STRICTLY PRIVATE AND CONFIDENTIAL

FX INDEX ARB -
- CURRENCY TRADING PROGRAM

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2. Has fewer than 15 clients and investors in the US in private funds; and
3. Has less than $25million of AUM attributable to clients and investors in the US in private funds; and
4. Does not hold itself out to the public in the US as an investment adviser, nor advising any investment company (described in the Investment Company Act of 1940) or business development company.

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THE RISK OF LOSS IN TRADING COMMODITIES CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. IN CONSIDERING WHETHER TO TRADE OR TO AUTHORIZE SOMEONE ELSE TO TRADE FOR YOU, YOU SHOULD BE AWARE OF THE FOLLOWING:

IF YOU PURCHASE A COMMODITY OPTION YOU MAY SUSTAIN A TOTAL LOSS OF THE PREMIUM AND OF ALL TRANSACTION COSTS.

IF YOU PURCHASE OR SELL A COMMODITY FUTURE OR SELL A COMMODITY OPTION, YOU MAY SUSTAIN A TOTAL LOSS OF THE INITIAL MARGIN FUNDS AND ANY ADDITIONAL FUNDS THAT YOU DEPOSIT WITH YOUR BROKER TO ESTABLISH OR MAINTAIN YOUR POSITION. IF THE MARKET MOVES AGAINST YOUR POSITION, YOU MAY BE CALLED UPON BY YOUR BROKER TO DEPOSIT A SUBSTANTIAL AMOUNT OF ADDITIONAL MARGIN FUNDS, ON SHORT NOTICE, IN ORDER TO MAINTAIN YOUR POSITION. IF YOU DO NOT PROVIDE THE REQUIRED FUNDS WITHIN THE PRESCRIBED TIME, YOUR POSITION MAY BE LIQUIDATED AT A LOSS AND YOU WILL BE LIABLE FOR ANY RESULTING DEFICIT IN YOUR ACCOUNT.

UNDER CERTAIN MARKET CONDITIONS YOU MAY FIND IT DIFFICULT OR IMPOSSIBLE TO LIQUIDATE A POSITION. THIS CAN OCCUR, FOR EXAMPLE, WHEN A MARKET MAKES A “LIMIT MOVE”.

THE PLACEMENT OF CONTINGENT ORDERS BY YOU OR YOUR TRADING ADVISER, SUCH AS A “STOP LOSS” OR “STOP LIMIT” ORDER, WILL NOT NECESSARILY LIMIT YOUR LOSSES TO THE INTENDED AMOUNTS, SINCE MARKET CONDITIONS MAY MAKE IT IMPOSSIBLE TO EXECUTE SUCH ORDERS.

A “SPREAD” POSITION MAY NOT BE LESS RISKY THAN A SIMPLE “LONG” OR “SHORT” POSITION.

THE HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN COMMODITY TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS.

IN SOME CASES, MANAGED COMMODITY ACCOUNTS ARE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT AND ADVISORY FEES. IT MAY BE NECESSARY FOR THOSE ACCOUNTS THAT ARE SUBJECT TO THESE CHARGES TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETION OR EXHAUSTION OF THEIR ASSETS. THIS DISCLOSURE DOCUMENT ON PAGE 12 CONTAINS A COMPLETE DESCRIPTION OF EACH FEE TO BE CHARGED TO YOUR ACCOUNT BY THE COMMODITY TRADING ADVISER.

THIS BRIEF STATEMENT CANNOT DISCLOSE ALL THE RISKS AND OTHER SIGNIFICANT ASPECTS OF THE COMMODITY MARKETS. YOU SHOULD THEREFORE CAREFULLY STUDY THIS DISCLOSURE DOCUMENT AND COMMODITY TRADING BEFORE YOU TRADE, INCLUDING THE DESCRIPTION OF THE PRINCIPAL RISK FACTORS OF THIS INVESTMENT ON PAGES 6 AND 16.

YOU SHOULD ALSO BE AWARE THAT THIS COMMODITY TRADING ADVISOR MAY ENGAGE IN TRADING FOREIGN FUTURES OR OPTIONS CONTRACTS. TRANSACTIONS ON MARKETS LOCATED OUTSIDE THE UNITED STATES, INCLUDING MARKETS FORMALLY LINKED TO A UNITED STATES MARKET MAY BE SUBJECT TO REGULATIONS WHICH OFFER DIFFERENT OR DIMINISHED PROTECTION. FURTHER, UNITED STATES REGULATORY AUTHORITIES MAY BE UNABLE TO COMPEL THE ENFORCEMENT OF THE RULES OF REGULATORY AUTHORITIES OR MARKETS IN NON-UNITED STATES JURISDICTIONS WHERE YOUR TRANSACTIONS MAY BE EFFECTED. BEFORE YOU TRADE YOU SHOULD INQUIRE ABOUT ANY RULES RELEVANT TO YOUR PARTICULAR CONTEMPLATED TRANSACTIONS AND ASK THE FIRM WITH WHICH YOU INTEND TO TRADE FOR DETAILS ABOUT THE TYPES OF REDRESS AVAILABLE IN BOTH YOUR LOCAL AND OTHER RELEVANT JURISDICTIONS.

THIS COMMODITY TRADING ADVISER IS PROHIBITED BY LAW FROM ACCEPTING FUNDS IN THE TRADING ADVISER’S NAME FROM A CLIENT FOR TRADING COMMODITY INTERESTS. YOU MUST PLACE ALL FUNDS FOR TRADING IN THIS TRADING PROGRAM DIRECTLY WITH A FUTURES COMMISSION MERCHANT.

FOREX SPECIFIC RISK DISCLOSURE STATEMENT

THE RISK OF LOSS IN TRADING FOREIGN EXCHANGE MARKETS (FOREX), ALSO KNOWN AS CASH FOREIGN CURRENCIES, THE INTER-BANK MARKET OR THE FOREX MARKETS, CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. THE MONEY MANAGER DOES NOT CONTROL, AND CANNOT ENDORSE OR VOUCH FOR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION OR ADVICE YOU MAY HAVE RECEIVED OR MAY RECEIVE IN THE FUTURE FROM ANY OTHER PERSON NOT EMPLOYED BY THE MONEY MANAGER REGARDING FOREIGN CURRENCY TRADING OR ANY MANAGED ACCOUNT INFORMATION. THE FACTUAL INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED FROM SOURCES BELIEVED TO BE RELIABLE BUT IS NOT NECESSARILY ALL INCLUSIVE AND IS NOT GUARANTEED TO BE 100% ACCURATE. THE CONTENT HEREIN IS PROVIDED IN ON A BEST EFFORTS BASIS AND IS BELIEVED TO BE UP-TO-DATE AND ACCURATE; HOWEVER, THERE ARE NO EXPLICIT OR IMPLICIT WARRANTIES OF ACCURACY OR TIMELINESS MADE BY THE MONEY MANAGER OR AFFILIATES.

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THIS BRIEF STATEMENT CANNOT DISCLOSE ALL OF THE RISKS AND OTHER SIGNIFICANT ASPECTS OF THE FOREIGN EXCHANGE MARKETS. THEREFORE, YOU SHOULD CAREFULLY REVIEW THE DISCLOSURES CONTAINED IN THIS DOCUMENT TO DETERMINE WHETHER SUCH TRADING IS APPROPRIATE FOR YOU IN LIGHT OF YOUR PARTICULAR FINANCIAL CONDITION. THERE ARE ALSO RISKS ASSOCIATED WITH UTILIZING AN INTERNET-BASED DEAL EXECUTION SOFTWARE APPLICATION, AND COMPUTERIZED TRADING AND MONEY MANAGEMENT TOOLS INCLUDING, BUT NOT LIMITED, TO THE FAILURE OF HARDWARE AND SOFTWARE. **PAST PERFORMANCE IS NOT GUARANTEE OF FUTURE RESULTS, NOR DOES IT GUARANTEE FREEDOM FROM LOSSES.**

THE INFORMATION CONTAINED HEREIN SHOULD NOT BE CONSTRUED AS AN OFFER TO BUY OR SELL COMMODITIES, FUTURES OR ANY SECURITY TYPE INVESTMENT. THE MONEY MANAGER HIGHLY RECOMMENDS THAT BEFORE MAKING A DECISION, THE READER COLLECTS SEVERAL OPINIONS RELATED TO THE DECISION AND VERIFIES FACTS FROM AT LEAST SEVERAL INDEPENDENT SOURCES.

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QUANT TRADING, LLC ("QT")

Quant Trading, LLC ("QT") was formed under the laws of the state of Delaware in February 2007 (**https://delecorp.delaware.gov/tin/GINameSearch.jsp**), with a registered office at the following address: Quant Trading, LLC, 42 Read's Way, New Castle, DE 19720, USA.

QT's principal place of business is located at Hristo Botev 27, Bitola 7000, Macedonia;
Telephones: +389-47-609-151 (f), +389-75-807-602 (mob); FAX: +389-47-609-151;
E-mail address**:** **info@fx-quant.com**; Web site address: **http://www.fx-quant.com**.
Managing member: Dejan Trajkovski

Quant Trading, LLC, NFA ID Number 0418790, (**http://www.nfa.futures.org/basicnet**) is not currently registered as a Commodity Trading Advisor (CTA) and operates pursuant to exemptions (Regulation 4.14(a)(8)(i)(C) and 4.14(a)(10)) from the CFTC Division of Trading and Markets (**http://cfr.vlex.com/vid/4-exemption-commodity-trading-advisor-19641133**) (CTA exemption).

The main activity of QT is managing Forex trading accounts – ("FX Index Arb – Currency Trading Program"). In the future, QT may also decide to operate a Forex trading pool, which would operate exempt from CFTC registration pursuant to CFTC Regulations 4.13(a)(3) (de-minimis exemption).

Quant Trading, LLC was formed for the purpose of offering Forex advisory and account management services to investors that seek to achieve capital appreciation of their assets by making investments in managed currencies programs. Based on extensive research in the field of financial engineering, strategy testing and real trading, QT believes that their Currency Trading Program offers potential opportunities for growth or capital, for those who are willing to accept risks of trading.

Clients may not open a managed account with QT unless they are familiar with Forex trading and have sufficient knowledge and experience in financial and business matters to render them capable of evaluating the merits and risks of the prospective investment.

The minimum account size is:
- $100,000 for accounts opened with Oanda Corporation (the minimum trading size is one currency unit). Managed accounts with Oanda are offered for evaluation purposes, on a time limited basis.
- $1,000,000 for accounts opened with FDM's where minimum trading lot size is 100,000 currency units ("normal lots").

The following description of QT and its trading methods and strategies is general and is not intended to be exhaustive. Forex trading methods are proprietary and complex, so only the most general descriptions are possible; no attempt has been or could be made to provide a precise description of QT's strategy. While QT believes that the description of QT's methods and strategies included herein may be of interest to prospective clients, such persons must be aware of the inherent limitations of such description.

FX INDEX ARB – CURRENCY TRADING PROGRAM

The goal of QT is to achieve appreciation with the use of quantitative trading strategies. QT will attempt to obtain consistent quarterly returns that exceed those of the equity market and to protect capital against adverse market trends.

Systematic Currency Trading Strategy. QT currently engages in a program of trading currencies in the cash ("spot") markets and does not trade futures or options on futures on any organized exchange. FX Index Arb – Currency Trading Program is 100% systematic. It uses statistical methods – quantitative analysis of time series. No classical technical or fundamental analysis is used, no pattern recognition techniques and no trading rules based on trader's experience (discretionary trading). Unlike most trading systems, which attempt to *predict* market direction, QT's trading model *reacts* to price action and makes trading decisions. Guessing market direction is impossible, as proven by many academic studies.

Diversification. One of the most important aspects of the FX Index Arb – Currency Trading Program is diversification, the ability to trade simultaneously many currency pairs. The strategy creates a complex portfolio of 10 global currencies and adjusts its components daily. The emphasis is on currencies of developed countries (G10 currencies), but current and future portfolio construction is at QT's discretion. The mathematics of portfolio diversification show that when weakly correlated currency pairs are combined together, a higher return per unit of risk is generated than with individual currencies. In other words, diversification of currencies can lead to better reward/risk ratio for the combined portfolio. As an example, in a portfolio comprised of three currency pairs, one position can be unprofitable at the moment, but the other two can show profits to more than compensate for the losses incurred with the losing one.

Currencies traded. Tests show the FX Index Arb can work with arbitrarily selected currencies. The current trading program trades USD, EUR, GBP, CHF, CAD, NZD, AUD, SEK, NOK and SGD, given their excellent liquidity and tight bid/ask spreads. The strategy is non-parametric, i.e. there are no parameters to optimize, except the average and maximum leverage. Hence, the system is very robust and does not depend on price patterns (which most trading systems depend on).

Strategy. The strategy opens many long/short positions in many currency pairs. It is close to USD neutrality (i.e. per each USD bought there is USD sold), but there is a long/short exposure in other currencies. As stated before, due to portfolio diversification, the risk is more limited than if just one currency alone is traded. The strategy forms indexes of the 10 base currencies, which depend on the prices of the remaining 9 currencies against the index currency. It trades the components of each index (counter trend, short gamma) against the index itself (trend following, long gamma). Exactly the same rules are used for counter trend and trend trading. The point is to make use of the higher volatility in components against the lower volatility of indexes (as proven in Modern Portfolio Theory). Based on positions of components and indexes (total of 90 currency crosses), positions are then consolidated into the base 10 currencies, i.e. 9 currency pairs against the US Dollar. The resulting positions are then implemented in the market. The trading strategy is always in the market, but portfolio weights are adjusted daily.

Profit generation process. Each currency pair, depending on its portfolio weight and its daily price return, has a contribution to strategy daily rate of return (ROR). Since there are many long/short positions in various currency pairs of variable exposure, some positions will produce positive and some negative rates of return. The strategy, through active portfolio composition and adjustment, attempts to generate positive returns over time. The strategy is in the market 100% of time and daily rates of return are calculated on a mark-to-market basis.

Leverage. Strategy standard risk parameters employ an average combined leverage around 0.75 for the entire portfolio. The maximum leverage should not exceed 2.5. There is position size limit of each currency against the USD of 0.8, relative to account NAV (Net Asset Value, or trading size).

Margin to equity ratio. The amount of an account's net assets committed to margin will vary as a result of market conditions and portfolio composition. On average, 1.6% of net assets of an account will be committed to margin (if margin requirement for a 100,000 currency lot is $1,000). Based on strategy back testing, the maximum margin-to-equity ratio should be less 5%. If client's FCM/FDM (Futures Commission Merchant / Forex Dealer Member) increases margin requirements (because of market volatility, illiquidity or otherwise), the percentage of net assets commited to margin may increase to levels beyond the stated values.

QT's strategy developers are experienced and versed in the measurement of the risk and returns associated with these quantitative trading strategies. As with all types of trading, there can be no assurance, however, that the investment objectives of QT will be achieved.

Strengths and Weaknesses of the Trading Strategy

1.) Due to the wide diversification, losses in some currency pair combinations (instruments) are partially offset in other instruments, meaning that draw downs are smaller than if a single currency pair was used.

2.) Since signals from many currency pairs are combined/consolidated in 10 base currencies and there are daily, relatively small, position size adjustments, bid/ask costs are relatively low and do not affect significantly the strategy profitability. Also, QT uses a unique technique of order placement (on *negative* slippage, i.e. some positive gain) to neutralize the bid/ask spread costs. In case trades are missed, positions are recalculated and new trades are placed.

3.) The strategy constructs and adjusts, on a daily basis, a complex portfolio with variable component weights. It holds long/short positions in 9 currencies against USD, so that volatility of individual currencies partially cancel each other.

4.) The strategy extracts profit from some currency pairs and changes positions in other pairs. The combined leverage, however, does not increase excessively (max. 2.5) and oscillates around a long term mean of 0.75. The individual currency exposure is limited to 80% of account NAV.

5.) Draw downs are controlled by a.) limiting the maximum component weight (currently at 80% of NAV) and b.) reducing the trading size if NAV ever drops by more than 20%.

Uniqueness of FX Index Arb – Currency Trading Program (FXIA)

1.) Unlike most CTA strategies, which use buy/sell/stop loss/ profit taking signals (often in a fast moving market), attempting to profit from large position bets, the FXIA strategy trades in regular time intervals and in smaller increments, thus minimising the pressure on market prices, price slippage, transaction costs, psychological stress on the trader and vulnerability to trading platform / Internet connection outage.
2.) FXIA, our currency trading strategy, shows a significant degree of stability and robustness. It is *not curve fitted*, i.e. it is relatively insensitive to parameter changes. It was tested on a completely different market (portfolio of 100 US stocks) with the same parameters with good results. This usually indicates a relative strategy insensibility to changing market dynamics.
3.) There is *no upper limit* on the account size. The strategy does not depend on any particular price pattern in the markets. By trading more frequently, the strategy can trade virtually any account size.

Risk Management

Due to the risks involved in currency trading, significant emphasis is placed on risk management techniques to minimize the losses on the portfolio as a whole. **Risk control** is achieved through a variety of means which in most market conditions should minimize drawdowns. The first is portfolio construction and diversification (trend and counter trend trading in indexes and their components); second is controlling portfolio concentration through position size adjustment according to account size, volatility and risk-reward analysis; and third is stops based on money management rules.

The risk is addressed by diversification and portfolio component weight management. The strategy rebalances portfolio by gradually buying/selling fractional (odd sized) currency lots. Since the system does not open a single position in any single currency, directional risk is distributed. As stated before, a unique feature of the strategy is that the leverage oscillates around a long term average (it is mean reverting). There are counter-trend and trend following components in the system. The strategy tends to generate negative returns when some components move sharply against the index. The same reason also leads to sharp positive returns (there is a kind of symmetry). The strategy, through trend and counter trend trading has a mechanism of extracting profit from volatility difference between components and indexes. We found that placing stop loss orders disturbs this self adapting mechanism. Hence there are no protective stops in the classical sense, other than catastrophic stop loss. By adjusting positions gradually and avoiding portfolio concentration, the strategy limits the risk.

<u>Principal risk factors.</u> Since FX Index Arb is not a typical trend following / counter trend trading strategy, there is not a typical, single risk factor. Based on observations and back testing, draw downs tend to occur in a highly volatile market, in combination with an unfavorable portfolio composition. Although the Forex market is becoming more and more efficient (the "matured" G-10 currencies particularly), these events (price shocks) can *not* be ruled out. Price noise (a lot of retracements) in combination with moderate trends and average volatility is good for the strategy. This makes the strategy superior over most rule-based, pattern recognition, Elliot Wave, W.D. Gann, many indicator-based trading systems. The biggest risk for the FX Index Arb system comes from *over-leveraged* trading, i.e. trading too large positions for the given account size. In order to avoid a disastrous drawdown, the FX Index Arb strategy trades around an average leverage of 0.75 and maximum of 2.5, which in back testing corresponds to a worst drawdown of around 10%. There is no guarantee, however, that this drawdown will not be exceeded in the future.

The strategy trades with market orders at fixed time intervals only. It does not utilize stop or limit orders, which frequently produce large and unpredictable price slippage or leave unfilled orders.

To evaluate the risk and risk adjusted returns, QT uses the following risk measures: worst peak-to-valley (intra month) drawdown, end-of-month drawdown, time to recover from a drawdown, standard deviation of monthly rates of return, downside deviation, Sharpe, Sterling and Calmar Ratio and 5-day Value at Risk (VaR). The strategy was carefully tested to check if all of the risk measures are within acceptable limits.
The portfolio leverage (defined as long positions value relative to net asset value) shall never exceed 2.5. **Further, QT will reduce the leverage by 50% for the account if the account experiences (on end-of-day basis) a draw down in excess of 25% of the peak equity. At such time, the client will have the option to terminate the account and liquidate all remaining balances, with such liquidation occurring as soon as administratively feasible.** Due to the volatile nature of trading, QT cannot guarantee that any drawdown in the account can be limited to the percentage as indicated above.

Disciplined Trading Process

QT believes that an investment strategy can only be as successful as the discipline of the manager to adhere to its requirements in the face of market adversity. Unlike discretionary traders, whose decisions may be subject to behavioural biases, QT practices a disciplined, 100% systematic trading process.

QT's approach is dependent on the existence of a fully computerized quantitative trading strategy. The strategy is highly mathematical and quantitative in nature. Due to the complexity of calculations, the trader can not see any obvious logic in the system behaviour and try to over-ride the strategy. This being the case, the trader has no choice but to stick to the computerized model at all times. This ensures 100% disciplined and free of emotions trading process.

Disciplined Adaptation to Changing Market Conditions

QT maintains an absolute commitment to consistent portfolio construction and program integrity. QT has not been persuaded to change the fundamental elements of the strategy by short-term performance, although modifications may be made over time. Over the years, QT has changed the basic methodologies that identify signals in the markets. QT believes that its track record will benefit substantially from its adherence to its models during periods of negative returns.

The dynamic elements of QT's trading process involve periodic adaptation to changing market conditions and subjective discretionary decisions on such matters as portfolio structure, leverage, mathematical algorithms – all of which depend on professional experience and market knowledge. These changes are made as warranted by QT's research findings and in the context of QT's underlying principles.

The most current modification of the trading strategy, FX Index Arb (v.06/2012) started live trading in our Currency Trading Program on July 1, 2012.

Trade Placement

QT executes trades in the spot Forex markets which is the world's most liquid market. Trades are executed by traders, with each member of the team fully responsible for the trade's fulfilment, and are recorded and reviewed for strict adherence to procedures.

<u>Types of trading orders.</u> Trades are executed using market orders only in order to obtain guaranteed fills and avoid price slippage or unfilled orders. Before sending the basket order, all prices are monitored in order to minimize price slippage.

<u>Transmission of trades</u>. QT trades electronically from an Excel spreadsheet, or using Metatrader scripts, on behalf of their clients' accounts. In case of Internet connection or trading platform failure, QT, in its discretion, may also decide to place orders by traditional means, including telephone and telecopy. QT believes that electronic trading provides a faster method of accessing the variety of markets that it trades than the traditional method of placing trade orders over the telephone.

Electronic trading provides for greater order execution risk controls to be incorporated into electronic order placement which should reduce the potential for errors during the order placement process. Electronic trading also increases the overall level of confidentiality for QT with respect to the marketplace and it will also prevent miscommunication of instructions between QT and the executing brokers. Trade processing efficiency is another key benefit to electronic trading.

<u>QT's policy with respect to trading and system errors.</u> Daily position size reconciliation and profit/loss calculation is performed after each basket trade. If a trade size or P/L calculation error is noticed, it will be immediately reported to the Forex dealing company (FDM).

Position Size

Adjustments in position size in relation to account equity have been and continue to be an integral part of QT's trading strategy. Based on strategy parameters, average strategy leverage and aggregate net asset value (NAV), QT calculates the position sizes that will be applied in trading. QT reserves the right to alter, at its sole discretion and without notification to clients, its policy regarding adjustments in position size relative to account equity.

<u>Establishing positions for new accounts, liquidating for terminating accounts or adjusting existing accounts when account equity changes.</u> Position are automatically calculated, established or liquidated, separately for each trading account. Since each account is traded separately, there are no unfilled orders. This also reduces the pressure on prices and reduces price slippage. However, rates of return in different accounts may be (to some extent) different, as accounts are traded with some time shift. When a trading size is increased/decreased in any account, it is taken into account when calculating the order sizes.

Management

Dejan Trajkovski is the sole principal of QT and its head trader. He is solely responsible for all money management, trade execution and risk management of all transactions executed on behalf of QT. Ljuben Risteski is the trading assistant responsible for trade executions made by QT. Biographic information regarding Dr. Dejan Trajkovski and Mr. Ljuben Risteski is set forth below.

Dejan Trajkovski, PhD, is the owner and managing member of Quant Trading, LLC. He is the developer of FX Index Arb, the currency trading strategy currently used by QT.

Dejan received his M.S. degree in Applied Mechanics of Deformable Body and Ph.D. in Computational Mechanics from University of Belgrade, Yugoslavia (1992) and University of Skopje, Macedonia (1995). Throughout his successful career as a professor at University of Bitola, Macedonia, Dejan Trajkovski gained significant experience in Theoretical and Applied Mechanics. His main fields of work have been Thermoelasticity, Theory of Mechanisms and Machines, Mechatronics and Robotics. He is author of around 40 scientific papers, textbooks and research projects, mostly in the field of Thermoelasticity and Theory of Mechanisms.

Dejan Trajkovski was employed at the Faculty of Technical Sciences – Bitola (Ivo Ribar Lola b.b., 7000 Bitola, Macedonia) as Assistant professor (1995-2000), Associate Professor (2000-2005) and Professor (2005 to present). In February 2007 he founded Quant Trading, LLC, a Forex research and trading firm.

The foreign currency market became his field of work in 2001. Dejan was confident that finance was wonderfully pure information-processing business and Forex was the right place where the mathematically precise instruments of quantitative analysis could be applied. In the following years he has been involved in research and development of trading strategies.

Mr. Dejan Trajkovski, the QT strategy developer and head trader, is solely responsible for all money management, trade execution and risk management of all transactions executed on behalf of QT.

Ljuben Risteski was born 1957 in Prilep, Macedonia. In 1982 he earned B.A. in theoretical physics at University "Sts. Cyril & Methodius" in Skopje. In 1983 he was employed at "Energoinvest" (later "Euroinvest"), a composite materials producing company of Prilep, Macedonia. From 1986 to 1998 he was a chief of all laboratories for testing composite materials at that company. From 1998 to 2004 he worked as a computer programmer at "Mikrosam", a machine manufacturing company of Prilep. From 2004 to 2006 he worked as a computer programmer at the State Real Estate Cadastre Agency. In 2006 he completed specialization in nuclear medicine physics. From 2006 to present he is employed at the Clinical Hospital of Bitola as a physicist at the Department of Nuclear Medicine.

His fields of work are nuclear medicine physics, computer programming, computerized motion control and Forex strategy design and trading. He has been interested in Forex trading since 2005. Ljuben started trading with QT in 2010 and is currently a trading program assistant, responsible for trade executions made by QT.

QT and its principal have invested in the FX Index Arb – Currency Trading Program.

FX Index Arb – Currency Trading Program: Performance Capsule

The results set forth below are not indicative of the results that may be achieved in the future by a client. In addition, because the strategy has been modified and will continue to be modified, the results shown below do not necessarily reflect the program, which will be used on behalf of a client. The markets in which the performance record was compiled have been and are changing; a trading program or approach successful in a particular set of market conditions might not be successful in other market conditions existing now or in the future. No representation is or could be made that the results set forth below are representative of QT's current trading program or that a client will or are likely to achieve profits or incur losses similar to those shown.

The FX Index Arb strategy started live trading a proprietary account on July 1, 2012.

Back testing results of the current modification of FX Index Arb (V.06/2012) strategy can be found in the FX Index Arb section of QT’s web site at **http://www.fx-quant.com/FXIA/FXIA3-v062012.xlsb** and **http://www.fx-quant.com/FXIA/BackTestFxIndArb.htm** .

FX INDEX ARB - CURRENCY TRADING PROGRAM
PERFORMANCE CAPSULE

Historical performance:	
Name of trading advisor:	Quant Trading, LLC
Name of trading program:	FX Index Arb – Currency Trading Program
Inception of trading by QT:	March 1, 2006
Inception of trading in Currency Trading Program:	July 1, 2012
Number of accounts currently trading pursuant to the program as of July 1, 2012	0 managed and 1 proprietary account
Total assets managed by QT:	$150,000 (notional funds, as of Nov 1, 2012)
Total assets traded in Currency Trading program:	$25,000 (notional funds, as of Nov 1, 2012)
Number of profitable accounts that have closed:	/
Number of unprofitable account that have closed:	/
Largest monthly peak-to-valley drawdown:	
Largest intra-month peak-to-valley draw down:	

Drawdown is defined as losses experienced by the program over a specified period of time.

Monthly Rates of Return (ROR) – Proprietary Results Adjusted for Fees

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	VAMI
2012	See back testing results at **http://www.fx-quant.com/FXIA/BackTestFxIndArb.htm**								0.72%				0.72%	1007.2

The above table shows **pro-forma proprietary trading results, adjusted for fees.** The interest on open positions and unused margin was taken into account. Rate of return figures have been calculated according to CFTC Regulation 4.25(a)(7)(i)(F), by dividing the net performance by the previous month notional net asset value. The nominal account size (notional trading size) does not change intra-month. The chart below shows the growth of $1,000 (the Value Added Monthly Index – VAMI), before and after 20% incentive fee.

Notes to Performance Information

“Drawdown” as used herein means decline in the net assets of any account set forth in the performance record presented above. “Drawdowns” are measured on the basis of month-end net asset values only and do not reflect intra-month figures.

“Peak-to-valley drawdown” as used herein represents the greatest percentage decline from any month-end net asset value of any account in the performance record presented above, which occurs without such month-end net asset value being equaled or exceeded as of a subsequent month-end. For example, if the Monthly Rate of Return was -1% in each of January and February, 1% in March and -2% in April, a “peak-to-valley drawdown” analysis conducted as of the end of April would consider that “drawdown” to be still continuing and to be approximately -3% in amount. If the Monthly Rate of Return had been approximately 3% in March, the January-February drawdown would have ended as of the end of February at approximately the -2% level.

“Monthly Performance” is the Monthly Rate of Return, determined by dividing net performance of the accounts by the beginning net asset value of such accounts for the month. Funds must be deposited in such accounts by the Monday following the third Friday of the month, in order to be traded in the same month they are deposited. Additions of funds are time-weighted in order to determine their contribution to the beginning net asset value.

“Compound Annual Rate of Return” is calculated by multiplying on a compound basis each of the Monthly Rates of Return and not by adding or averaging such Monthly Rates of Return. For periods of less than one year, the results are year-to-date. For example, the Compound Rate of Return of 21.50% for the year 2006 in the preceding performance summary was calculated by multiplying 100 by the quantity
[(1+0.0021)(1+0.0055)(1-0.0070)(1-0.0571)(1+0.0453)(1+0.1005)(1+0.0051)(1+0.0597)(1+0.0681)(1-0.0158)]-1.
The foregoing Compound Annual Rate of Return calculation is performed utilizing monthly rates of return carried to more than two decimal places. Performance results are then “rounded” to the nearest one-hundredth for presentation herein. Consequently, compounding the monthly rates of return set forth herein may result in a minor discrepancy in the Compound Annual Rate of Return caused by such rounding.

QT currently does accept managed accounts with “notional” funding.

Performance Analytics

Based on Actual Trading Results (Pro-Forma Proprietary Account), Net of 20% Incentive Fee

Strategy Returns	
Reporting period	Sep/2012-Sep/2012
Total return since inception	0.72%
Compounded average annual ROR	8.97%
Growth of $1,000, compounded monthly	1,007.2
# Winning months / average positive ROR	1 / 0.72%
# Losing months / average negative ROR	- / -
Kurtosis & skewness of monthly RORs	- / -
Percentage of positive months	100%
Ratio avg. positive / avg. negative monthly ROR	-
Maximum number of consecutive positive / negative months	1 / -
Monthly profit factor (Profit-to-loss ratio)	-

Risk Measures	
Annualized standard deviation of monthly RORs	-
Annualized downside deviation (below risk-free rate of return of 1% per annum)	-
Sharpe Ratio, annualized (RF rate 1.0%)	-
Sortino Ratio , annualized (RF rate 1.0%)	-
Calmar Ratio	-
Strategy Alpha, relative to S&P 500 Index, annualized	-
Strategy Beta, relative to the S&P 500 Index	-
Jensen's Alpha, relative to S&P 500 Index, annualized	-
Active premium , relative to S&P 500 Index, annualized	-
Worst drawdown depth / duration (month end to month end)	-
Longest recovery period	-

An Excel table with calculations is available upon request.

Risk Disclaimer

THE RISK OF LOSS IN TRADING COMMODITIES CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION AND INVESTMENT OBJECTIVES. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. THE PERFORMANCE QUOTED REPRESENTS PAST PERFORMANCE AND CURRENT PERFORMANCE MAY BE LOWER OR HIGHER. TRADING IN FOREIGN EXCHANGE IS SPECULATIVE AND MAY INVOLVE THE LOSS OF PRINCIPAL; THEREFORE, FUNDS PLACED UNDER MANAGEMENT SHOULD BE RISK CAPITAL FUNDS THAT IF LOST WILL NOT SIGNIFICANTLY AFFECT ONE'S PERSONAL WELL BEING. THIS IS NOT A SOLICITATION TO INVEST AND YOU SHOULD CAREFULLY CONSIDER YOUR FINANCIAL SITUATION PRIOR TO MAKING ANY INVESTMENT OR ENTERING INTO ANY TRANSACTION. PLEASE SEE THE COMPLETE RISK DISCLOSURE.

FEES

General

Quant Trading, LLC may charge a monthly management fee based on the month-end equity of the client's account and a monthly incentive fee on net trading profits. QT fees that are applicable to each account are specifically described in each Client's Trading Agreement. Because QT may structure each account (including the applicable fees) to meet specific client needs, the foregoing description of QT fees represents a general guideline only.

Commissions, Management and Incentive Fees

QT for its FX Index Arb – Currency Trading Program charges:
- no commissions above the 20% incentive fee (besides the regular Forex bid/ask spread and brokerage commission)
- 0% subscription fee and 0% withdrawal fee
- 0% management fee
- incentive (performance) fee of 20% of all trading profits, based on quarterly (or monthly) high water mark, or upon exit from the Currency Trading Program. See http://www.fx-quant.com/incentive_fee_calculation.xls for high water mark calculation examples.

Client will pay incentive fees only on the net trading profits recognized by its capital account. The monthly performance tables are based on 0% management and 20% incentive fee.

With respect to each client's account, "net trading profit" for any given quarter is equal to the excess of an account's net assets value (NAV) at the end of the calendar quarter (or month) over its NAV at the end of the highest previous quarter (month) or its NAV at the date trading commences, whichever is higher, i.e., the high-water mark, ("HWM") and as further adjusted to eliminate the effect on the account's NAV resulting from new capital contributions or capital withdrawals, if any, made during the period, whether the assets are held separately or in a margin account. Losses attributable to capital withdrawals shall not be carried forward (see the last paragraph of this section). As used herein, NAV shall mean an account's total assets less total liabilities and shall include the sum of all cash and any unrealized profit or loss on Forex positions.

Net trading profits shall be net of all accrued or payable brokerage commissions, fees and other expenses and shall include interest or other income not directly related to trading activity. The incentive fee calculation also includes, in part, unrealized appreciation on open positions. Such appreciation may never be realized by a client. For example, if at the end of a quarter the client's account had unrealized profits on open positions, QT may receive an incentive fee based on such unrealized profits. Following such payments, those open positions might, due to adverse market conditions, be closed out at no profit or a loss; nevertheless QT would retain the entire incentive fee.

If the account incurs a net loss after an incentive fee is paid, QT will retain the performance fees already paid but will receive no further incentive fee until the account's accumulated net profit is higher than the accumulated net profit at the time the prior performance fee was paid (the higher water mark rule); provided, however, that if NAV are reduced because of withdrawals which occur in a quarter, in which a client's account experiences a trading loss, the trading loss for that month, which must be recovered before such client will be deemed to experience net trading profits will be equal to the amount determined by (1) dividing NAV after such withdrawals by the NAV immediately before such withdrawals and (2) multiplying that fraction by the amount of the un-recovered trading loss experienced in the calendar quarter prior to such withdrawals. In the event that the client experiences a trading loss in more than one quarter without the payment of an intervening incentive fee and the NAV of such client's account are reduced in more than one such quarter because of withdrawals, then an adjustment to the trading loss for quarter will be made in accordance with the formula described above and only such reduced amount of trading loss will be carried forward and used to offset subsequent trading profits.

The final incentive fee would be paid upon the date the account is closed. The performance fee is payable only if the accumulated net profit as of the last business day of the quarter (March 31, June 30, September 30, December 31 – cut-off dates) exceeds the accumulated net profit of the account on the last prior date on which the incentive fee was paid (or, in the quarter the account is first established, as of the date trading commenced).

Outside Agents. QT may from time to time contract with an individual or an entity that is registered as a futures commission merchant (FCM), introducing broker (IB) or commodity trading advisor (CTA) to market its trading program to prospective clients and will pay fees to such agents for referring new clients to QT. Although agents may receive part of the fees paid to QT, this will not affect the fees charged to the client.

Incentive Fee Payment

To pay the quarterly (or monthly) incentive fee the client can either:
1.) Transfer funds to QT by wire or use Oanda's FxGlobal Transfer service
2.) Authorize QT to deduct funds from client's account, based on invoice and **after approving** the charge within Oanda's FxManager system for clients (see Exhibit 2 for explanation of fee approval)

An example of incentive fee calculation in Excel can be downloaded from the following link:
http://www.fx-quant.com/incentive%20fee%20calculation.xls

OPENING AN ACCOUNT

Each client must read, sign and return to QT the Client Acknowledgment of Receipt of Disclosure Document, the Client Advisory Agreement and Trading Authorization, the Required Client Information and a copy of the Authorization to Pay Fees. If applicable, the Certified Resolution and Commodity Pool Representation form must also be returned (for corporate, commodity pool, and other non-individual accounts). The client must also complete the standard package of customer account agreements of its Forex counterparty and forward copies of any documentation.

Brokerage Arrangements

In order for clients to participate in the Fx Index Arb – Currency Trading Program, they must open or have an existing account with a Forex Dealer Member (FDM). However, QT reserves the right to approve the client's choices of FDM, based on one or a combination of the following: (i) the range of currencies in which the FDM is able to execute trades; (ii) minimum trading ("lot") size; (iii) bid/ask spread and commission rates, if any; (iv) quality of executions.

QT trades, or have tarded, accounts maintained through the following Forex Dealer Members (FDM):
- Interactive Brokers Group, LLC – www.interactivebrokers.com
- Newedge Group (UK Branch) – www.newedgegroup.com
- Oanda Corporation - http://fxtrade.oanda.com

NFA records of the above FDMs can be checked at http://www.nfa.futures.org/basicnet/.
Finacial standings can be checked at http://www.cftc.gov/tm/tmfcm.htm.

Interactive Brokers (IB) has been found in 1977. It has been an NFA Member since December 2, 1994 and has been registered as a Futures Commission Merchant (FCM) with the CFTC since December 2, 1994. IB's NFA ID# is 0258600. Interactive Brokers is an FCM located at One Pickwick Plaza, Suite 200, Greenwich, CT 06830, USA. IB's telephone number is 1-887-442-2757. More on IB's history can be found at company's web site: www.interactivebrokers.com.

There have been no material, administrative, civil or criminal proceedings pending, on appeal or concluded against Interactive Brokers or its principals within the five years preceding the date of this Disclosure Document. To date, the CFTC has not brought any action against Interactive Brokers.

Newedge Group (UK Branch) been an NFA Member since April 17, 1997 and has been registered as an Exempt Foreign Firm Approved. Newedge's NFA ID# is 0278597. Newedge Group (UK Branch) is located at 10 Bishops Square, London, E1 6EG, United Kingdom. Its telephone number is 44 (0) 207 676 8300. More on Newedge's history can be found at company's web site: www.newedgegroup.com ..

Oanda Corporation has been an NFA Member since March 14, 2003 and has been registered as a Futures Commission Merchant (FCM) with the CFTC since March 14, 2003. Oanda's NFA ID# is 0325821. Oanda Corporation is an FCM located at 330 Front Street West, 12th Floor, Toronto, M5V 3B7, Canada. Oanda's telephone number is 1-416-593-6767. More on Oanda's history can be found at company's web site: http://fxtrade.oanda.com/about/history.shtml.

There have been no material, administrative, civil or criminal proceedings pending, on appeal or concluded against Oanda Corporation or its principals within the five years preceding the date of this Disclosure Document. To date, the CFTC has not brought any action against Oanda Corporation.

Oanda Corporation acts only as a Forex dealing company and as such is paid bid/ask spread for executing and clearing trades on behalf of its clients. Oanda has not passed upon the adequacy or accuracy of this Disclosure Document. Oanda neither will act in any supervisory capacity with respect to QT nor participate in its management. Therefore, one should not rely on Oanda in deciding whether or not to participate in QT's investment program.

More on the account set-up procedure with Oanda can be found at http://www.fx-quant.com/Oanda.htm .

Litigation. Neither QT, nor Dejan Trajkovski has had no material civil, administrative, or criminal actions concluded, pending, or an appeal against it or its principals during the five years preceding the date of this Disclosure Document.

Self-Directed IRA Accounts. For self-directed individual retirement accounts, QT will cease all trading for the account if the account experiences a drawdown in excess of 25% of the original equity. At such time, the client would have the option to terminate the account and liquidate all remaining balances, with such liquidation occurring as soon as administratively feasible. Due to the volatile nature of the market, QT cannot guarantee that any drawdown in the account can be limited to the percentage indicated above.

Notional funding. QT currently offers notional funding in separately managed accounts with Interactive Brokers and Oanda.

NOTIONAL FUNDING

For an account to be fully funded the market value of the account should equal the account's net assets. If a client wishes to partially fund an account, QT can advise the client of an appropriate amount of cash or other assets (actual funds) which should be deposited in the client's account in order to make it unlikely, (but not impossible), that any further cash deposits would be required. If a client requests QT to trade an account that is not fully funded, QT requires a committed funds letter from the client in a format acceptable to QT, in its sole discretion.

A client should consult the account statements received from client's brokerage firm to determine the actual activity in client's account, including profits, losses and current cash equity balance. To the extent that the equity in an account is at any time less than the account's net assets, a client should be aware of the following:

(i) While profits and losses, fees and commissions measured in dollars are the same, they are greater when expressed as a percentage of the actual account equity. For more, see the conversion matrix below to calculate the effect of notional and partial funded accounts. Partial funding increases the fees and commissions as a percentage of actual funds but does not increase the dollar amount of those fees.

(ii) A client may receive more frequent and larger margin calls.

(iii) Where the account's net assets are greater than the amount actually deposited, client's account may experience proportionally greater losses, as well as greater profits on the actual amount invested than on a fully funded account.

(iv) The trading risk will be proportionally higher when expressed as a percentage of the actual account equity.

(v) Increases/decreases in the trading level may occur either by adding to or withdrawing capital in the account or by increasing/decreasing the account's notional funds. As above, see the matrix below to calculate the effect of notional and partial funded accounts.

Cash additions and withdrawals to the account will not affect the Nominal Account Size ("Trading Size"). In order to change the Trading Size, a client must notify QT in writing, of the revised Trading Size. This notification must be received 2 days or more prior to the beginning of the month.
Unless a client directs QT otherwise, the Nominal Account Size is held constant intra-month and equals the last notified Nominal Account Size on record.

QT reserves the right to limit the number of participants in this Program as well as the amount of equity allowed to be traded in the Program, or to discontinue the Program altogether, in its sole discretion, without notice.

Leverage of Notional Funding

Actual Rate of Return (ROR)(1)	Levels of funding (2)		
	100%	**50%**	**25%**
-30%	-30%	-60%	-120%
-20%	-20%	-40%	-80%
-10%	-10%	-20%	-40%
10%	10%	20%	40%
20%	20%	40%	80%
30%	30%	60%	120%
40%	40%	80%	160%
50%	50%	100%	200%
60%	60%	120%	240%
	Rates of Return at Various Funding Levels (3)		

(1) This column represents the range of actual rates of return for fully funded accounts.
(2) This represents the percentage of actual funds divided by the fully funded trading level.
(3) These columns represent the rates of return experienced by a client at various levels of funding. The rates of return for accounts that are not fully funded are inversely proportionate to the actual rates of return based on the percentage level of funding.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN INVESTING IN AN ACCOUNT. PROSPECTIVE CLIENTS SHOULD READ THIS ENTIRE DISCLOSURE DOCUMENT AND CONSULT WITH THEIR LEGAL, TAX AND FINANCIAL ADVISORS BEFORE DETERMINING WHETHER TO INVEST IN AN ACCOUNT.

BECAUSE THE ADVISOR'S STRATEGY IS PROPRIETARY AND CONFIDENTIAL, ONLY THE MOST GENERAL DESCRIPTION OF THE RISKS INVOLVED IN THE OPERATION OF AN ACCOUNT IS POSSIBLE. NO SUCH DESCRIPTION CAN FULLY CONVEY THE RISKS OF THE HIGHLY LEVERAGED STRATEGIES WHICH THE ADVISOR IMPLEMENTS.

POTENTIAL CONFLICTS OF INTEREST

An investment in an account managed by QT involves risks due in part to certain inherent or potential conflicts of interest. Among such potential conflicts are the following:

Proprietary Trading of QT

QT may trade, or will continue to trade for its own (or Dejan Trajkovski's) proprietary accounts. A potential conflict of interest may occur when QT, as a result of a neutral allocation system, testing a new trading system, trading its proprietary accounts more aggressively or any other actions that would not constitute a violation of fiduciary duties, takes positions in the proprietary accounts which are opposite, or ahead of, the positions taken for a client.

Management of Other Accounts by QT

QT and Dejan Trajkovski may act as a trading agent for other commodity trading accounts, including commodity pools. These accounts may be traded according to the same trading methods described herein. Because of the price volatility, variations in liquidity from time to time, and differences in order execution, it is possible for QT to obtain different trade executions for all of its clients. Therefore, no assurance is given that the performance of all accounts managed by the Advisor will be identical or even similar. The performance fee, however, will be calculated based on actual trading profit (US Dollar denominated) in each sub-account.

Other Professional Activities of the Trading Agent

Dejan Trajkovski, the managing member of QT, is also engaged in teaching at University "Sv. Kliment Ohridski" of Bitola, and, therefore, will not devote his full business time to the business of managing the client accounts. He will, however, devote the necessary time to the affairs of the client accounts so as not to impair the performance of the QT's obligations to the client accounts. The trading program usually trades once a day around 9 am EST, but newer versions of the trading program may trade 2 or 3 times a day.

RISK FACTORS

Liability in Excess of Amounts Deposited With FDM

Trading currencies in the spot Forex markets involves a high degree of risk. In such trading, the liability of the client is not limited to the initial investment of the equity in the client's account, but extends to any and all losses. A CLIENT COULD LOSE AN AMOUNT IN EXCESS OF HIS INVESTMENT. Prospective clients should carefully study not only the risk factors described below and elsewhere in this Disclosure Document, but also currency trading, before making a decision to participating in this managed account program. Prospective clients should be aware that the program offered hereby does not involve a limited liability structure, *e.g.*, a limited QT.

Past Results Not Necessarily Indicative of Future Performance

QT cautions prospective clients to take seriously the warning required by both the CFTC and NFA:
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS; AN INVESTMENT IN THE PROGRAM OFFERED HEREBY IS SPECULATIVE AND INVOLVES A SUBSTANTIAL RISK OF LOSS.

Failure of Brokerage Firms; Default by Forward Market Participants

A client could be unable to recover its assets – even assets directly traceable to such client – from the FCM/FDM in the event of a bankruptcy of the FCM or FDM or their custodian bank.
In the event that QT engages in forward trading in the future, clients (or their FCMs) would be dealing with its counterparties as principals and would be subject to the full risk of such counterparties' default or insolvency. The bankruptcy of market counterparties or dealers could result in losses to clients. Speculative, proprietary trading by a broker or dealer, including the FCM/FDM, may impair the safety of customers' funds (including the client's assets) on deposit with it.

Forex Trading is Highly Leveraged

Because of the low margin deposits normally required in spot Forex trading (typically between 1% and 5% of the value of the interest purchased or sold), an extremely high degree of leverage is typical of a Forex trading account. As a result, a relatively small price movement in a currency pair price may result in immediate and substantial losses to the investor. For example, if at the time of initiation of Forex trade 5% of the price of a Forex trading lot is deposited as margin, an unfavorable 5% change in the price of the currency pair would, if the position is then closed out, result in a total loss of the margin deposit. A decrease of more that 5% would result in a loss of more than the total margin deposit. Thus, like other leveraged investments, any trade may result in losses in excess of the amount invested

When the market value of a particular open position changes to a point where the margin on deposit in a participating customer's account does not satisfy the applicable maintenance margin requirement imposed by the FCM/FDM, the customer, and not QT, will receive a margin call from the Forex dealing firm. If the customer does not satisfy the margin call within a reasonable time (which may be as brief as a few hours) the Forex dealing firm will close out the customer's position.

"Zero–Sum" Markets

Forex, trading is a "zero-sum," risk transfer activity. For every gain there is an equal and offsetting loss rather than a mutual participation over time in economic growth. QT's trading may exhibit a high degree of volatility.

No Intrinsic Value to Investments

The program offered hereby can neither be successful considered on a stand-alone basis nor provide beneficial diversification to a portfolio unless it trades successfully. Clients will not acquire assets with intrinsic value. The program offered hereby is entirely speculative and is not based on the appreciation in value of any asset. There can be no assurance whatsoever that QT will be able to generate profits for its clients by participating in the risk transfer markets in which it will exclusively concentrate its trading operations.

Trading on Foreign Exchanges/ Counterparty Credit Risk

QT, on behalf of its clients, may trade commodity interests on exchanges located outside the United States. The commodity positions may be at greater risk in these markets because the regulatory framework within which foreign exchanges operate may be less stringent than their United States counterparts in areas such as the minimum financial requirements that they impose on members, the size of margin levels they set, the extent to which they require segregation of customer funds, the types of rules they adopt to govern trading, and the extent of their monitoring to ensure member compliance with their rules.

Since QT determines customers' account equity in United States Dollars, trading on foreign markets subjects customer accounts to the risk of fluctuation in the exchange rate between the local currency and dollars. Unless QT hedges the customer accounts against fluctuations in exchange rates between the United States dollar and the foreign currency in which the foreign commodity interest contracts are denominated, any profits which might be realized in such trading could be eliminated as a result of adverse changes in exchange rates, and could even result in losses as a result of any such changes.

Trading on foreign exchanges may also involve certain other risks not applicable to trading on United States exchanges, such as the risks of exchange controls, expropriation, burdensome or confiscatory taxation, moratoriums, or political or diplomatic events.

The QT's spot/cash Forex programs trade the interbank Forex market exclusively. Certain risks not present in the trading of futures contracts are presented in trading currencies in the interbank Forex market. Although QT does not believe that the foreign currency market is necessarily more volatile than commodity markets, such interbank Forex trading may involve less protection against defaults than trading on exchanges. For example, there is generally no limitation on price moves in the interbank Forex market. The trading programs are subject to the risk of bank failure or inability or refusal to perform with respect to such contracts. The failure of a bank with which the client's FCM/FDM has contracted would likely result in a default, thereby depriving the program of unrealized profits or forcing the program to cover its commitments for resale, if any, at the then market price. Banks are not required to continue to make markets in currencies. There have been periods during which certain banks have refused to quote prices on foreign currencies or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that which it is prepared to sell, thereby creating liquidity problems. Due to the foregoing factors and the absence of current CFTC regulation, the trading of foreign currencies through a futures commission merchant in the interbank Forex market may thus involve greater risks than those accompanying trading of futures contracts on exchanges.

Possible Regulatory Changes

There has been significant international governmental concern expressed concerning, for example, the need to regulate the foreign exchange markets in general. In the current environment, perhaps more than in prior periods, prospective clients must recognize the possibility of future regulatory changes altering, perhaps to a material extent, the nature of an investment in the program offered hereby.

Failure of a Client's FCM or Forex Counterparty

Although under CFTC regulations FCM's are required to maintain a client's assets in a segregated account, if an FCM fails to properly segregate customer funds, the client may be subject to a risk of loss of its funds on deposit with the FCM in the event of the FCM's bankruptcy or insolvency. Forex counterparties are not required to maintain a client's assets in a segregated account. In addition, under certain circumstances, such as the inability of another customer of the FCM or Forex counterparty, or the FCM or Forex counterparty itself to satisfy substantial deficiencies in such other customer's account, the client may be subject to a risk of loss of its funds on deposit with the FCM or Forex counterparty, even if such funds are properly segregated (and they are not segregated with a Forex counterparty). In the case of any such bankruptcy or customer loss, the client might recover only a pro rata share of all property available for distribution to all of the FCM's or Forex counterparty's customers.

Trading Decisions Based upon Quantitative Analysis

QT makes trading decisions for the programs utilizing quantitative analysis. The profitability of quantitative analysis depends upon the accurate forecasting of price moves. No assurances can be given of the accuracy of the forecasts or the existence of price moves. The best trading method, whether based upon technical, quantitative or fundamental analysis, will not be profitable if there is no price move of the kind the trading method seeks to follow. In the past, there have been periods without discernable price moves and, presumably, such periods will continue to occur in the future. Any factor that would lessen the prospect of price moves in the future may reduce the prospect that a particular trading method, whether technical and/or fundamental, will be profitable in the future. Moreover, any factor which would make it more difficult to execute trades at desired prices in accordance with a trading method's signals (such as a significant lessening of liquidity in a particular market) would also be detrimental to profitability. Further, many other trading methods may utilize similar analyses in making market decisions. Therefore, bunching of buy and sell orders can occur which makes it more difficult for a position to be taken or liquidated. No assurances can be given that the QT's trading method and strategies and trading decisions for a client will be successful under all or any market conditions.

Risk Management

Due to the volatile nature of trading currencies, QT adheres to strict money management principals to increase the opportunity for success of the trading program. Position exposure and strategy leverage (defined as a ratio of long position value to net asset value) are continuously monitored. Volatility models are used to determine position size adjustments to maintain the programs maximum strategy leverage and position exposure limits. Strategy leverage is generally between 0 and 2.5 and margin used is between 0% and 5% of account equity. An increase of the volatility model will cause a leverage reduction in entire portfolio. While the limitation and reduction of position size is applied to avoid unwanted draw-downs, it can also result in missed opportunity. While the exposure of risk has been reduced, the potential for profit is reduced as well.

Government Intervention

Government intervention in the currency markets may have a significant impact on these markets at certain times. Such intervention (as well as other factors) may cause such markets to move rapidly in the same direction at certain times. Additionally, currency markets may be particularly sensitive to interest rate fluctuations, thereby contributing to the likelihood of a substantial portion of the program's open positions moving in the same direction at the same time. The imposition of exchange and credit controls or the fixing of currency exchange rates by governmental authorities might eliminate or substantially reduce trading in certain currencies.

The Effect of Fees and Expenses

Each client is subject to brokerage fees and commissions that may become substantial depending upon the level and frequency of trading activity. Accordingly, a client's account will have to earn sufficient trading profits to avoid depletion of assets due to such commissions and fees. The client, and not QT, is directly responsible for paying all margins, brokerage commissions and fees and other transaction costs incurred or charged by the FCM or IB in connection with transactions affected for the client's account by QT. A client is responsible for bearing any and all expenses, losses and fees incurred as a result of maintaining and having QT trade the client's account.

Tax Consequences

Each prospective client must consult and must depend upon his own tax advisor regarding the federal, state, and local tax implications of participating in either of these programs. QT does not provide and is not qualified to give tax advice.

Possible Adverse Effects of Increasing Assets Managed by QT

Many studies show that Advisors are limited in the assets that they can successfully manage, due to the difficulty of executing substantially larger trades in order to reflect larger equity under management. The rates of return recognized on the trading of limited assets may have little relationship to those an advisor can reasonably expect to achieve trading greater funds. QT has not agreed to limit the amount of additional equity that it may manage. There can be no assurance that QT's strategies will not be adversely affected by additional client funds.

Changes in Trading Approach

QT may make material changes in the trading approaches which it implements. It is impossible to predict how such changes may affect trading on behalf of QT's clients. Clients will be informed of any change in QT's trading approach that QT considers to be material.

Dependence of the Clients on QT

Clients are dependent upon the services of QT. The incapacity of QT's principals, Mr. Trajkovski or Mr. Risteski, could have a material and adverse effect on QT's ability to discharge its obligations under the Client's Investment Management Agreement.

THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THIS OFFERING. POTENTIAL CLIENTS SHOULD READ THIS ENTIRE DISCLOSURE DOCUMENT, AND FAMILIARIZE THEMSELVES WITH INVESTMENTS IN MANAGED FOREX AND FOREX TRADING IN GENERAL, BEFORE DECIDING WHETHER TO INVEST IN THE PROGRAM OFFERED HEREBY.

THE FOREIGN EXCHANGE (FOREX) MARKET

General

The foreign exchange (currency or Forex or FX) market exists wherever one currency is traded for another.

The foreign exchange market is unique because of

- its trading volumes,
- the extreme liquidity of the market,
- the large number of, and variety of, traders in the market,
- its geographical dispersion,
- its long trading hours: 24 hours a day except on weekends (from 5pm EST on Sunday until 4pm EST Friday),
- the variety of factors that affect exchange rates.
- the low margins of profit compared with other markets of fixed income (but profits can be high due to very large trading volumes)
- the use of leverage

Highly Liquid and Competitive Market

Forex is the largest and most liquid financial market in the world, and includes trading between large banks, central banks, currency speculators, multinational corporations, governments, and other financial markets and institutions. The average daily trade in the global Forex and related markets currently is almost US$ 4 trillion, of which around US$ 1 trillion in spot transactions.

Self –Regulated Market

The day–to–day operation of the global over-the-counter foreign exchange market is basically non–regulated. Although governments and central banks may be concerned about the orderliness of the exchange rate movement and intervene in the market occasionally, the foreign exchange market is free from any regulations that are common in other financial and capital markets. Players are free to enter and exit the market, trade whatever amount and whichever currencies they want to trade. The market is self-disciplined and many participants maintain high ethical and professional standards. The foreign exchange market is a showcase example that financial markets can operate effectively and efficiently with minimal supervision and regulation. This doesn't mean, however, that the foreign exchange market is without regulation. In the U.S., the NFA and CFTC regulate FCMs and the SEC and NASD regulate broker/dealers. Banks though, are regulated under different guidelines set forth by the FED. Other firms around the world may or may not have any regulating authority, depending on country of origin.

Forex Trading Characteristics

No physical location. There is no unified or centrally cleared market for the majority of FX trades, and there is very little cross-border regulation. Due to the over-the-counter (OTC) nature of currency markets, there are rather a number of interconnected marketplaces, where different currencies instruments are traded. This implies that there is not a *single* exchange rate but rather a number of different rates (prices), depending on what bank or market maker is trading, and where it is. In practice the rates are often very close, otherwise they could be exploited by arbitrageurs instantaneously. Due to London's dominance in the market, a particular currency's quoted price is usually the London market price.

Trading hours. The global foreign exchange market operates 24 hours around the clock.

Spot Forex trading. A spot transaction is a two-day delivery transaction (except in the case of the Canadian dollar, which settles the next day), as opposed to the futures contracts, which are usually three months. This trade represents a "direct exchange” between two currencies, has the shortest time frame, involves cash rather than a contract; and interest is not included in the agreed-upon transaction. The data for this study come from the spot market. Spot has the largest share by volume in FX transactions among all instruments.

For instance, USD/JPY is the price of the US Dollar expressed in Japanes Yen, as in 1 USD = 118.48 Japanese Yen.

Exchange rates. Base and counter currency. Currencies are traded against one another. An exchange rate is simply the ratio of one currency valued against another. Each pair of currencies thus constitutes an individual product and is traditionally noted XXX/YYY, where YYY (called quote or counter currency) is the ISO 4217 international three-letter code of the currency into which the price of one unit of XXX is expressed (called base currency). For example:

USD / JPY
base currency / quote (counter) currency

Bid/ask prices. Currency pairs are published together with an exchange rate that includes a bid price and an ask price. The bid price is always lower than the ask price and represents what will be obtained in the quote currency when selling one unit of the base currency. The ask price represents what one have to pay in the quote currency to obtain one unit of the base currency. The following US Dollar / Japanese Yen price quote is an example of a typical bid / ask notation:

USD/JPY: 118.48/53

The first component (before the slash) refers to the bid price – in this example, the bid price is 118.48. The second component (after the slash) indicates the ask price which is what one must pay in JPY to buy USD. Here, the ask price is 118.53.

Bid/ask spread. The spread is the difference between the bid and ask price. Bid price is the price at which buyers want to buy a currency pair. Ask price is the price at which sellers are willing to sell a currency pair; also known as the offer price.

No commissions or transaction costs. A currency transaction typically incurs no commission or transaction fee outside of the quoted spread.

Pip value. Pip values are either static or dynamic depending on the base currency used. Since the counter currency is the P/L currency, base currency profit and loss amounts are determined by the conversion rate back into the base currency. Therefore, the pip value is determined by the counter currency as well. For example, from a USD point of view, if a transaction is done in EUR/USD or GBP/USD then the P/L is already in the currency desired (USD) and no conversion is necessary. In these cases, if a customer is making a standard trade of 100,000 currency units, the pip value would be $10 all of the time. On the other hand, if a transaction is done in USD/JPY or USD/CHF then the P/L is held in a currency that will need to be converted back into the “home” or base currency the customer is using. In these cases, the pip value would change as the market or exchange rate of that currency fluctuates.

Contract (lot) size. Most broker/dealers and FCMs set a standard contract size for their leveraged foreign exchange contracts and trade in terms of number of Lots. It is not a common practice to follow the contract size of those currency futures contracts traded on the International Monetary Market (IMM) of the Chicago Mercantile Exchange (CME). In retail Forex, the standard contract or lot size is 100,000 currency units worth of the base currency. With institutional trading, however, trades can be on a volume specified rather than set contract sizes. Oanda Corporation’s minimum contract size is 1 (one) base currency unit.

The Spot Forex Exchange Deal

A spot foreign exchange contract is an agreement between two parties to exchange one currency for another for delivery on the second business day after the transaction date. The delivery date is also known as the value or settlement date.
For example, today is 3 April 200X, Thursday, ABC Bank and XYZ Company entered into a spot deal where XYZ Company bought 2 million US dollar against Japanese yen at an exchange rate of 120.00 from ABC Bank.
Note that the value date of the transaction is Monday, 7 April 200X which is two business days after the transaction day 3 April 200X. Generally, major currencies may not be settled on Saturdays, Sundays or bank holidays, since these are not business days.
However, in leveraged foreign exchange trading, contracts are not intended to be settled with physical delivery of the two currencies involved. Rather, the contracts are settled by offsetting trades, For example, a client who bought USD100,000 against the JPY at 118.00 and sold back USD100,000 against JPY at 120.00 on the same day need not deliver the currencies involved in the deals, but receive the difference between the two deals calculated as:
USD 100,000 x 118.00 = JPY 11,800,000
USD 100,000 x 120.00 = JPY 12,000,000

Difference = 200,000 JPY at settlement or conversion rate of .008333 USD per 1 JPY
Client receives $1,666.66 into his cash account at settlement.

Buying a currency pair implies buying (longing) the first (base) currency and selling (shorting) an equivalent amount of the second (quote) currency to pay for the base currency. For example, buying EUR/USD means that Euros (EUR) are bought using US Dollars (USD).

It is not necessary for the trader to own the quoted currency prior to selling, as it is sold short. A speculator buys a currency pair if she believes the exchange rate for the base currency will go up relative to that for the quote currency (that is, the value of the pair will go up).

Selling the currency pair implies selling (shorting) the first (base) currency and buying (longing) an equivalent amount of the second (quote) currency to buy the base currency. For example, selling EUR/USD means that US Dollars (USD) are bought using Euros (EUR).

A speculator sells a currency pair if he/she believes the base currency will go down relative to the quote currency, or equivalently, that the quote currency will go up relative to the base currency.

Order Types

To take advantage of perceived market movements, one can **place an order** to either short or long a currency pair . This opens a new position (or trade) that can later be closed to either take profit or stop loss.

Market orders. Market orders are orders that are executed immediately at the prevailing market price. FX Index Arb – Currency Trading Program uses market orders only.

Limit Orders. Limit orders are submitted with instructions that a trade should only be executed in the future when certain market conditions occur. There are three types of limit orders:

Price Limit (new orders only). Provides instructions that the currency pair should only be traded when it reaches a certain exchange rate. The price limit is applied when the order is entered. Pending price limit orders do not affect current positions.

Take-Profit Order (current open positions only). Take-profit orders are used to clear a position by selling or buying the currency pair when the exchange rate reaches a specified level. Take-profit orders are typically used to lock-in a profit and will be executed automatically without requiring manual intervention.

Stop-Loss Orders. Stop-Loss orders are similar to take-profit orders except they are used to set a threshold to prevent continuing losses on an order by automatically closing a position once the exchange rate reaches the specified level.

Forex Trading Margin

To ensure that the speculator can carry the risk in the case where the position results in a loss, banks or dealers typically require sufficient collateral to cover those losses. This collateral is typically referred to as **margin**.

Leverage – or margin based trading – makes it possible for FX market participants to submit trades valued considerably higher than the deposits in their trading accounts. Typically, margin ratios for trading currencies are higher than those permitted for equities, and this is primarily attributable to the higher level of liquidity within the currency markets. To illustrate the power of leverage provided through the use of margin, consider a margin ratio of 20:1 (5% margin requirement) coupled with a trading account containing $10,000. This means that one could, theoretically, trade amounts up to $200,000.

Calculating the Net Asset Value (NAV)

The term **Net Asset Value (NAV)** represents the current value of client's account. It includes the account balance as well as all unrealized profit and losses associated with open positions. If the client was to liquidate his account by closing all positions and withdrawing all funds, then the net asset value indicates what that amount would be.

If there are no open positions, then the net asset value is simply equal to the **Account Balance**. (The account balance is equal to all of the funds ever deposited into client's account, minus all of the funds ever withdrawn from the account, adjusted for interest and any profits or losses that have been realized through trading).

If there are open positions then it gets just a bit more involved. The NAV is equal to client's account balance plus/minus any unrealized P/L.

Unrealized P/L refers to the profit or loss held in client's current open positions. This is equal to the profit or loss that would be realized if all your open positions were to be closed immediately.

NAV is the sum of client's account balance and the unrealized P/L. It represents the current value of client's account. The NAV of client's account continuously fluctuates with the current exchange rates if there are open positions.

Calculating Margin Used

Margin Used is equal to **position value** multiplied by **required margin**, summed up over all open positions. **Position Value** is the size of the position (in units) converted from the base currency of the currency pair in question to client's account currency using the ask rate if the position is long and the bid rate if the position is short.

Example:
Client has a USD account and a short open position of 10,000 units EUR/USD.
If the current EUR/USD rate is 0.9134/36, then the EUR/USD position amount is equal to (10,000 x 0.9134) = 9,134 USD.

Required margin depends on the currency pair and the maximum leverage set for your account:

Max. Leverage	10:1	20:1	30:1	40:1	50:1
Margin Requirement:	10%	5%	3.3333%	2.5%	2%
Margin for non-major currency pairs:	10%	5%	4%	4%	4%

Calculating Margin Available

We can calculate the margin a trader still has available to initiate new trades.

Margin Available is equal to the greater of $0 or NAV minus margin used. This value continuously fluctuates if client has open positions: the NAV changes with the value of open positions, and margin used changes over time as the exchange rates change. If margin available is $0, then client cannot open new positions or increase existing positions.

Interest Rate Calculation

OANDA pays competitive interest rates 1.) on the account balances, and 2.) it pays and charges interest rates on the currency pairs currently held in customer positions. Moreover, OANDA calculates interest rates charged and paid continuously, second-by-second. This is in contrast to other financial markets, where interest rate payments are made at daily intervals with the shortest increment of one business day.

1.) OANDA interest crediting and debiting is performed daily at 4pm EST, and whenever an open trade is closed. Hence, interest on the account balance is paid at 4pm EST each day, with an appropriate entry in the transaction table of each account. Since the account balance is held in USD, the USD borrowing rate is applied. To calculate the account balance interest at 4pm, OANDA analyses the account balance held during each second of the previous 24 hours and pays interest accordingly. For example, if the account balance at 4pm is $10,000 and it changes to $12,000 at 10pm the same night and stays at $12,000 until 4pm the following day, then 6 hours worth of interest is paid on $10,000 and 18 hours worth of interest is paid on $12,000.

2.) Calculating interest on open trades is more involved. An open trade, say 1000 units of EUR/CHF, involves two currencies: the Euro and the Swiss Franc. If the open trade is long (i.e., the client bought Euro and sold Swiss Francs), then he effectively is long (i.e., hold) 1000 Euro and OANDA pays the client the borrowing interest rate on the 1000 EURO for the duration the client holds the trade. At the same time, the client is short on the equivalent amount of Swiss Francs, so OANDA charges the lending interest rate on that amount for the duration of the trade. These interest rates are converted to USD before they are credited/charged to client's account.

PRIVACY POLICY

This privacy policy explains the manner in which QT collects, utilizes and maintains non-public personal information about QT's investors, as required under recently enacted US federal legislation. This privacy policy only applies to non-public information of investors who are individuals (not entities).

Collection of Investor Information

QT collects personal information about its investors mainly through the following sources:
• subscription forms, investor questionnaires and other information provided by the investor in writing, in person, by telephone, facsimile, electronic mail or by any other means. This information includes name, address, nationality and financial and investment qualifications; and
• transactions within QT, including account balances, investments and withdrawals.

Disclosure of Non-Public Personal Information

QT does not sell or rent investor information. QT does not disclose non-public personal information about its investors to non-affiliated third parties or to affiliated entities, except as permitted by law. For example, QT may share non-public personal information in the following situations:
• to service providers in connection with the administration and servicing of QT, which may include attorneys, accountants, auditors and other professionals. QT may also share information in connection with the servicing or processing of QT transactions;
• to affiliated companies in order to provide accounts with ongoing personal advice and assistance to provide products and services that may be of value to accounts;
• to respond to a subpoena or court order, judicial process or regulatory authorities;
• to protect against fraud, unauthorized transactions (such as money laundering), claims or other liabilities; and
• upon consent of an investor to release such information, including authorization to disclose such information to persons acting in a fiduciary or representative capacity on behalf of the investor.

Protection of Investor Information

QT's policy is to require that all employees, financial professionals and companies providing services on its behalf keep client information confidential.
QT maintains safeguards that comply with federal standards to protect investor information. QT restricts access to the personal and account information of investors to those employees who need to know that information in the course of their job responsibilities. Third parties with whom QT shares investor information must agree to follow appropriate standards of security and confidentiality.
QT's privacy policy applies to both current and former investors. QT may disclose nonpublic personal information about a former investor to the same extent as for a current investor.

Changes to Privacy Policy

QT may make changes to its privacy policy in the future. QT will not make any change affecting accounts without first sending account holders a revised privacy policy describing the change. In any case, QT will send account holders a current privacy policy at least once a year as long as the account holders continue to be a client of QT.

ANTI-MONEY LAUNDERING PROGRAM

President Bush signed the USA PATRIOT Act into law on October 26, 2001. In accordance with Title III of the USA PATRIOT Act, entitled the "International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001", and in particular § 352, QT has establish an anti-money laundering program that includes, but is not limited to:
• the development of internal policies, procedures and controls;
• the designation of a compliance officer;
• an ongoing employee training program; and
• an independent staff audit function to test programs.

QT has adopted a broad policy statement against money laundering which has established the role of senior management; the designation of an anti-money laundering compliance officer; establishment of ongoing employee training programs; and the facilitation of the independent staff audit function

Identification Procedures

QT's investor identification procedures are based on the premise that QT will only accept an investment from a new investor only after:

- QT has confirmed the identify of the investor and that the investor is investing as principal and not for the benefit of any third party;
- if the investor is investing on behalf of other underlying investors, QT has confirmed the identities of the investor and the underlying investors; or
- QT has determined that it is acceptable to rely on the investor due diligence performed by a third party, such as a fund administrator or an investor intermediary, with regard to the investor (and underlying investors, if applicable).

General

Federal regulations and executive orders administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of OFAC prohibited countries, territories, persons and entities can be found on the OFAC web site at http://www.treas.gov/ofac. Each client must represent and warrant in its Investment Management Agreement that, among other things, neither the client, nor any person controlling, controlled by, or under common control with, the client, nor any person having a beneficial interest in the client, or for whom the client is acting as agent or nominee in connection with this investment, is a country, territory, person or entity named on an OFAC list, or is a person or entity that resides or has a place of business in a country or territory named on such lists. QT will not accept any investment from the client if it cannot make the representation described in the preceding sentence.

EXHIBIT 1

QUANT TRADING, LLC (QT)
Hristo Botev 27, 7000 Bitola, Macedonia
E-Mail: info@fx-quant.com
Internet: www.fx-quant.com

INVESTMENT MANAGEMENT AGREEMENT

FOR THE

FX INDEX ARB – CURRENCY TRADING PROGRAM

Agreement, dated as of ________, 20___, between QT (the "Manager") and _____________________ (the "Client").

In consideration of the mutual covenants contained herein, and for other valuable consideration, the parties hereto agree as follows:

1. **Appointment of Manager.** The Client hereby appoints the Manager as discretionary investment manager with respect to the assets placed at the direction of Client in the FX INDEX ARB – CURRENCY TRADING PROGRAM, described in the Manager's Disclosure Document under the Manager's supervision (such program being referred to herein as the "Investment Program" and the assets managed pursuant thereto being referred to herein as an "Account"), and the Manager hereby accepts such appointment, effective as of the date hereof, pursuant to the provisions of this Agreement. More specifically, the Client has selected the Manager's investment program for the Account:

2. **Description of Account; Addition or Withdrawal of Funds.** An Account shall consist of such cash, stocks, bonds, options and other derivative instruments and other securities and financial instruments which, from time to time, the Client places in an Account for investment pursuant to the Investment Program and/or which shall become part of an Account as a result of trading in respect thereof or otherwise. The Client may make additions to, and withdrawals from, any Account in such amounts as the Client shall determine, provided that (a) with respect to additions, the Manager shall have received prior written notice thereof, and (b) with respect to withdrawals, the Manager shall have received not less than 3 business days' prior written notice thereof.
The Account is initially funded at $_____________.

3. **Powers of Manager.** The Manager shall have full discretion and authority, without obtaining any prior approval from the Client, as the Client's agent and attorney-in-fact, and at the Client's expense, (i) to make all investment decisions in respect of each Account; (ii) to buy on margin or otherwise, sell (including short sales), lend securities, engage in repurchase and reverse repurchase transactions, swap transactions and transactions in a variety of options, securities and other instruments in respect of the Account (to the extent consistent with the Investment Program); (iii) to place orders with respect to, and to arrange for, any of the foregoing; (iv) to make investment representations on behalf of the Client; and (v) in furtherance of the foregoing, to do anything which the Manager shall deem requisite, appropriate or advisable in connection therewith, including, without limitation, the selection of such brokers, dealers and others as the Manager shall determine.

4. **Allocations.** For the Manager's services as investment manager to the Client, the Client shall be allotted the Manager an Incentive Allocation with respect to each Account computed in accordance with, and be allotted as set forth in, the Schedule for the Investment Program relating to such Account attached hereto, which schedule is incorporated herein by reference and made a part hereof. The Client agrees to be allotted the Incentive Allocation owed to the Manager within 10 days of receipt of a statement from the Manager of the amount owed. If the be allotment is not received by the Manager by such date, the Manager may withdraw such amount from the Account with respect to which the fees are due. The assets, liabilities and performance attributable to one Account shall not impact the calculation of the assets, liabilities or performance attributable to any other Account.

5. **Expenses.** The Manager will be reimbursed for all out of pocket expenses be paid to third parties involving any Investment Program, including (i) custodial, appraisal, legal and other professional fees; (ii) brokerage commissions, issue and transfer taxes and other costs of securities transactions to which the Client is a party and (iii) taxes, if any, be paid by the Client.

6. **Selection of Brokers.** The Manager hereby agrees that the Client shall have full authority and discretion to select the broker or dealer through whom any transaction in respect of an Account shall be executed and that in selecting a broker or dealer to execute a particular transaction, the Manager need not solicit competitive bids, and shall have no obligation to seek the lowest available commission cost to the Client. The Client agrees to execute a trading authorization with the broker selected by the Manager authorizing the Manager to enter orders on behalf of the Client's Account. However, **QT reserves the right to approve the client's choices of FCM/FDM** – see "Brokerage Arrangements" on page 13 of FX Index Arb – Currency Trading Program Disclosure Document.

7. **Client's Representations and Warranties.** The Client represents, warrants and agrees that:

(a) The retention of the Manager by the Client as investment manager with respect to the investment of all properties held in the Account is authorized by the governing documents of the Client relating to the Account.

(b) The execution, delivery and performance of this Agreement do not violate any obligation by which the Client or its property is bound, whether arising by contract, operation of law or otherwise.

(c) If the Client is a corporation or FCI, this Agreement has been duly authorized by appropriate action and when executed and delivered will be a legal, valid and binding agreement of the Client, enforceable against the Client in accordance with its terms, and the Client will deliver to the Manager such evidence of such authority as the Manager may reasonably require, whether by way of a certified resolution or otherwise.

(d) This Agreement constitutes an arms-length agreement between the Client and the Manager. The Client understands the method of compensation provided for herein and its risks.

(e) The Client has such knowledge and experience in financial and business matters that the Client is capable of evaluating the merits and risks of the Client's investment and is able to bear such risks, and has obtained, in the Client's judgment, sufficient information from the Manager to evaluate the merits and risks of such investment. The Client has evaluated the risks of investing and determined that its investment is suitable for the Client. The Client can afford a complete loss of the investment.

(f) The Client represents that (a) it is not an individual, entity or organization identified on any Office of Foreign Assets Control ("OFAC") "watch list" and does not have any affiliation of any kind with such an individual, entity or organization; (b) it is not a foreign shell bank; and (c) it is not a person or entity resident in or whose subscription funds are transferred from or through a jurisdiction identified as non-cooperative by the Financial Action Task Force (the "FATF").

(g) The Client represents that it is not a senior foreign political figure,[1] an immediate family member of a senior foreign political figure,[2] or a close associate of a senior foreign political figure[3].

(h) The Client represents that the source of funds to be invested in the Account was not derived from activities that may contravene federal, state or international anti-money laundering laws and regulations.

(i) The Client agrees to provide any information deemed necessary by QT in its sole discretion to comply with its anti-money laundering program and related responsibilities from time to time

(j) The Client shall hold the Manager harmless from and indemnify the Manager against any and all liability or loss which the Manager may incur or suffer if and to the extent that such liability or loss was caused by the inaccuracy or breach by the Client of any of the provisions set forth in paragraphs 7(a) through (i) hereof.

(k) The foregoing representations and warranties shall be continuing during the term of this Agreement, and if at any time during the term of this Agreement any event has occurred which would make any of the foregoing representations and warranties untrue or inaccurate in any material respect, the Client promptly will notify the Manager of such event and the parts related thereto.

[1] A "senior foreign political figure" is defined as a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a "senior foreign political figure" includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

[2] "Immediate family" of a senior foreign political figure typically includes the figure's parents, siblings, spouse, children and in-laws.

[3] A "close associate" of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

8. **Manager's Representations and Warranties.** The Manager represents and Client acknowledges and agrees that:

(a) The Incentive Allocation provided for in Schedule A hereof may create an incentive for the Manager to make investments that are riskier or more speculative than would be the case in the absence of an Incentive Allocation.

(b) The Manager may receive increased compensation with regard to unrealized appreciation as well as realized gains in the Account.

(c) The Incentive Allocation may be substantially higher than alternative compensatory arrangements with other managers.

(d) Securities for which market quotations are not readily available will be valued by the Manager in its sole discretion and will not be independently valued or verified by a third party.

9. **Reports.** The Manager will promptly send to the Client a monthly statement of each Account valued at market after the end of each calendar quarter.

10. **Conflicts of Interest.** It is understood that the Manager performs investment advisory services for various clients other than the Client. The Client agrees that the Manager may give advice and take action in the performance of its duties with respect to any of its other clients which may differ from advice given, or the time or nature of action taken, with respect to the Account, so long as it is the QT's policy, to the extent practical, to allocate investment opportunities to the Account over a period of time on a fair and equitable basis relative to other clients. Nothing in this Agreement shall be deemed to impose upon the Manager any obligation to purchase or sell for the Account any security or property which the Manager, its principal, affiliates or employees may purchase or sell for its or their own accounts or for the account of any other client.

11. **Responsibility for Non-Managed Funds.** The Client agrees that the Manager shall not be under any duty with regard to any assets, securities, funds or other property held by the Client which are not part of the Account.

12. **Investment Restrictions.** The Client shall advise the Manager of any investment restrictions which it wishes to impose in connection with the Investment Program and of any changes or modifications thereto and shall give prompt written notice if the Client deems any investments made for an Account to be in violation of such objectives or restrictions. Unless the Client notifies the Manager in writing of specific restrictions, the investments recommended for, or made on behalf of, an Account shall be deemed not to be restricted by virtue of the terms of any other contract or instrument purporting to bind the Client or the Manager. Any such restrictions now in effect shall be attached to this Agreement.

13. **Change in Manager.** The Manager shall notify the Client in writing of any material change in the personnel of the Manager within a reasonable time after such change.

14. **Exculpation and Indemnification.** The Manager shall use its best efforts to increase the value of the Account; however, the Manager cannot and does not insure any such increase. Except for gross negligence, wilful misconduct or bad faith, neither the Manager nor any of its directors, officers, affiliates, principal, employees or agents shall be liable hereunder or otherwise for any action performed or omitted to be performed or for any errors of judgment in managing the Account. The Client shall indemnify the Manager (and its officers, directors, principal, employees and agents) against any expense, loss, liability or damage arising out of any claim asserted, or threatened to be asserted by any third party, including attorney's fees as incurred, with respect to the matters as to which the Manager is exculpated from liability as set forth above. The federal securities and commodities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing herein shall in any way constitute a waiver or limitation of any rights which the Client may have under any federal securities or commodities laws.

15. **Confidentiality of Information.** Consistent with the Manager's privacy policy, the Manager shall not disclose information relating to the Client's affairs except in the ordinary course of effecting transactions for an Account and as may be required by law. As a condition to the delivery to the Client of monthly account statements describing the securities held in the Account, the Client agrees, and if the Client is a corporation the Client agrees to cause its officers, employees, agents and advisors (collectively, "Representatives"), to treat confidentially such information and any other information obtained from the Manager with respect to the Manager's investment strategy, objectives and guidelines, together with any analyses, studies or other documents prepared by the Client or its Representatives which contain or otherwise reflect or are generated from such information.

16. **Notices.** Any notices required to be given hereunder shall be in writing and sent by certified or registered mail, return receipt requested, to the Manager and to the Client at the addresses set forth below their respective signatures hereto. Either party may change its address by giving notice in writing to the other party stating such new address. Commencing on the tenth day after the giving of such notice, such newly designated address shall be the party's address for the purpose of all notices or communications required or permitted to be given pursuant to this Agreement. Notices to the Client from the Manager shall be deemed given as of the close of business on the first business day after mailing. Notices to the Manager from the Client shall be deemed given as of the close of business on the day on which such notices are received by the Manager. The Manager may rely upon any notice (written or oral) from any person reasonably believed by it to be genuine and authorized.

17. **Termination.** This Agreement shall terminate upon the Manager or the Client receiving from the other written notice of termination, effective 24 hours after such notice. Such termination shall be without liability of any party to the other, except that the Client shall remain liable for any accrued but unpaid compensation due to the Manager under paragraph 4 hereof.

18. **Governing Law; Conferral of Jurisdiction.** This Agreement shall be construed in accordance with, and governed by, the laws of the Republic of Macedonia, without giving effect to its conflicts of law principles.

19. **Entire Agreement.** This Agreement shall constitute the entire agreement between the Manager and the Client with respect to the subject matter hereof and shall supersede any and all prior agreements and understandings, whether written or verbal and cannot be changed except by a written instrument signed by each of the parties hereto.

20. **Assignment; Binding Effect.** This Agreement may not be assigned (as that term is defined in the Investment Advisers Act of 1940) by either party without the prior written consent of the other. Subject to the foregoing sentence, this Agreement shall be binding upon and inure to the benefit of each party's respective successors and permitted assigns.

21. **Waiver.** The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

22. **Severability.** If any provision of this Agreement is invalid or unenforceable, the balance of the Agreement shall remain in effect, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances.

23. **Headings.** The headings contained in this Agreement are intended solely for convenience and shall not affect the rights of the parties to this Agreement.

24. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument.

If the foregoing correctly sets forth our understanding, please sign and return to the Manager the enclosed copy of this letter.

QUANT TRADING, LLC (QT)
Hristo Botev 27
7000 Bitola
Macedonia

E-mail: info@fx-quant.com

Signature: ____________________________

Name: Dejan Trajkovski, Managing Member

Name of Client: ____________________________

Address: ____________________________

____

____

Email: ____________________________

Signature: ____________________________

Name: ____________________________

Title: ____________________________

Schedule A

INVESTMENT FEES AND ALLOCATIONS FOR INVESTMENT PROGRAMS

1. Incentive Allocation; Net Assets

(a) "Market Value" of a securities interest traded on an exchange shall be its closing price or, if applicable, the mean of its closing bid and asked prices on the date of determination. If the exchange on which a securities interest is required to be valued is closed, or if a securities interest is not traded on such exchange, or if a securities interest did not trade on such exchange on the date of determination, such securities interest shall be valued as if the date of determination were the last previous date on which such exchange was open, or on which such securities interest traded on such exchange. In the absence of a readily ascertainable closing price or bid and asked price, the Market Value of a securities interest shall mean its Market Value as determined by the Manager on a basis consistently applied.

(b) "Market Value" of a commodity interest traded on a United States commodity exchange shall be based upon the settlement price on the commodity exchange on which the particular commodity interest is traded, provided that, if a commodity interest could not, in the judgment of the Manager be liquidated on the day with respect to which any determination is being made due to the operation of daily limits or other rules of the commodity exchange upon which that commodity interest is traded or otherwise, the settlement price on the first subsequent day on which the commodity interest could be liquidated shall be the basis for determining the Market Value of such commodity interest for such day, or such other value as the Manager may deem fair and reasonable. The Market Value of a commodity interest not traded on a United States commodity exchange shall mean its Market Value as determined by the Manager on a basis consistently applied for each different variety of commodity interest, provided that, if a contract could not be liquidated on the day with respect to which Management Fees and Incentive Allocations are being determined, the basis for determining the Market Value of such contract shall be such value as the Manager may deem fair and reasonable.

2. Each Client is generally required to be allotted QT an Incentive Allocation, based on the profitability of QT's trading for the Client's account. **QT receives a quarterly incentive allocation of 20% (twenty percent) of Net Trading Profits (the "Incentive Allocation").** QT's Incentive Allocation may be modified by QT and its Clients depending on a variety of factors including, but not limited to, (i) the size of the account, (ii) account duration, (iii) frequency of Incentive Allocation periods (Incentive Allocations may be charged on a monthly, quarterly or annual basis), (iv) any fees charged by third-parties to the account, (v) the rate of interest income applicable to the account (based in part, on whether the account is fully-funded or partially-funded), (vi) benchmarks or other performance hurdles applicable to the account, (vii) whether the account is fully-funded or partially funded, or (viii) other circumstances as determined by the Client. QT's fees applicable to each account are specifically described in each Client's Investment Management Agreement. "Net Assets" are more specifically described in the Client's Investment Management Agreement and at any time mean the current assets of the account (including, but not limited to all cash, United States treasury bills, certificates of deposits and other securities valued at fair market value) minus its liabilities.
Because QT may structure each account (including the applicable fees) to meet specific Client needs, the foregoing description of QT's Incentive Allocation represents a general guideline only, and specifically does not represent the maximum or minimum Incentive Allocation that may be charged to an account.

3. **QT will be paid <u>no management fee</u> (0%) for the FX Index Arb – Currency Trading Program**.

EXHIBIT 2

ACKNOWLEDGMENT OF RECEIPT OF DISCLOSURE DOCUMENT AND INCENTIVE FEE AUTHORIZATION

1.) ________________________________ [Name of Client], hereby acknowledges receipt of the Disclosure Document of FX INDEX ARB – CURRENCY TRADING PROGRAM, dated ______________________.

2.) QT will be receiving a quarterly incentive fee of 20% (twenty percent) of net trading profits, based on high water mark and 0% (zero percent) management fee.

3.) Incentive fee payment method (please check the appropriate check box)

[ ] Client authorizes QT to deduct incentive fees from client's account, after receiving a quarterly incentive fee invoice and **explicitly approving*** the charge within Oanda's FxManager for Clients interface.

[ ] Client will transfer payment by wire or will use Oanda's FxGlobal Transfer service

* How do **client fee approvals** work: When we quote the quarterly performance fees, clients are sent an email requesting that they log in to FXManager to approve the request. When the clients next log in to FXManager and go to the account in question, a confirmation window asks them to accept, reject, or defer our request. Since the performance fees change quarter-to-quarter, the approval process should be performed on each fee transfer.

Signature of Client: ________________________________

Name of Client: ________________________________

Date: ________________________________

EXHIBIT 3

OANDA

THE CURRENCY COMPANY

Power of Attorney for FXTrade™ Managed Accounts

Email to accountid@oanda.com
Or fax to +1 212 208 4356

The undersigned FXTrade customer ("**Customer**") authorizes ______**Dejan Trajkovski**______ (**"Agent"**) to act as Customer's agent and attorney-in-fact with full power and authority to manage and trade Customer's allocated funds from FXTrade account number ________________ ("Account") with OANDA Corporation ("OANDA") in Customer's name, and for Customer's account and risk, and with the same authority and effect as Customer acting personally. This authorization shall include, without limitation, trading in over-the-counter foreign exchange contracts and other commodities and/or options thereon in the Account, on margin or otherwise.

Customer authorizes OANDA to follow Agent's instructions in every respect concerning the Account. Customer hereby ratifies and confirms any and all transactions in the Account that are made based on such instructions, either prior to or subsequent to the execution of this Power of Attorney ("POA"). Customer further authorizes OANDA to make available to Agent all information pertaining to the Account.

Agent represents, and Customer acknowledges, that Agent has provided to Customer the disclosure document concerning Agent's trading advice and strategies which Customer has read and understood or, in the alternative, Agent has furnished Customer with a signed written statement explaining Agent's exemption from applicable registration and disclosure documents requirements of the Commodity Futures Trading Commission, the National Futures Association, and/or approvals, licenses, registration and permits from other applicable government or regulatory authorities. Customer understands and agrees that OANDA makes no representation as to the qualifications, experience or regulatory authorization of Agent or lack thereof, and will not control Agent's actions. OANDA does not, by implication or otherwise, endorse the operating methods of Agent. Customer further understands and agrees that Agent is the agent of Customer and not of OANDA. Customer acknowledges that Agent may also act as agent for other parties and may not be the exclusive agent of Customer unless otherwise agreed between Customer and Agent.

Customer confirms that he/she has agreed directly with Agent as to the amount and payment terms of compensation for Agent's services including, without limitation, all management or maintenance fees, performance or incentive fees and/or advisory fees (collectively "Fees"). Agent acknowledges that it is not authorized to withdraw any money, securities, or other property from the Account either in its own name or in the name of the Customer or otherwise, save and except for the agreed upon Fees. Customer authorizes OANDA to pay Fees, as calculated by Agent, to Agent from the Account without the need for independent verification by OANDA. Customer releases OANDA from any and all loss, costs, damages, expenses or disputes arising out of or related to the calculation and payment of Fees.

Customer hereby releases OANDA, its directors, officers, shareholders and employees (the "OANDA Parties") from any and all liability to Customer, and anyone claiming through Customer, with respect to any and all losses, damages, liabilities and/or expenses of any kind or nature whatsoever ("Damages") sustained or alleged to be sustained as a result of: (i) OANDA following Agent's instructions; (ii) all actions of Agent regarding the Account; and/or (iii) any other matter arising out of the relationship between Agent and Customer, even if resulting from Agent's default, gross negligence or willful misconduct, and Customer shall indemnify the OANDA Parties from any and all Damages arising therefrom.

Even though Customer has granted Account authority to Agent, Customer should be diligent and frequently scrutinize the status of the Account. Customer has the right to request from Agent statements on Account status and details regarding the overall management of the Account, and Agent agrees to provide, upon Customer's request, such statements and details.

Customer acknowledges that the risks of trading foreign exchange and other commodity instruments is high and that only genuine "risk" funds should be used in such trading. If Customer does not have capital that Customer can afford to lose, Customer should not trade in these markets. No "safe" trading system has ever been devised, and no one can guarantee profits or freedom from loss or to limit the extent of losses.

This POA is a continuing one and shall remain in full force and effect until revoked: (i) by Customer or Agent upon written notice to OANDA sent to the email address or fax number at the top of this document, or (ii) by OANDA upon notification to Customer and Agent at the e-mail address on file with OANDA. Revocation shall not affect any liability in any way resulting from transactions initiated prior to such effective date. This POA shall inure to the benefit of OANDA, its agents, successors and assigns.

Each of the undersigned agrees to be bound by this Power of Attorney. Customer acknowledges having received, read and understood this POA and the risks described herein, and certifies that he/she has the financial resources to enter this POA. This POA supersedes any oral or written communications, representations or agreements between Customer and OANDA or between Agent and OANDA and is governed by the laws of the State of New York.

Customer Signature ______________________ **Print Name** ______________________ **Date** ______________

Agent Signature ______________________ **Print Name** ______________________ **Date** ______________

EXHIBIT 4

ACCREDITED INVESTOR INFORMATION (FOR US INVESTORS ONLY)

The U.S. Securities Exchange Commission (“SEC”) require a sponsor of private investment offerings to qualify their investors in order to prove a certain financial sophistication level to understand the general risks involved in private investment offerings.

An accredited investor according to the SEC is someone who has earned (1) $200,000 per year for the last 2 years, or (2) one who has $1,000,000 in net assets or more, not counting the main residence. We are required to exhibit a “reasonable effort” to “qualify” the client under the above criteria or some other exemption.

The following information is requested solely to comply with the laws on this matter and not to infringe on the privacy of an investor or delve into any personal or private information for any other reason.

To qualify an individual investor as “accredited”, the best evidence is:

1) With respect to qualifying for the $200,000 annual income, 2 years copies of signed income tax returns for those 2 years and a written statement from the investor stating that he is employed at a company and expects to be employed in that capacity at the above salary, or greater, for the foreseeable future and that the copies of tax returns sent to us were filed with the IRS, or confirmation by an independent CPA, preferably on CPA letterhead, that the above criteria is true.

2) As an alternative, with respect to qualifying for the $1,000,000 in net assets, a balance sheet that has been at least reviewed by an independent CPA, preferably on CPA letterhead.

We must have evidence that a reasonable level of inquiry was completed to confirm that its investors meet the above described “accredited investor” requirements.

<u>In lieu of providing the best evidence above (i.e., tax returns, audited balance sheet, etc.) please fill out and execute the following Accredited Investor Letter and Waiver of Claims form.</u>

ACCREDITED INVESTOR CERTIFICATION AND WAIVER OF CLAIMS

Investor Name: ___________________________

Address: _________________________________

____

Phone: _________________________________

Fax: _________________________________

Email: _________________________________

Dear Sir or Madam:

I have elected not to provide tax returns and a balance sheet from my CPA to evidence my qualifications under SEC guidelines as a qualified accredited investor. However, I hereby acknowledge and warrant that I am an accredited investor as defined in Regulation D of the rules and regulations promulgated under the Securities Act of 1933. I have the requisite knowledge and experience in financial and business matters such that I am able to evaluate the merits and risks of investing in the FX Index Arb – Currency Trading Program. Furthermore, although you are not required to confirm my warranty and representation of accredited status, I hereby grant permission for you to contact my CPA, attorney, financial planner or other qualified and appropriate professional to confirm that my income and/or net assets satisfy the minimum "accredited investor" requirements.

Contact Information for my CPA, attorney, financial planner or other qualified and appropriate professional:

Name: ____________________________________

Phone: ____________________________________

Email: ____________________________________

I waive all claims and causes of actions against you, your affiliates, partners, investors, agents and officers in the event that I am claiming investor status that does not meet the above criteria as required by the SEC and the state of my residence. In addition, I agree to indemnify and hold harmless you, and your affiliates, investors, agents and officers against any claim by me (and any other owners in my investment entity if I choose to act in any other form than individually) for the above stated claims and causes of action.

Investor Signature:___________________________

Printed Name: ______________________________