

June 9, 2004

To: Richard Landi
Chris McCray
Dan Cedro
Debra Roth
Bruce Alonzo

Re: Kemper Lumberman's Bond Issue

It has been quite some time now that I and others have attempted to solicit the clear and truthful facts involving the above mentioned issue. These attempts have been met with little results and for the firm to withhold this information from its own employees is very disturbing.

I have clear justification for pursuing answers as the firm outlined in its recent Ethical Business Practices piece which was mandated to be reviewed by all financial advisors. I won't take the time to point out the reasons that this policy allows and commits the financial advisors to extend themselves to be sure that problems are resolved and not swept under the perceived misconduct carpet.

As an NASD arbitrator myself since 1998, this situation has a very sour odor to it. For clients not to receive proper response and to suggest that somehow this is simply a suitability issue for each individual client is a slap at the very image Morgan Stanley attempts to portray. Integrity and acting in the best interests of the clients is paramount to the continued success of the firm.

I feel stonewalled in my attempt to address my client's concerns about the Lumberman's demise. You may feel that your financial advisors should restrain themselves from interceding on their client's behalf. You would be wrong. With 28 years of brokerage experience, this ranks at the top of a perceived misconduct by a firm and without a forthright effort to set the record straight, it is difficult to remain confident in the Ethical Business Practices which the firm professes to be the heart beat of Morgan Stanley.

As you know, an inherited client of mine, Richard Mittnacht, has a pending arbitration in process. I don't believe Richard ever received a response from the legal department which virtually forced him into this position. From all of the information I have been able to gather, this has become a very disconcerting situation.

I felt that by addressing all of the people in this memo, that at least you would know how seriously many of the financial advisors take the firms integrity and reputation.

Sincerely,

Dana de Windt
First Vice President