



IAPD Report

DONALD EDWARD CONRAD

CRD# 732579

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.



IAPD Information About Representatives

IAPD offers information on all current-and many former representatives. Investors are strongly encouraged to use IAPD to check the background of representatives before deciding to conduct, or continue to conduct, business with them.

What is included in a IAPD report?

IAPD reports for individual representatives include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards.

It is important to note that the information contained in an IAPD report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

Where did this information come from?

The information contained in IAPD comes from the Investment Adviser Registration Depository (IARD) and FINRA's Central Registration Depository, or CRD, (see more on CRD below) and is a combination of:

- information the states require representatives and firms to submit as part of the registration and licensing process, and
- information that state regulators report regarding disciplinary actions or allegations against representatives.

How current is this information?

Generally, representatives are required to update their professional and disciplinary information in IARD within 30 days.

Need help interpreting this report?

For help understanding how to read this report, please consult NASAA's IAPD Tips page <http://www.nasaa.org/IAPD/IARReports.cfm>

What if I want to check the background of an Individual Broker or Brokerage Firm?

To check the background of an Individual Broker or Brokerage firm, you can search for the firm or individual in IAPD. If your search is successful, click on the link provided to view the available licensing and registration information in FINRA's BrokerCheck website.

Are there other resources I can use to check the background of investment professionals?

It is recommended that you learn as much as possible about an individual representative or Investment Adviser firm before deciding to work with them. Your state securities regulator can help you research individuals and certain firms doing business in your state. The contact information for state securities regulators can be found on the website of the North American Securities Administrators Association <http://www.nasaa.org>



Report Summary

DONALD EDWARD CONRAD (CRD# 732579)

The report summary provides an overview of the representative's professional background and conduct. The information contained in this report has been provided by the representative, investment adviser and/or securities firms, and/or securities regulators as part of the states' investment adviser registration and licensing process. The information contained in this report was last updated by the representative, a previous employing firm, or a securities regulator on **10/01/2025**.

CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	PURSHE KAPLAN STERLING INVESTMENTS	CRD# 35747	03/22/2011
IA	CONRAD CAPITAL MANAGEMENT, INC.	CRD# 113648	06/12/2021

QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **14** jurisdiction(s).

Is this representative currently Inactive or Suspended with any regulator? **No**

Note: Not all jurisdictions require IAR registration or may have an exemption from registration.

Additional information including this individual's qualification examinations and professional designations is available in the Detailed Report.

REGISTRATION HISTORY

This representative was previously registered with the following firm(s):

	FIRM	CRD#	LOCATION	REGISTRATION DATES
B	WESTERN INTERNATIONAL SECURITIES, INC.	39262	ISLANDIA, NY	09/29/2000 - 02/28/2011
B	D.E. FREY & COMPANY, INC.	23595	DENVER, CO	11/18/1997 - 10/25/2000
B	PAINWEBBER INCORPORATED	8174	WEEHAWKEN, NJ	03/18/1993 - 10/20/1997

For additional registration and employment history details as reported by the individual, refer to the Registration and Employment History section of the Detailed Report.

DISCLOSURE INFORMATION

Disclosure events include certain criminal charges and convictions, formal investigations and disciplinary actions initiated by regulators, customer disputes and arbitrations, and financial disclosures such as bankruptcies and unpaid judgments or liens.

Are there events disclosed about this representative? **Yes**

The following types of events are disclosed about this representative:

Type	Count
Customer Dispute	7
Termination	1



Qualifications

REGISTRATIONS

This section provides the SRO, states and U.S. territories in which the representative is currently registered and licensed, the category of each registration, and the date on which the registration becomes effective. This section also provides, for each firm with which the representative is currently employed, the address of each location where the representative works. This individual is currently registered with **14** jurisdiction(s) and 1 SRO(s) through his or her employer(s).

Employment 1 of 2

Firm Name: **PURSHE KAPLAN STERLING INVESTMENTS**
Main Address: 80 STATE STREET
ALBANY, NY 12207
Firm ID#: 35747

	Regulator	Registration	Status	Date
B	FINRA	General Securities Principal	Approved	03/22/2011
B	FINRA	General Securities Representative	Approved	03/22/2011
B	FINRA	Invest. Co and Variable Contracts	Approved	03/22/2011
B	FINRA	Operations Professional	Approved	11/18/2011
B	Colorado	Agent	Approved	07/12/2023
B	Delaware	Agent	Approved	01/03/2019
B	Florida	Agent	Approved	03/25/2011
B	Georgia	Agent	Approved	11/28/2016
B	Indiana	Agent	Approved	05/13/2021
B	Maine	Agent	Approved	01/13/2014
B	Maryland	Agent	Approved	04/14/2011
B	New Jersey	Agent	Approved	03/22/2011
B	New York	Agent	Approved	03/22/2011



Qualifications

Regulator	Registration	Status	Date
B North Carolina	Agent	Approved	10/01/2025
B Pennsylvania	Agent	Approved	04/14/2011
B Rhode Island	Agent	Approved	02/12/2013
B Tennessee	Agent	Approved	10/23/2020
B Virginia	Agent	Approved	04/15/2011

Branch Office Locations

1300 Veterans Memorial Highway
Suite 230
Hauppauge, NY 11788

Employment 2 of 2

Firm Name: **CONRAD CAPITAL MANAGEMENT, INC.**
Main Address: 1300 VETERANS MEMORIAL HWY
SUITE 230
HAUPPAUGE, NY 11788
Firm ID#: 113648

Regulator	Registration	Status	Date
IA New York	Investment Adviser Representative	Approved	06/12/2021

Branch Office Locations

CONRAD CAPITAL MANAGEMENT, INC.
1300 VETERANS MEMORIAL HWY
SUITE 230
HAUPPAUGE, NY 11788




Qualifications

PASSED INDUSTRY EXAMS





This section includes all industry exams that the representative has passed. Under limited circumstances, a representative may attain registration after receiving an exam waiver based on a combination of exams the representative has passed and qualifying work experience. Likewise a new exam requirement may be grandfathered based on a representative's specific qualifying work experience. Exam waivers and grandfathering are not included below.

This individual has passed 1 principal/supervisory exam, 4 general industry/product exams, and 2 state securities law exams.



Principal/Supervisory Exams

	Exam	Category	Date
	General Securities Principal Examination (S24)	Series 24	05/02/1998

General Industry/Product Exams

	Exam	Category	Date
	Operations Professional Examination (S99TO)	Series 99TO	01/02/2023
	Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
	General Securities Representative Examination (S7)	Series 7	03/19/1983
	Investment Company Products/Variable Contracts Representative Examination (S6)	Series 6	06/12/1981

State Securities Law Exams

	Exam	Category	Date
	Uniform Investment Adviser Law Examination (S65)	Series 65	10/06/1992
	Uniform Securities Agent State Law Examination (S63)	Series 63	05/20/1983

PROFESSIONAL DESIGNATIONS

This section details that the representative has reported **0** professional designation(s).

No information reported.



Registration & Employment History

PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

	Registration Dates	Firm Name	ID#	Branch Location
B	09/29/2000 - 02/28/2011	WESTERN INTERNATIONAL SECURITIES, INC.	CRD# 39262	ISLANDIA, NY
B	11/18/1997 - 10/25/2000	D.E. FREY & COMPANY, INC.	CRD# 23595	DENVER, CO
B	03/18/1993 - 10/20/1997	PAINWEBBER INCORPORATED	CRD# 8174	WEEHAWKEN, NJ
B	05/14/1988 - 04/13/1993	LEHMAN BROTHERS INC.	CRD# 7506	NEW YORK, NY
B	03/22/1983 - 05/14/1988	E. F. HUTTON & COMPANY INC	CRD# 235	
B	06/14/1981 - 03/31/1983	FIRST INVESTORS CORPORATION	CRD# 305	

EMPLOYMENT HISTORY

Below is the representative's employment history for up to the last 10 years.

Employment Dates	Employer Name	Position	Investment Related	Employer Location
03/2011 - Present	PURSHE KAPLAN STERLING INVESTMENTS	REGISTERED REPRESENTATIVE	Y	ALBANY, NY, United States
11/1997 - Present	CONRAD CAPITAL MANAGEMENT	PRESIDENT, CEO, OWNER, INVESTMENT ADVISOR	Y	ISLANDIA, NY, United States

OTHER BUSINESS ACTIVITIES

This section includes information, if any, as provided by the representative regarding other business activities the representative is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent, or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious, or fraternal and is recognized as tax exempt.

1) CONRAD CAPITAL MANAGEMENT, INC.; INVESTMENT RELATED; 1300 VETERANS MEMORIAL HIGHWAY, SUITE 230, HAUPPAUGE, NY 11788; RIA - PRIVATE WEALTH MANAGEMENT; PRESIDENT & CEO/OWNER/INVESTMENT ADVISOR; 11/1997; 150 HRS/MONTH; 100 HRS/MONTH DURING SECURITIES HRS; INVESTMENT ADVISOR, CEO, MANAGE OVERALL FIRM.

2) LIFE INSURANCE AGENT; 15 HRS/MONTH; 3HRS/MONTH DURING SECURITIES HRS; EVALUATION OF CURRENT AND POTENTIAL POLICIES OF CLIENTS.

3) CCM PARTNERS, LP; INVESTMENT RELATED; 1300 VETERANS MEMORIAL HIGHWAY, SUITE 230, HAUPPAUGE, NY 11788; ALTERNATIVE INVESTMENT/HEDGE FUND OF FUNDS; AS PRESIDENT & CEO OF CCM, INC., I SERVE AS THE



Registration & Employment History



OTHER BUSINESS ACTIVITIES

GENERAL PARTNER; 6/2002; 5 HRS/MONTH; 5 HRS/MONTH DURING SECURITIES HRS; GENERAL PARTNER, LEAD OFFICER OF THE FUND OF FUNDS.



Disclosure Summary

Disclosure Information

What you should know about reported disclosure events:

(1) Certain thresholds must be met before an event is reported to IARD, for example:

- A law enforcement agency must file formal charges before an Investment Adviser Representative is required to report a particular criminal event.;
- A customer dispute must involve allegations that an Investment Adviser Representative engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.

(2) Disclosure events in IAPD reports come from different sources:

As mentioned in the "About IAPD" section on page 1 of this report, information contained in IAPD comes from Investment Adviser Representatives, firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the IAPD report. The different versions will be separated by a solid line with the reporting source labeled.

(3) There are different statuses and dispositions for disclosure events:

- A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" disclosure event involves allegations that have not been proven or formally adjudicated.
 - A disclosure event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" disclosure event has been concluded and its resolution is not subject to change.
- A final disclosure event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally represents a disposition wherein the parties involved in a dispute reach an agreement to resolve the matter. Please note that Investment Adviser Representatives and firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually includes a disposition wherein no payment is made to the customer or there is no finding of wrongdoing on the part of the Investment Adviser Representative. Such matters generally involve customer disputes.

(4) You may wish to contact the Investment Adviser Representatives to obtain further information regarding any of the disclosure events contained in this IAPD report.



DISCLOSURE EVENT DETAILS

When evaluating this information, please keep in mind that some items may involve pending actions or allegations that may be contested and have not been resolved or proven. The event may, in the end, be withdrawn, dismissed, resolved in favor of the Investment Adviser Representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to the Investment Adviser Registration Depository. Some of the specific data fields contained in the report may be blank if the information was not provided.

The following types of events are disclosed about this representative:

Type	Count
Customer Dispute	7
Termination	1

Customer Dispute

This section provides information regarding a customer dispute that was reported to the Investment Adviser Registration Depository (IARD) by the Investment Adviser Representative (IAR), an investment adviser and/or securities firm, and/or a securities regulator. The event may include a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit that contains allegations of sales practice violations against the individual.

The customer dispute may be pending or may have resulted in a civil judgment, arbitration award, monetary settlement, closure without action, withdrawal, dismissal, denial, or other outcome.

Disclosure 1 of 7

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: WESTERN INTERNATIONAL SECURITIES

Allegations: CUSTOMER CLAIMS BREACH OF FIDUCIARY DUTY BY FAILING TO ADVISE ON A PRUDENT RISK MANAGEMENT STRATEGY. INSTEAD REGISTERED REP MISMANAGED THE ACCOUNTS AND ADVISED AN UNSUITABLE RISK MANAGEMENT STRATEGY AND UNSUITABLE TRASACTIONS FOR CUSTOMER'S ACCOUNTS.

Product Type: Equity - OTC

Alleged Damages: \$200,000.00

Customer Complaint Information

Date Complaint Received: 11/01/2004

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 11/08/2004

Settlement Amount:

Individual Contribution Amount:

Arbitration Information



Arbitration/Reparation Claim filed with and Docket/Case No.: NASD 04-06847

Date Notice/Process Served: 11/01/2004

Arbitration Pending? No

Disposition: Settled

Disposition Date: 08/30/2005

Monetary Compensation Amount: \$40,000.00

Individual Contribution Amount: \$20,000.00

Broker Statement

I ADAMANTLY DENY ALL OF [CUSTOMER'S] CHARGES THAT I ENGAGED IN ANY WRONGDOING. [CUSTOMER] HERSELF MADE ALL DECISIONS RESPECTING PURCHASES AND SALES IN THE ACCOUNT, AFTER I HAD CONSULTED WITH HER AND GIVEN HER ADVICE. I HAD LENGTHY DISCUSSIONS WITH HER ABOUT THE FULL RANGE OF FACTORS THAT WOULD AFFECT HER CHOICE OF HOLDINGS IN HER CONRAD CAPITAL MANAGEMENT ACCOUNT, AND I EMPHASIZED THE BENEFITS OF A DIVERSIFIED PORTFOLIO MULTIPLE TIMES. MY INVESTMENT RECOMMENDATIONS WERE GIVEN WHILE TAKING UNDER CONSIDERATION ASSETS HELD ELSEWHERE. [CUSTOMER'S] ACCOUNT WAS ACQUIRED THROUGH A REFERRAL BY CHARLES SCHWAB & CO. THE PRE-EXISTING PORTFOLIO THAT SHE HAD WAS CLEARLY INVESTED MORE AGGRESSIVELY THAN THE PORTFOLIO SHE MAINTAINED WHILE UNDER THE AUSPICES OF CONRAD CAPITAL MANAGEMENT, INC. I FREQUENTLY GAVE HER "PORTFOLIO SNAPSHOTS" THAT CONSISTED OF DOCUMENTATION DESCRIBING THE COMPOSITION OF HER PORTFOLIO, WHICH INCLUDED UPDATED PERFORMANCE DATA. ON NUMEROUS OCCASIONS, WE STRONGLY URGED [CUSTOMER] TO MEET WITH US TO DISCUSS HER PORTFOLIO SO THAT HER CURRENT FINANCIAL STATUS COULD BE ASSESSED AND HER PORTFOLIO REVIEWED IN PERSON. SHE NEVER TOOK ADVANTAGE OF ANY OF THESE VALUABLE OPPORTUNITIES OFFERED TO HER. THE TIME PERIOD COVERED BY [CUSTOMER'S] STATEMENT OF CLAIM IS ONE IN WHICH THE EQUITY MARKETS SUSTAINED ONGOING DECLINES IN VALUE DUE TO A BROAD RANGE OF MARKET FORCES. DURING THIS TIME, UPON REALIZING HER CONCERNS FOR LOSS OF CAPITAL, I STRONGLY RECOMMENDED SHE EXIT THE STOCK MARKET. SHE INSTRUCTED ME TO LIQUIDATE ONE THIRD OF HER CCM PORTFOLIO HOLDINGS, WHICH SHE THEN HELD IN CASH UNTIL SHE TRANSFERRED THE ACCOUNT OUT OF CCM. [CUSTOMER] VERBALIZED THAT SHE PREFERRED TO RIDE OUT THE DECLINE IN THE MARKET IN ORDER TO BENEFIT WHEN THE MARKET TURNED AROUND. THE ARBITRATION WAS ULTIMATELY SETTLED, AS WAS THE CASE SETTLED, BASED ON THE ADVICE OF LEGAL COUNSEL TO AVOID ANY UNNECESSARY LEGAL FEES. I DENY AND DISPUTE THE ALLEGATIONS IN THEIR ENTIRETY.

Disclosure 2 of 7

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: D.E. FREY & COMPANY

Allegations: UNSUITABLE INVESTMENTS; BREACH OF FIDUCIARY RESPONSIBILITY; NEGLIGENCE



Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s): EQUITY OTC

Alleged Damages: \$268,420.00

Customer Complaint Information

Date Complaint Received: 02/26/2004

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 03/09/2004

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: AMERICAN ARBITRATION ASSOCIATION, CASE # 13-168-0125203

Date Notice/Process Served: 02/26/2004

Arbitration Pending? No

Disposition: Settled

Disposition Date: 07/27/2004

Monetary Compensation Amount: \$120,000.00

Individual Contribution Amount: \$0.00

Broker Statement

I ADAMANTLY DENY ALL OF [CUSTOMER'S] CHARGES THAT I ENGAGED IN ANY WRONGDOING. ALL DECISIONS RESPECTING PURCHASES AND SALES IN THE ACCOUNT WERE MADE BY [CUSTOMER] HIMSELF, AFTER I HAD CONSULTED WITH HIM AND GIVEN HIM ADVICE. DURING THE TIME PERIOD AT ISSUE, [CUSOTMER] MAINTAINED ONLY ABOUT 1/3 OF HIS RETIREMENT ASSETS IN HIS CONRAD CAPITAL MANAGEMENT ACCOUNT, AND HAD ABOUT 2/3 IN OTHER ACCOUNTS AS TO WHICH I HAD NO ROLE OR RESPONSIBILITY. I HAD LENGTHY DISCUSSIONS WITH [CUSTOMER] ABOUT THE FULL RANGE OF FACTORS THAT WOULD AFFECT HIS CHOICES ABOUT THE HOLDINGS IN HIS CONRAD CAPITAL MANAGEMENT ACCOUNT, EMPHASIZED THE BENEFITS OF A DIVERSIFIED PORTFOLIO. I MADE MY INVESTMENT RECOMMENDATIONS WITH RESPECT TO ASSETS HELD ELSEWHERE. I FREQUENTLY GAVE [CUSTOMER] "PORTFOLIO SNAPSHOTS" THAT CONSISTED OF DOCUMENTATION DESCRIBING THE COMPOSITION OF HIS PORTFOLIO. THE TIME PERIOD COVERED BY [CUSTOMER'S] STATEMENT OF CLAIM IS ONE IN WHICH THE EQUITY MARKETS SUSTAINED ONGOING DECLINES IN VALUE DUE TO A BROAD RANGE OF MARKET FORCES. HE PREFERRED TO RIDE OUT THE DECLINE IN THE MARKET IN ORDER TO BENEFIT WHEN THE MARKET TURNED AROUND. THE ARBITRATION WAS ULTIMATELY SETTLED WITH THE FULL CONCURRENCE OF AIG, THE E & O INSURANCE CARRIER. THE CASE SETTLED BASED ON THE ADVICE OF LEGAL CONSULT TO AVOID ANY UNNECESSARY LEGAL FEES. I DENY AND DISPUTE THE ALLEGATIONS IN THEIR ENTIRETY.

**Disclosure 3 of 7**

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: CONRAD CAPITAL MANAGEMENT INC

Allegations: NEGLIGENCE, GROSS NEGLIGENCE, BREACH OF FIDUCIARY DUTY, FRADULENT INDUCEMENT, UNSUITABLE INVESTMENTS

Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s): EQUITY OTC

Alleged Damages: \$300,000.00

Customer Complaint Information

Date Complaint Received: 05/16/2003

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 05/21/2003

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: AMERICAN ARBITRATION ASSOCIATION, CASE# 33 136 00178 03

Date Notice/Process Served: 05/21/2003

Arbitration Pending? No

Disposition: Settled

Disposition Date: 09/24/2004

Monetary Compensation Amount: \$45,000.00

Individual Contribution Amount: \$0.00

Broker Statement

I ADAMANTLY DENY ALL OF [CUSTOMER'S] CHARGES THAT I ENGAGED IN ANY WRONGDOING. ALL DECISIONS RESPECTING PURCHASES AND SALES IN THE [CUSTOMERS'] ACCOUNT WERE MADE BY THE [CUSTOMERS]. DURING THE COURSE OF MY PROFESSIONAL RELATIONSHIP WITH THE [CUSTOMERS], I HAD LENGTHY DISCUSSIONS WITH THEM ABOUT THE FULL RANGE OF FACTORS THAT WOULD AFFECT THEIR CHOICES ABOUT THE HOLDINGS IN THEIR CONRAD CAPITAL MANAGEMENT ACCOUNT, EMPHASIZED THE BENEFITS OF A DIVERSIFIED PORTFOLIO, AND GAVE THEM EVERY OPPORTUNITY TO MAKE CHOICES REGARDING THEIR INVESTMENTS. I ALSO DISCUSSED WITH THE [CUSTOMERS] THE STATUS OF THEIR OVERALL ASSET MIX, NOT JUST THE ASSETS THAT THEY WERE KEEPING IN THEIR CONRAD CAPITAL MANAGEMENT ACCOUNT. DOCUMENTATION THAT WAS ROUTINELY PROVIDED TO THE [CUSTOMERS] KEPT THEM AWARE OF EACH AND EVERY TRANSACTION IN ANY OF THEIR ACCOUNTS WITH WHICH RESPONDENTS WERE INVOLVED. THE [CUSTOMERS] HAD SUBSTANTIAL



INVESTMENT KNOWLEDGE, AND THEY KNEW EXACTLY WHAT THEY WERE DOING AND WHAT RISKS AND REWARDS WERE LIKELY TO BE RESULT FROM THE INVESTMENT DECISIONS THAT THEY MADE. THEY DID NOT OBJECT TO THE WAY IN WHICH THEIR ACCOUNT WAS BEING HANDLED WHEN THE OVERALL MARKET WAS DOING WELL AND GAINING VALUE. ANY COMPLIANT THAT THE [CUSTOMERS] HAVE WITH THE HANDLING OF THEIR CONRAD CAPITAL MANAGEMENT ACCOUNT HAS RESULTED ONLY FROM THE FACT THAT THE MARKET FELL SUBSTANTIALLY AFTER THE SPRING OF 2000, AND THEY DO NOT WISH TO ACCEPT PERSONAL RESPONSIBILITY FOR THE INVESTMENT DECISIONS THAT THEY HAVE MADE. IN FACT, THE ASSET ALLOCATION IN THE [CUSTOMERS'] CONRAD CAPITAL MANAGEMENT ACCOUNT WAS ALWAYS CONSISTENT WITH THE PRINCIPLES TO WHICH THE [CUSTOMERS] HAD AGREED. THE ARBITRATION CASE WAS ULTIMATELY SETTLED WITH THE FULL CONCURRENCE OF AIG, THE INSURANCE CARRIER, WHICH HAD ISSUED AN INVESTMENT ADVISORY INSURANCE POLICY. THE CASE SETTLED BASED ON THE ADVICE OF LEGAL CONSULT TO AVOID UNNECESSARY LEGAL FEES. I DENY AND DISPUT THE ALLEGATIONS IN THEIR ENTIRETY.

Disclosure 4 of 7

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: PAINWEBBER, D.E. FREY & CO., INC, WESTERN INTERNATIONAL SECURITIES, INC.

Allegations: UNSUITABLE TRADING; MISREPRESENTATION AND OMISSION OF FACT; NEGLIGENCE, GROSS NEGLIGENCE AND NEGLIGENT MISPPRESENTATIONS.

Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s): EQUITY OTC

Alleged Damages: \$433,000.00

Customer Complaint Information

Date Complaint Received: 03/17/2003

Complaint Pending? No

Status: Settled

Status Date: 08/17/2004

Settlement Amount: \$115,000.00

Individual Contribution Amount: \$50,000.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD CASE# 03-02122

Date Notice/Process Served: 03/17/2003

Arbitration Pending? No

Disposition: Settled

Disposition Date: 08/17/2004

Monetary Compensation Amount: \$115,000.00



Individual Contribution Amount: \$50,000.00

Broker Statement

I ADAMANTLY DENY ALL OF [CUSTOMER'S] CHARGES THAT I ENGAGED IN ANY WRONGDOING. I CARRIED OUT TRANSACTIONS AS TO [CUSTOMER'S] ACCOUNTS, IN CONSULTATION WITH [CUSTOMER'S] AND IN ACCORDANCE WITH THEIR INSTRUCTIONS, AND THE PORTION OF THEIR PORTFOLIO THAT THEY KEPT IN THEIR CONRAD CAPITAL MANAGEMENT ACCOUNTS CONTAINED A WIDE VARIETY OF DIVERSIFIED EQUITIES, AS IS REVEALED BY THEIR ACCOUNT RECORDS. MOREOVER, I CONSULTED WITH THE [CUSTOMER'S] ABOUT THE RISKS IN HOLDING THE SMALL NUMBER OF INVESTMENTS THAT COULD PROPERLY BE CHARACTERIZED AS TECHNOLOGY AND TELECOMMUNICATIONS ISSUES. I MADE MY INVESTMENT RECOMMENDATIONS WITH RESPECT TO ASSETS HELD ELSEWHERE. ON NUMEROUS OCCASIONS IN 1999 AND THEREAFTER, I HAD LENGTHY DISCUSSIONS WITH [CUSTOMER], WHO WAS ACTING ON BEHALF OF BOTH HIMSELF AND HIS WIFE, ABOUT THE FULL RANGE OF FACTORS THAT WOULD AFFECT THEIR CHOICES ABOUT THE HOLDINGS IN THEIR CONRAD CAPITAL MANAGEMENT ACCOUNTS. I HAD A NUMBER OF CONVERSATIONS WITH THE [customers] ABOUT THE DECLINING VALUE OF THAT PORTION OF THEIR OVERALL PORTFOLIO THAT WAS KEPT IN THEIR CONRAD CAPITAL MANAGEMENT ACCOUNTS. I POINTED OUT TO THEM ON SUCH OCCASIONS, AND THE [CUSTOMER'S] ACKNOWLEDGED AND AGREED, THAT THE DECLINE WAS DUE TO THE OVERALL DROP IN THE MARKET FOR EQUITIES, RATHER THAN TO ANY LACK OF QUALITY IN THE PARTICULAR EQUITIES IN THEIR ACCOUNTS AT CONRAD CAPITAL MANAGEMENT. THE ARBITRATION CASE WAS ULTIMATELY SETTLED WITH THE FULL CONCURRENCE OF AIG, THE INSURANCE CARRIER, WHICH HAD ISSUED AN INVESTMENT ADVISORY INSURANCE POLICY. THE CASE SETTLED BASED ON THE ADVICE OF LEGAL CONSULT TO AVOID UNNECESSARY LEGAL FEES. I DENY AND DEISPUTE THE ALLEGATIONS IN THEIR ENTIRETY.

Disclosure 5 of 7

Reporting Source: Individual
Employing firm when activities occurred which led to the complaint: D.E. FREY & COMPANY, INC.
Allegations: UNSUITABLE TRADING
Product Type: Equity Listed (Common & Preferred Stock)
Alleged Damages: \$900,000.00

Customer Complaint Information

Date Complaint Received: 11/21/2001
Complaint Pending? No
Status: Arbitration/Reparation
Status Date: 11/21/2001

Settlement Amount:

Individual Contribution Amount:

Arbitration Information



Arbitration/Reparation Claim filed with and Docket/Case No.: NASD-DR CASE NO. 01-06352

Date Notice/Process Served: 11/21/2001

Arbitration Pending? No

Disposition: Settled

Disposition Date: 05/01/2003

Monetary Compensation Amount: \$158,000.00

Individual Contribution Amount: \$10,000.00

Broker Statement I, DON CONRAD, ADAMANTLY DENY ALL CHARGES OF WRONGDOING. WHILE UNDERSTANDING, AND APPROVING OF THE PURCHASES, AND ALSO UNDERSTANDING AND APPROVING OF MY BUY AND HOLD STRATEGY, FOR SEVERAL MONTHS THE [CUSTOMER'S] HELD THESE SECURITIES IN THEIR ACCOUNTS, AND NEVER COMPLAINED WHEN THE STOCKS WERE GOING UP. IT WAS NOT UNTIL AFTER THE ELECTION, SEPTEMBER 11, 2001, ENRON, ETC. SUBSEQUENTLY THAT THEY BECAME DISSATISFIED WITH THE PERFORMANCE OF THEIR INVESTMENTS. SEVERAL TIMES WE DISCUSSED MOVING OUT OF THE MARKET, THOUGH THEY NEVER ASKED ME TO DO SO? THE CASE WAS SETTLED ON THE RECOMMENDATION OF THE ERRORS AND OMISSIONS INSURANCE COMPANY.

Disclosure 6 of 7

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: PAINWEBBER INCORPORATED

Allegations: In a follow-up letter, client's son-in-law alleges that IE purchased unsuitable investments without authorization, resulting in losses of approximately \$12,000 at PaineWebber. No dates or products specified.

Product Type:

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 11/11/1997

Complaint Pending? No

Status: Denied

Status Date: 12/22/1997

Settlement Amount:

Individual Contribution Amount:

Firm Statement PaineWebber denied the claim.
Prepared by: Laura Nadler (201)902-8331



Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: PAINWEBBER INCORPORATED

Allegations: IN A FOLLOW-UP LETTER, CLIENT'S SON-IN-LAW ALLEGES THAT IE PURCHASED UNSUITABLE INVESTMENTS WITHOUT AUTHORIZATION, RESULTING IN LOSSES OF APPROXIMATELY \$12,000 AT PAINE WEBBER. NO DATES OR PRODUCTS SPECIFIED.

Product Type:

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 11/11/1997

Complaint Pending? No

Status: Denied

Status Date: 12/22/1997

Settlement Amount:

Individual Contribution Amount:

Broker Statement PAINWEBBER DENIED THE CLAIM
Not Provided

Disclosure 7 of 7

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: SHEARSON LEHMAN BROTHERS INC.

Allegations: UNAUTHORIZED USE OF MARGIN RESULTING IN LOSSES TO THE ACCOUNT BETWEEN JANUARY 1992 AND SEPTEMBER 1992.
ACCURED LOSSES WERE APPROXIMATELY \$23,000.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$23,000.00

Customer Complaint Information

Date Complaint Received: 09/26/1992

Complaint Pending? No

Status: Settled

Status Date: 12/31/1992

Settlement Amount: \$11,500.00

Individual Contribution Amount: \$0.00

Broker Statement SETTLED FOR \$11,500. SHEARSON LEHMAN BROTHERS INC. PAID TOTAL SETTLEMENT. MR. CONRAD WAS NOT ASKED TO CONTRIBUTE TOWARD THIS SETTLEMENT.



DESPITE [CUSTOMER'S] CLAIM THAT HE DID NOT KNOW OR AUTHORIZE THE USE OF MARGIN HE EXECUTED A MARGIN AGREEMENT. ADDITIONALLY, I HAD DISCUSSED WITH [CUSTOMER] THE USE OF MARGIN AND HE TOTALLY UNDERSTOOD THE RISK. I BELIEVE [CUSTOMER] IS ONLY NOW COMPLAINING BECAUSE HE LOST MONEY. DUE TO THE TIME AND EXPENSE OF DEFENDING AN ARBITRATION, WE AGREED TO SETTLE THE MATTER. SHEARSON LEHMAN BROS. PAID THE TOTAL SETTLEMENT AND I WAS NOT ASKED TO CONTRIBUTE IN THIS SETTLEMENT.



Termination

This disclosure event involves a situation where the Investment Adviser Representative voluntarily resigned, was discharged or was permitted to resign after allegations were made that accused the Investment Adviser Representative of violating investment-related statutes, regulations, rules or industry standards of conduct; fraud or the wrongful taking of property; or failure to supervise in connection with investment-related statutes, regulations, rules or industry standards of conduct.

Disclosure 1 of 1

Reporting Source: Individual
Firm Name: PAINWEBBER INCORPORATED
Termination Type: Discharged
Termination Date: 10/02/1997
Allegations: ALLEGED VIOLATION OF PAINWEBBER RULES FORBIDDING "PIGGY BACKING" ON CLIENT TRADES.
Product Type: Equity Listed (Common & Preferred Stock)

Other Product Types:

Broker Statement

TERMINATION
MY TERMINATION WAS BASED ON AN ALLEGED VIOLATION
OF PAIN WEBBER RULES FORBIDDING `PIGGY BACKING` ON MY CLIENTS
TRADES. I WAS NOT AWARE OF SUCH RULE AND HAD TRADED FOR MY
OWN
ACCOUNT BASED ON INFORMATION PROPERLY RECEIVED FROM CLIENTS
FOR
YEARS. TO THE KNOWLEDGE AND WITH THE APPROVAL OF MY MANAGER
AND
COMPLIANCE OFFICERS OF PAIN WEBBER. AS FAR AS I AM CONCERNED,
I HAVE DONE NOTHING WRONG AND HAVE BEEN UNFAIRLY DISCHARGED
WITHOUT CAUSE.



End of Report

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