

The Elephant in the Living Room Can No Longer Be Ignored

Date: October 28, 2007

To: **The Board of Directors of Morgan Stanley**

I bring to your attention a matter of utmost gravitas, which warrants your attention because “the Elephant in the Living Room can no longer be ignored”.

The Elephant

The FBI and the Manhattan District Attorney’s Office have been provided information on instances of fraud, corruption, racketeering, extortion, sabotage and activities having elements of antitrust, the particulars of which will be made available to you shortly¹. Metaphorically, these illicit activities are the “Elephant”, and are the manifestation of a Machiavellian scheme initiated five years ago by two Morgan Stanley employees – Warren Friend and John Westerfield.

As a result, I (and many others) have been victimized by an orchestrated campaign of fantastic lies, which parallel the audaciousness and debilitating effects of those that procreated the “Duke Lacrosse Scandal”.² And perhaps because of my unwillingness to acquiesce to such victimization, this Elephant has transmogrified to:

- Destroy my career;
- Destroy my reputation;
- Destroy my marriage;
- Destroy my once close and loving family; and
- Destroy the dreams for countless others.

Importantly, these transgressions were carried out with the knowledge and oversight of senior management at Morgan Stanley, with certain individuals at the law firm of Kirkland & Ellis serving as accomplices. Indeed, if the corrupt practices and deceitful undertakings employed against me are as pervasive and unfettered as I believe they may be, the consequences could be dire for many, and potentially undermine Morgan Stanley as a going concern – because no person and no corporation is above the law.

What is especially troubling is John Mack was apprised of the misdeeds shortly after his arrival as CEO³; however, instead of rectifying what should otherwise have been a pedestrian matter, the frequency of orchestrated transgressions increased, and their ferociousness only amplified.

¹ These indictments have been made with much forethought, and certainly not cavalierly – refer to attached definitions for appropriate context, and note that they are provided to convey the nature of such serious charges.

² I have two sons who play for the Duke Men’s Lacrosse team, one of whom experienced being: vilified by the media; ostracized on campus; and subjected to death threats, because of a rush to judgment and an ignorance of the truth – the repugnant scandal that ensued was quite simply the result of failing to make due inquiry before drawing conclusions.

³ Refer to attached correspondence to John Mack dated July 5, 2005, which also contains a précis of the matter at hand.

The Elephant in the Living Room Can No Longer Be Ignored

The Dimensions of the Living Room

In the context of where this Elephant has made its unwelcome appearances, I am metaphorically speaking of a very large "Living Room" – entailing:

- Morgan Stanley – certain employees;
- Various law firms – certain attorneys;
- The NASD – certain staff members;
- NYS Supreme Court Disciplinary Committee – certain staff members;
- Operatives – working through a network of surreptitiously pandered influence (many times removed to preserve Morgan Stanley's anonymity), encompassing a broad spectrum of arenas, and spanning as large geography as necessary; and
- Perhaps certain law enforcement officials.

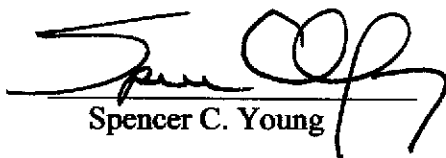
So this rogue Elephant (metaphorically ridden by Morgan Stanley) has been chasing me throughout this enormous Living Room for nearly five years, intending to wear me down so I will collapse from exhaustion, and thereby enable this pachyderm to finally crush me under one of its gargantuan feet.

Caveat Regarding MorganStanleyGate

Without question, the progenitors of this *elephas maximus* will seek to dismiss this matter as the mere ranting of a disgruntled former employee – however, upon examination, you will soon realize the seemingly implausible indictments are not only true, many are readily corroborated. And this is why the perpetrators have gone to outrageous lengths to cover up their massive fraud, and in so doing, destroy lives and livelihoods.

This matter bears many similarities to the Watergate scandal – for instance, the initial transgression was relatively minor; however, the ensuing instances of corruption and cover-up exacerbated the situation, such that there may now be significant consequences – and as you know, the truth was eventually uncovered and led not only to the demise of an administration, it cast a pall of public suspicion on the Executive Branch that some say never went away.

I am committed in my quest for justice, evidenced by having inscribed a Latin aphorism in the coping of a water fountain at a property I am redeveloping on Franklin Street in Chapel Hill, North Carolina – it reads "*Magna Est Veritas Et Praevalebit*" (translation: "*Truth is Mighty and Will Prevail*"). So my caveat to you, the Board of Directors of Morgan Stanley, is this – resist the predictable inculcations to dismiss this devolving "*MorganStanleyGate*" without due inquiry – for by doing so, you will tacitly endorse the shrouding of truths that will otherwise be self-evident, and thereby undermine the "unalienable rights [to] life, liberty and the pursuit of happiness"⁴ for many – more to follow.



Spencer C. Young

⁴ Thomas Jefferson, as authored in *The Declaration of Independence* by the United States of America, July 4, 1776

Definitions of Indictments Made of Morgan Stanley
(Pertaining to Insidious and Unlawful Activities Perpetrated
Against Spencer C. Young & Many Others)

Source: Webster's New World Dictionary – 4th Edition
Note: the definitions **highlighted in red** are those directly applicable

Antitrust	<p>adj. opposed to or regulating trusts; specif., designating or of federal laws, suits, etc. designed to prevent restraints on trade, as by business monopolies, cartels, etc.</p>
Corruption	<p>n. 5ME <i>corrupcion</i> < OFr <i>corruption</i> < L <i>corruptio</i> < <i>corruptus</i>, CORRUPŦ6</p> <ol style="list-style-type: none"> 1 the act or fact of making, becoming, or being corrupt 2 evil or wicked behavior; depravity 3 bribery or similar dishonest dealings 4 decay; putridity; rottenness 5 something corrupted, as an improperly altered word or text 6 [Rare] a corrupting influence
Fraud	<p>n. 5ME <i>fraude</i> < OFr < L <i>fraus</i> (gen. <i>fraudis</i>) < IE base *<i>dhwer-</i>, to trick > Sans <i>dhv; rati</i>, (he) injures6</p> <ol style="list-style-type: none"> 1 a) deceit; trickery; cheating b) Law intentional deception to cause a person to give up property or some lawful right 2 something said or done to deceive; trick; artifice 3 a person who deceives or who is not what he or she pretends to be; impostor; cheat
Extortion	<p>vt. 5ME <i>extorcioun</i> < OFr <i>extorcion</i> < LL(Ec) <i>extorsio</i> < L <i>extortus</i>6 to get (money, etc.) from someone by violence, threats, misuse of authority, etc.; exact or wrest</p>
Insidious	<p>adj. 5L <i>insidiosus</i> < <i>insidiae</i>, an ambush, plot < <i>insidere</i>, to sit in or on, lie in wait for < <i>in-</i>, in + <i>sedere</i>, to SIT6</p> <ol style="list-style-type: none"> 1 characterized by treachery or slyness; crafty; wily 2 operating in a slow or not easily apparent manner; more dangerous than seems evident !an <i>insidious</i> disease"

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Racketeering	<p><i>n.</i> the acts of obtaining money illegally, as by bootlegging, fraud, or extortion</p>
Sabotage	<p><i>n.</i> 5Fr < <i>saboter</i>, to work badly, damage < <i>sabot</i>: see prec. & -AGE: from damage done to machinery by wooden shoes⁶</p> <ol style="list-style-type: none">1 intentional destruction of machines, waste of materials, etc., as by employees during labor disputes2 destruction of railroads, bridges, machinery, etc., as by enemy agents or by an underground resistance3 the deliberate obstruction of or damage to any cause, movement, activity, effort, etc.

Subject: Congratulations // Parallels To Your Experience With Phil Purcell . . . As Well As With The Ron Perelman Matter // Request For A Meeting

Date: 7/5/2005, 1:42 AM

From: "[Spencer C. Young](mailto:SpencerCYoung@aol.com)" <SpencerCYoung@aol.com>

To: [John Mack](mailto:john.mack@morganstanley.com) <john.mack@morganstanley.com>

Organization: Spencer C. Young Investments, Inc.

Email sent to John Mack, shortly after his appointment as Chief Executive Officer of Morgan Stanley.

John --

Congratulations on your appointment to CEO of Morgan Stanley -- a position originally promised to you as quid pro quo for the instrumental role you played in the merger of Morgan Stanley and Dean Witter. I'm sure Dick Fisher is smiling and quietly applauding from above. With hind sight, perhaps your only regret is that you trusted Phil Purcell to be a man of his word. As I have told my three sons, "the cream always rises to the top" -- ergo, bravo for your perseverance in proving this so.

I bring to your attention a matter of somewhat similar circumstances, also having parallels with the Ron Perelman matter. Specifically, I have been a victim of an egregious breach of contract and Machiavellian scheme carried out by Warren Friend and John Westerfield of Morgan Stanley. Through fraudulent internal misrepresentations and hectoring, I was terminated after having created and trademarked the most successful proprietary brand of CMBS on Wall Street, to wit, "IQ®, representing Institutional Quality". Specifically, my professional ethics were blasphemed and my personal integrity was defamed. Moreover, legitimate efforts for re-employment have been tortiously interfered with by Morgan Stanley, perhaps because group heads at firms such as AXA, Aegon, GMAC, Apollo, JPMorgan and Union Central Life had agreed to work for me in a new, competing endeavor, called Project Atlas. I was so vexed by what Warren Friend and John Westerfield perpetrated, that I wrote an epigrammatic poem as a cathartic release, which has been published by three periodicals, including one by Mensa, an intellectual society at which I am a lifetime member. I have attached this document, which includes translations and explanations directly related to this matter -- I merely changed or omitted names in the interest of proper decorum and discretion.

Morgan Stanley refused to enter into any settlement negotiations, so I was left with no alternative but to file a claim with the NASD for \$10 million plus damages -- and I am contemplating increasing this amount because of additional damages realized from delay tactics and failure to produce discovery information, similar to the unsavory legal tactics recently revealed in the \$1.45 billion judgment granted to Ron Perelman.

This ordeal has taken an enormous toll on me and my family. Specifically, Morgan Stanley's invidious actions have caused a tremendous financial and emotional strain, and has forced me to seek business opportunities outside of New York. By pure serendipity, I found such opportunities as a result of my son Michael's matriculation at Duke University, where he recently completed his freshman year, and played for their #2 ranked lacrosse team. Although I have had to spend most of my time in Durham and Chapel Hill away from my wife and other two sons in New York (who are also being recruited to play lacrosse for Duke), I had the opportunity to see most of Michael's lacrosse games and became well acquainted with Head Coach Mike Pressler. I have also established a strong relationships with Smedes York, the CEO of York Properties and a two term former Mayor of Raleigh, and Aaron Nelson, the Executive Director of the Chapel Hill/Carrboro Chamber of Commerce.

I would like to arrange a face-to-face meeting with you, as I believe you and I would be able to gain quick resolution to this matter -- you will likely recognize me from conversations we had during your original tenure at Morgan Stanley. By way of background, I joined Morgan Stanley in 1997 to jump start originations in Real Estate Debt Capital Markets, and did so by making sweeping operational changes. Accordingly, commercial mortgage originations increased 5 fold (to \$2.5 billion) in less than two years. I also established CreditSource® Commercial, utilizing the Dean Witter retail brokers to market commercial mortgage financing. Prior to that, I launched the CMBS principal transaction business at JPMorgan, and in so doing, became well acquainted with Dick Fisher's brother, David.

I have a similar regret -- to wit, having trusted Warren Friend and John Westerfield. Simply stated, I'm looking to: (1) clear my sullied name and reputation, (2) receive fair recompense; and (3) be given a legitimate opportunity to demonstrate that I am also the "crème de la crème".

Sincerely,

Spencer C. Young

 [Countermand of Valor by Spencer Young -- As Published by Mensa - Nov-Dec 2004.pdf \(292KB\)](#)

The date this email was printed out for Discovery



MPHASIS

Volume XLVII
Number 6
Issue 408

The Newsletter of Greater New York Mensa

Cover to publication containing referenced poem

HAPPY



ANNIVERSARY!

WE'RE TURNING 40!

Check out the GNYM timeline

HO HO HO!

Jingle your bells at our annual Holiday Party

BE A GAMER

Trivia maven alert! Meet the creators of the NYC Trivia game

IN SEARCH OF

a new *Mphasis* Editor. Maybe you?

SAMOKIN SCRIBES!

Fiction contest winners burn up the page

POETIC MUNCHIES

Feed your head at Munchaba, an open-mike hot spot on Long Island

REASON FOR THE SEASON

Good, brisk fun in our calendar of events

GNYM HOLIDAY PARTY and 40TH ANNIVERSARY CELEBRATION

SUNDAY, DECEMBER 12, 2PM

Celebrate the Holiday spirit and 40th Anniversary of the official recognition of the first 10 local groups (see December 7 calendar entry). GNYM will provide food and drink. If you want to participate in a holiday grab bag, bring a gender neutral (interesting/fun) wrapped gift worth approximately \$7 to \$15.

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For more information, please contact Jim Wolin at 212-620-4995 or JamesWolin@yahoo.com



Referenced
poem

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MEEET THE CREATORS OF THE NYC TRIVIA GAME

THURSDAY, NOVEMBER 18, 7:30PM

Meet Toby Tumarkin and Patrick Martins, the creators of the New York City Trivia Game. They'll talk about what goes into creating a new board game, discuss how September 11, 2001, inspired them to make something so New York, and maybe even match wits against our own trivia experts.

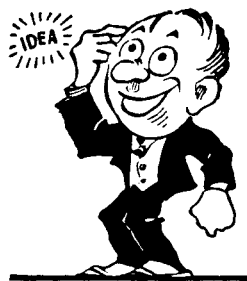
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Countermand of Valor

by Spencer Young

Why cast invectives o'er horizons to sea 1
Whilst Polymath Aegis lures patrons, thee? 2
Entrée vengeance, avarice to Dyad most trepid o'er shadows 3
Elixirs to the genesis of Machiavellian gallows 4

Spelunkers' plans transcend darkness to bliss 5
Casting leeward sojourns toward deeper abyss 6
Pontificating artifice cloaked as vaunt merit 7
Obfuscate plagiary, in barrister Sanskrit 8

Despots' de nouveau notorious vice 9
Propagate – now profligate the bastions entice 10
Ne'er a conscience revet Draco waves 11
Turn patrician forefathers' incessantly, graves 12

Overview

Provides context and relates exclusively to Morgan Stanley's perpetrated crimes against the author

This epigrammatic poem speaks to instances where the often respected character trait of personal bravery, historically brought to bear to redress injustice, can be quelled by the economic influence wielded by a corrupt few. This can foster the development of a subculture within an enterprise that operates in a manner wholly inconsistent with the vision of its founders. Condoned or undetected, if unmitigated, it procreates like a cancer into the very psyche of an organization, and potentially throughout the industries it operates in—risking the forbearance of rational, independent thinking that would in turn impede creativity and noteworthy achievement, ergo the bane of self-actualization for many.

This is somewhat consistent with the circumstances and dogma suffused in Ayn Rand's epic novel, *Atlas Shrugged* – where a diabolical plan is foisted upon a populace to remove the greatest minds from the country. But there is one salient difference, to wit, in *Atlas Shrugged*, the world's great thinkers consciously withdrew from society in the form of a strike (at first surreptitiously, and eventually with a brazen declaration) because its leadership undermined a once vibrant economy with rampant collectivism – punishing the productive and efficient, and concurrently rewarding the slothful and wasteful. By comparison, this poem recounts a situation where an industry savant and architect of prodigious achievement is punished for his accomplishments by a surreptitious plan meant for the self-aggrandizement of a small, somewhat aristocratic group. Although individualistically employed, its effect spreads quickly and establishes an inherent rewards system where equivocation prevails at the expense of human progress and legitimate achievement. In short, leadership that is ignorant of the human need for self-actualization, or threatened by creative thinking can be parasitic to very the tours de force of mankind.

Provides literal translations for each verse

Cognizing this disturbing trend, the poem implores embracing valor to avenge instances of injustice, support personal achievement, and resist succumbing to countermand by economic ascendancy via implied or express hectoring. To quote Teddy Roosevelt: "Far better it is to dare mighty things, to win glorious triumphs, even though checkered by failure, than to take rank with those poor spirits who neither enjoy much, nor suffer much, because they live in the great twilight that knows neither victory nor defeat". This is the infectious esprit de corps the author most wants to engender.

Translations by Verse:

A pseudonym for the IQ® brand, and acronym for "Erudite Connotations"

1. The protagonist is vexed by the confluence of fabricated attacks on his professional competence and integrity
2. This is an especially perplexing response to the protagonist's creation and establishment of a trademarked brand of product that connotes erudition by those who buy it, and celebrates the creativity embodied in this high quality product (called "EC®"), enabling it to become the most successful proprietary brand of its kind, and a magnet for new clients, thereby creating tremendous incremental wealth for the Firm
3. The debilitating forces of revenge, greed and job insecurity created by the long shadows of the protagonist's successes are later elucidated as the motivations of two primary perpetrators
4. The collaboration of the perpetrators, one driven by revenge, the other by insecurity, and both by greed, gestated a malicious initiative intended to hang the protagonist in the public square of the industry.
5. The sinister perpetrators clandestinely devised their lowly plans (metaphorically akin to terrorists plotting an invidious attack, and having to move about an extensive network of caves to prevent detection), and then ingratiate themselves with like-minded ingrates for their ability to carry out their fallacious conspiracy with apparent aplomb.
6. The fabricated reasons to originally impugn the protagonist are then trumped by the perpetrators' carefully administered plan of incessant character defamation in order to preserve the portentous value of the EC® brand and related franchise, and in turn, their own wealth.
7. One of the perpetrators contemptuously takes credit for the creation of the EC® brand, as well as other accomplishments of the protagonist, while feigning no involvement in the insolent actions taken against the protagonist.
8. The misinformation is then amplified in legalese, which is metaphorically described as being scripted in an ancient language to further obfuscate the truth about the true progenitor of the EC® brand, and the intentions of the perpetrators in their procacious intellectual theft and breach of good faith
9. Newly ensconced in a position of power (one new and the other newly regained), the perpetrators collectively abused the authorities thus vested
10. Emboldened by their success, others have been encouraged to support the canard with promises of advancement and pecuniary benefits, in exchange for their cooperation (and veiled threats of a similar fate, if they do not).
11. Although aghast at the protagonists' sudden demise and ensuing treatment, fear of a similar reprisal mutes those who would otherwise speak out—a form of employee blackmail that countermands the valor of those in the Firm and perhaps its industries, generally, as information travels quickly when a new management practice proves effective, despite the fact that the foundation of its application may be morally reprehensible.
12. The founding fathers of the perpetrators' Firm long espoused conducting "first class business in a first class way". While difficult to discern how prevalent these corrupt practices of workplace mobbing are, the actions taken in this instance alone are enough to have them "turning in their graves".

A slogan made famous by J.P. Morgan, Jr. and later adopted as its credo by Morgan Stanley

The referenced poem