

# **CHADWICK INVESTMENT GROUP, INC.**

DISCLOSURE DOCUMENT

GLOBAL TREND FOLLOWING PROGRAM

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

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A North Carolina Corporation Registered under  
The Commodity Exchange Act, As Amended,  
As A Commodity Trading Advisor

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**DISCLOSURE DOCUMENT DATED April 1, 2010**

THE INFORMATION 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 ABOVE.

## **RISK DISCLOSURE STATEMENT**

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

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

IF YOU PURCHASE OR SELL A COMMODITY FUTURE OR SELL A COMMODITY OPTION YOU MAY SUSTAIN A TOTAL LOSS OF THE INITIAL MARGIN FUNDS AND ANY ADDITIONAL FUNDS THAT YOU DEPOSIT WITH YOUR BROKER TO ESTABLISH OR MAINTAIN YOUR POSITION. IF THE MARKET MOVES AGAINST YOUR POSITION, YOU MAY BE CALLED UPON BY YOUR BROKER TO DEPOSIT A SUBSTANTIAL AMOUNT OF ADDITIONAL MARGIN FUNDS, ON SHORT NOTICE, IN ORDER TO MAINTAIN YOUR POSITION. IF YOU DO NOT PROVIDE THE 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 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 FIVE, 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 MARKETS. YOU SHOULD THEREFORE CAREFULLY STUDY THIS DISCLOSURE DOCUMENT AND COMMODITY TRADING BEFORE YOU TRADE, INCLUDING THE DESCRIPTION OF THE PRINCIPAL RISK FACTORS OF THIS INVESTMENT, AT PAGE SEVEN.

## **FOREIGN FUTURES AND OPTIONS**

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

## **PROHIBITION ON CTA FUND ACCEPTANCE**

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.

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## **The Trading Advisor**

Chadwick Investment Group, Inc (“Chadwick”) is a North Carolina corporation formed in November 2002 to provide brokerage services conducted by its sole shareholder, director and officer, Justin Vandergrift. Chadwick’s mailing address is 10612-D Providence Road #308, Charlotte NC 28277. The telephone number for Chadwick is 800.245.5065 and the fax number is 800.817.5198. Additional information can be accessed from the company’s website at [www.chdwc.com](http://www.chdwc.com). All business records are kept at Chadwick’s place of business. Chadwick intends to use this document starting April 1, 2010.

Justin Vandergrift, doing business as Chadwick Investment Group, registered as a guaranteed introducing broker with the Commodity Futures Trading Commission (“CFTC”) and was a member of the National Futures Association (“NFA”) from March 3, 1997 through June 5, 2003. On March 24, 2003 Chadwick changed its form of business and Chadwick Investment Group Inc. was registered as a Guaranteed Introducing Broker. On December 27, 2005 Chadwick registered as a Commodity Trading Advisor. Chadwick is currently registered as an Introducing Broker and Commodity Trading Advisor with the CFTC and is a member of the NFA.

Justin C. Vandergrift is the president and sole principal of Chadwick. There has never been any material administrative, civil, or criminal proceedings against Chadwick or Justin Vandergrift. Mr. Vandergrift was listed as a principal on March 21, 2003 and became registered as an Associated Person of Chadwick on March 24, 2003.

### **BUSINESS BACKGROUND**

Mr. Vandergrift graduated from the University of North Carolina at Charlotte with a Bachelor of Arts degree in Political Science and History in May 1996. Mr. Vandergrift has been the sole principal of Chadwick since March 1997 and president of Chadwick since January 1997. Mr. Vandergrift is responsible for all trading decision as well as the day-to-day operations of the investment firm.

Mr. Vandergrift’s interest in the commodity futures markets began in college where he independently studied futures and options. Throughout college and his professional career Mr. Vandergrift has studied and designed technical trading systems. The Trend Following program offered was developed through research on the markets starting in 1999.

The performance history of the programs offered begins on page 11 of this document.

## **The Trading Program**

### **OBJECTIVE**

The primary objective of Chadwick’s programs is the capital appreciation of its client’s assets through speculation in financial and commodity futures contracts. No assurance can be given that this objective will be met, and an investment in an account to be traded by the Advisor

should only be considered by investors that can assume the significant risk of commodity futures trading, including losses in excess of their initial investment. The Advisor will attempt to meet the objective of the capital appreciation by making trading decisions based upon a proprietary trading method. In view of the volatile nature of futures trading, the advisor uses strict money management to increase the probability of long-term success of the trading program.

### **METHODOLOGY**

In managing the accounts of customers, Chadwick employs the trading concepts and strategies developed by Mr. Vandergrift who is the sole manager for Chadwick's accounts. Since the trading methods to be utilized by Mr. Vandergrift are proprietary and confidential, the discussion that follows is of a general nature and not intended to be exhaustive.

Chadwick uses a technical strategy to manage customer accounts. Chadwick believes that future price movements may be more accurately anticipated by historical price movements with technical analysis rather than by a fundamental analysis. The core structure of the program is trend following in nature.

Chadwick's programs seek entry into a trending market whether the market is moving higher or lower. The program will take long and short positions in the markets it trades. Chadwick uses money management techniques that attempt to limit exposure of initial capital on any one market. There may be instances where a market gaps higher or lower increasing this exposure. This could be due to governmental reports, fundamental developments or other unforeseen events.

The trading strategies and systems utilized by Chadwick may be revised from time to time as a result of ongoing research and development. Chadwick will seek to devise new trading strategies and systems as well as test methods currently employed. The trading strategies (including but not limited to technical factors, markets traded and or money management formulas) and systems set by Chadwick in the future may differ significantly from those presently used, due to changes, which may result from this research. Clients will not be informed, in advance, of these changes as they occur.

Chadwick is currently offering two programs, the Global Trend Following Large account and the Global Trend Following Small Account. The Global Trend Following Large account began trading on June 1, 2007. The Global Trend Following Small account began trading August 1, 2008.

### **PORTFOLIO SELECTION**

Chadwick has sole discretion as to which futures and options on futures contracts it will trade. Chadwick will effect transactions on all exchanges located in the United States, as well as non-US Exchanges, which include by are not limited to the London International Financial Futures and Options Exchange LTD (LIFFE), the Marche a Terme International de France

(France), the Eurex Deutschland (EUREX), the Montreal Exchange (ME), the International Commodity Exchange (ICE), the Tokyo Stock Exchange (TSE), the Singapore International Monetary Exchange (SIMEX), and the Sydney Futures Exchange Ltd (SFE). The contracts that are currently trade by Chadwick include Australian Dollar, Brazilian Real, British Pound, CAC-40, Canadian Dollar, Cocoa, Coffee, Copper, Corn, Crude Oil (NYMEX), Crude Oil (IPE), DAX Index, Dow Jones, Euro Dollars, Euro Bund, Euro Schatz, Euribor, Euro STOXX, Euro Swiss, Five Year Notes, FTSE 100, Heating Oil, Kansas City Wheat, Lean Hogs, Live Cattle, Mexican Peso, Milk, Minnesota Wheat, NASDAQ 100, Natural Gas, New Zealand Dollar, Rough Rice, Soybeans, Swiss Franc, Sugar, S&P 500, Ten Year Notes, Unleaded Gas, and Wheat. Chadwick may add or delete markets at any time. Clients will not be informed of these changes as they occur.

Decisions concerning the liquidation of positions, the open interest of contracts to be traded and the size of total position to be taken require the exercise and judgment by Chadwick. Furthermore Chadwick may elect to use mini or micro contracts on any of the contracts typically traded. This is done to assist smaller accounts in taking advantage of a broader diversified contract selection.

#### **TRADING PROGRAMS**

Chadwick trades two programs pursuant to the same trading methodology. The large account requires a suggested minimum deposit of \$250,000 and the small account requires a suggested minimum deposit of \$50,000. Both accounts will trade the same trading system; however the smaller account will trade narrower selection of markets. As a result performance histories of the two accounts may differ significantly.

#### **DIVERSIFICATION**

By committing equity to multiple markets, diversification reduces the dependence of the program on any one particular market or sector for profits. Due to the importance of diversification across different markets and market sectors, the advisor suggests a minimum account size of \$250,000 for the large account and \$50,000 for the small account.

#### **INITIAL CAPITAL EXPOSURE**

Chadwick attempts to limit maximum risk per trade to a small percent of client equity. However, there may be a circumstance where it is impossible to limit risk as described above. Such a circumstance may be a market that is locked limit up or down, or the occurrence of severe slippage on order execution due to market volatility.

#### **CAPITAL MANAGEMENT**

Typically clients should expect margin to equity ratios of less than 25%. It is possible that market conditions and unforeseen factors could cause the actual margin to equity rate for an account to be higher than the expected level. Chadwick does not use US Treasury Bills for trading accounts.

## **ACCOUNT SIZE AND FUNDING**

Minimum account sizes are posted above however, under certain circumstances, Chadwick may, in its sole discretion, accept smaller accounts. All customer accounts reported, pursuant to an Advisory published by the CFTC, must be documented the Advisor and its client specifying the “Nominal Account Size” (agreed level of trading irrespective of amount of “Actual Funds,” including non-cash, margin qualifying assets, on deposit), how margin qualifying assets would affect or be related to the Nominal Account size, and how and to what extent (as a percentage of the account’s Nominal Account Size) the account will be funded with Actual Funds. Actual Funds is defined as the amount of margin-qualifying assets on deposit in a commodity interest account, generally cash and marketable securities.

## **NEW ACCOUNTS**

Generally, when a new client begins trading, Chadwick will initiate positions for a new client similar to the positions held by existing Chadwick clients. The Advisor will inform the client where the performance of program stands relative to historical equity highs.

## **FUTURES COMMISSION MERCHANT**

The client is free to use the Futures Commission Merchant (“FCM”) and Introducing Broker (“IB”) of their choice. However, in order to ease the process of execution, Chadwick may use a “give-up” arrangement in which all trades are executed through Chadwick’s FCM and then cleared by the client’s FCM. This arrangement may result in the client paying a higher round-turn commission. The client will generally be provided with a statement from his FCM disclosing the amount of brokerage commission charged to the account.

## **ORDER ENTRY AND ALLOCATION**

Chadwick can use a block order for all Chadwick accounts including proprietary accounts in which the same commodity interest is being trading through the same executing FCM. In this instance, Chadwick employs an objective price allocation procedure in which all accounts are listed by account number and then trades are assigned, with the lowest number on the list receiving the lowest buy and the lowest sell and the highest number on the list receiving the highest buy and the highest sell. In regards to partial fills, buy will go to the lowest account numbers first and sells to the highest account numbers first.

## **ADDITIONS, WITHDRAWALS AND TERMINATIONS**

The client may add funds to his account at any time. A client may also withdrawal a portion of their account at any time. Chadwick requires five business days to liquidate positions before funds are sent back to the client. Additions and withdrawals will increase or decrease the Nominal account size of the account.

The customer may terminate the managed account agreement with Chadwick at any time. Chadwick requires five business days written notice to terminate a managed account agreement.

Acceptable methods of delivery include fax, mail, and overnight courier. Email is not acceptable for account termination.

## **FEES**

Each customer of Chadwick will be charged, as a maximum, the fees set forth below. Chadwick reserves the right to negotiate the fees on an individual basis. The fees will be based on the Nominal Account size agreed to by the customer and Chadwick. Nominal account size is the trading level agreed to in writing by the customer and Chadwick. It is the level of funding of the account regardless of the actual assets on deposits with the FCM.

### **MONTHLY MANAGEMENT FEE**

Chadwick charges a monthly management fee of 1/12 of 2% (0.167%) of the Nominal account size based on the Net Assets in the account at month end. The management fee is to be calculated before any incentive fee is subtracted from the account. The term "Net Asset Value" means the net assets in the account (total assets less total liabilities), including interest income and unrealized profits and losses on open commodity positions.

If a client withdraws from the Program on a date other than at the end of a month, management fees will be calculated and billed as if such termination were the end of the month. Where an account is partially-funded or notional funded, the monthly management fee shall be taken as a percentage of the account's nominal size.

### **MONTHLY INCENTIVE FEE**

Chadwick charges incentive of 20% on New Trading Profits. The monthly incentive fee is calculated at the close of business on the last day of each month, or at the closing of the account should that occur at anytime other than the close of business on the last day of the month.

New Trading Profits are equal to the sum of gain/(loss) realized from closure of trading positions during the period minus commissions and fees charged on those transactions, plus the change in unrealized profit/(loss), minus the change in accrued commissions, minus management fees, and plus cumulative net realized losses, if any, carried forward from preceding periods.

No incentive fees shall be payable to the Chadwick until future Trading Profits for the ensuing periods exceed any Carry forward loss. With regard to the Carry forward loss, if funds are withdrawn during a period by reason of decreasing the trading level or withdrawal of Account Equity which there is such a Carry Forward loss, the loss shall be reduced at the time of the withdrawal by the percentage obtained by dividing the amount of the withdrawal by the account's equity immediately before the withdrawal.

### **BROKERAGE COMMISSIONS**

Any Introducing Broker outside of Chadwick that solicits a client account may charge an all-inclusive commission rate of up to \$40 per futures or option position that is initiated. The

commission rate charged must be inclusive of all FCM and NFA fees for each contract traded. If the client uses an FCM other than Vision then a give-up fee of \$1.50 per side will be incurred.

## **BROKERAGE ARRANGEMENTS**

Client funds for trading on Chadwick's programs will not be held by the advisor. They will be held by a Futures Commission Merchant ("FCM"), whose role includes the record keeping of funds and fees and providing clients with statements of his account. Clients are free to choose the FCM of their choice; however accounts opened with Chadwick's Introducing Broker are required to use Vision Financial as their FCM.

Vision Financial ("Vision") is the FCM for accounts introduced by Chadwick. Vision's address is One Whitehall Street, 15<sup>th</sup> Floor, New York NY 10004. The disclosures below are provided by Vision.

There have been no material administrative, civil or criminal actions within the preceding five years against Vision or its principals.

## **CONFLICTS OF INTEREST**

### **PROPRIETARY TRADING**

Chadwick and/or Justin Vandergrift may trade its own proprietary account. Although Chadwick and Mr. Vandergrift will generally trade in parallel with customer accounts, due to differences in leverage, performance may differ significantly from customer performance. Neither Chadwick nor Mr. Vandergrift will intentionally favor a proprietary account over a client account, nor will they knowingly permit a proprietary account to trade ahead of a client account. Customers shall not be permitted to inspect the records pertaining to the proprietary trading of Chadwick or Mr. Vandergrift.

### **BROKERAGE COMMISSIONS**

Chadwick is registered with the CFTC and a member of the NFA as an Introducing Broker ("IB") for Vision. If the client chooses to use Chadwick as their IB, there is a potential conflict of interest resulting from an incentive to trade the client account more frequently to generate commissions for Chadwick. Chadwick receives approximately 75% of the commissions charged to a customer account. The same conflict would apply to any account where the CTA was directly receiving commissions as there would be an incentive to trade the account more frequently.

Clients using Chadwick as their IB will be charged a maximum of \$40 per round turn for each futures and options contract. The commission rate is inclusive of all FCM and NFA fees for each contract traded.

### **TRADING MULTIPLE ACCOUNTS**

Because of price volatility, occasionally variations in liquidity and differences in order execution it is impossible for Chadwick to obtain identical trade execution of all its clients. Such variations and differences may produce differences in performance amount client accounts over time. In an effort to treat its clients fairly when block orders for client's account are filled at different prices, Chadwick assigns trades on a systematic basis as described above.

### **PRINCIPLE RISK FACTORS**

In addition to the risks inherent in trading commodity interest pursuant to instructions provided by Chadwick, there are additional risk factors, including those described below, in connection with a customer participating in the Chadwick program. Prospective customers should consider all of the risk factors described below and elsewhere in this Disclosure Document before participating in the Chadwick Trading Program. The risks of opening an account with Chadwick include, but are not limited to the items presented below.

#### **SPECULATION: VOLATILITY AND LEVERAGE**

Commodity prices are highly volatile. Price movements for commodities and futures are influenced by, among other things, changing supply and demand relationships; weather; agricultural, 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 Chadwick and no assurance can be given that Chadwick's advice will result in profitable trades for a participating client or that a client will not incur losses.

#### **MARGIN**

The low margin deposits normally required in commodity trading (typically between 2% and 15% of the value of the contract purchased or sold short) permit and 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 leverage investments, a trade may result in losses in excess of the amount invested.

#### **PRICE LIMITS AND LIQUIDITY**

Most United States commodity exchanges limit fluctuations in certain commodity markets during a single day by means of a daily price limit. During a single trading day, no trades may be executed at prices beyond the daily limit. Once the price of a futures contract has increased or decreased to the limit point, positions cannot be taken or liquidated above or below the limit price. Price limits may affect Chadwick's ability to execute orders in the Client's

account for one day or for several days. For instance a market may exceed a daily price limit making it impossible for Chadwick to liquidate a losing position for several days.

#### **TRADING OF FOREIGN FUTURES MARKETS AND CURRENCY RATE FLUCTUATIONS**

Chadwick may trade commodity contracts on exchanges located outside the U.S. where the protections provided by CFTC regulations do not apply. Some foreign commodity exchanges, in contrast to domestic exchanges, are "principal markets" in which performance with respect to a commodity contract is the responsibility only of the individual member with whom the trader has entered into the contract and not of the exchange or its clearing house, if any. In the case of trading by Chadwick on foreign exchanges, Chadwick's clients may be subject to the risk of the inability of or the refusal by its counterparties to perform with respect to their commodity contracts with the Advisor.

Chadwick may also not have the same access to certain trades, as do various other participants in foreign markets. Furthermore, because the assets in a client's account will be determined in U.S. Dollars with respect to trading on Foreign Markets a client will be subject to the risk of fluctuation in the exchange rate between the local currency and the U.S. Dollar.

#### **PARTICIPATING CUSTOMER'S FCM MAY FAIL**

Under CFTC regulations, FCM's are required to maintain customer's assets in a segregated account. If a customer's FCM fails to do so, the customer may be subject to risk of loss of funds in the event of its bankruptcy. Even if such funds are properly segregated, the customer may still be subject to a risk of a loss of his funds on deposit with the FCM should another customer of the FCM or the FCM itself fail to satisfy deficiencies in such other customer's accounts. Bankruptcy law applicable to all U.S. futures brokers requires that, in the event of the bankruptcy of such a broker, all property held by the broker, including certain property specifically traceable to the customer, will be returned, transferred or distributed to the broker's customers only to the extent of each customer's pro-rata share of all property available for distribution to customers. If any futures broker retained by the customer were to become bankrupt, it is possible that the customer would be able to recover none or only a portion of its assets held by such futures broker.

#### **DEPENDENCE OF CLIENTS ON CHADWICK**

Clients are dependent upon the services of Chadwick. The incapacity of Chadwick's principal could have a material and adverse effect on Chadwick's ability to perform its obligations under the Client's Advisory Agreement.

#### **CHANGES IN TRADING APPROACH**

Chadwick may make material changes in its trading approach. Although Chadwick will only make changes which it feels will enhance overall performance, it is impossible to predict how changes may affect trading in the Client's account. Clients will not be informed in advance of any changes made to Chadwick's trading approach.

### **EXISTENCE OF SPECULATIVE POSITION LIMITS**

The CFTC and the United States exchanges have established limits or “speculative position limits” on the maximum number of net long or short speculative positions which any person or group may hold or control in a commodity market. All accounts managed by Chadwick are combined (that is, aggregated) for position limit purposes. Chadwick believes that established position limits will not adversely affect its trading program for customers. However, it is possible that from time to time the trading decision of Chadwick may have to be modified and positions held or controlled by it may have to be liquidated in order to avoid exceeding position limits.

### **FEES AND EXPENSES**

Client accounts will pay substantial fees and commissions regardless whether profits are realized, including management fees and brokerage fees as outlined in this document.

### **RETIREMENT ACCOUNTS**

Chadwick will accept retirement accounts. For self-directed individual accounts, the advisor will cease all trading if the account experiences a drawdown in excess of 50% of the original equity. At such time, the client will have the option to terminate the account and liquidate all remaining balances, with such liquidation occurring as soon as is administratively feasible. However, the advisor cannot guarantee that any drawdown in the account can be limited to the percentage indicated above due to the volatile nature of the market.

### **SPECIAL DISCLOSURE FOR NOTIONAL FUNDED ACCOUNTS**

The advisor will notify you of the amount of cash or other assets (Actual Funds) which should be deposited to the advisor’s trading program for your account to be considered Fully Funded. This is the amount upon which the CTA will determine the number of contracts traded in your account and should be an amount sufficient to make it unlikely that any further cash deposits would be required from you over the course of your participation in the advisor’s program.

You are reminded that the account size you have agreed to in writing (the “Nominal”) is not the maximum possible loss that your account may experience. You should review your account statements received from your FCM in order to determine the actual activity in your account, including profits, losses and current cash equity balance. To the extent that the equity in your account is at any time less than the Nominal Account Size you should be aware of the following:

1. Although your gains and losses, fees and commission measured in dollars will be the same, they will be greater when expressed as a percentage of your equity.
2. You may receive more frequent and larger margin calls
3. The conversion chart below accompanies Capsule Performance Table and may be used to convert the ROR’s in the capsule to corresponding ROR’s for particular partial funding level.

4. You will incur greater risk because you may experience greater losses, as measured by a percentage of assets actually deposited in my account, than in an account funded exclusively with actual funds.
5. Your account will experience greater volatility, as measured by rates of return achieved in relation to assets actually deposited in your account, than an account funded exclusively with actual funds.
6. Management fees will be charged on the basis of the designated account size, which is inclusive of the notional funds. Accordingly you will pay higher advisory fees as measured by the percentage of such fees in relation to assets actually deposited in your account, than an account funded exclusively with actual funds.
7. Cash additions and withdrawals and net performance will be assumed to require adjustments to Nominal Equity, unless Chadwick receives written instructions to the contrary. Cash additions will increase Nominal Equity and cash withdrawals will decrease Nominal Equity.
8. To the extent that the designated account size is greater than actual funds, the account will be subject to greater leverage and volatility than if the designated account size were fully-funded with actual funds. By directing the advisor to trade by account at a designated account size, the account will trade more contracts than if it were funded with only actual funds. This will result in a greater number of brokerage commissions and a greater percentage of actual funds being committed as margin.

<b>PERFORMANCE MATRIX TABLE</b>							
Range of monthly rate of return for Fully Funded Accounts reflected in the following Capsule Performance Table		<b>Percentage Level of Funding</b>					
<b>Actual ROR</b>		100	80	60	40	20	10
40	-----	40	50	66.6	100	200	400
30	-----	30	37.5	50	75	150	300
20	-----	20	25	33.3	50	100	200
10	-----	10	12.5	16.67	25	50	100
-10	-----	(10)	(12.5)	(16.67)	(25)	(50)	(100)
-20	-----	(20)	(25)	(33.3)	(50)	(100)	(200)
-30	-----	(30)	(37.5)	(50)	(75)	(150)	(300)
-40	-----	(40)	(50)	(66.6)	(100)	(200)	(400)

To convert an adjusted monthly Rate of Return to an approximate Rate of Return based on various funding levels:

- A. From the bottom row, select the appropriate level of funding
- B. Select the Actual Rate of Return to the appropriate level of funding to determine approximate Rate of Return
- C. Go horizontal from the Actual Rate of Return to the appropriate level of funding to determine approximate Rate of Return.
- D. Nominal account size will change monthly due to trading activity, interest earned, and deposits or withdrawals made during the month.

## PERFORMANCE HISTORY

### **Chadwick Investment Group** **GLOBAL TREND FOLLOWING - LARGE ACCOUNT**

Capsule Performance Summary  
Period 06/1/2007 to 03/31/2010

Inception of trading by CTA	April 2006
Inception of trading pursuant to current program	June 2007
Number of accounts traded pursuant to the program as of 03/31/2010	8
Total actual assets under management by CTA	\$4,017,054
Total actual assets under this program	\$3,427,892
Total nominal assets under this program	\$4,397,677
Total nominal assets under management by CTA	\$5,057,642
Largest monthly draw-down	-16.34%
	December 2009
Worst peak to valley draw-down	-24.65%
	Dec 2008 – Feb 2010
Number of profitable accounts that have opened and closed since June 2007	0
Range of returns experienced by profitable accounts	N/A
Number of losing accounts that have opened and closed since June 2007	0
Range of returns experienced by losing accounts	N/A

#### **Monthly Rates of Return**

Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	Y-T-D %
2007						7.00	0.73	-1.61	7.58	3.08	-0.34	0.46	17.72
2008	2.79	15.58	-0.34	1.06	7.41	12.65	-11.15	0.11	9.39	21.05	4.93	2.10	82.67
2009	-1.77	-4.94	-6.98	-1.49	11.15	-2.98	-4.89	8.25	0.68	-6.47	10.68	-16.34	-17.17
2010	-6.83	-2.37	6.32										-3.28

\*\* Accounts that opened or closed during the month are excluded from the composite rate of return

#### **Notes:**

- 1 Drawdown means losses experienced by the composite over a specific period.
- 2 Rate of Return is calculated by dividing the Net Performance by the Adjusted Beginning Net Asset Value (Beginning Net Asset Value plus time weighted additions and withdrawals) multiplied by 100.
- 3 Worst Peak-to-Valley draw-down is the greatest cumulative percentage decline in month-end net asset value of the composite due to losses during a period in which the initial month-end net asset value is not equaled or exceeded by a subsequent month end net asset value.

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

**Chadwick Investment Group**  
**GLOBAL TREND FOLLOWING - SMALL ACCOUNT**

Capsule Performance Summary  
 Period 08/01/2008 to 03/31/2010

Inception of trading by CTA	April 2006
Inception of trading pursuant to current program	Aug 2008
Number of accounts traded pursuant to the program as of 03/31/2010	14
Total actual assets under management by CTA	\$4,017,054
Total actual assets under this program	\$589,162
Total nominal assets under this program	\$659,965
Total nominal assets under management by CTA	\$5,057,642
Largest monthly draw-down	-13.08%
	Dec 2009
Worst peak to valley draw-down	-30.55%
	Dec 2008 – Jan 2010
Number of profitable accounts that have opened and closed since Aug 2008	2
Range of returns experienced by profitable accounts	(+2.69% to +5.82%)
Number of losing accounts that have opened and closed since Aug 2008	3
Range of returns experienced by losing accounts	(-4.45% - 31.25%)

**Monthly Rates of Return**

Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	Y-T-D %
2008								-2.75	0.42	8.09	2.84	-3.32	4.95
2009	-0.60	-4.11	-6.49	-4.07	14.18	-1.02	-8.55	-0.31	-1.39	-5.98	10.18	-13.08	-21.78
2010	-8.16	1.49	2.57										-4.40

\*\* Accounts that opened or closed during the month are excluded from the composite rate of return

**Notes:**

- 1 Drawdown means losses experienced by the composite over a specific period.
- 2 Rate of Return is calculated by dividing the Net Performance by the Adjusted Beginning Net Asset Value (Beginning Net Asset Value plus time weighted additions and withdrawals) multiplied by 100.
- 3 Worst Peak-to-Valley draw-down is the greatest cumulative percentage decline in month-end net asset value of the composite due to losses during a period in which the initial month-end net asset value is not equaled or exceeded by a subsequent month end net asset value.

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

**Chadwick Investment Group**  
**DIVERSIFIED TREND FOLLOWING LARGE ACCOUNT (Closed)**

Capsule Performance Summary  
 Period 04/1/2006 to 05/31/2007

Inception of trading by CTA	April 2006
Inception of trading pursuant to current program	April 2006
Number of accounts traded pursuant to the program	0
Total actual assets under management by CTA	\$4,017,054
Total actual assets under this program	\$0
Total nominal assets under this program	\$0
Total nominal assets under management by CTA	\$5,057,642
Largest monthly draw-down	-10.89%
	Feb 2007
Worst peak to valley draw-down	-34.63%
	May 2006 – May 2007
Number of profitable accounts that have opened and closed since April 2006	0
Range of returns experienced by profitable accounts	N/A
Number of losing accounts that have opened and closed since April 2006	4
Range of returns experienced by losing accounts	(-23.83% to -34.63%)

**Monthly Rates of Return**

Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	Y-T-D %
2006				2.89	0.46	-8.37	-9.23	3.32	0.15	-6.06	5.25	-4.73	-16.20
2007	-3.02	-10.89	-3.34	1.16	-4.58								-19.37

\*\* Accounts that opened or closed during the month are excluded from the composite rate of return

**Notes:**

- 1 Drawdown means losses experienced by the composite over a specific period.
- 2 Rate of Return is calculated by dividing the Net Performance by the Adjusted Beginning Net Asset Value (Beginning Net Asset Value plus time weighted additions and withdrawals) multiplied by 100.
- 3 Worst Peak-to-Valley draw-down is the greatest cumulative percentage decline in month-end net asset value of the composite due to losses during a period in which the initial month-end net asset value is not equaled or exceeded by a subsequent month end net asset value.

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

**Chadwick Investment Group, Inc**  
10612-D Providence Road, #308  
Charlotte, NC 28277  
Voice: 800-245-5065 | Fax: 800-817-5198

**Advisory Agreement**

This Advisory Agreement ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between Chadwick Investment Group, Inc, a registered Commodity Trading Advisor ("Advisor") and \_\_\_\_\_ ("Client").

**IT IS MUTUALLY AGREED THAT:**

- 1. Receipt of Disclosure Document:** The client acknowledges receipt of a copy of the Disclosure Document dated April 1, 2010 of Chadwick Investment Group, Inc. Customer has read and understands the Disclosure Document and has carefully considered the risks outlined therein.
- 2. Limited Power of Attorney:** Client hereby constitutes and appoints Advisor as Client's agent and attorney-in-fact, with full power and authority to buy, sell (including short sales) and trading in commodity futures contracts, options on futures contracts, and cash transactions (collectively referred to as "futures contracts"), on margin or otherwise, for Client's Account and risk. Such transactions may be of any nature and will relate to all such futures contracts that are now traded, or that may be traded in the future, on United States and international commodity exchanges and in the over-the-counter spot and forward markets. Accordingly, the Broker is authorized and empowered to following the instructions of Advisor, as agent and attorney-in-fact for Client, in every respect with regard to any such trades, purchases or sales, on margin or otherwise, and Client hereby ratifies and confirms any and all transactions, trades or dealings effected for Client by Advisor. The Client agrees to execute a "Limited Power of Attorney" with his/her FCM authorizing the Advisor to enter orders for Commodity Trading for the Client's account.
- 3. Account with Broker; Allocated Assets:** Client will open an account ("Account") with \_\_\_\_\_. A registered futures commission merchant ("Broker"). Client will initially allocate \$\_\_\_\_\_ for trading in the Account. Of this amount, \$\_\_\_\_\_ will actually be deposited in the account and \$\_\_\_\_\_ will be notionally committed to the Account; "Actual Funds" refers to the amount of assets notionally committed to the Account; "Actual Funds" refers to the actual value of the fund and other assets in the Account; and "Allocated Assets" refers to the sum of the Notional Funds and Actual Funds. Client may change the amount of Notional Funds on a five-business day prior written notice to the Advisor. Client acknowledges that Advisor will trade the Account as if the Notional Funds were actually deposited in the account.
- 4. Management Fee:** Client agrees to pay Advisor a monthly management fee of 1/12<sup>th</sup> of \_\_\_\_ percent of the Net Assets in the account at the end of each month. The management fee is to be calculated before any incentive fee is subtracted from the account. The term "Net Asset Value" means the net assets in the account (total assets less total liabilities), including interest income and unrealized profits and losses on open commodity interest positions. If a client withdraws from the Program on a date other than at the end of a month, management fees will be calculated and billed as if such termination were the end of the month. Where an account is partially-funded, the monthly management fee shall be taken as a percentage of the account's nominal size, defined as the dollar amount that the Advisor and its clients have agreed in writing will determine the level of trading in an account, regardless of the actual assets on deposit with the FCM.
- 5. Incentive Fee:** Client also agrees to pay Advisor a monthly incentive fee equal to \_\_\_\_ percent of any Trading Profits in the Client's account. Trading Profits are equal to the sum of gain/(loss) realized from closure of trading positions during the period minus commissions and fees charged on those transactions,

plus the change in unrealized profit/(loss), minus the change in accrued commissions, minus management fees, and plus cumulative net realized losses, if any, carried forward from preceding periods.

No incentive fees shall be payable to the Advisor until future Trading Profits for the ensuing periods exceed any Carry forward loss. With regard to the Carry forward loss, if funds are withdrawn during a period by reason of decreasing the trading level or withdrawal of Account Equity which there is such a Carry Forward loss, the loss shall be reduced at the time of the withdrawal by the percentage obtained by dividing the amount of the withdrawal by the account's equity immediately before the withdrawal.

6. **Payment of Fees:** The client will pay Advisor as compensation for advisory services a monthly management fee and a monthly incentive fee mutually agreed upon and set forth in this agreement. The Advisor will bill all fees directly to the FCM to be paid out of the Client's account. In accordance with paragraph 21 of this agreement, Broker will deduct and pay such fees to Advisor directly from the Client's account. Client agrees that Broker will pay Advisor all management and incentive fees, if any, within five business days of the date of an invoice.

7. **Transactions Subject Applicable Law and Rules:** All transactions executed for Client's Account are subject to the provisions of the Commodity Exchange Act and the regulations promulgated thereunder by the Commodity Futures Trading Commission, the constitution, law, rules, regulations and customs, as they may be amended, of the National Futures Association, the commodity exchanges or contract markets on which such transactions are executed, their clearing houses, and any other applicable laws or regulations. If any provision of this Agreement is or at any time becomes inconsistent with any present or future law, rule or regulation of any exchange, National Futures Association or the Commodity Futures Trading Commission, or of any other sovereign government agency or self-regulatory body thereof,; such provision will be deemed to be superseded or modified to conform to such law, rule or regulation, but in all other respects this Agreement will continue and remain in full force and effect.

8. **Margin:** Client agrees to fulfill Client's margin requirements, as required by the Broker, by depositing cash, Treasury Bills or other securities and collateral with the Broker. Client acknowledges and understands that the Broker may require Client to deposit margin in amounts greater than their minimum margin requirements established by the respective commodity exchanges.

9. **Client Representations:**

- i. Client represents and warrants to Advisor that; (a) Client is eligible to enter into this Agreement under the governing Commodity Futures Trading Commission regulations and it aware of the speculative nature of and the risks of loss inherent in futures trading, and is financially capable of engaging in such trading (b) Client has significant additional resources beyond any funds that are now, or may be in the future, deposited in the Account; and (c) all funds in the Account represent risk capital to the Client.
- ii. Client future represents and warrants that Client has had the opportunity to ask questions of, receive answers from, Advisors and persons acting on Advisor's behalf concerning the manner in which Advisor intends to trade Client's Account using Advisor's Trading Program, and all such questions have been answered to Client's full satisfaction.

10. **Ratification:** client agrees to inform Advisor or any of its principals immediately, and in no event less than five (5) business days after receipt of any written record or confirmation, if Client is dissatisfied with Advisor's trading decision, performance or actions, or if Client is dissatisfied with the Broker's handling of Client's Account.

11. **Cessation of Trading:** If Client's Account declines to such a level that Advisor believes, in its sole discretion, that the Account cannot be traded, Advisor will close all option positions in that Account as soon as possible and contact Client for instructions. At that time, Client may elect either to add funds in order to engage in additional trading or to terminate Client's participation. Client is liable for all obligations in Client's trading Account in excess of the funds initially contributed.

12. **Withdrawals from Account:** Client understands that Client may make partial or total withdrawal from the Account by notifying Advisor and Broker. In the event of a partial withdrawal that reduces the Account balance below the minimum level at which the Advisor believes the Account can be properly traded,

Advisor reserves the right to cease trading and liquidated all open positions. Client's withdrawal of funds from the Account will not affect any liabilities resulting from transactions initiated prior to such withdrawal.

13. **Profits Reinvested:** Client acknowledges that, except as Client may otherwise instruct Advisor, all profits will be automatically reinvested, and distributions of capital and gains, if any, will be on a limited basis.

14. **Additions to the Account:** Client may make additions to the Account from time to time, at which time or times Client will be deemed to have expressly confirmed all of the representations herein, including the representation that, after giving effect to the addition, Client can assume this trading risk.

15. **Indemnification:** Client hereby agrees to indemnify and hold harmless Advisor, its principals, employees and affiliates from any and all trading losses, claims, damages costs, expenses (including reasonable attorneys fees), indebtedness and liabilities arising therefore, including any acts, omissions or errors of the Broker in executing orders in Client's Account, unless a court of competent jurisdiction has found that Advisor has committed gross negligence, willful misconduct or wanton recklessness in connection with the activities arising from Client's Account.

16. **Agreement not Exclusive:** The services provided by Advisor hereunder are not to be deemed exclusive. Client acknowledges that, subject to the terms of this agreement, Advisor may render advisory, consulting and management services to other clients for which it may charge fees similar or different from those charged to Client. Advisor shall be free to advise other and manage other Accounts during the term of this Agreement and to use the same or different information, computer programs and trading strategies that it obtains, produces or utilizes in the performance of services for Client.

17. **Notices:** Any notice or other communication relating to this Agreement must be in writing and delivered to the address set forth on this agreement.

18. **Governing Law:** This Agreement and its validity, construction and enforcement will be governed by the laws of the State of North Carolina and its provisions will be continuous, will cover individually and collectively all Account(s) that Client may open or re-open with Advisor and will inure to the benefit of Advisor, its successors, and assigns by merger, consolidation or otherwise.

19. **Waiver:** No waiver of any provision of this Agreement will be deemed a waiver of any other provision, or a continuing waiver of the provision r provisions so waived.

20. **Termination of this Agreement:** This Agreement, authorization and indemnity is a continuing one and will remain in force and effect until revoked by Client by a written notice to Advisor at the address set forth in this Agreement. This Agreement may be terminated by either party upon written notice at least five (5) days prior to the effective date of such termination or at such other time as mutually agreed upon.

21. **Authorization to pay Management Fees and Incentive Fees:** Client hereby authorizes Broker/FCM to pay Advisor the management fees and incentive fees owing to Advisor upon presentation of a statement by Advisor to Broker.

22. **Complete Agreement:** This Agreement contains the final and complete Agreement between parties hereto and may not be altered or modified without the signed written consent of both parties.



**Chadwick Investment Group, Inc**

10612-D Providence Road, #308

Charlotte, NC 28277

Voice: 800-245-5065 | Fax: 800-817-5198

**AUTHORIZATION TO PAY FEES**

The undersigned client (“Client”) hereby authorizes the futures commission merchant named below (“FCM”) to deduct from Client’s commodity trading account with the FCM and remit directly to CHADWICK INVESTMENT GROUP INC (the “Advisor”), within five business days following the FCM’s receipt of the Advisor’s bill, such management fees and/or incentive fees as shall become due and owing to the Advisor under the terms and conditions of the Advisory Agreement and Trading Authorization between the Advisor and Client.

The Client authorizes the FCM to rely conclusively on any invoices received from the Advisor with respect to the amount and payment of management and/or incentive fees.

**Accepted by Client:**

Client Name: \_\_\_\_\_ Client Signature: \_\_\_\_\_

Client Name: \_\_\_\_\_ Client Signature: \_\_\_\_\_

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

Client City: \_\_\_\_\_ Client State: \_\_\_\_\_ Client ZIP: \_\_\_\_\_

Date: \_\_\_\_\_

Name of FCM: \_\_\_\_\_

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

FCM City: \_\_\_\_\_ FCM State: \_\_\_\_\_ FCM ZIP: \_\_\_\_\_

Account Number: \_\_\_\_\_

FCM Telephone Number: \_\_\_\_\_

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**ARBITRATION AGREEMENT**

The undersigned (“Client”) hereby agrees that any claim, dispute or controversy (“dispute”) between Client and Chadwick Investment Group (“Chadwick”) or any of Chadwick’s employees, principals, affiliates, or agents, or its or their respective successors or assigns (“affiliated persons”) arising directly or indirectly from or otherwise in connection with: any commodity futures Account of Client managed by Chadwick; the foregoing Advisory Agreement or any other document or agreement now or hereafter existing that relates to any of Client’s Accounts managed by Chadwick; or any transaction effected pursuant to such agreement or document 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 Chadwick that Client intends to submit a dispute to arbitration, or at such time as Chadwick or any of its affiliated persons notifies Client that Chadwick or any of its affiliated persons intends to submit a dispute to arbitration, Client will have the opportunity to choose a forum a list of two or more qualified forums provided by Chadwick. A “qualified forum” is an organization whose procedures for conducting arbitration comply with the requirements of the Commodity Futures Trading Commission (“CFTC”) Rule 166.5. The Client’s failure to choose a qualified forum shall give Chadwick the right to select a qualified forum from the list.

As required by CFTC regulations, Chadwick or any of Chadwick’s affiliated persons who is a party to any dispute arbitrated pursuant to this Arbitration Agreement shall pay any additional fees which may be assessed by the arbitrators for a mixed arbitration panel, unless the arbitrators determine that Client has acted in bad faith in initiating or conducting the arbitration. A “mixed arbitration panel” is an arbitration panel composed of at least one or more persons, of which at least a majority are not members or associated with a member of a contract market or employee thereof, and which are not otherwise associated with a contract market.

The Client agrees that no arbitration demand arising out of or relating to the Advisory Agreement or any part or provision of this Account application or any transactions arising there under may be brought by client more than one year after the cause of action arose. 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 New York, 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 COMMISSION (“CFTC”), AND ARBITRATION CONDUCTED BY A SELF-REGULATORY OR OTHER PRIVATE ORGANIZATION.**

**THE CFTC RECOGNIZES THAT THEY OPPORTUNITY TO SETTLE DISPUTES BY ARBITRATION MAY IN SOME CASES PROVIDE MANY BENEFITS TO CLIENTS, INCLUDING THE 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 CHADWICK INVESTMENT GROUP INC 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 CHADWICK INVESTMENT GROUP OR ANY OF ITS AFFILIATED PERSONS INTEND 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 "REPARATION" 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 CHADWICK INVESTMENT GROUP INC. SEE 17 CFR 166.5.**

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

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

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

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

Date: \_\_\_\_\_

**Chadwick Investment Group, Inc**

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**CLIENT AUTHORIZATION FOR GIVE UP ORDERS**

The undersigned Client(s) authorizes Chadwick Investment Group Inc (“Chadwick”) to execute orders on behalf of the Client’s account on a “give-up” basis. Chadwick 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 Chadwick to enter into the arrangements on the Client’s behalf, which are necessary or appropriate in the judgment of Chadwick to carry out the obligations of Chadwick in setting up and executing the “give up” order process. The Client authorizes Chadwick to negotiate any such agreements up to, but not in excess of, “give up” charges amounting to \$1.50 per side. The Client must approve any charges in excess of this amount.

Client Signature(s): \_\_\_\_\_

Client Signature(s): \_\_\_\_\_

Client Printed Name(s): \_\_\_\_\_

Client Printed Name(s): \_\_\_\_\_

Date: \_\_\_\_\_

**Chadwick Investment Group, Inc**

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**PRIVACY POLICY**

This Privacy Policy explains the manner in which Chadwick Investment Group, Inc (“Chadwick”) collects, utilizes and maintains nonpublic personal information about its clients, customers and investors (collectively “Investors”), as required under Federal Law.

We will not disclose any non-public personal information about clients, except to our affiliates and service providers as allowed by applicable law or regulation. In the normal course of servicing our clients, information we collect may be shared with companies that perform various services such as our accountants, auditors and attorneys. Specifically, we may disclosed these service providers non-public information including:

- Information Chadwick receives from clients on managed account agreements and related forms (such as name, address, Social Security/Tax identification number, birth date, assets, income and investment experience); and
- Information about client’s transactions with Chadwick (such as account activity and account balances).

Any party that receives this information will use it only for the services required and as allowed by applicable law or regulation, and is not permitted to share or use this information for any other purpose. To protect personal information of individuals, we permit access only by authorized employees who need access to that information to provide services to our clients and us. In order to guard client’s non-personal information, we maintain physical, electronic and procedural safeguards that comply with the U.S. Federal Standards. If the relationship between a client and Chadwick ends, Chadwick will continue to treat clients’ personal information as described in this notice. An individual client’s right to privacy extends to all forms of contact with Chadwick, including telephone, written notice and electronic media, such as the internet.

Chadwick reserves the right to change this privacy notice, and to apply changes to information previously collected, as permitted by law. Chadwick will inform Clients of any such changes as required by law.

Client Printed Name(s): \_\_\_\_\_

Client Printed Name(s): \_\_\_\_\_

Client Signature(s): \_\_\_\_\_

Client Signature(s): \_\_\_\_\_

Date: \_\_\_\_\_