tenn. Code Ann. § 48-1-116 sets forth that the Commissioner may make, promulgate, amend, and rescind such orders as are necessary to carry out the provisions of the Act upon a finding that such order is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

PARTIES

3. Respondent Quants Compete is an investment adviser firm registered with the Division and is assigned Central Registration Depository ("CRD") number 313310 with the Financial Industry Regulatory Authority ("FINRA").

4. Respondent Jones is the owner, chief compliance officer, and an investment adviser representative of Quants Compete and is assigned CRD number 7351426 with FINRA.

5. The Division is the lawful agent through which the Commissioner discharges the administration of the Act pursuant to Tenn. Code Ann. § 48-1-115.

GENERAL STIPULATIONS

6. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry and execution of the Commissioner.

7. It is expressly understood that this Consent Order is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

8. This Consent Order is executed by the Commissioner and the Respondents to avoid further administrative action with respect to this cause. Should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to, and consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further

participation or resolution of these proceedings.

9. The Respondents fully understand that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondents for acts and/or omissions not specifically addressed in this Consent Order, nor for facts and/or omissions that do not arise from the facts or transactions herein.

10. The Respondents fully understand that this Consent Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for acts or omissions addressed specifically in this Consent Order, violations of law under statutes, rules, or regulations of the State of Tennessee that arise out of the facts, acts, or omissions contained in this Consent Order, or acts or omissions addressed specifically herein that result from the execution of this Consent Order.

11. The Respondents waive all further procedural steps and waive all rights to seek judicial review of, or otherwise challenge the validity of this Consent Order, the stipulations and imposition of discipline contained herein, or the consideration and entry and execution of this Consent Order by the Commissioner.

12. This Consent Order is submitted on the condition that, if accepted, the Commissioner will not bring any future actions against the Respondents alleging violations based on the same factual findings described herein.

FINDINGS OF FACT

13. On or about June 30, 2025, the Division opened a cyclical examination of Quants Compete.

14. This was Quants Compete's first cyclical examination since becoming registered with the Division on or about January 6, 2025.

15. At the commencement of the examination, Quants Compete did not have or maintain adequate written policies and procedures tailored to its business practices and operations, including an adequate written privacy policy. Quants Compete resolved this finding by submitting a compliance manual tailored to its business practices and operations, as well as an adequate written privacy policy prior to the conclusion of the examination.

16. The Division discovered that Quants Compete was missing a total of thirteen (13) client agreements for thirteen (13) of the firm's fifteen (15) clients. Quants Compete resolved this issue by obtaining completed client agreements for all clients prior to the conclusion of the examination.

17. Quants Compete failed to timely deliver its brochure, including a summary of material changes, to its clients. Quants Compete resolved this finding by delivering a copy of its brochure, including a summary of material changes, to its clients on or about August 27, 2025.

18. Quants Compete failed to timely update Part 1 of its Form ADV to disclose the use of a custodian, despite disclosing the use of a custodian in its brochure. Quants Compete resolved this finding by amending Part 1 of its Form ADV. Additionally, Quants Compete failed to timely deliver its Form ADV Part 2A brochure to clients within one hundred twenty (120) days of the firm's fiscal year-end.

19. Respondents also failed to remove an inactive outside business activity/conflict of interest from Form ADV and Form U4 of Respondent Jones. Respondents corrected this finding by amending Quants Compete's Form ADV and Respondent Jones' Form U4.

20. Quants Compete failed to maintain minimum net capital for a period of seven (7) months from January 2025 through July 2025.

CONCLUSIONS OF LAW

21. Pursuant to Tenn. Code Ann. § 48-1-115(a), the responsibility for the administration of the Act is vested in the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility pursuant to Tenn. Code Ann. § 48-1-115(b).

22. Tenn. Code Ann. § 48-1-116 provides that the Commissioner may make, promulgate, amend, and rescind such orders as are necessary to carry out the provisions of the Act upon a finding that such order is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

23. Tenn. Code Ann. § 48-1-110(d) provides that the Commissioner may by rule require a minimum net capital for registered investment advisers.

24. Tenn. Code Ann. § 48-1-111(c) provides that if the information contained in any document filed with the Commissioner is or becomes inaccurate or incomplete in any material respect, the registrant shall promptly file a correcting amendment.

25. Tenn. Code Ann. § 48-1-112 provides, in part, that:

> (a) The commissioner may by order deny, suspend, or revoke any registration under this part if the commissioner finds that:
>
> > (1) The order is in the public interest and necessary for the protection of investors; and
> >
> > (2) The applicant or registrant or, in the case of a broker-dealer or investment adviser, any affiliate, partner, officer, director, or any person occupying a similar status or performing similar functions:
> >
> > …
> >
> > > (B) Has willfully violated or willfully failed to comply with any provision of this part or a predecessor chapter or any rule or order under this part or a

predecessor chapter, including, without limitation, any net capital requirements;

…

(G) Has engaged in dishonest or unethical business practices in the securities business;

…

(d) In any case in which the commissioner is authorized to deny, revoke, or suspend the registration of a broker-dealer, agent, investment adviser, investment adviser representative, or applicant for broker-dealer, agent, investment adviser, or investment adviser representative registration, the commissioner may, in lieu of or in addition to such disciplinary action, impose a civil penalty in an amount not to exceed five thousand dollars ($5,000) for all violations for any single transaction, or in an amount not to exceed ten thousand dollars ($10,000) per violation if an individual who is a designated adult is a victim.

26. Tenn. Comp. R. & Regs. 0780-04-03-.01(6) provides, in part, that:

(a) Except as provided under subparagraph (6)(d) of this Rule, every investment adviser registered or to be registered shall have and maintain a minimum net capital of fifteen thousand dollars ($15,000).

27. Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(a)(8) provides, in part, that:

(a) Except as provided in subparagraph (3)(c) of this Rule, every registered investment adviser shall maintain and keep current the following books and records relating to its business, unless waived by order of the commissioner:

8. Copies of all agreements entered into by the investment adviser with respect to any account, which agreements shall set forth the fees to be charged and the manner of computation and method of payment thereof, and copies of all communications, correspondence, and other records relating to securities transactions;

28. Tenn. Comp. R. & Regs. 0780-04-03-.02(4) provides, in part, that:

(d) Except as otherwise provided in the Act, all material changes in the information included in an investment adviser's most recent application for registration shall be set forth in an amendment to Form ADV, pursuant to the updating instructions on Form ADV, and filed promptly through the IARD or directly with the Division, whichever is appropriate.

29. Tenn. Comp. R. & Regs. 0780-04-03-.02(6) provides, in part, that:

(c) The following are deemed “dishonest or unethical business practices” by an investment adviser or an investment adviser representative under T.C.A. § 48-1-112(a)(2)(G), to the extent permitted under Section 203A of the Investment Advisers Act, without limiting those terms to the practices specified herein:

…

20. failing to establish, maintain, and enforce written policies and procedures reasonably designed, taking into consideration the nature of such investment adviser’s business, to prevent the misuse in violation of the Investment Advisers Act or the 1934 Act, or the rules or regulations promulgated thereunder, of material, non-public information by such investment adviser or any person associated with such investment adviser is a violation of the Act pursuant to Tenn. Code Ann. 48-1-112(a)(2)(G).

30. Tenn. Comp. R. & Regs. 0780-04-03-.10(3) provides, in part, that:

(a) An investment adviser, except as provided in subparagraph (3)(b) of this Rule, annually shall, without charge, deliver or offer in writing to deliver upon written request to each of its advisory clients the statement required by this Rule and is a violation of the Act pursuant to Tenn. Code Ann. 48-1-112(a)(2)(G).

31. The Findings of Fact detailed above demonstrate that Respondent Quants Compete failed to maintain required client agreements and related records, including missing client agreements for thirteen (13) of the firm’s fifteen (15) clients in violation of Tenn. Comp. R. & Regs. 0780-04-03-.02(3)(a)8. Respondents’ violations constitute grounds for civil penalties pursuant to Tenn. Code Ann. § 48-1-112(a)(2)(B).

32. The Findings of Fact detailed above demonstrate that Respondents failed to properly and timely amend Quants Compete's Form ADV and Respondent Jones' Form U4 in violation of Tenn. Code Ann. § 48-1-111(c) and Tenn. Comp. R. & Regs. 0780-04-03-.02(4)(d). Respondents' violations constitute grounds for civil penalties pursuant to Tenn. Code Ann. § 48-1-112(a)(2)(B).

33. The Findings of Fact detailed above demonstrate that Quants Compete failed to timely deliver its Form ADV Part 2A brochure to clients within one hundred twenty (120) days of the firm's fiscal year-end in violation of Tenn. Comp. R. & Regs. 0780-04-03-.10(3)(a). Respondents' violations constitute grounds for civil penalties pursuant to Tenn. Code Ann. § 48-1-112(a)(2)(B).

34. The Findings of Fact detailed above show that Quants Compete failed to maintain minimum net capital in violation of Tenn. Code Ann. § 48-1-110(d) and Tenn. Comp. R. & Regs. 0780-04-03-.01(6)(a). Respondent's violations constitute grounds for civil penalties pursuant to Tenn. Code Ann. § 48-1-112(a)(2)(B).

35. The Findings of Fact detailed above demonstrate that Quants Compete failed to establish and maintain adequate compliance policies and procedures reasonably designed to ensure compliance with applicable securities laws, including maintaining an inadequate compliance manual and privacy policy in violation of Tenn. Comp. R. & Regs. 0780-04-03-.02(6)(c)20. Respondent's violations constitute grounds for civil penalties pursuant to Tenn. Code Ann. § 48-1-112(a)(2)(G).

ORDER

NOW, THEREFORE, based on the foregoing, including the Respondents' waiver of the right to a hearing and appeal under the Act and the Tennessee Uniform Administrative Procedures

Act, Tenn. Code Ann. §§ 4-5-101 *et seq*., and the Respondents' admission to the jurisdiction of the Commissioner, the Commissioner finds that the Respondents agree to the entry and execution of this Consent Order to settle this matter as evidenced by the Respondents' signature.

IT IS ORDERED, pursuant to Tenn. Code Ann. § 48-1-116(a), of the Law, that:

1. The Respondents shall **COMPLY** with the Act, as amended, and all rules promulgated thereunder; and

2. Respondent Matthew Jones shall **COMPLETE** twelve (12) hours of investment adviser representative continuing education within sixty (60) days of the execution and entry of this Consent Order. All required continuing education must be from providers approved by the North American Securities Administrators Association ("NASAA") and will be in addition to that which is required pursuant to Tenn. Comp. R. & Regs. 0780-04-03-.17.

Proof of completion shall be submitted to the Division's Director of Registration, April Odom, by sending such via email to April.X.Odom@tn.gov and to Catherine Tabor via email to Catherine.Tabor@tn.gov no later than seventy-five (75) days following entry and execution of this consent order.

3. The Respondents shall, jointly or severally, **PAY A CIVIL PENALTY** to the State of Tennessee of three thousand dollars ($3,000). Each of the Respondents shall be held jointly and severally liable for such, pursuant to the following payment terms:

The payment of the above civil penalty shall be made by check payable to the "Tennessee Department of Commerce and Insurance" within thirty (30) days of the execution of this Order by the Commissioner. Page one (1) of this Consent Order must accompany the payment for reference. Payment shall be mailed to the attention of:

State of Tennessee

Department of Commerce and Insurance
Attn: Catherine Tabor
500 James Robertson Parkway
Davy Crockett Tower
Nashville, Tennessee 37243

4. This Consent Order does not constitute a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct.

5. **GRACE PERIOD** – Payment shall be made in a timely manner if postmarked within five (5) business days of the date payment is due.

6. **DELINQUENCY –** Respondents hereby agree that failure to make any payment according to this Consent Order shall result in the immediate suspension of Respondents' registrations with the Division until such time the full arrearage is satisfied.

7. **MODIFICATION** – The Division and Respondents hereby agree that modifications to this Consent Order regarding any term may only be made in writing and signed by an authorized representative of each party.

8. The Respondents' failure to comply with the terms of this Consent Order, including the manner and method of payment of the civil penalty described above, shall result in further administrative disciplinary actions, which may include the assessment of additional civil penalties.

9. This Consent Order represents the complete and final resolution of and discharge of all administrative and civil claims, demands, actions, and causes of action by the Commissioner against the Respondents for violations of the Act with respect to the transactions involved in above-referenced facts. However, excluded from and not covered by this paragraph are any claims by the Division arising from or relating to the enforcement of the Consent Order provisions contained herein.

10. This Consent Order is in the public interest and the best interests of the Parties. It represents a settlement of the controversy between the Parties and is for settlement purposes only. By the signatures affixed below, or in two (2) or more counterparts, the Respondents affirmatively state the following: the Respondents freely agree to the entry and execution of the Consent Order; the Respondents waive the right to a hearing on, or a review of, the matters, the Findings of Fact, and the Conclusions of Law underlying this Consent Order or the enforcement of this Consent Order; and the Respondents encountered no threats or promises of any kind by the Commissioner, the Division, or any agent or representative thereof.

11. By signing this Consent Order, the Commissioner, the Division, and the Respondents affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement as set forth in this Consent Order, are binding upon them.

12. This Consent Order may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. The facsimile, email, or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or other electronic copies shall be deemed to constitute duplicate originals.

ENTERED AND EXECUTED 06/15/2026.

Carter Lawrence (Jun 15, 2026 13:42:52 CDT)

Carter Lawrence, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY AND EXECUTION:

Matthew Jones
Individually and on behalf of:
Rockettrader, Inc. DBA Quants Compete

Elizabeth Bowling (Jun 15, 2026 12:12:47 CDT)

Elizabeth Bowling
Assistant Commissioner for Securities
Department of Commerce and Insurance

Catherine Tabor

Catherine Tabor, BPR #038467
Associate General Counsel
Department of Commerce and Insurance