

## DISCLOSURE DOCUMENT

### Maximum Alpha - Managed Futures Program Managed by Tech Trading Corporation



Tech Trading Corporation  
80 Cos Cob Avenue  
Greenwich, CT 06807  
(203) 550-5227  
[www.TechTrading.com](http://www.TechTrading.com)

**THE COMMODITY FUTURES TRADING COMMISSION HAS NOT PASSED UPON THE MERITS OF PARTICIPATING IN THIS TRADING PROGRAM NOR HAS THE COMMISSION PASSED ON THE ADEQUACY OR ACCURACY OF THIS DISCLOSURE DOCUMENT.**

The delivery of this disclosure document at any time does not imply that the information contained herein is correct as of any time subsequent to the date shown below.

The date of this disclosure document is December 15, 2011.

## RISK DISCLOSURE STATEMENT

THE RISK OF LOSS IN TRADING COMMODITY INTERESTS 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 FUTURES CONTRACT OR SELL A COMMODITY OPTION OR ENGAGE IN OFF-EXCHANGE FOREIGN CURRENCY TRADING YOU MAY SUSTAIN A TOTAL LOSS OF THE INITIAL MARGIN FUNDS OR SECURITY DEPOSIT 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 REQUESTED 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 THE MARKET MAKES A "LIMIT MOVE."

THE PLACEMENT OF CONTINGENT ORDERS BY YOU OR YOUR TRADING ADVISOR, 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 INTEREST 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 CONTAINS, AT PAGE 10-12, A COMPLETE DESCRIPTION OF EACH FEE TO BE CHARGED TO YOUR ACCOUNT BY THE COMMODITY TRADING ADVISOR.

THIS BRIEF STATEMENT CANNOT DISCLOSE ALL THE RISKS AND OTHER SIGNIFICANT ASPECTS OF THE COMMODITY INTEREST MARKETS. YOU SHOULD THEREFORE CAREFULLY STUDY THIS DISCLOSURE DOCUMENT AND COMMODITY INTEREST TRADING BEFORE YOU TRADE, INCLUDING THE DESCRIPTION OF THE PRINCIPAL RISK FACTORS OF THIS INVESTMENT, AT PAGE 14-16.

---

THIS COMMODITY TRADING ADVISOR IS PROHIBITED BY LAW FROM ACCEPTING FUNDS IN THE TRADING ADVISOR'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 OR RETAIL EXCHANGE DEALER, AS APPLICABLE.

## Table of Contents

INTRODUCTION .....	5
THE ADVISOR .....	6
THE MAXIMUM ALPHA PROGRAM.....	8
Objectives for Program.....	8
Methodology. ....	8
Position Size.....	9
Risk Management. ....	9
Discipline. ....	9
Use of Leverage.....	9
Account Activity.....	9
Use of Block Orders. ....	9
FEES AND EXPENSES.....	10
Management Fee.....	10
Monthly Incentive Fee.....	11
Brokerage Commissions.....	11
Miscellaneous. ....	11
Partially Funded Accounts (“Notional”). ....	12
CONFLICTS OF INTEREST .....	13
Tech Trading’s Trading of Accounts and Other Activities. ....	13
Competition for Trades.....	13
RISK FACTORS AND OTHER CONSIDERATIONS.....	14
Commodity Interest Trading Is Speculative and Can Be Volatile.....	14
Commodity Interest Trading Can Be Highly Leveraged.....	14
Commodity Interest Trading May Be Illiquid. ....	14
A Limited Portfolio May Result in Increased Volatility.....	14
Electronic Trading and Order Routing System. ....	15
Use Of Stops Are Not Always Effective. ....	15
Participating Client’s FCM May Fail. ....	15
Tech Trading’s Trading Decisions Are Partially Based On Technical Analysis.....	15
A Client Is Subject to Fees and Expenses Regardless of Whether Any Profits Are Realized. ....	16

PRIVACY POLICY..... 17

- Customer information security and confidentiality .....17
- How we collect customer information .....17
- How we disclose customer information .....17
- Customer information about Former Customers .....17
- Customer information-Accuracy .....17

OPENING AN ACCOUNT ..... 18

PAST PERFORMANCE ..... 18

- CAPSULE A – CUSTOMER RESULTS .....18
- CAPSULE B – HISTORICAL CUSTOMER RESULTS -- \*\*CLOSED PROGRAM\*\* .....18

DISCLOSURE ACKNOWLEDGMENT ..... 18

CLIENT AGREEMENT AND TRADING AUTHORIZATION..... 18

ARBITRATION AGREEMENT ..... 18

AUTHORIZATION TO PAY FEES ..... 18

CLIENT AUTHORIZATION FOR GIVE-UP ORDERS ..... 18

REQUIRED CLIENT INFORMATION ..... 18

SECOND ACCOUNT REQUEST STATEMENT ..... 18

Tech Trading Corporation ("Tech Trading" or the "Advisor"), a registered commodity trading advisor is currently offering a futures trading program (the "Program") to both retail and institutional investors. This Disclosure Document describes the Advisor's Maximum Alpha Program. The Maximum Alpha Program combines the following tools and disciplines:

- 1) Trend analysis (to identify the short-term and intermediate-term trend of the market being traded).
- 2) Overbought/Oversold levels -- to identify when a market has moved to extreme levels, and would likely reverse itself.
- 3) Statistical analysis -- the use of statistics to determine the probability of price levels being reached by a specified period of time.
- 4) Option Trading Strategies -- the use of structured trades, that include options and futures, to hedge/limit risk, enhance performance, and smooth daily equity levels.
- 5) Trading Experience – James Taylor, Portfolio Manager for Tech Trading has more than 15 years of experience trading the financial markets and building and back-testing automated trading strategies, is an expert commodity, stock, and option trader; is professionally trained in market technical analysis, and has been a consultant to many of America's largest financial institutions to implement quantitative trading and securities valuation systems.

This Program currently trades domestic financial futures contracts and options-on-futures contracts (equity indexes and interest rates), but may trade in futures markets outside of these categories at the discretion of the Advisor. (Such trading is referred to collectively as trading in "commodity interests.") All trading follows the methods and strategies used by Tech Trading. See "Methodology" and "THE MAXIMUM ALPHA PROGRAM." In addition, past performance may be reviewed starting on page 20. See "PAST PERFORMANCE."

This Disclosure Document describes the trading management services offered by the Advisor, its Maximum Alpha Program, and the risks associated therewith. The Advisor intends to begin using this Disclosure Document on or after December 15, 2011.

The current minimum investment in the Maximum Alpha Program is \$25,000, so that more investors have the opportunity to participate in investment vehicles whose performance is not correlated to the general stock market. Our goal is to provide an alternative to risky stock and bond investments, which can yield high returns in any economic environment, especially the one we find ourselves in now.

Notional funding is not permitted. The Advisor recommends that each prospective client familiarize themselves with the services, experience, and integrity of the FCM through which they will do business. The Advisor reserves the right to approve the client's designated FCM for clearing and the IB that introduces its account to the FCM. There are two criteria Tech Trading will use in evaluating their approval: 1) FCM/IB must be in good standing with the NFA; and 2) A give-up agreement must be in place or negotiated with a the FCM and Tech Trading's execution broker.

The Advisor is Tech Trading Corporation, a North Carolina corporation, initially founded on September 12, 2002 in the state of Nevada. The Advisor's office is located at 80 Cos Cob Avenue, Greenwich, Connecticut 06807, telephone (203) 550-5227. Books and records of the Advisor are maintained at this address. Tech Trading Corporation transferred the business to the state of North Carolina, registering the company on April 27, 2011.

Advisor's Registration history:

<u>Status</u>	<u>Effective Date</u>
Registered as Commodity Trading Advisor	09/05/2002
Registered as Commodity Pool Operator	09/05/2002
Registered as NFA Member	09/05/2002
Withdrew as Commodity Pool Operator	10/28/2004
Withdrew as Commodity Trading Advisor	12/07/2005
Withdrew as NFA Member	12/07/2005
Registered as Commodity Trading Advisor	01/14/2008
Registered as NFA Member	01/24/2011

James P. Taylor is the Founder, President and Chief Investment Officer of Tech Trading Corporation. Mr. Taylor graduated in December 1985 from Purdue University, Hammond, Indiana with a Bachelor of Science degree in Computer Science, and an MBA from the University of Illinois, Chicago, in 1989, majoring in finance and economics. Upon graduation he founded Advanced Custom Software (ACS) on July 8, 1991, a software consulting firm that specialized in building custom solutions for the financial sector.

While at ACS, Mr. Taylor built the following systems for these leading financial institutions:

- 11/1997 – 07/2001 – **Charles Schwab & Co.** – Developed statement processing systems for fixed-income and equity trading groups. Nature of the business was equity brokerage.
- 04/2000 – 07/2001 – **Wells Fargo Capital Markets** - Developed and maintained an equity derivatives tracking and hedging system; Developed a futures portfolio management system to track futures and options positions. Nature of the business was capital markets trading.
- 07/2001 – 07/2003 - **Carolinas HealthCare System** – I.T. consulting. Nature of the business is providing health care services in the Carolinas.
- 09/2002 - **Tech Trading Corporation** - Founded. Nature of the business is commodity trading advisory, managed futures, and market-timing newsletter publisher.
- 09/05/2002 James Taylor was listed as the principal of Tech Trading and became registered as an associated person of the firm.
- 10/2003 – 02/2005 Managed customer accounts using Trend Pivot Tether Program.
- 11/2003 – 12/2004 – **Banc of America Securities** - Development and maintenance of mortgage backed security (MBS) valuation analytics. Nature of the business was mortgage backed security trading.
- 12/2004 – 10/2005 – **Evergreen Investments** - installation, customization, and integration of a new central data warehouse for instrument pricing, customer account, and portfolio data. Nature of the business is mutual fund investing.
- 12/7/2005 James Taylor withdrew registration as commodity trading advisor, and withdrew registration as a NFA member.
- 10/2005 – 09/2006 – **Federal Home Loan Bank** - Developed level yield amortization schedule module (to comply with FAS91 accounting regulations) used to amortize premium/discounts & concessions for all callable bonds (MBS) held in the bank's portfolio. Nature of the business was mortgage backed security issuance and mortgage lending.
- 09/2006 – 02/2007 – **TIAA-CREF** - Designed and implemented a performance attribution reporting system. Nature of the business is mutual fund investing.
- 01/14/2008 James Taylor re-registered as a commodity trading advisor and principal of the firm.

- 04/2007 – 11/2008 – **Wellington Management** – Developed an equities pricing and selection system enabling portfolio managers and analysts to scan thousands of securities to identify potential trading opportunities. Nature of the business is mutual fund investing.
- 09/2008 – 03/2009 – **MBIA** - Assisted a team in the development of a bond insurance pricing engine which serves as the company's backbone pricing engine to price new business. Nature of the business is bond insurance.
- 11/2008 – 06/2009 – **Gerald Metals Trading** - Assisted a team in the development of a decision support system (cube) used for managing risk. Nature of the business was precious metals and commodities trading.

Mr. Taylor has been an active trader, developed his methods and skills in the stock, futures, and options markets by managing proprietary accounts since 1995. Mr. Taylor is a trained technical market analyst with 15+ years experience building automated market-timing/trading systems; experienced in inter-market analysis, trend analysis, probability theory, time series analysis, technical and fundamental analysis, derivative pricing, hedging and risk management. See pages 20-22 for a history of past performance for this advisor.

There has not been a material administrative, civil, or criminal action – whether pending, on appeal or concluded – against the Advisor within the five years preceding the date of this Disclosure Document, or at any other time.

### Objectives for Program.

The goal of the Maximum Alpha managed futures program is to achieve consistent, above average, compound annual returns, and consistent superior long term capital appreciation with relatively low volatility and without being dependent on or correlated with the direction of financial markets

We look for trading opportunities that provide the following:

- 1) Magnification of gains when we are correct.
- 2) Strategies that can be profitable over a wide range of prices.
- 3) Strategies that can sometimes make money when our prediction of market direction is wrong.

### Methodology.

To accomplish these objectives, Tech Trading uses proprietary fundamental and technical timing models to indicate whether any given equity market, bond market, currency market, or market sector present a positive investment environment. Assets are only allocated to those areas showing the most favorable environment according to these models.

Tech Trading is dedicated to achieving superior risk-adjusted returns by following a two-part investment strategy which combines fundamental analysis with technical analysis (Macro-Timing). Tech Trading relies on a proprietary systematic trading model to determine the timing of when to take trading positions.

The firm closely monitors economic indicators to determine the relative strength and weakness of the economy, and considers other factors specific to the market being traded, such as government policy, investor sentiment, supply/demand, and relative valuation. Tech Trading's investing methodology is: always invest in the direction of the underlying economic fundamentals and uses sophisticated computerized trading systems to:

- 1) Monitor market trends and overbought/oversold levels,
- 2) Optimize trade entry and exit points,
- 3) Model futures and option structured positions to manage risk, and enhance profitability, and
- 4) Compute price/time probability, and
- 5) Consider a market's correlation to other markets being traded, in order to manage overall risk of the portfolio.

In addition to the timing of trades, the investment manager will use discretion to determine which signals to trade, and the structure of the trades (futures, options, or both), and size of the positions to trade.

Tech Trading's approach to trading is to take positions and to assume market risk only when technical models identify high confidence patterns typically associated with profitable trades. This approach may result in the system avoiding trade entries for markets experiencing initial sharp trend changes. The system will wait for a lower-risk entry point before entering the trade in order to minimize the draw-down, and confirm the market's new trend direction. Tech Trading uses trend following systems that incorporate some of the qualities of reversal/trading-range systems, which allow the system to trade in many different market environments.

As a part of our overall investment strategy, we utilize option positions for (1) protecting portfolio positions, (2) spreading and hedging risk, and (3) generating additional income on our equity and futures holdings.

Our goal is to increase our investing profits without exposing ourselves to unacceptable risks. It is a practical way of investing which is especially useful when dealing with the challenges of volatile market conditions.

## **Position Size.**

The Program's contract limits are solely determined by the equity in the account. This feature helps to manage Program risk as it results in reduced position sizes during losing periods.

## **Risk Management.**

Tech Trading strongly believes that return of principle is much more important than return on principle; which means we focus more on minimizing risk than maximizing reward. However being risk averse does not imply that substantial and consistent total returns are not achievable. The firm will attempt to reduce risk by:

- using computer models to determine optimal entry/exit points,
- limiting involvement in markets with low liquidity,
- hedging via the use of options,
- limiting position size, and
- trading system controlled stop-loss limits.

## **Discipline.**

Tech Trading follows a disciplined, systematic investment process, that through rigorous research, has shown to have a positive expectation.

## **Use of Leverage.**

As noted above, the trading of commodity interests typically involves extensive use of leverage. The Advisor expects the average overnight margin-to-equity ratio for client accounts to be less than 60%. This ratio is expected to vary from 0% to 60% over time, and may also sometimes exceed the high end of this range. However, most positions will be more than 75% hedged, and the use of margin does not mean that the account is at risk to suffer losses or gains equivalent to the amount of the margin utilized.

## **Account Activity.**

Based on a round-turn brokerage commission of \$10, Tech Trading's commission to equity ratio is estimated at 3.25% to 7.50% of an account's average annual Net Assets and is based on a projected 3600 to 7200 round turns annually per \$1,000,000 of client assets.

## **Use of Block Orders.**

Tech Trading will place individual orders for each account or a block order for all Program accounts in which the same commodity interest is being cleared through the same FCM. The Principal's personal trading accounts may be combined with the client accounts when placing such block orders. In the latter instance, it will direct the FCM for the accounts to employ the neutral allocation system generally used by the FCM to assign trades. On occasion, Tech Trading may employ a "rotation of accounts" allocation procedure when partial fills occur. The rotation of accounts procedure involves systematically rotating accounts on a weekly cycle to determine which will receive the most favorable fills.

Tech Trading normally charges clients a .166% monthly management fee and a monthly incentive fee equal to 20% of New Net Profits. Tech Trading reserves the right to negotiate or reduce the fees charged to the client. The formula for calculating fees and other related terms and conditions are described below.

### **Management Fee.**

A monthly Management Fee of .166 percent of *Net Asset Value* of the account at the month-end (.166 percent or 2% per Annum). *Net Asset Value* shall be adjusted to include any withdrawal of funds from the account in the last calendar month-end. The Management Fee shall be calculated before any Incentive Fee is subtracted from the account and shall be due regardless of whether any profits were achieved that month. Management fees are based on the value of the account under management

*Net Asset Value* means the account's total assets less total liabilities, determined according to the following generally accepted accounting principles.

- (a) Net Asset Value shall include any unrealized profit or loss on open positions.
- (b) All open positions shall be valued at their then market value which means, with respect to open positions, the settlement price as determined by the exchange on which the transaction is effected or the most recent appropriate quotation as supplied by the account's commodity broker or banks through which the transaction is effected, except that United States Treasury bills (not futures contracts thereon) shall be carried at cost plus accrued interest. If there are no trades on the date of the calculation due to operation of the daily price fluctuation limits or due to a closing of the exchange on which the transaction is executed, the contract will be valued at the nominal settlement price as determined by the exchange.
- (c) Brokerage commissions and fees shall be treated as a liability of the account upon the initiation of a position. Incentive fees payable to the Advisor on Trading Profits shall be accrued for purposes of calculating Net Asset Value.

## **Monthly Incentive Fee.**

Tech Trading charges an incentive fee of 20% of New Net Profits. The incentive fee, which is calculated and paid monthly, is taken as a percentage of New Net Profits. New Net Profits are computed using the formula: (1) the net realized profit and loss during the period, plus (2) the change in unrealized profit and loss on open positions during the period, minus (a) all brokerage commissions, transaction fees, incentive fees and other charges incurred during the period and (b) cumulative net loss, if any, carried over from previous periods. The carryover of previous loss makes certain that incentive fees are paid only on the cumulative increases in the net gains of an account. It should be noted that the full loss is not carried over to the next month in an instance where there has been a partial withdrawal of funds. In such a case, the portion of the loss attributable to the withdrawn amount is first subtracted from the carryover loss. For example, if funds representing 10% of the amount under management are withdrawn, then 10% is subtracted from the carryover loss.

If an account does not generate New Net Profits in a given month, no incentive fee will be due unless the account experiences New Net Profits in a subsequent month. The amount of the incentive fee due to Tech Trading, if any, will be determined independently with respect to each month, in that a fee once paid will never be returned. However, no further fee will be payable until any carry-forward loss has been recovered.

All fees will be billed by Tech Trading directly to the broker carrying the client's account, and will be paid to Tech Trading from the amount on deposit in the account. No minimum account value is necessary in order for Tech Trading to be entitled to the fees described herein. Tech Trading may share a portion of its compensation with properly registered persons who have assisted in the solicitation process.

## **Brokerage Commissions.**

Brokerage commissions will be the responsibility of the client. Said commissions will be paid directly to the clearing firm. Clients are free to choose their own IB and/or FCM relationships, however, Tech Trading reserves the right to approve the client's choice based upon the following criteria: 1) Maximum commission charges are limited to \$10 per round turn. Clients will also be responsible for transaction, brokerage, execution, clearing exchange, and regulatory fees charged by the various exchanges, if applicable; 2) Commission and other transaction based fees (other than "give-up" fees) should not exceed \$10 per round turn; 3) In addition, the Client authorizes Tech Trading to negotiate "give-up" arrangements up to, but not in excess of, \$2 per side or \$4 per round turn. The Client must approve any charges in excess of this amount; and 4) The client generally will be provided with a statement from its IB and/or FCM disclosing the amount of brokerage commissions and fees charged to the account.

## **Miscellaneous.**

(1) If a client withdraws from the Program on a date other than at the end of a month, the incentive fee and introducer fee will be calculated and billed as if such termination date were the end of the month. At this time, the client's obligation to pay future fees will terminate. A client is not entitled to a refund of any incentive and introducer fees paid or accrued to the date of its withdrawal from the Program.

(2) Following the end of each month, Tech Trading will send to each client a bill for incentive and introducer fees that are due and owing. A bill is deemed sent to a client upon Tech Trading sending an electronic mail or depositing the bill in the mail in a first-class postage pre-paid envelope addressed to the client and is considered to be delivered to the client personally whether actually received or not. A bill is deemed correct and is conclusive and binding on a client unless a written or verbal objection from the client is immediately received by Tech Trading. If no written or verbal objection to a bill is immediately received by Tech Trading, Tech Trading will present the bill to the FCM for full payment. In the Authorization to Pay Fees (copy enclosed), a client authorizes the FCM to transfer incentive and introducer fees from the client's account to Tech Trading within the prescribed time upon receipt of a bill for these fees from Tech Trading.

### **Partially Funded Accounts (“Notional”).**

The advisor will only accept fully funded accounts, with the minimum account size being \$25,000. Tech Trading will not trade notional funds (i.e. trading accounts with only partial funding as if the account was fully funded). Partial funding of accounts increases leverage, and this leverage will magnify both profits and losses. Tech Trading does not want to subject customer accounts to this excessive leverage, which leads to large swings in equity. Tech Trading is more concerned with return of capital than return on capital, and risk management and proper sizing of leverage are carefully monitored.

Tech Trading has and may use the following definition of trading profits: Trading profits during a period means the sum of (a) the net of any profits and losses realized by all trades closed during and (b) the net of any unrealized profits and losses on open positions as of the end of the period, minus (c) the net of any unrealized profits or losses on open positions as of the end of the preceding period, (d) cumulative net realized and unrealized losses, if any, carried forward from preceding periods and (e) all expenses incurred or accrued during the period except brokerage fees on open positions.

Tech Trading will bill each client directly and expects payment directly from the client. However, fees may be paid to Tech Trading directly from the client's brokerage account. Fees will be charged at the end of each month. Tech Trading requests that deposits to Clients' accounts be made at the beginning of the month and withdrawals at the end of the month.. Those made within any month will be treated as if they had been added at the beginning of the month and withdrawn at the end of the month in the calculation of composite performance tables (located on pages 20-22).

**Tech Trading's Trading of Accounts and Other Activities.**

Tech Trading manages the accounts of a number of clients and actively solicits the accounts of individuals, pools and other investment entities. Certain of these accounts may pay more or less in fees than others and certain of these accounts may have significantly larger amounts committed to commodity interest trading than others. While Tech Trading might have a financial incentive to favor one account over another, favoritism of this kind would be a breach of its fiduciary duty to its clients and will not be allowed.

Tech Trading intends to use the same general methods and strategies to trade all its clients' accounts although smaller accounts may sometimes participate in "mini" contracts rather than regular-sized contracts. In rendering trading advice, Tech Trading will never knowingly or deliberately favor the account of any client over the account of any other client. However, this is not to say that all accounts will achieve the same rates of return. Depending on variations in commissions, account leverage and its position on the allocation list, an account is likely to receive a better or worse price per trade than other accounts. See "THE MAXIMUM ALPHA PROGRAM - USE OF BLOCK ORDERS."

**Competition for Trades.**

It is likely that an account's futures broker will effect transactions for many customers. Since the identities of the purchaser and the seller are not disclosed until after the trade, it is possible that the broker could affect transactions for clients in which the other parties to the transactions are other Tech Trading customers or affiliates. Such persons might also compete with clients in making purchases and sales of futures contracts. Since similar orders, e.g., market orders, for the same futures interests are generally filled in the order in which they are received by a particular floor broker, transactions for any such persons might be affected when similar trades for clients are not executed or are executed at less favorable prices. Most accounts individually managed by Tech Trading will be linked (grouped by the broker). The trades will be entered in blocks, and each block proportionately allocated across the grouped accounts at the end of the day. The trades will be proportioned based on the equity levels of the accounts in the group. The only accounts that will not be included in the trading group mentioned above, will be accounts that are pursuing specialized goals. No assurance is given that the performance of all accounts controlled by Tech Trading will be identical, but Tech Trading will assure customers that all trading accounts will receive equal and non-preferential treatment.

Because the Advisor receives incentive fees, it may be inclined to trade in a more speculative manner than if it received only a management fee.

Prospective clients should consider all of the risk factors described below and elsewhere in this Disclosure Document before making a decision to participate.

### **Commodity Interest Trading Is Speculative and Can Be Volatile.**

Futures and options prices are highly volatile. Price movements in the financial and currency markets are influenced by, among other things: changing supply and demand relationships; trade, fiscal, monetary, and exchange control programs and policies of governments; United States and foreign political and economic events and policies; changes in national and international interest rates and rates of inflation; currency devaluations and revaluations; and emotions of the marketplace. None of these factors can be controlled by Tech Trading and no assurance can be given that Tech Trading's advice will result in profitable trades for a client or that a client will not incur losses.

### **Commodity Interest Trading Can Be Highly Leveraged.**

The low margin deposits normally required in financial futures trading (typically between 3% and 20% of the value of the contract purchased or sold) permit an extremely high degree of leverage. Accordingly, a relatively small price movement in a contract may result in immediate and substantial losses for the investor. For example, if at the time of purchase 10% of the price of a futures contract is deposited as margin, a 10% decrease in the price of the contract would, if the contract is then closed out, result in a total loss of the margin deposit before any deduction for brokerage commissions. A decrease of more than 10% 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. Tech Trading will use hedging strategies, money management, and market timing to reduce this risk, but will not completely eliminate this risk.

### **Commodity Interest Trading May Be Illiquid.**

It is not always possible to execute a buy or sell order at the desired price, or to close out an open position, due to market illiquidity. Such illiquidity may be caused by intrinsic market conditions (lack of demand or overabundant supply) or it may be the result of extrinsic factors like the imposition of daily price fluctuation limits (which set a floor and ceiling on the price at which a trade may be executed) or circuit breakers (which halt trading in certain stock indices whenever the Dow Jones Industrial Average or the S&P 500 Stock Index declines or rises by a certain number of points). Tech Trading only trades highly liquid financial futures and options on futures markets, but at times of market stress, liquidity can be dramatically affected.

### **A Limited Portfolio May Result in Increased Volatility.**

Trading a limited portfolio may result in Clients experiencing greater performance volatility and greater risk of loss than would be experienced by a more diversified portfolio. Tech Trading will use hedging strategies and market timing to reduce this risk, but will not completely eliminate this risk.

## **Electronic Trading and Order Routing System.**

Trading through an electronic trading or order routing system exposes the trader and his customers to risks associated with systems or component failure. In the event of system or component failure, it is possible that, for a certain time period, the Advisor may not be able to enter new orders, execute existing orders, or modify or cancel orders that were previously entered. System or component failure may also result in loss of order or order priority.

Exchanges offering an electronic trading or order routing system have adopted rules to limit their liability, the liability of FCM's and software and communications system vendors and the amount of damages collectible for system failure and delays.

## **Use Of Stops Are Not Always Effective.**

Stops are not always effective at controlling risk. There can be no assurance that a stop order will be executed or even if so, that such execution will occur at or near the specified price. Stops will not always protect an account from a suspension in trading caused by daily price fluctuation limits. Stops may even exacerbate losses by causing the Program to exit a position early that otherwise would have subsequently recovered. Tech Trading will use hedging strategies, money management, and market timing to reduce this risk, but will not completely eliminate this risk.

## **Participating Client's FCM May Fail.**

Under CFTC regulations, FCMs are required to maintain clients' assets in a segregated account. If a Program client's FCM fails to do so, the client may be subject to risk of loss of all funds on deposit with the client's FCM in the event of its bankruptcy. In addition, under certain circumstances, such as the inability of another client of the FCM or the FCM itself to satisfy substantial deficiencies in such other client's account, a client may be subject to a risk of loss of the funds on deposit with the client's FCM. In the case of any such bankruptcy or client loss, a client might recover, even in respect of property specifically traceable to the client, only a pro rata share of all property available for distribution to all of the FCM's clients.

## **Tech Trading's Trading Decisions Are Partially Based On Technical Analysis.**

Trading decisions made by Tech Trading on behalf of clients are based on technical analysis. See "THE MAXIMUM ALPHA PROGRAM." The profitability of technical analysis as incorporated in the Program depends upon the accurate forecasting of price behavior in some commodities. However, there is no assurance that such price behavior will develop in the markets followed by Tech Trading or that it will be forecast accurately. In the past, there have been periods without such discernible price behavior and, presumably, such periods will occur in the future. Even where such price behavior develops, its course may be shortened by outside factors, like government intervention.

Furthermore, the effectiveness of technical analysis is limited by the expectation that price relationships observed in the past will continue to exist in the future. Under certain circumstances, a technical method may fail to identify price behavior on which action should be taken or may overreact to erratic movements and thus establish a position contrary to the eventual price direction, which may result in losses. In addition, a technical trading method may under-perform other trading methods when fundamental factors dominate price moves within a given market. Tech Trading will use hedging strategies (options and inversely correlated positions) to reduce this risk, but will not completely eliminate this risk.

## **A Client Is Subject to Fees and Expenses Regardless of Whether Any Profits Are Realized.**

A client in the Program is subject to brokerage commissions and other transaction costs, and incentive fees. Incentive fees, in particular, are based in part on unrealized profits that may never be realized. Accordingly, a client's account will have to earn trading profits to avoid depletion of his funds due to such commissions, costs, and fees. See "FEES AND EXPENSES."

A client is responsible for bearing any and all expenses, losses, and fees incurred as a result of maintaining and having Tech Trading trade the client's account. In the Client Agreement (copy enclosed), the client agrees to indemnify and hold harmless Tech Trading and future shareholders, directors, officers, employees, principals, affiliates, and agents in this regard. See "FEES AND EXPENSES."

Deductibility of incentive fees are limited. Under pre-1987 law, individual taxpayers who itemized deductions were permitted to deduct expenses of producing income, including investment advisory fees, when computing taxable income. The United States Internal Revenue Code, as amended by the Tax Reform Act of 1986 (the "Code"), provides that such expenses are to be aggregated with certain unreimbursed employee business expenses, miscellaneous itemized deductions and other expenses for producing income (collectively, "Aggregate Expenses"), and the aggregate amount of such expenses will be deductible only to the extent such amount exceeds 2% of a taxpayer's adjusted gross income. The incentive fees payable to Tech Trading will be characterized as investment advisory fees. Accordingly, each client's incentive fees paid to Tech Trading will be deductible only to the extent that such client's Aggregate Expensed Exceed 2% of such client's adjusted gross income. EACH CLIENT PARTICIPATING IN THE PROGRAM THEREFORE MAY PAY TAX ON MORE THAN THE NET PROFITS GENERATED BY THE PROGRAM. The laws and rules relating to the taxation of commodities and stock index futures are extremely complex. There are various federal and state tax consequences associated with trading commodities. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS BEFORE OPENING AN ACCOUNT WITH TECH TRADING CORPORATION.

At Tech Trading Corporation we recognize the importance of maintaining the utmost security and confidentiality of our customer's information. In addition to internal policies and procedures designed to safeguard customer information, we prohibit those we do business with from any reuse of that information for purposes other than those intended by Tech Trading.

### **Customer information security and confidentiality**

We take a number of steps to ensure that customer information is adequately safeguarded. These steps include the following: 1) implementing a number of physical and electronic security features to prevent unauthorized access; 2) limiting employee's access to customer information; and 3) conducting periodic reviews of our computer systems, including security features. Additionally, our employees are required to acknowledge their responsibility to maintain the confidentiality of customer information.

### **How we collect customer information**

We collect customer information about you that: 1) we receive on applications to us for our products and services; 2) we receive from processing your accounts with us and the transactions in those accounts, as well as providing services to you; 3) we receive about you from our affiliated companies; and 4) we receive in response to requests made to third parties about you or to confirm information that you have provided to us.

### **How we disclose customer information**

We may disclose some or all of the customer information we collect about you under the following circumstances: 1) to verify or complete a transaction; 2) to verify the existence and condition of your account for a third party, such as another financial institution; 3) to a third party who performs functions on behalf of Tech Trading (i.e. a custodian, clearing firm, or broker-dealer); 4) to comply with laws, regulations, or a court or government order or request, such as in response to a subpoena or a request by an CFTC/NFA examiner; 5) if you or any authorized person on the account gives us oral or written permission to do so.

### **Customer information about Former Customers**

We apply the same privacy and practice to our former customers that we do to our existing customers. Collected customer information is retained in accordance with Federal law.

### **Customer information-Accuracy**

We recognize the importance of maintaining accurate customer information that is provided to you in various forms, including account statements and billing statements. If you ever notice that your information is inaccurate, please contact us. Upon your notification we will correct any inaccuracies.

Tech Trading accepts trading accounts of at least \$25,000, although it reserves the right to increase or decrease this minimum. A qualified client who wishes to participate in the Program will have their trades placed with a registered Futures Commission Merchant ("FCM") with the Commodities Futures Trading Commission ("CFTC") and a member of the National Futures Association ("NFA").

In the attached Client Agreement and Trading Authorization ("Client Agreement"), the client authorizes Tech Trading to make trading decisions for its account. In addition, in the attached Authorization to Pay Fees, the client instructs its FCM to transfer to Tech Trading from its account, management and incentive fees described under "FEES AND EXPENSES." The client, and not Tech Trading, is responsible for paying to the client's FCM, all margin, brokerage commissions, and other transaction costs incurred by Tech Trading in connection with transactions effected for the client's account. See "THE MAXIMUM ALPHA PROGRAM" and "FEES AND EXPENSES."

The Advisor is prohibited from accepting funds from a client in the Advisor's name. Instead, funds must be placed directly with a registered FCM.

Clients are free to choose a Futures Commission Merchant ("FCM") and/or Introducing Broker ("IB"). TechTrading recommends but does not require the use of Interactive Brokers LLC ("IBL") as an FCM to clients. There is no conflict of interest in TechTrading's recommendation on the use of IBL as the executing broker; Tech Trading receives no compensation for this recommendation. The decision to use IBL is because of: IBL's superior trading platform, and low commissions for our clients.

The following disclosure was provided by IBL regarding any material administrative, civil, or criminal actions involving it: Pursuant to requirements of the National Futures Association ("NFA"), this memorandum is intended to disclose material administrative, civil or criminal actions involving IBL or any of its principals within the past five years.

For purposes of this memorandum, an action will be considered material if:

- The action would be required to be disclosed in the notes to IBL's financial statements prepared pursuant to generally accepted accounting principles;
- The action was brought by the Commodity Futures Trading Commission ("CFTC") (a concluded action that did not result in civil monetary penalties exceeding \$50,000 need not be disclosed unless it involved allegations of fraud or other willful misconduct); or
- The action was brought by any other federal or state regulatory agency, a non-United States regulatory agency or a self-regulatory organization and involved allegations of fraud or other willful misconduct.

Disclosures:

### **INTERACTIVE BROKERS**

Interactive Brokers LLC ("IBL") is registered under the Commodity Exchange Act, as amended, as a futures commission merchant, and is a member of the National Futures Association ("NFA") in such capacities. In addition, IBL is registered with Securities and Exchange Commission as a broker-dealer and is a member of the Financial Industry Regulatory Authority Inc. ("FINRA"). IBL is a member of all major U.S. futures exchanges and most major U.S. securities exchanges. IBL's main office is located at 1 Pickwick Plaza, Greenwich, CT 06830. IBL's telephone number at such location is (203) 618-5700.

In 2007, Interactive submitted an Offer of Settlement in anticipation of a CFTC administrative proceeding involving a former customer of Interactive. The customer had maintained an account with Interactive in his own name, but the frequency, magnitude and pattern of deposits and withdrawals to the individual's account, relative to his stated liquid net worth, suggested he might be operating as an unregistered commodity pool operator. In the Offer of Settlement, which was accepted by the CFTC in July 2007, the firm consented to a CFTC order that included a finding that Interactive violated CFTC regulation 166.3 (17 CFR 166.3) in that its procedures for determining the source of funds received through wire transfers were inadequate to meet its supervisory responsibilities. The order required that Interactive cease and desist from violating CFTC regulation

166.3, disgorge \$175,000 in commissions earned and comply with an undertaking not to deny, directly or indirectly, any finding in the order.

In a related proceeding, the NFA issued a complaint charging Interactive with failure to maintain required books and records, failure to cooperate promptly and fully with NFA in an NFA audit, and doing business with a non-Member of NFA that was required to be registered with the CFTC. Interactive submitted an offer of settlement to the NFA Business Conduct Committee, which the hearing panel accepted in May 2007. The firm was ordered to pay up to \$325,000 into a restitution fund at NFA and pay a fine of \$125,000 to NFA. The panel ordered the dismissal of the charge of failure to cooperate promptly and fully with an NFA examination and inquiry.

On November 9, 2007, Interactive was named as a defendant in a complaint related to the above matter, filed in the Circuit Court of Cook County, Illinois by a number of clients seeking compensatory and punitive damages for plaintiffs' alleged losses. The action was removed to the U.S. District Court for the Northern District of Illinois and, on January 11, 2008, Interactive filed a motion to dismiss the complaint. The court granted the motion and dismissed some of the claims with prejudice, but permitted the plaintiffs to file an amended complaint with respect to the other counts. The parties agreed to settle the remaining disputes without admitting liability or the validity of the respective claims and the Litigation was dismissed with prejudice. Payment was made on 7/22/2009 in settlement of the above-mentioned matter in the amount of \$1,500,000.

On February 3, 2010, Trading Technologies International, Inc. ("Trading Technologies") filed a complaint, in the United States District Court for the Northern District of Illinois, Eastern Division, against Interactive Brokers Group, Inc., IBG LLC, IBG Holdings, LLC, and Interactive Brokers LLC for direct and indirect infringement of five US patents owned by Trading Technologies. The plaintiffs are seeking, among other things, damages and injunctive relief. It is not possible at this time to estimate the possible loss, if any. Interactive believes that it has meritorious defenses to the allegations made in the complaint and intends to defend itself vigorously against them.

Since Tech Trading is marketing a new trading program, we have also included performance results for a previous trading program, which was commenced in October 2003 and later closed in 2005. See page 22.

In the review of past performance records, it is important to note that in a presentation of past performance data, different accounts, even though they are traded according to a similar set of rules, can have varying investment results. The reasons for this include (1) the period during which they are active, (2) the trading strategy used, because modifications to a trading strategy can occur, (3) the account size, because an account with a limited amount of funds may have different results than an account with a greater amount of funds available, (4) liquidity, because the liquidity of the futures contract traded may not be sufficient to allow an order to be placed with a sufficient number of contracts to guarantee that every customer account will participate in every trade an advisor makes for its managed accounts, (5) the brokerage commission rate charged to an account, because brokerage commissions will affect the account's performance, and (6) a CTA's discretion, as there may be other strategic considerations that an advisor may take in electing to make or liquidate a particular trade for some or all of his customers.

**PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS, AND NO REPRESENTATION IS MADE THAT TECH TRADING'S CLIENTS WILL OR ARE LIKELY TO ACHIEVE RESULTS SIMILAR TO THOSE SHOWN IN THE FOLLOWING TABLES.**

## CAPSULE A – CUSTOMER RESULTS

### PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

NAME OF CTA..... Tech Trading Corporation.  
 Inception of Trading for Advisor..... October 2003  
 Name of Trading Program.....Maximum Alpha Program  
 Inception of trading pursuant to Program.....May 2011  
 Number of accounts currently traded by Program.....5  
 Total assets managed pursuant to Program..... \$149,000  
 Assets currently under management..... \$149,000  
 Worst monthly percentage drawdown1..... (20.76%) Aug 2011  
 Worst peak to valley percentage drawdown2.....(31.41%) May 2011 – Aug 2011  
 Number of profitable accounts opened and closed.....N/A  
 Range of returns experienced by profitable accounts.....N/A  
 Number of losing accounts opened and closed.....N/A  
 Range of returns experienced by unprofitable accounts.....N/A

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2011					(0.41)	(5.79)	(7.75)	(20.76)	24.58	(3.44)	43.79		<b>18.15</b>
<b>PAST PERFORMANCE IS NOT NECESSARY INDICATIVE OF FUTURE RESULTS</b>													

Table A. Customer Accounts Performance.

### **Computing Monthly and Peak-to-Valley Draw-Downs**

Draw-down means losses experienced by the trading program over the specified period.

Worst monthly draw-down is simply the trading program's worst monthly percentage ROR.

Worst peak-to-valley draw-down is the greatest cumulative percentage decline in month-end net asset value (NAV) due to losses sustained by the accounts during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.

In calculating this amount, we calculate a continuous VAMI for the time period presented. We determined the first month in which the VAMI is not followed by a VAMI that is greater than or equal to that month's VAMI. This would be the first peak. The next peak would be the next month in which the VAMI is greater than the previous peak's VAMI and is followed by a lower VAMI. Once all the peaks have been identified, all the months that have the lowest VAMIs during a period between two peaks are determined. These are the valleys. We then determined the percentage change between each peak and valley using the following calculation:

$(\text{Valley VAMI} - \text{Peak VAMI}) \text{ divided by Peak VAMI}$

The worst peak-to-valley draw-down is the largest percentage change from a peak to a valley.

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS**

NAME OF CTA..... Tech Trading Corporation.  
 Inception of Trading for Advisor..... October 2003  
 Name of Trading Program.....Trend Pivot Tether (Futures Only)  
 Inception of trading pursuant to Program.....October 2003  
 Number of accounts currently traded by Program.....0  
 Total assets managed pursuant to Program..... \$0  
 Assets currently under management..... \$149,000  
 Worst monthly percentage drawdown1..... (17.66%) Dec 2004  
 Worst peak to valley percentage drawdown2..... (24.47%) Aug 2004 – Dec 2004  
 Number of profitable accounts opened and closed.....2  
 Range of returns experienced by profitable accounts..... 8.17% – 18.57%  
 Number of losing accounts opened and closed.....1  
 Range of returns experienced by unprofitable accounts..... (7.00%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2005	2.05	7.20											<b>9.40</b>
2004	(4.25)	3.18	4.39	19.10	(4.70)	(11.90)	33.87	(12.23)	(6.42)	(0.77)	12.55	(17.66)	<b>4.28</b>
2003										0.65	1.39	(8.41)	<b>(6.53)</b>

Table B. Historical Customer Acct. Performance – Trend Pivot Tether Program.

**Computing Monthly and Peak-to-Valley Draw-Downs**

Draw-down means losses experienced by the trading program over the specified period.

Worst monthly draw-down is simply the trading program’s worst monthly percentage ROR.

Worst peak-to-valley draw-down is the greatest cumulative percentage decline in month-end net asset value (NAV) due to losses sustained by the accounts during any period in which the initial month-end NAV is not equaled or exceeded by a subsequent month-end NAV.

In calculating this amount, we calculate a continuous VAMI for the time period presented. We determined the first month in which the VAMI is not followed by a VAMI that is greater than or equal to that month's VAMI. This would be the first peak. The next peak would be the next month in which the VAMI is greater than the previous peak's VAMI and is followed by a lower VAMI. Once all the peaks have been identified, all the months that have the lowest VAMIs during a period between two peaks are determined. These are the valleys. We then determined the percentage change between each peak and valley using the following calculation:

$$\text{(Valley VAMI – Peak VAMI) divided by Peak VAMI}$$

The worst peak-to-valley draw-down is the largest percentage change from a peak to a valley.

**TECH TRADING CORPORATION**

80 Cos Cob Avenue  
Greenwich, CT 06807  
Telephone: (203) 550-5227

**DISCLOSURE ACKNOWLEDGMENT**

I have received a copy of the December 15, 2011 Disclosure Document for the Tech Trading Corporation's CTA Trading Programs, Maximum Alpha.

Client Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Client Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

## TECH TRADING CORPORATION

80 Cos Cob Avenue  
Greenwich, CT 06807  
Telephone: (203) 550-5227

### CLIENT AGREEMENT AND TRADING AUTHORIZATION

This Client Agreement and Trading Authorization ("Agreement") is made and entered into as of the date set forth at the end of this Agreement by and between Tech Trading Corporation (the "Advisor") and the undersigned client ("Client");

WHEREAS, Client hereby acknowledges to the Advisor that Client has received, read, and understood and carefully considered the risks outlined in the Disclosure Document dated December 15, 2011 of the Advisor, and Client has signed an acknowledgement to that effect;

WHEREAS, The Client also represents to the Advisor that he/she has received, read and understands both the RISK DISCLOSURE STATEMENT and OPTIONS DISCLOSURE STATEMENT provided by his/her FCM or IB, and will execute contemporaneously with this agreement all documents necessary to open a futures/option trading account with a registered FCM or IB.

WHEREAS, Client hereby represents to the Advisor that Client has capital available and desires to invest such capital in speculative investments in "commodity interests," which term shall include, for purposes of this Agreement, contracts on obligations of and guaranteed by the United States Government, and any other financial instruments, securities, stock, financial, and economic indices, and items which are now, or may hereafter be, the subject of futures contract trading, options on futures contracts, and other commodity-related contracts, agreements, and transactions, and securities (such as United States Treasury bills) approved by the United States Commodity Futures Trading Commission for investment of client funds:

WHEREAS, Client, if an individual, hereby represents to the Advisor that Client is of full legal age in the jurisdiction in which Client resides and is legally competent to execute and deliver this Agreement and to purchase, sell, trade, and own commodity interests as contemplated by this Agreement;

WHEREAS, Client, if a corporation, partnership, trust, or other entity or association, hereby represents to the Advisor that Client has full power and authority to execute and deliver this Agreement and to purchase, sell, and trade, and own commodity interests as contemplated by this Agreement and that the individual executing and delivering this Agreement for and on behalf of Client is of full legal age in the jurisdiction in which such individual resides and is legally competent and has full power and authority to do so on behalf of Client and his stockholders, partners, or beneficiaries;

WHEREAS, Client hereby represents to the Advisor that Client is fully familiar with the speculative nature of commodity interest trading and its high degree of risk suitable only for a person who can sustain substantial losses which may be far in excess of such person's funds on deposit in such person's commodity trading account;

WHEREAS, Client hereby represents to the Advisor that Client is willing and able, financially and otherwise, to assume the risks of commodity interest trading and has the financial ability to bear losses in excess of the amount deposited pursuant to Section 1 of this Agreement; and

WHEREAS, Client desires to retain the Advisor as Client's commodity trading advisor upon the terms and conditions set forth in this Agreement, and the Advisor desires to service Client in such capacity upon such terms and conditions;

NOW, THEREFORE, in consideration of the premises set forth above, the parties hereto do hereby agree as follows:

1. Client has deposited the sum set forth at the end of this Agreement in a commodity trading account ("Account") established and maintained with the futures commission merchant ("FCM") named at the end of this Agreement.
2. Client hereby constitutes, appoints, and authorizes the Advisor as Client's true and lawful agent and attorney-in-fact, in Client's name, place and stead, to purchase, sell (including short sales), trade, and otherwise acquire, hold, dispose of, and deal in commodity interests, on margin or otherwise, on United States exchanges, all for Client's Account and risk. Client hereby gives and grants to the Advisor full and exclusive power and authority to act for Client and on the Client's behalf to do every act and thing whatsoever requisite, necessary, or appropriate to be done in connection with this power of attorney as fully and in the same manner and with the same force and effect as Client might or could do if personally present, and Client hereby ratifies all that the Advisor lawfully does or causes to be done by virtue of this power of attorney. In granting this limited power of attorney, Client relinquishes all authority to directly or indirectly effect transactions of any kind in the Account, except for depositing and withdrawing funds and closing the Account, as set forth in the Agreement. Client hereby ratifies and confirms any and all transactions heretofore made by the Advisor for the Account and agrees that the rights and obligations of Client in respect thereof shall be governed by the terms of this Agreement.
3. The Advisor's services to Client shall not be deemed to be exclusive to Client, and the Advisor shall be free to render similar services to others.
4. Any and all transactions effected by the Advisor for the Account shall be subject to the constitution, by-laws, rules, regulations, orders, and customs and usages of the exchange or market where executed (and of its clearinghouse, if any), and to the provisions of the United States Commodity Exchange Act, as amended, and to the rules, regulations and orders promulgated from time to time there under, and to all applicable laws, rules and regulations of the United States, various states in the United States, and foreign jurisdictions. The Advisor shall not be liable to Client as a result of any action taken by the Advisor which is necessary to comply with any such constitution, by-law, rule, regulation, order, custom, usage, act, or statute.
5. Client, and not the Advisor, shall pay all margin, brokerage and floor commissions and fees, and other transaction costs and expenses charged and incurred by the FCM and its agents in connection with the Account.
6. All transactions effected for the Account by the Advisor shall be for the Client's Account and risk. The Advisor has made and makes no guarantee whatsoever as to the success or profitability of the Advisor's trading methods and strategies, and Client acknowledges that Client has received no such guarantee from the Advisor or any of its employees, affiliates, or agents and has not entered into this Agreement in consideration of or in reliance upon any such guarantee or similar representation from the Advisor or any of its employees, affiliates, or agents.
7. Neither the Advisor or its employees, affiliates, or agents shall be liable to Client or to any other party, except that the Advisor shall be liable to Client for acts by its employees, affiliates, or agents which constitute gross negligence, willful malfeasance, or fraud. Client shall indemnify, hold harmless, and defend the Advisor and its employees, affiliates, and agents from and against any liability, loss, cost, and expense, including attorneys' fees that any of them may become subject to in acting as contemplated under this Agreement, or in connection with any transaction for the Account, or in connection with Client's failure to pay any incentive or introducer fees to the Advisor, or in connection with investigating or defending any such liability, loss, cost, or expense covered by this indemnity.

8. (A) As compensation for the services to be rendered by the Advisor pursuant to this Agreement, and for so long as this Agreement is in force and effect, Client shall pay to the Advisor a monthly incentive fee equal to 20% of New Net Profits. This fee shall be calculated and billed as follows:

**Management Fee.** A monthly Management Fee of .166 percent of *Net Asset Value* of the account at the month-end (.166 percent or 2% per Annum). Net Asset Value shall be adjusted to include any withdrawal of funds from the account in the last calendar month-end. The Management Fee shall be calculated before any Incentive Fee is subtracted from the account and shall be due regardless of whether any profits were achieved that month. Management fees are based on the value of the account under management.

**Incentive Fees.** The monthly incentive fee, which are calculated and paid monthly, shall be taken as a percentage of New Net Profits. New Net Profits shall be computed using the formula: (1) the net of realized profit and loss during the period, including interest income, plus (2) the change in net unrealized profit and loss on open positions during the period, minus (a) all brokerage commissions, transaction fees and other fees and charges paid or accrued during the period and (b) cumulative net loss, if any, carried over from previous periods. Cumulative net loss shall be computed by totaling all net profit in each month in which there was such loss, provided that the full cumulative net loss shall not be carried over where a withdrawal has occurred. Instead a portion of the loss (calculated by dividing the withdrawn amount by the total under management and multiplying the result by the cumulative net loss) attributable to the withdrawn amount shall first be subtracted from the cumulative net loss.

If the Account does not have New Net Profits in a given month no incentive fee shall be due to the Advisor unless and until the Account experiences New Net Profits in a subsequent month. The amount of any incentive fee paid shall not be affected by subsequent losses experienced in the Client's Account except insofar as any cumulative net loss must be recovered before an additional incentive fee shall be owed.

- (B) The term "Net Asset Value" of the Account shall mean the net assets in the Account (that is, total assets less total liabilities), including interest income and unrealized profit and loss on open commodity interest positions.
- (C) If this Agreement shall be terminated on the date other than at the end of a month, incentive fee shall be calculated as if such termination date were the end of the month. Client shall be billed for the incentive fee accrued to the date of such termination and Client's obligation to pay future fees shall terminate. Client shall not be entitled to a refund of any incentive fee paid or accrued to the date of the termination of this Agreement.
- (D) Following the end of each month, the Advisor shall send to Client a statement for the incentive fee that is due and owing the Advisor. A statement shall be deemed sent to Client upon the Advisor sending an electronic mail or depositing such statement in the United States mail in a first-class, postage pre-paid envelope addressed to Client and shall be deemed delivered to Client personally whether actually received or not. A statement shall be deemed correct and shall be conclusive and binding on the Client unless a written or verbal objection from Client has been received by the Advisor within ten business days after the statement has been mailed by the Advisor. If no written or verbal objection to a statement has been received by the Advisor within the prescribed time, the Advisor shall present the statement to the FCM for full payment by it within five business days. Client shall authorize the FCM to transfer to the Advisor such incentive fee from the Account within the prescribed time upon receipt of a statement for such fees from the Advisor.

9. Client hereby authorizes and directs the FCM to send to the Advisor a copy of the monthly account statements with respect to the Account, which are sent to Client, and the FCM is similarly authorized and directed to provide the Advisor with copies of all confirmations, purchase and sale statements and other documents relating to the Account.
10. This Agreement shall become effective only after it has been signed by all parties. This Agreement is continuing and shall remain in full force and effect until terminated by written notice of either party to the other party as provided herein. This Agreement may be terminated by Client, or in the event of Client's death, incompetency, incapacity, disability, bankruptcy, dissolution, liquidation or insolvency, by the Client's legal representative ("Termination Event"), by giving written notice of a Termination Event to the Advisor, which notice shall be deemed effective upon the Advisor's actual receipt of such notice. The Advisor may terminate this Agreement by giving written notice of termination to Client, which notice shall be deemed effective upon the Advisor's depositing such notice in the United States mail in a first-class, postage pre-paid envelope addressed to Client. Any such notice of termination given by Client or the Advisor shall have no effect upon liabilities and commitments initiated, made, or accrued prior to the effective date of such termination.
11. In the event that, at the close of business on any business day, the total equity in the Account is 50% or less than the equity at the time the Account opened, the Advisor may, at its discretion, liquidate open positions in the Account. Further, the Advisor may exercise its discretion to close the Account or seek further instruction from Client with respect to termination of, or the infusion of additional funds into, the Account. Client understands that, due to market conditions, there can be no assurance that the account can be closed at 50% of its initial value.
12. All notices to either party shall be in writing. All notices to the Advisor shall be sent to the Advisor at the address appearing at the beginning of this Agreement. All notices and statements to Client shall be sent to Client at the address appearing at the end of this agreement. Either party, may designate in writing any other address to which notices, statements, and communications to such party may be sent.
13. This Agreement may not be assigned by either party without prior express written consent of the other party.
14. This Agreement constitutes the entire agreement between the parties with respect to the matters referred to herein, and no other agreement, verbal or otherwise, shall be binding as between the parties unless it is in writing and signed by the party against whom enforcement is sought.
15. No provision of this Agreement may be amended or waived unless such amendment or waiver is in writing and signed by the parties. No amendment or waiver of any provision of this Agreement may be implied from any course of dealing between the parties or from the failure of either party to assert his or its rights under this Agreement on any occasion or series of occasions.
16. If any provision of this Agreement is, or at any time shall become, inconsistent with any present or future law, rule, regulation, or ruling of any jurisdiction, court or regulatory body, exchange, or board having jurisdiction, such provision shall be deemed rescinded or modified to conform to such law, rule, regulation, or ruling and the remaining provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.
17. This Agreement shall be deemed to have been made under, and shall be governed by and construed and enforced in accordance with, the law of the State of Connecticut, U.S.A. (excluding the law thereof which requires the application of or reference to the law of any other jurisdiction).
18. The parties agree that any action or proceeding arising, directly, indirectly, or otherwise in connection with, out of, related to, or from this Agreement, any breach hereof, or any transaction covered hereby shall be resolved, whether by arbitration or otherwise, within the County of Fairfield, State of Connecticut, U.S.A. The parties further agree that any action or proceeding

19. If more than one person is signing this Agreement as Client, each undertaking herein shall be a joint and several undertaking of all such persons, and the foregoing grant of power of attorney and authority to the Advisor shall be a joint and several grant by all such persons. Actions of any one Client pursuant to this Agreement shall bind all such Clients unless indicated below. An Account in joint names creates a joint tenancy with right of survivorship and not tenancy in common.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CLIENT SIGNATURE(S): \_\_\_\_\_

\_\_\_\_\_

CLIENT PRINTED NAME(S): \_\_\_\_\_

\_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_

TELEPHONE \_\_\_\_\_

\_\_\_\_\_

E-MAIL \_\_\_\_\_

\_\_\_\_\_

DATE \_\_\_\_\_

INITIAL SIZE OF ASSET ALLOCATION(S)

**Maximum Alpha Program** \$ \_\_\_\_\_ **Account #** \_\_\_\_\_

**TECH TRADING CORPORATION**

\_\_\_\_\_  
**James Taylor, President**

DATE: \_\_\_\_\_

## TECH TRADING CORPORATION

80 Cos Cob Avenue  
Greenwich, CT 06807  
Telephone: (203) 550-5227

### ARBITRATION AGREEMENT

The undersigned client(s) ("Client") hereby agrees that any controversy between Client and Tech Trading or any of its employees, affiliates, or agents, or its or their respective successors or assigns (hereinafter referred to as "affiliated persons") arising directly, indirectly, or otherwise in connection with, out of, related to, or form Client's accounts with Tech Trading, transactions between Client and Tech Trading, or any of its affiliated persons, or the Client Agreement and Trading Authorization, Authorization to Pay Fees, or any other document or agreement now or hereafter existing that relates to Client's account with Tech Trading or any breach of any of them or any transactions effected pursuant to them shall, except as provided below, be resolved by binding arbitration before a forum chosen in accordance with the following procedure. At such time as Client notifies Tech Trading or any of its affiliated persons that Client intends to submit a controversy to arbitration or at such time as Tech Trading or any of its affiliated persons notifies Client that Tech Trading or any of its affiliated persons intends to submit a controversy to arbitration, Client shall have the opportunity to choose a forum from a list of two or more qualified forums provided by Tech Trading. A "qualified forum" is an organization whose procedures for conducting arbitrations comply with the requirements of the United States Commodity Trading Commission ("CFTC"). The National Futures Association will be one of the forums offered.

Tech Trading or any of its affiliated persons who is a party to any controversy arbitrated pursuant to this Arbitration Agreement shall pay any incremental fees which may be assessed by a qualified forum or provision of a mixed arbitration panel, unless the arbitrator(s) hearing the controversy shall determine that Client has acted in based faith in initiating or conducting the arbitration. A "mixed arbitration panel" is an arbitration panel composed of one or more persons, a majority of whom are not members of a contract market or employed by or otherwise associated with a member of a contract market and are not otherwise associated with a contract market.

Any award rendered in any arbitration conducted pursuant to this Arbitration Agreement shall be final and binding on and enforceable against Client in accordance with the substantive law of the State of Connecticut, U.S.A., and judgment may be entered on any such award by any court having jurisdiction thereof.

THREE FORUMS EXIST FOR THE RESOLUTION OF COMMODITY DISPUTES: CIVIL COURT LITIGATION, REPARATIONS AT THE COMMODITY FUTURES TRADING COMMISISON (CFTC), AND ARBITRATION CONDUCTED BY A SELF-REGULATORY OR OTHER PRIVATE ORGANIZATION.

THE CFTC RECOGNIZES THAT THE OPPORTUNITY TO SETTLE DISPUTES BY ARBITRATION MAY IN SOME CASES PROVIDE MANY BENEFITS TO CLIENT, INCLUDING THT ABILITY TO OBTAIN AN EXPEDITIOUS AND FINAL RESOLUTION OF DISPUTES WITHOUT INCURRING SUBSTANTIAL COSTS. THE CFTC REQUIRES, HOWEVER, THAT EACH CLIENT INDIVIDUALLY EXAMINE THE RELATIVE MERITS OF ARBITRATION AND THAT YOUR CONSENT TO THIS ARBITRATION AGREEMENT BE VOLUNTARY.

BY SIGNING THIS AGREEMENT, YOU: (1) MAY BE WAIVING YOUR RIGHT TO SUE IN A COURT OF LAW: AND (2) ARE AGREEING TO BE BOUND BY ARBITRATION OF ANY CLAIMS OR COUNTERCLAIMS WHICH YOU OR THE ADVISOR OR ANY OF ITS AFFILIATED PERSONS MAY SUBMIT TO ARBITRATION UNDER THIS AGREEMENT. YOU ARE NOT, HOWEVER, WAIVING YOUR RIGHT TO ELECT INSTEAD TO PETITION THE CFTC TO INSTITUTE REPARATIONS PROCEEDINGS UNDER SECTION 14 OF THE COMMODITY EXCHANGE ACT WITH RESPECT TO ANY DISPUTE WHICH MAY BE ARBITRATED PURSUANT TO THIS AGREEMENT. IN THE EVENT A DISPUTE ARISES, YOU WILL BE NOTIFIED IF THE ADVISOR OR ANY OF ITS AFFILIATED PERSONS INTENDS TO SUBMIT THE DISPUTE TO ARBITRATION. IF YOU BELIEVE A VIOLATION OF THE COMMODITY EXCHANGE ACT IS INVOLVED AND IF YOU PREFER TO REQUEST A SECTION 14 "REPARATIONS" PROCEEDING BEFORE THE CFTC, YOU WILL HAVE 45 DAYS FROM THE DATE OF SUCH NOTICE IN WHICH TO MAKE THAT ELECTION.

YOU NEED NOT SIGN THIS AGREEMENT TO OPEN AN ACCOUNT WITH THE ADVISOR. SEE 17 CFR166.5

CLIENT SIGNATURE(S):

---

---

CLIENT PRINTED NAME(S):

---

---

ADDRESS:

---

---

DATE:

---

**TECH TRADING CORPORATION**

80 Cos Cob Avenue  
Greenwich, CT 06807  
Telephone: (203) 550-5227

**AUTHORIZATION TO PAY FEES**

The undersigned client ("Client") hereby authorizes the futures commission merchant named below ("FCM") to deduct from Client's futures account with the FCM and remit directly to TECH TRADING CORPORATION (the "Advisor") the fee amount determined by the Advisor, upon receipt by the FCM of written invoice from the Advisor.

Client acknowledges Client's ongoing responsibility to review regularly all client account records and statements from the FCM and from the Advisor since such records will be conclusive and binding on Client unless a prompt written and/or verbal objection form Client is received by the FCM or the Advisor, as the case may be.

CLIENT SIGNATURE(S): \_\_\_\_\_  
\_\_\_\_\_

CLIENT PRINTED NAME(S): \_\_\_\_\_  
\_\_\_\_\_

ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

TELEPHONE: \_\_\_\_\_

DATE: \_\_\_\_\_

EMAIL: \_\_\_\_\_

FCM \_\_\_\_\_

INTRODUCING BROKER: \_\_\_\_\_

ACCOUNT NUMBER: \_\_\_\_\_

(NOTE: This page applies only to customers who have an executing broker other than Interactive Brokers)

**TECH TRADING CORPORATION**

80 Cos Cob Avenue  
Greenwich, CT 06807  
Telephone: (203) 550-5227

**CLIENT AUTHORIZATION FOR GIVE-UP ORDERS**

The undersigned Client(s) authorizes Tech Trading Corporation to execute orders on behalf of the Client's account on a "give-up" basis. Tech Trading Corporation shall have the authority to designate the FCM or Floor Broker who will act as Executing Broker for trades entered into the market on behalf of the Client's account. The Executing Broker will "give up" the orders to the Client's Clearing Broker, for the Client's account held at the Clearing Broker. The Clearing Broker will be acting as the carrying broker and will carry these positions. The Client understands that the Executing Broker will charge fees for give-up orders to the Clearing Broker. The Client agrees that in some cases the Clearing Broker will have to be reimbursed by the Client's account held at the Clearing Broker. The Client authorizes Tech Trading Corporation to enter into all arrangements on the Client's behalf, which are necessary or appropriate in the judgment of Tech Trading Corporation to carry out the obligations of Tech Trading Corporation in setting up and executing the "give-up" order process. The Client authorizes Tech Trading Corporation to negotiate any such agreements up to, but not in excess of, "give-up" charges amounting to \$1.25 per side. The Client must approve any charges in excess of this amount.

CLIENT SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

CLIENT SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

CLIENT PRINTED NAME(S): \_\_\_\_\_  
\_\_\_\_\_

**TECH TRADING CORPORATION**

80 Cos Cob Avenue  
Greenwich, CT 06807  
Telephone: (203) 550-5227

**REQUIRED CLIENT INFORMATION**

The following confidential financial information is needed to open your account. Joint or Partnership clients must provide combined financial information.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State / Province: \_\_\_\_\_

Zip / Postal Code: \_\_\_\_\_ Country: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

Occupation: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

Initial Deposit Amount of Managed Futures/Options Account: \_\_\_\_\_

Is this amount more than 20% of your net worth? Yes No

Have you read the "Risk Factors" in the Disclosure Document? Yes No

If client is a Corporation, Partnership, or LLC (only):

1. Annual Income (US Dollars)  
\_\_\_ Over \$100,000  
\_\_\_ Less than \$100,000  
# \_\_\_\_\_

7. Nature of Business \_\_\_\_\_  
8. How many principals or investors make up the entity?

2. Net Worth (excluding equity in home)  
\_\_\_ Over \$100,000  
\_\_\_ Less than \$100,000

9. Is the Corporation, Partnership, or LLC registered with the NFA?  
\_\_\_ No  
\_\_\_ Yes NFA ID# \_\_\_\_\_

3. Investment Experience:  
Stocks/Bonds \_\_\_ Yes \_\_\_ No  
Funds \_\_\_ Yes \_\_\_ No  
Commodities \_\_\_ Yes \_\_\_ No  
Options \_\_\_ Yes \_\_\_ No

10. Does the Corporation, Partnership, or LLC have trading authority over any outside personal, partnership, corporate, or LLC accounts that buy or sell commodity interests?  
\_\_\_ No  
\_\_\_ Yes (If yes, explain relationship)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Do you understand:  
Futures Trading \_\_\_ Yes \_\_\_ No  
Options Trading \_\_\_ Yes \_\_\_ No  
Risk of Loss \_\_\_ Yes \_\_\_ No  
Margin Policy \_\_\_ Yes \_\_\_ No

THE CLIENT HAS BEEN INFORMED THAT THE RISK OF LOSS IN TRADING COMMODITY FUTURES AND OPTIONS CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. THE HIGH DEGREE OF LEVERAGE THAT IS OBTAINABLE IN FUTURES AND OPTIONS TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS. THIS BRIEF STATEMENT CANNOT, OF COURSE, DISCLOSE ALL THE RISKS AND SIGNIFICANT ASPECTS OF THE FUTURES AND OPTIONS MARKET.

THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF THIS ADDITIONAL DISCLOSURE STATEMENT, AND ACKNOWLEDGES THAT HE/SHE HAS READ AND UNDERSTANDS THE TERMS ABOVE.

I (we) hereby certify that the information provided herein is true and correct as of the date below.

CLIENT SIGNATURE(S):

---

---

CLIENT PRINTED NAME(S):

---

---

DATE:

---

ADVISOR'S SIGNATURE CONFIRMATION:

---

DATE:

---

**TECH TRADING CORPORATION**

80 Cos Cob Avenue  
Greenwich, CT 06807  
Telephone: (203) 550-5227

**SECOND ACCOUNT REQUEST STATEMENT**

I am requesting with this letter that you open an additional account for me. I hereby authorize you to use the account forms that I have already executed [for account number ] \_\_\_\_\_ as the account forms for the new account.

I understand and agree that all promises, representations and information that I made in my account forms are still true and accurate. I warrant that all statements in those forms shall apply to the new account as if I had executed a complete new set of forms.

CLIENT SIGNATURE(S): \_\_\_\_\_

\_\_\_\_\_

CLIENT PRINTED NAME(S): \_\_\_\_\_

\_\_\_\_\_

DATE: \_\_\_\_\_