

BrokerCheck Report

JERRY ENOCH STROUD

CRD# 2079002

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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.

About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.
- Please note that the information contained in a BrokerCheck 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 broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

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

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

Thank you for using FINRA BrokerCheck.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. For more information about FINRA, visit www.finra.org.

JERRY E. STROUD

CRD# 2079002

This broker is not currently registered.

Report Summary for this Broker



This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

Broker Qualifications

This broker is not currently registered.

This broker has passed:

- 0 Principal/Supervisory Exams
- 3 General Industry/Product Exams
- 2 State Securities Law Exams

Registration History

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

- B J.P. MORGAN SECURITIES LLC**
CRD# 79
NEW YORK, NY
03/2009 - 07/2017
- B CREDIT SUISSE SECURITIES (USA) LLC**
CRD# 816
NEW YORK, NY
01/2003 - 04/2009
- B DONALDSON, LUFKIN & JENRETTE SECURITIES CORPORATION**
CRD# 7560
JERSEY CITY, NJ
10/1999 - 01/2003

Disclosure Events

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

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

The following types of disclosures have been reported:

| Type | Count |
|------------------|-------|
| Customer Dispute | 1 |
| Termination | 1 |

Investment Adviser Representative Information

The information below represents the individual's record as a broker. For details on this individual's record as an investment adviser representative, visit the SEC's Investment Adviser Public Disclosure website at

<https://www.adviserinfo.sec.gov>

Broker Qualifications



Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This broker is not currently registered.



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below. A passed exam or exam waiver does not permit a broker to do business without an active SRO or state registration.

This individual has passed 0 principal/supervisory exams, 3 general industry/product exams, and 2 state securities law exams.

Principal/Supervisory Exams

| Exam | Category | Date |
|--------------------------|----------|------|
| No information reported. | | |

General Industry/Product Exams

| Exam | Category | Date |
|--|----------|------------|
| B Securities Industry Essentials Examination | SIE | 07/10/2017 |
| B National Commodity Futures Examination | Series 3 | 10/26/1990 |
| B General Securities Representative Examination | Series 7 | 10/15/1990 |

State Securities Law Exams

| Exam | Category | Date |
|---|-----------|------------|
| IA Uniform Investment Adviser Law Examination | Series 65 | 08/04/1992 |
| B Uniform Securities Agent State Law Examination | Series 63 | 11/05/1990 |

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at www.finra.org/brokerqualifications/registeredrep/.

Broker Qualifications



Professional Designations

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

No information reported.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

| Registration Dates | Firm Name | CRD# | Branch Location |
|----------------------------|---|------|-----------------|
| B 03/2009 - 07/2017 | J.P. MORGAN SECURITIES LLC | 79 | NEW YORK, NY |
| B 01/2003 - 04/2009 | CREDIT SUISSE SECURITIES (USA) LLC | 816 | NEW YORK, NY |
| B 10/1999 - 01/2003 | DONALDSON, LUFKIN & JENRETTE SECURITIES CORPORATION | 7560 | JERSEY CITY, NJ |
| B 10/1990 - 10/1999 | MORGAN STANLEY & CO., INCORPORATED | 8209 | NEW YORK, NY |

Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.

| Employment | Employer Name | Position | Investment Related | Employer Location |
|-------------------|----------------------------|-------------------|--------------------|-----------------------------|
| 10/2010 - Present | JPMORGAN CHASE BANK, N.A. | ACCOUNT EXECUTIVE | Y | NEW YORK, NY, United States |
| 03/2009 - Present | J.P MORGAN SECURITIES INC. | MANAGING DIRECTOR | Y | NEW YORK, NY, United States |

Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker 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.

EFFECTIVE OCTOBER 1, 2010, I WILL BE AN EMPLOYEE OF BOTH J.P. MORGAN SECURITIES LLC AND JPMORGAN CHASE BANK, N.A. ("JPMCB"). JPMCB OFFERS A BROAD RANGE OF PRODUCTS AND SERVICES NATIONWIDE. AS AN EMPLOYEE OF JPMCB, I WILL BE ABLE TO OFFER CERTAIN BANK BANK PRODUCTS AND SERVICES, INCLUDING DEPOSIT AND CREDIT PRODUCTS AND DISCRETIONARY INVESTMENT MANAGEMENT.

Disclosure Events



What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
 - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
 -
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage 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 BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
 -
4. **There are different statuses and dispositions for disclosure events:**
 - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" event involves allegations that have not been proven or formally adjudicated.
 - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" event has been concluded and its resolution is not subject to change.
 - A final 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 involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

| | Pending | Final | On Appeal |
|------------------|---------|-------|-----------|
| Customer Dispute | 0 | 1 | N/A |
| Termination | N/A | 1 | N/A |



Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

Disclosure 1 of 1

| | |
|--|--|
| Reporting Source: | Firm |
| Employing firm when activities occurred which led to the complaint: | CREDIT SUISSE SECURITIES (USA) LLC |
| Allegations: | CLIENT ALLEGES FROM APRIL 2005 - 2009 THAT BROKER MADE UNSUITABLE RECOMMENDATIONS, CHARGED EXCESSIVE COMMISSIONS, AND CONVERSION (IN REGARDS TO A 3RD PARTY HEDGE FUND OF FUNDS WITH EXPOSURE TO MADOFF), FOR THE CLIENTS THIRD PARTY PROFESSIONALLY MANAGED DIVERSIFIED FUNDS WITH ALL FEES AND COSTS ESTABLISHED BY CREDIT SUISSE OR THE THIRD PARTY MANAGERS. |
| Product Type: | Other: 3RD PARTY SEPARATELY MANAGED EQUITY PORTFOLIOS, HEDGE FUND OF FUNDS, AND PRIVATE EQUITY FUND OF FUNDS |
| Alleged Damages: | \$2,000,000.00 |

Arbitration Information

| | |
|---|------------|
| Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): | FINRA |
| Docket/Case #: | 09-01541 |
| Date Notice/Process Served: | 04/02/2009 |
| Arbitration Pending? | No |
| Disposition: | Settled |



Disposition Date: 04/15/2011

Monetary Compensation Amount: \$100,000.00

Individual Contribution Amount: \$0.00

Firm Statement CLAIMANT IS A SOPHISTICATED ULTRA HIGH NET WORTH INDIVIDUAL WITH OVER 20 YEARS OF INVESTMENT EXPERIENCE. ALL INVESTMENTS WERE IN THIRD PARTY PROFESSIONALLY MANAGED DIVERSIFIED FUNDS AND/OR WITH ALL FEES/COSTS ESTABLISHED BY THE FIRM OR THIRD PARTY MANAGERS. ALL INVESTMENTS WERE APPROVED BY THE CUSTOMER, INCLUDING ONE FUND THAT HAD EXPOSURE TO THE MADOFF FRAUD. THE CLAIM WAS FILED YEARS AFTER THE MAJORITY OF THE PURCHASES AND AFTER THE MARKET DECLINED APPROXIMATELY 50%.

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: CREDIT SUISSE SECURITIES USA LLC

Allegations: CLIENT ALLEGES FROM APRIL 2005 - 2009 THAT BROKER MADE UNSUITABLE RECOMMENDATIONS, CHARGED EXCESSIVE COMMISSIONS, AND CONVERSION (IN REGARDS TO A 3RD PARTY HEDGE FUND OF FUNDS WITH EXPOSURE TO MADOFF), FOR THE CLIENT'S THIRD PARTY PROFESSIONALLY MANAGED DIVERSIFIED FUNDS WITH ALL FEES AND COSTS ESTABLISHED BY CREDIT SUISSE OR THE THIRD PARTY MANAGERS.

Product Type: Other: 3RD PARTY SEPARATELY MANAGED EQUITY PORTFOLIOS, HEDGE FUND OF FUNDS AND PRIVATE EQUITY FUND OF FUNDS.

Alleged Damages: \$2,000,000.00

Customer Complaint Information

Date Complaint Received:

Complaint Pending?

Status:

Status Date: 04/02/2009

Settlement Amount:

Individual Contribution Amount:



Arbitration Information

Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.): FINRA

Docket/Case #: 09-01541

Date Notice/Process Served: 04/02/2009

Arbitration Pending? No

Disposition: Settled

Disposition Date: 04/15/2011

Monetary Compensation Amount: \$100,000.00

Individual Contribution Amount: \$0.00

Broker Statement

CLAIMANT WAS A SOPHISTICATED ULTRA HIGH NET WORTH INDIVIDUAL WITH OVER 20 YEARS OF INVESTMENT EXPERIENCE. THE PORTFOLIO WAS BALANCED AND WELL-DIVERSIFIED ACROSS ASSET CLASSES. ALL INVESTMENTS WERE IN THIRD-PARTY PROFESSIONALLY MANAGED DIVERSIFIED FUNDS. ALL FEES/COSTS ESTABLISHED BY THE FIRM OR THIRD PARTY MANAGERS. ALL INVESTMENTS AND FEE RATES WERE APPROVED BY THE CUSTOMER. THE CLAIM WAS FILED YEARS AFTER THE MAJORITY OF THE PURCHASES. CREDIT SUISSE RESOLVED THE MATTER FOR BUSINESS PURPOSES AND THE ARBITRATION CLAIM WAS DISMISSED BY BOTH PARTIES. NO PAYMENT CONTRIBUTION WAS DUE BY MR. STROUD AND NO LIABILITY WAS FOUND AGAINST MR. STROUD. IT IS NOTABLE THAT THE CLAIM FILING OCCURRED IN MARCH 2009 AFTER THE MARKET HAD DECLINED OVER 50% (WORST MARKET DECLINE SINCE THE 1930S) WHILE THE AGREED RESOLUTION OCCURRED IN APRIL 2011 AFTER THE MARKET HAD REBOUNDED OVER 100% FROM THE MARCH 2009 BEAR MARKET LOWS.



Employment Separation After Allegations

This type of disclosure event involves a situation where the broker voluntarily resigned, was discharged, or was permitted to resign after being accused of (1) violating investment-related statutes, regulations, rules or industry standards of conduct; (2) fraud or the wrongful taking of property; or (3) failure to supervise in connection with investment-related statutes, regulations, rules, or industry standards of conduct.

Disclosure 1 of 1

| | |
|-----------------------------|---|
| Reporting Source: | Broker |
| Employer Name: | MORGAN STANLEY & CO., INC. (MORGAN STANLEY DEAN WITTER) |
| Termination Type: | Permitted to Resign |
| Termination Date: | 10/06/1999 |
| Allegations: | FAILURE TO RECEIVE SPECIFIC ORDER APPROVAL FROM A CLIENT FOR A NON-DISCRETIONARY FEE ACCOUNT PORTFOLIO. |
| Product Type: | Debt - Corporate |
| Other Product Types: | CORPORATE CONVERTIBLE BONDS |
| Broker Statement | CLIENT HAD OPENED A CONVERTIBLE BOND ACCOUNT, HAD AGREED ON THE AMOUNT TO BE INVESTED (\$800,000) AND THE BONDS TO BE PURCHASED (23 DIFFERENT BONDS) AND THAT THE BONDS WOULD BE PURCHASED WITH APPROXIMATELY EQUAL WEIGHTINGS IN THE PORTFOLIO. WITH THESE FACTORS IN PLACE, (3) OF THE PREVIOUSLY SELECTED BONDS WERE PURCHASED IN THE APPROPRIATE AMOUNTS WHICH WOULD LEAD TO AN EQUALLY WEIGHTED PORTFOLIO. CLIENT THEN WROTE THAT HE HAD EXPECTED TO BE CALLED BEFORE EACH BOND WAS BOUGHT. THE BOND PURCHASES WERE REVERSED INTO THE FIRM ERROR ACCOUNT. SHORTLY AFTER MR. STROUD'S MORGAN STANLEY DEPARTURE, THE CLIENT TRANSFERRED ALL OF HIS FAMILY'S MULTI-MILLION DOLLAR ASSETS FROM MORGAN STANLEY TO MR. STROUD'S NEW FIRM . |

End of Report



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