

# End-User “No Brainer Trading System” Software Licensing & Lease Agreement Warranties and Disclaimers

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ALL USERS OF THE WEBTRADING/CTCN “NO BRAINER” COPYRIGHTED SOFTWARE MUST READ, SIGN AND RETURN THIS LICENSE/LEASE AGREEMENT TO CTCN IN ORDER TO RECEIVE AND USE THE CTCN SOFTWARE, AND TO RECEIVE TECHNICAL SUPPORT AND UPGRADES FOR THE SOFTWARE. BY ACCEPTING THE CTCN SOFTWARE, USER AGREES TO BE BOUND BY THE TERMS OF THIS AGREEMENT.

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## CTCN License/Lease Agreement:

- i. “Software” shall be construed as certain machine-readable versions of software described and coded by CTCN , as well as manuals, trading thoughts and other proprietary information for use with the software and methods. All CTCN software and material is regarded as educational in scope and makes no guarantees whatever to produce any specific results, gains or losses in any market or endeavor. CTCN software is intended for use of market traders and investors desiring to use a computer software program to assist them in viewing and analyzing the markets.
- ii. CTCN hereby grants to Licensee/Lessee non-exclusive rights to use the software, subject to the terms of this agreement. Licensee/Lessee has no right to any source code, or to title or claim of title to CTCN software or materials.
- iii. The software shall be sent either on a 3-½ Computer Disk or electronically transmitted as an email attachment to the broker, or designated operator, in your name and designated for your signals. This disk/software will be programmed with the same algorithm as all other NB participants and will not be unique in any way except it will have your name on your individual computer disk. This leased disk remains the property of CTCN and must be returned to CTCN upon client leaving the “No Brainer” Trading Group. Only the brokerage firm may have possession of the disk.
- iv. CTCN software contains proprietary, valuable, encoded logic and formulae; Licensee/Lessee agrees to retain in confidence all internal working of this software and shall not attempt to decode, disclose or make any use of the software available to any third party. Because of the proprietary licensing/leasing of this software, all licensing and/or lease fees are non-refundable.
- v. CTCN reserves the right to terminate the use of its software by Licensee/Lessee upon verification of a violation or breach of the terms of this agreement. Licensee/Lessee may not copy, distribute, or share the software, or use of the software, without the express written permission of CTCN .
- vi. This agreement is both recurring and renewing, and shall remain in effect until written notice of cancellation is provided to CTCN by the licensee/lessee. Any license/lease fees due at the time of cancellation will be calculated on a prorated basis (prorated after the first full week of use, which first week is non-prorateable or refundable), and debited from the user’s commodity trading account accordingly.
- vii. The suggested minimum brokerage account initial size is \$10,000. At the present time, we anticipate this being sufficient to trade one (1) E-Mini Nasdaq Futures Contract, though exchange margins are always subject to change. An account of \$20,000 is suggested for two (2) contracts per signal. \$30,000 for three (3) contracts per signal. The maximum number of contracts allowed regardless of account size shall be 3 per client. This is so the market may not be too excessively affected by our potential trade volume.
- viii. In the event your initial deposit is greater than \$10,000, or your account equity increases beyond \$10,000 you do not have to trade more than one (1) contract at a time. You may have a much larger brokerage account balance and still limit yourself to only one (1) contract per signal. This is something you need to give instructions to the brokerage firm. Unless you authorize to the contrary the broker and/or designated operator will limit trading in your account to one (1) contract per signal regardless of your account balance.

The more contracts you trade the greater your compensation to the Licensor, and brokerage commissions will be, as explained below.

- ix. The software is being leased to the user at a cost of \$250 per week per contract traded, (in other words, for example, if you have a \$30,000 account and want to (and are able to based on margin) trade 3 contracts per trading signal, the lease fee will be three 3 times \$250., or \$750 total. \$500-week based on 2 contracts per trade. \$250-week for 1 contract per signal. There is a 3-week minimum leasing period due to the initial high costs and time involved setting it up. Clients may cancel their participation with proper notice anytime after the initial 3-week term.
- x. Only the CME E-Mini Nasdaq Market may be traded under the No Brainer Program. The software is especially programmed for the E-Mini Nasdaq (NQ) Market traded at the CME. However, we are always looking to improve our trading services for your benefit so we reserve the right to allow trading in other markets with your pre-authorization.
- xi. It is also agreed under no circumstances may any other trading system or trading method be traded with this brokerage account, which is especially earmarked for the No Brainer System. If you wish to trade other markets or other systems, you may open a separate account to do so.
- xii. As stated below in the Risk Disclosures, profits are not assured or guaranteed. Therefore, the weekly compensation will be fully earned and payable regardless of profits or losses for any weekly trading period or number of days of actual trading.
- xiii. The trading period is defined as a standard calendar week, Monday through Friday. We do not assure actual trading all days of the week. For various reason there may be days with no live trading. Fees are based on weekly billing regardless of how many trades were made, their P&L, or any days skipped for any reason at all, including holiday days.
- xiv. The first license/lease payment is required to be paid in advance (for the first week of software signals) by Licensee via credit card to web trading – ctcn (the Licensor). It is understood the weekly licensing fees are non-refundable and are due and paid 1-week in advance.
- xv. All subsequent payments after the initial week will be debited directly from the user's commodity trading account (or paid by automatic credit card charge), at the option of Licensor. At this time the Licensor payment plan is by broker debits starting with the 2<sup>nd</sup> week but is subject to change which Licensee pre-agrees to by signing this agreement. All fees are due and payable on the first trading day of each new trading period, except as noted.
- xvi. CTCN (Licensor) reserves the right to change its license/lease payment fees, including the fee for each winning trade, at any time with at least one weeks notice given. Licensee/Lessee may either accept or decline and withdraw from the program if he does not approve of the fee modifications.
- xvii. CTCN (Licensor) reserved the right to modify their trading methodology algorithm, technique and trading procedure at any time as a way to possibly improve its overall performance.
- xviii. The Licensor reserves the right to arrange for the transfer of Licensees commodities account to a different broker at anytime in the future and for any reason, with the consent and agreement of the Licensee (the Brokerage Account Owner). The parties agree that all conditions and terms of this Agreement shall be in full force and effect at any agreed upon potential future brokerage firm.
- xix. This Agreement shall be governed by Arizona Courts and State of Arizona Laws.
- xx. This agreement constitutes the entire agreement between Licensors CTCN and Licensee/Lessee and supersedes all previous agreements, written or oral, between CTCN and Licensee.

Except as specified in this agreement, there are no other warranties, expressed or implied, extended by CTCN, including without limitation the implied warranty of merchantability or fitness for a particular purpose, nor any warranty, expressed or implied, as to the trading methodology.

Licensee/Lessee assumes all risks associated with using the CTCN trading software and in trading futures and options on futures, in general. CTCN will provide technical support, but will not provide investment advice. No claim is made that use of the CTCN software will necessarily be profitable. Hypothetical or simulated results do not represent actual trading. Also, since the trades have not been actually executed, the results may have under or over compensated for the impact, if any, of certain market factors such as lack of liquidity. Simulated trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses of any kind.

Hypothetical performance results have many inherent limitations, some of which are described below. No representations are being made that any account will or is likely to achieve trading profits or losses similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and the actual results subsequently achieved by any particular trading program. One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk, and no hypothetical trading record can completely account for the impact of financial risk of actual trading. For example, the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results.

The risk of loss in trading commodity futures can be substantial. Therefore, traders & investors need to carefully consider whether such trading is suitable for them in light of their own specific financial condition. The high degree of leverage often obtainable in commodity futures trading can work against, as well as for you. The use of leverage can quickly lead to large losses as well as large gains. In some cases, managed futures accounts may also be 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.

The information provided in the webtrading.com website does not constitute a solicitation to invest in any Pool, CTA or Managed Account, included herein. Prior to making an investment in a futures pool or directly with a Commodity Trading Advisor (CTA), one should carefully study the prospectus and/or disclosure document required by the CFTC. Our website(s) and publication(s) are designed to provide readers with accurate and objective information in regard to managed futures trading and investments. It is provided with the understanding the firm, publisher, or its editor, is not engaged in rendering legal, financial, brokerage, or other professional advice. If legal or other expert assistance is required, services of a competent professional in the applicable field should be sought.

Licensee/Lessee acknowledges by signing this agreement that he/she has read and understands this agreement, and that it constitutes the entire agreement between the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement governing the “No Brainer System” Software Licensing & Lease Agreement to be duly executed as of the date set forth below.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

This Contractual Agreement starts on the date above and extends for 5-years beyond this date, unless cancelled by the parties.

\_\_\_\_\_  
(Licensee/Lessee Signature)

\_\_\_\_\_  
(Licensee/Lessee’s Printed Name)

\_\_\_\_\_  
(Licensee/Lessee’s Street Address)

\_\_\_\_\_  
(City, State, Postal Code)

ACCEPTED BY:

\_\_\_\_\_  
(Country)

\_\_\_\_\_  
Webtrading/CTCN

By Dave Green, Developer

**The License/Lease Agreement must be mailed/or faxed to Webtrading/CTCN for participation in the "No Brainer" Trading Group. Fax form to: 1-520-774-2288, or mail to: Webtrading.com, 2700 Woodlands Village, #300-202, Flagstaff, AZ USA 86001.**