



PATH INTEGRAL SUBSCRIPTION AGREEMENT

This Subscription Agreement (this "Agreement"), is effective as of _____ (the "Effective Date"), by and among Path Integral ("PI"), a Florida limited liability company, _____ ("Subscriber"), and his authorized trading authority, PureLogic Capital ("ATA"), each, a "Party", collectively, the "Parties."

WHEREAS, PI is in the business of providing daily market indication data based on its proprietary models relative to various financial markets ("Data").

WHEREAS, Subscriber is interested in subscribing to PI's Data delivery service (the "Service") to obtain access to PI's Data in order that he/she may consult with his or her ATA to determine the desirability of using such Data as a basis for trades and investments in the relevant financial markets; and

WHEREAS, ATA is interested in using PI's Data to trade Subscriber's account pursuant to a letter of direction from Subscriber or Subscriber's directions.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

1. The Service.

- a. In consideration of payment by Subscriber of the Subscription Fee set forth below, PI agrees to provide Data to Subscriber's designated ATA pursuant to the method agreed between PI and the ATA.
- b. In order to subscribe, Subscriber must open an account with an authorized trading authority as specified and approved by PI in its sole discretion.
- c. Subscriber understands that PI does not trade Subscriber's account and agrees PI does not take responsibility for any errors made by Subscriber's ATA or broker, which are solely between Subscriber and the ATA.
- d. This Agreement and the provision of the Service is not a prospectus, nor an offer on PI's part with respect to the sale or purchase of any securities, intended or implied, and nothing contained herein shall be construed as a recommendation to take a position in any market.
- e. Because subscriber of PI's Service all have different sizes of account and risk tolerance, it is the sole responsibility of Subscriber to monitor and manage his or her own account asset, if Subscriber wants to have a risk limit on individual trades or account capital, it is the Subscriber's responsibility to establish those risk levels and cut off points with Subscriber's brokerage firm. Subscriber has 100% control and responsibility of his or her own trading account and PI has absolutely no control and no responsibility of Subscriber's individual trading account.
- f. The advice of the ATA or broker should be followed at all times. This includes advice pertaining to account size, as an account should be able to handle the maximum anticipated loss in any given trading period. As a data provider only, PI is not responsible for any losses incurred through the use of the Data or Service, or due to the advice provided by or actions taken by the ATA.
- g. ATA may release the Data to Subscriber immediately after the close of the market in which Subscriber's trade is most recently made.
- h. In any account managed using PI Data, no more than two contracts covering in all markets may be traded at any given time. This restriction is subject to periodic revision at the discretion of Path Integral.

2. **Subscription Fee.**
 - a. Subscriber hereby authorizes a monthly deduction from its trading account in the amount of Two Hundred Ninety Five Dollars (\$295) per account, per month payable to PI by ATA as provided in 2b below.
 - b. ATA agrees to forward the Subscription Fee to PI within 15 days of the end of each Subscription month.
 - c. PI agrees that the Subscription Fee shall remain constant for a period of one year from the Effective date of this Agreement. After one year, all fees are subject to change upon notice to Subscriber.
 - d. If at the conclusion of any monthly billing cycle, Subscriber's account falls below its initial balance as of the Effective Date of this Agreement, PI shall not charge Subscriber a Subscription Fee for that month; exclusive of any voluntary withdrawals from the account by Subscriber.

3. **Term and Termination.**
 - a. This Agreement shall continue until cancelled by the Subscriber upon 30 days prior written notice to PI; provided however, no Subscription Fees shall be returned, refunded or prorated and PI shall have no liability to Subscriber for such fees.
 - b. Termination by PI.
 - i. PI may terminate this Agreement and suspend the Service provided to Subscriber without prior notice in the event that Subscriber fails to timely pay the Subscription Fee for the Service or ATA fails to forward the Subscription Fee to PI in the time provided above in 2b.
 - ii. PI may terminate this Agreement for any reason other than Subscriber's failure to pay or ATA's failure to forward the Fee, at any time without notice; provided however that PI shall refund that portion of the Subscription Fee prorated from the date of termination.
 - iii. In the event that PI discontinues the Service subscribed under this Agreement, Subscriber may elect to transfer the Subscription Fee to another account or Service provided by PI.
 - c. Termination by ATA.
 - i. ATA may terminate this Agreement upon thirty (30) days prior written notice to PI and Subscriber; provided however that ATA alone shall be liable to PI for the Subscription Fees owed and shall indemnify and hold harmless PI for any losses incurred by Subscriber.

4. **Changes To The Service.** Due to ever changing market conditions and new trading technologies, PI may expand, revise or alter the Data provided under the Service. PI will inform the ATA if any updates are made. PI shall not inform Subscriber of such changes.

5. **Monthly Account Statements.** Subscriber hereby authorizes ATA to release monthly account statements to PI for record keeping of trades made based on the Service.

6. **Recommended Trading Capital.** Subscriber should maintain a level of capital in his account as recommended by the ATA. Less than recommended capital increases the risk of receiving a margin call.

7. **System Results Disclosure.** Path Integral will make a good faith effort to post trades made using its Data and the results of these trades on its website in a timely manner. However, Path Integral does not warrant that all Subscribers will have identical results as execution times and fill prices may differ.

- 8. Risk Disclosure and Disclaimer of Warranties.**
- a. Day trading, stock trading and futures trading all involve high risk and you can lose substantial amounts of money. Subscriber understands that only "risk" funds should be used in such trading. The PI system does not use stop loss on individual trades. A person who does not have extra capital that they can afford to lose should not engage in this program. No "100% safe" trading systems have ever been devised. Subscriber is responsible to use good judgment to monitor and manage his or her own accounts. Subscriber is aware that the system performances are affected by ever changing market conditions. There have been no promises, guarantees or warranties by PI that trading would result in a profit or limit the extent of loss. All trading involves high risk; past performance is not necessarily indicative of future results.
 - b. There is a risk of substantial drawdown on individual positions can occur and lack of account staying power or diversification can have added to the risk of losing substantial amounts of money. Subscriber understands that only "risk" funds should be used in such trading. A person, who does not have extra capital that they can afford to lose, should not trade in this trading program.
 - c. SUBSCRIBER AND ATA ACKNOWLEDGE AND AGREE THAT THE DATA PROVIDED BY PI IS NOT WARRANTED IN ANY WAY AND IS PROVIDED, "AS IS." PI SPECIFICALLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING FITNESS FOR PARTICULAR PURPOSE AND MERCHANTABILITY. SUBSCRIBER AND ATA AGREE TO RELEASE AND HOLD HARMLESS PI, ITS DIRECTORS, OFFICERS OR EMPLOYEES FOR ANY COSTS, FEES, LOSSES, LIABILITIES OR INDEBTEDNESS (INCLUDING ATTORNEY FEES AND COSTS) OR ANY OTHER DAMAGE TO SUBSCRIBER, OR ATA, ITS DIRECTORS, OFFICERS OR EMPLOYEES OR THIRD PARTIES, ARISING OUT OF THE USE OF THE DATA OR SERVICE PROVIDED HEREUNDER.
9. This Agreement is not intended by the Parties to constitute or create a joint venture, partnership, or formal business organization of any kind, and the rights and obligations of the parties shall be only those expressly set forth herein. No Party shall have an ownership interest in any other Party, nor the right or authority to bind any other or have the right to act, or hold itself out as an agent of any other party.
10. This Agreement shall be governed by, and construed and enforced in accordance with the internal laws of the State of California. The parties hereto consent to submit any dispute hereunder to binding arbitration pursuant to the Rules of the American Arbitration Association. The appointing authority shall be the president of the American Arbitration Association. The arbitration shall be held in Los Angeles, California. Judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof. The Arbitrator's award may include compensatory damages. Under no circumstances will the Arbitrator be authorized to, nor shall he award punitive damages or multiple damages against either party. Each party will be responsible for its costs incurred in arbitration except that the costs and fees imposed by the Arbitrators for their expenses shall be borne equally by the parties. Both parties are advised to have this agreement reviewed by their independent attorney and business adviser prior to execution.
11. IN NO EVENT SHALL ANY PARTY BE LIABLE TO ANY OTHER PARTY FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL (INCLUDING MULTIPLE OR PUNITIVE) OR OTHER INDIRECT DAMAGES THAT ARE CLAIMED TO BE INCURRED BY A PARTY WHETHER SUCH CLAIM ARISES UNDER CONTRACT, TORT (INCLUDING STRICT LIABILITY) OR OTHER THEORY OF LAW.

12. This Agreement contains the entire understanding of the parties as to the subject matter herein. There are no other representations or agreements between parties, either oral or in writing.
13. **Amendment to Terms and Conditions.** The terms and conditions of the Agreement may be amended by PI from time to time, in its sole discretion, by providing notice of changes to Subscriber and ATA. If any Party does not wish to accept such changes, the sole and exclusive remedy is to terminate the Agreement within thirty (30) days of the date notice was provided by PI.
14. **Notices.** All notices sent by a Party under this Agreement, shall be in writing and shall be deemed properly delivered when duly mailed by certified mail return receipt requested, overnight courier, by electronic mail, or facsimile with confirmation to the other Party at its address as follows, or to such other address as any Party may, by written notice, designate to the others:

To **Subscriber:** _____

Address: _____

Home Phone: _____

Business Phone: _____

Fax: _____

E-Mail Address: _____

To **ATA:** PureLogic Capital

Address: 5900 Wilshire Blvd. Suite 2535

Los Angeles, CA 90036

Phone: (800) 550-6880

Fax: (323) 525-1479

E-Mail Address: info@purelogiccapital.com

To **Path Integral:**

Address: 1602 Littler Drive

Titusville, FL 32780

E-Mail Address: mkimel@pathintegral.com

15. **Severability.** If any part, term, or provision of this Agreement shall be held void, illegal, unenforceable, or in conflict with any law of a Federal, State, or local Government having jurisdiction over this Agreement, the validity of the remaining portions of provisions shall not be affected thereby. In the event that any part, term or provision of this Agreement is held void, illegal, unenforceable, or in conflict with any law of the Federal, State, or local Government having jurisdiction over this Agreement, the parties agree, to the extent possible, to include a replacement provision, construed to accomplish its originally intended effect, that does not violate such law or regulation.

16. **Taxes.** Each party shall be responsible for its respective present and future taxes, duties, tariffs, fees, imports, and other charges, including, but not limited to, income, excise, import, purchase, sales, use, turnover, added value, gross receipts, gross wages, and similar assessments imposed upon such party by any taxing authority as a result of the performance of the party's duties and responsibilities hereunder.

17. **Modification/Waiver.** Except as provided in Section 13 above, this Agreement shall not be amended or modified, nor shall any waiver of any right hereunder be effective unless set forth in a document executed by duly authorized representatives of all Parties. The waiver of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed in duplicate originals by their duly authorized representatives as of the day and year first above written.

By Subscriber: [Signature]: _____

Date: _____

Driver's License Number: _____

Driver's License State: _____

Social Security Number: _____

By: [Authorized Trading Agent] _____

By: [Path Integral] _____