
Gail / Warren –

Sorry to burden you with this, but I was frankly angered by the annual review I received. Realizing that you were not a first hand party to my work on the Principal side, I believe you have has sufficient basis to form your own conclusions from the many discussions we had in orchestrating my transfer from Principal to Finance back in February, and since my joining the Finance group on August 4.

I have prepared a response to the evaluation, which I believe is fair and accurate. Please review this at your earliest convenience. I welcome your comments. Thank you.

Draft Response

I have not responded in past evaluations, as I felt for the most part that they have been accurate. This year is not the case. I believe this year's assessment has an imbalanced negative bias for the following reasons: (1) 10 or more upward/peer evaluations were not included in the assessment; (2) my strong objection to working for Russ Rahbany that necessitated my request to leave the Principal group; and (3) certain of the evaluations that were received appear to reflect a visceral response to my request to leave the Principal group.

Upward/Peer Evaluations

I understand that ten or more upward/peer evaluations (60-70%) were not received and therefore not taken into account in my annual review. This obviously calls into question the veracity of the overall evaluation. See attached Evaluation Request Form.

Objection to Working for Russ Rahbany

When SPG was organized into "Finance" and "Principal" groups, I expressed my desire to move to the Finance side, and I was asked to join. However, I was encouraged by those in the Principal group, to work on business development for principal transactions and co-head the conduit, reporting to Russ Rahbany. I immediately expressed strong reservations about this from my prior dealings with him, and what others had conveyed to me. I was told if I went to the Finance side, I would have to give up management of the Dean Witter business channel, which I began to develop in the Spring of 1998 under the guidance and direction of Craig Phillips. I was further assured I would have a "safety valve" to resolve issues that may arise in working for Russ, so I agreed to work on the Principal side. Issues did in fact arise with Russ, where I found it my effectiveness to generate business greatly impeded. When the safety valve never materialized, I requested the transfer.

Visceral Reaction

I was informed I had an “outlier” evaluation of “2” from one of the Downward evaluators. It is easy to figure out that it was given by one of the two people on the Principal side, most likely John Westerfield, who had a few months earlier campaigned hard to have me in the Principal group. This reaction is unfortunate.

Conclusion

I am confident that the coverage platform I am now working with, coupled with the support received from Gail McDonnell and Warren Friend, I will continue to generate significant business for SPG, and for MSDW overall through the many cross-selling opportunities offered by working with the retail channel of the Firm.

I look forward to the opportunity to dispel this erroneous, and I believe vindictive comment about teamwork.

Talking Points – Separately discuss:

- Gail's assurance to remove Russ as Evaluation Director
- Warren assurance that the assessment would be favorable
- Where does it say that there were no issues noted since joining Finance