

DRAFT

December 1, 2020

Jane Norberg
14420 Albermarle Point Place
Suite 102
Chantilly, VA 20151-1750
ATTN: SEC OWB

Re: TCR 1422641796173

Dear Ms. Norberg:

I recently read the CNN Whistleblower article by Matt Egan disclosing a Whistleblower award. As you stated to Mr. Egan, "whistleblower tips have a huge impact on your enforcement program."

As I read the article I was reminded of my client, Dana de Windt. He too initially reported the wrongdoing internally to his employer. When that failed to generate a response he eventually filed a Whistleblower complaint on January 21, 2015. That complaint remains pending.

My client first reported this issue to the SEC in 2004. His complaint was acknowledged by the SEC in their letter to him of November 3, 2004. A copy of that letter is enclosed.

From a chronological perspective, Morgan Stanley began representing the Kemper Lumberman Surplus Notes as bonds to their brokers and clients in January of 2001.

In January of 2003 a former Morgan Stanley employee notified the company that the surplus notes, marketed as bonds, were not a suitable investment for his clients. He was fired. My client assumed some of his clients after he left.

The complete conversation of this matter is included in the monograph enclosed. That document is complete and it also contains the WSJ article which indirectly led de Windt to stay in and complete the investigation.

In September of 2008 my client was advised by the Florida Division of Securities that 738 Florida investors were eligible to receive rescission payments for this product. Ultimately 414

Jane Norberg
December 1, 2020
page -2-

Florida investors received rescission offers totaling \$8,460,966.52. To our knowledge, no investors other than in the state of Tennessee have received rescission offers. Mr. de Windt learned that from their broker and has the documentation.

In September of 2008 Morgan Stanley entered into a Consent Agreement, admitting to Blue Sky violations for the sale of the "bonds." In June of 2009 Morgan Stanley admitted to the sale of unregistered securities. This was documented in a Florida Office of Financial Regulation 2009 Report to the Financial Services Commission. A key element of their admission was that Morgan Stanley paid voluntary rescission to the investors. A copy of that legal admission is enclosed.

I wrote to Stephen L. Cohen on behalf of my client in July 2015. I received a response from C. Joshua Felker on August 18, 2015 advising that we may not get any further response.

At one point Michael Fuchs suggested that this was a problem for resolution by the states, not the SEC. This unregistered misrepresented security was sold in multiple states. The states, under the direction of Rex Staples, entered into an \$8,500,000.00 agreement with Morgan Stanley. However, no oversight was provided for notice to purchasers. Only the SEC has the power to correct this.

To be succinct and admitted and proven, Morgan Stanley sold unregistered securities of Kemper Lumbermens Surplus Notes and the remedy of rescission has yet to be applied across the investor class. We once again request the SEC's full and complete attention to this matter with the Whistleblower's assistance. That would be the man who exemplifies the skill and tenacious interest in protecting both his former financial brokers reputations along with, of course, all of their investors.

The mission statement of the SEC includes protecting investors, maintaining fair, orderly and efficient markets and facilitating capital formation. As outlined above, the actions of Morgan Stanley in this matter have failed to protect investors and failed to maintain a fair market. The SEC has notice of this.

Mr. de Windt has provided assistance with the investigation and remains ready to do so in the future. He has provided the requisite tips for the investigation and has met with all charged with investigation, excluding the SEC Whistleblower examination team. The conclusion which is the only conclusion which can be drawn is this. Because it's clear and obvious that this matter includes both the sale of a misrepresented security as well as registration violations in all states on the sale of the Lumbermens' Surplus Notes along with approximately 30,000 other sale violations, the Whistleblower examination was performed without the requisite skills and attention to the details necessary to protect the investors. Let's step back, reevaluate and allow

Jane Norberg
November 20, 2020
page -3-

Mr. de Windt the privilege of meeting with the staff to iron out the matter.

At this point, after years of waiting he has two questions; 1) what is the status of the SEC investigation, and 2) is he eligible for a whistleblower award?

Justice delayed is justice denied. The SEC has had notice of this issue for sixteen years. The Whistleblower complaint has been pending for almost six years. Mr. de Windt is ready, willing and able to meet with you in any forum to answer any questions you might have.

Sincerely,

Glenn J. Webber, Esq.
For the Firm

GJW/sl
Enclosures
cc: Stephen Kohn, Esq.
Matt Egan
C. Joshua Felker