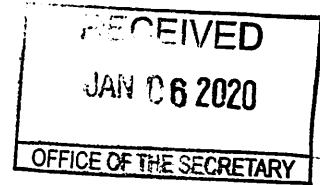


UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-19590



In the Matter of

THOMAS D. CONRAD, JR.,

Respondent.

**ANSWER TO MOTION FOR SUMMARY DISPOSITION AND FOR IMPOSITION OF
REMEDIAL SANCTIONS**

I

Respondent (Conrad) disagrees with the Commission's Motion for Summary Disposition and the proposed relief.

II

The Commission has taken the stance that Conrad is a career criminal and the Commission has leveraged unproven allegations to create a picture that Conrad is somehow a danger to society. In fact, nearly 50 years ago, the Respondent's failure to adequately supervise his employees resulted in a bar from Conrad acting as a broker-dealer. Unfortunately, that decades old bar originated in a time where appeals outside of the SEC umbrella did not exist. However, Conrad has complied with that bar over the last 4 decades. In fact, over this timeframe, Conrad has had a distinguished career that has included civilian, military and government service. Over this timeframe he has been the subject of intense FBI background checks to validate his qualification for high level government positions. To try and cloud the discussion with sensational characterizations of Conrad being a recidivist violator is clearly counterproductive to appropriately addressing the matter at hand.

III

On January 17, 2019, the District Court ruled that Conrad should have disclosed his disciplinary history from 50 years ago. While Conrad was not violating that original sanction, the Court felt that the existence of that prior sanction was relevant information to disclose. Conrad disagrees with that decision in

summary judgement, but respects the Court's authority and decision. Conrad has no intent to violate the guidelines of the court on this issue in the future

III

The District Court also ruled that Conrad failed to adequately disclose the redemption policy and misrepresented redemption practices. Conrad disagrees with the Court's decision and was disappointed that this issue was addressed in summary judgment without the opportunity to completely defend his practices. Regardless, Conrad respects the District Court's decision and has no intention of violating this ruling in the future.

IV

The District Court levied a significant penalty on Conrad along with its ruling. Conrad will comply with the ruling of the Court and its final judgement enjoining him from future violations. Conrad believes further action by the Commission to overlay a broad lifetime ban in the investment industry would be excessive and draconian. In the course of dealing with Court on these issues, all investors seeking redemption were redeemed. Conrad has ceased the practices that the Court found fault with. Conrad has also relinquished his role as the General partner and has severed all ties with the fund in question. Conrad's actions did not involve a high degree of scienter as the Commission claims. Conrad disagreed with and was disappointed with the Court's ruling. He carried out his management of the fund with the belief that his practices were appropriate. Conrad's actions with the fund were repeated as he continued to believe they were appropriate until the Court ruled otherwise. Clearly, this is not the description of a recidivist that the Commission goes to great lengths to characterize. Nevertheless, Conrad understands the Courts ruling and will comply.

Conrad does not feel it is in the public interest to ban him for life across an industry for which he feels he is well qualified in. The faults identified by the Court were not part of a calculated or egregious effort to defraud investors. The Court did not find any evidence of ill-gotten gains or any unethical transactions. Redemptions were further challenged as efforts by the SEC resulted in frozen accounts, yet Conrad managed to ensure redemption requests were ultimately all honored and completed.

V

Conrad respects the decision of the District Court and fully intends to comply with its ruling. Conrad believes further action by the Commission is unjustified and not in the public interest. For these reasons, Conrad requests that the Court deny the Commission's Motion for Summary Disposition.

December 31, 2019


Thomas D. Conrad

Soreno, FL
[Redacted]