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INTRODUCTION

Galen Marsh comes before the Court for sentencing on December 7, 2015, following his guilty plea on September 21, 2015,¹ pursuant to a plea agreement with the Government (the “Plea Agreement”),² to the sole count of an Information charging him with Exceeding Authorized Access to a Computer, in violation of 18 U.S.C. § 1030(a)(2)(A).

This charge is based upon the fact that, from June of 2011 through December of 2014, while employed with Morgan Stanley, Mr. Marsh accessed confidential Morgan Stanley client information to which he was not entitled to access, copied it and transferred it to his home computer. Because the value of the data Mr. Marsh obtained exceeds \$5,000, Mr. Marsh is subject to a heightened statutory maximum sentence of imprisonment of five years.³ 18 U.S.C. § 1030(c)(2)(B)(iii). **Mr. Marsh has never denied that he engaged in this conduct.**

At the outset, however, it is critical for the Court to understand that **Mr. Marsh never sold or disclosed this information outside of Morgan Stanley, nor did he ever intend to,** and **the Government does not suggest otherwise.** Rather, Mr. Marsh intended to analyze this financial information by using methods he learned in the course of his employment and through his education. His goals in analyzing the data were to discover market trends and determine how other financial advisors invested their clients’ money, with the ultimate objective of becoming a better financial advisor to his clients. However, Mr. Marsh knew at the time that he was not authorized to view or transfer this information, and for that, Mr. Marsh sincerely apologizes and accepts full responsibility for his conduct.

1 Attached hereto as **Exhibit A** is a copy of the plea minutes.

2 Attached hereto as **Exhibit B** is a copy of Mr. Marsh’s Plea Agreement with the Government.

3 If the value of the data Mr. Marsh accessed was below \$5,000, Mr. Marsh would be facing a statutory maximum sentence of not more than one year. 18 U.S.C. § 1030(c)(2)(A).

If this was all there was to the narrative, Mr. Marsh might not be here today as a convicted felon and facing a possible incarceratory sentence. However, in December of 2014, internet postings offered to sell Morgan Stanley's client information. At least one of the postings included examples of the data which was for sale. After learning of these solicitations, Morgan Stanley conducted an investigation and traced the publicized client data back to searches that Mr. Marsh had made within the Morgan Stanley computer system. When confronted by Morgan Stanley representatives, Mr. Marsh immediately and readily admitted that he accessed and transferred client information to which he was not authorized to access, but vehemently denied that he shared the information or offered to sell it online. In light of Mr. Marsh's admissions, on January 2, 2015, Morgan Stanley terminated Mr. Marsh's employment.

Media outlets were quick to pick up on the story of the breached Morgan Stanley data, and the news spread like wildfire. The resulting media circus that followed was overwhelming to Mr. Marsh, his wife and his family. Early in the story's development, purported sources within Morgan Stanley were quick to accuse Mr. Marsh of being the individual who posted the data online. However, as it is now conceded by the Government, **Mr. Marsh did not share this client information or offer to sell it to anyone.** Nonetheless, in today's digital world, the news articles wrongfully accusing Mr. Marsh of posting the data will remain forever accessible via the internet.

Mr. Marsh's conduct was criminal and nothing presented herein is meant to minimize that. He has clearly taken responsibility for his poor choice to engage in this behavior. Even before he pled guilty, Mr. Marsh fully admitted that he accessed this information without authorization. He never tried to hide it and even publicly acknowledged it.

However, Mr. Marsh's efforts to do the right thing go beyond his admissions of guilt.

From the moment he was first notified of the data breach, Mr. Marsh fully cooperated and complied with Morgan Stanley in the course of its internal investigation and answered all questions posed to him, even after he was terminated. Once he became aware of a criminal investigation, Mr. Marsh – through counsel – continued his cooperation and was cooperative with the Government. Mr. Marsh was also responsive to FINRA and the SEC in their respective investigations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

As discussed more fully herein, Mr. Marsh is a good and decent man, who should be defined by much more than the instant criminal conduct. Mr. Marsh is far from the typical criminal defendant. He was raised in a stable and loving family. He was a successful college athlete, attaining a degree in political science from Muhlenberg College and then later an MBA from Duke University. He had successfully completed a program to become a financial advisor with Morgan Stanley and was on the brink of becoming an equity partner within his group. Indeed, Mr. Marsh had a very bright future ahead of him. However, that future has now been severely compromised and Mr. Marsh rightfully blames no one but himself.

Nonetheless, Mr. Marsh is less concerned about himself than he is the future of his family, especially his unborn daughter whose expected delivery date is only a couple of weeks after his sentencing date. Mr. Marsh laments how his behavior and this conviction will forever impact his daughter's life. His career has been derailed, impacting his ability to provide her with a stable and comfortable life; his savings have been exhausted; and the \$600,000 restitution order will make it even more difficult, if not impossible, to save for her college education. Of course, most significantly, in the event that Mr. Marsh is incarcerated for any period of time, he will be absent from a critical period in his daughter's life, a period in which a father's bond is first formed with his child.

Mr. Marsh's situation is both unfortunate and unique. In determining Mr. Marsh's sentence, we respectfully ask the Court to take into consideration his immediate and consistent efforts to cooperate, his background, his strong character, and his devotion to his friends, family and colleagues. We implore the Court to consider that Mr. Marsh's instant criminal conduct is but a very small chapter in an otherwise unblemished history.

Accordingly, we submit this Memorandum in support of our request that the Court sentence Mr. Marsh to a term of **probation**. As set forth below, a full consideration of the factors enumerated in Section 3553(a) of Title 18 of the United States Code makes it clear that sentencing Mr. Marsh to a sentence of probation is a just, fair and reasonable punishment under the circumstances and will be sufficient but not greater than necessary to accomplish the goals of sentencing.

PROCEDURAL HISTORY

On September 21, 2015, an information was filed against Mr. Marsh charging him with one count of Exceeding Authorized Access to a Computer, in violation of 18 U.S.C.

§§ 1030(a)(2)(A), 2. That same day, after waiving prosecution by indictment, Mr. Marsh pled guilty before this Court to that charge pursuant to the Plea Agreement.

Mr. Marsh was released on a \$200,000 Unsecured Personal Release Bond. Pursuant to the terms of his release, Mr. Marsh is permitted to travel freely within the United States. Mr. Marsh has been fully compliant with the conditions of his release and his reporting requirements to Pretrial Services.

Probation interviewed Mr. Marsh on October 7, 2015, and he was fully compliant and truthful during the interview process and provided Probation with the materials it requested. Probation prepared the draft Presentence Report (the “PSR”), dated November 9, 2015.⁴ Mr. Marsh timely submitted objections to the draft PSR by letter, dated November 24, 2015. Counsel received a copy of the final PSR, today, December 1, 2015. Sentencing is currently scheduled for December 7, 2015, pursuant to this Court’s order expediting sentencing in this matter.

As set forth in detail below, although the formal proceedings in this matter are just over two months old, the prospect of this prosecution has been haunting Mr. Marsh since he was terminated by Morgan Stanley in January of this year. Over the course of that time, Mr. Marsh has actively and fully cooperated with Morgan Stanley, the Government, the SEC, and FINRA in connection with their respective investigations of Mr. Marsh’s conduct in an effort to, *inter alia*, determine who exactly posted the confidential client data on the internet.

⁴ We note that although the PSR is dated November 9, 2015, defense counsel did not receive it until November 16, 2015.

A CONSIDERATION OF THE FACTORS SET FORTH IN 18 U.S.C. § 3553(a)
STRONGLY FAVORS A SENTENCE OF PROBATION

Since the United States Supreme Court's decision in *United States v. Booker*, 543 U.S. 220 (2005), the United States Sentencing Guidelines are no longer mandatory, but rather are advisory and constitute one factor to be considered by the sentencing court in fashioning a reasonable and appropriate sentence. In this particular case, we respectfully submit that a sentence of probation for Mr. Marsh is fair, just, and reasonable.

In *Gall v. United States*, 552 U.S. 38 (2007), the United States Supreme Court reiterated the importance of the sentencing court's discretion in fashioning an appropriate sentence for the particular criminal defendant before it. In *Gall*, the Court upheld a sentence of probation for a defendant in a drug conspiracy case who had withdrawn from the conspiracy and had demonstrated a laudable history of education and employment. The *Gall* Court specifically rejected the notion that only "extraordinary" circumstances can justify a sentence outside of the applicable Guidelines range, and likewise rejected "the use of a rigid mathematical formula that uses the percentage of a departure as the standard for determining the strength of the justifications required for a specific sentence." *Id.* at 47. The Court further stated a sentence outside the applicable Guidelines range cannot be considered presumptively unreasonable. *Id.*

In *Gall*, the Court made clear that a departure from the Guidelines, even one resulting in an unusually lenient sentence, may be justified if the sentencing court can clearly explain why it is appropriate in a particular case with sufficient justifications. *Id.* *Gall* definitively instructs the sentencing court that a Guidelines calculation is a necessary starting point for determining a sentence, but it cannot be the end of the court's analysis. The Second Circuit has confirmed that "a sentencing judge has very wide latitude to decide the proper degree of punishment for an

individual offender and a particular crime.” *United States v. Cavera*, 550 F.3d 180, 188 (2d Cir. 2008).

The sentencing court must evaluate and consider the factors set forth in 18 U.S.C. § 3553(a). *Gall*, 552 U.S. at 49-50. These factors include a consideration of the nature and circumstances of the offense and the history and character of the defendant; an analysis of the general purposes of sentencing; the kinds of sentences available; Sentencing Commission policy statements; the need to avoid unwarranted disparities in sentencing; and, of course, the applicable Guidelines. 18 U.S.C. § 3553(a). *Gall* states clearly that the sentencing court’s objective in considering these factors is to impose a sentence that is reasonable. 552 U.S. at 46.

A. THE NATURE AND CIRCUMSTANCES OF THE OFFENSE

In this highly publicized case, the question that has dominated the discussions is why would Mr. Marsh view and copy this client data? The completely wrong answer is that he intended to sell the information to a third party or poach clients from Morgan Stanley. **To be perfectly clear, Mr. Marsh did not intend to do either of these things.**

During the relevant time period, Mr. Marsh worked within a group of private wealth managers at Morgan Stanley in New York, first as a customer service associate (“CSA”) and then as a financial advisor (“FA”). (PSR ¶ 7). The group provided investment advice to a particular group of Morgan Stanley clients. There are other similar groups associated with Morgan Stanley around the country who service their own particular clients. (PSR ¶ 7).

Morgan Stanley authorized each group to access the client information (such as names, addresses, account information, investments) of its own clients through the Morgan Stanley computer system. (PSR ¶ 8-9). Here, Mr. Marsh made the misguided decision to access client

information of groups other than his own – information to which he knew he was not authorized to view or copy.

However, to be clear, this was not a situation in which Mr. Marsh was required to “hack” complex passwords in order to access this information, such as, for instance, passwords used to access an email account. Rather, in order to access the information that Mr. Marsh was unauthorized to access, Mr. Marsh first entered a branch and group number (both of which were readily available to Morgan Stanley employees) in the computer system. (PSR ¶ 9).

He then entered an FA (financial advisor) number, a 1 - 3 digit number, which, upon information and belief, was generally assigned based upon the date that the FA joined that particular group. Thus, for instance, the first FA that was assigned to a particular group would be assigned number 1, the second, number 2, and so on. However, regardless of how the numbers were assigned, in many cases, Mr. Marsh was able to access a particular group’s client information by entering 1 through 10, *i.e.*, Mr. Marsh identified a FA number that was between 1 and 10.

After Mr. Marsh discovered he could access the client information from groups and branches other than his own, he started looking through the data because he was, frankly, curious. He would page through the client profiles with the intent to just see how other branches operated and managed their clients.

He then realized that the information could be useful in servicing his own client base within Morgan Stanley. It was not his intent to attempt to poach clients from other FAs; rather, he wanted to take these large buckets of information to analyze and determine how he should be managing his own clients’ accounts. In order engage in that analysis outside of normal business

hours, he downloaded the information to his home computer. Early on, he attempted to analyze the data using Excel, but given the size of the data, that proved ineffective.

As discussed below, Mr. Marsh earned his MBA from Duke University in 2013. Early on in his MBA coursework, Mr. Marsh took an applied statistics class, in which he learned the value of using aggregated data to make decisions based upon trends within that data. Mr. Marsh felt that this could be a useful method to apply to the data he had accessed. Mr. Marsh took additional online classes in computer science and data science, the focus of which involved the analysis of large amounts of data to predict such things as market conditions. He even taught himself how to create computer programs to analyze client data. He thereafter created several programs which he then used to analyze the client data he had downloaded.

Although Mr. Marsh knows that he was not authorized to view and download the customer data outside of his group, his intended use of the data was generally promoted in the industry. In fact, a senior member of Morgan Stanley Wealth Management, the division in which Mr. Marsh was employed, co-wrote an article in which he encouraged wealth managers to use data analysis to, among other things, “[m]ore effectively match[] clients and the best investment opportunities for them.” Thomas Redman and Jeff McMillan, *It’s Not About the Algorithm Anymore*, *Wall Street & Technology*, September 2, 2014 (copy attached as **Exhibit C**).

Again, although Mr. Marsh fully understands he was not allowed to view and download the client data outside of his group, his job duties within his group strongly encouraged his intended use. For instance, within Mr. Marsh’s group, he was the main point of contact with two outside consultants his group retained to analyze the group’s client data. Mr. Marsh assisted the consultants with their analysis. In addition, the senior members of Mr. Marsh’s group asked him

to prepare business plans which required him to analyze the group's prior years' performance, asset allocations and comparisons regarding what was believed to be the industry average.

The Government asserts from June 2011 through December 2014, Mr. Marsh conducted almost 6,000 unauthorized searches and accessed 730,000 client accounts in the Morgan Stanley database. (PSR ¶ 10). We can neither confirm nor deny the accuracy of these numbers, but we have no reason to doubt the Government's assertion.

When Mr. Marsh first accessed the information in June 2011, he was not actively looking for employment. However, he acknowledges that he, along with a more senior member of his group engaged in discussions with two of Morgan Stanley's competitors at various times between October of 2013 and December 2014. (PSR ¶ 12). To clarify, however, the more senior FA is a Managing Director at Morgan Stanley. Not only is a Managing Director far senior to a fledgling FA such as Mr. Marsh, but a Managing Director is far senior to most of Morgan Stanley's entire employee base. This particular senior FA is approximately 20-25 years older than Mr. Marsh and has been licensed in the financial industry for longer than Mr. Marsh has been alive. The senior FA arranged these meetings with the two Morgan Stanley competitors and requested that Mr. Marsh accompany him. As a young and newly minted FA, Mr. Marsh's role during these meetings was largely to take notes. The senior FA drove the discussions with the competitors regarding a possible move from Morgan Stanley. The senior FA was the group's highest grossing producer and, upon information and belief, earned over a \$1 million in 2014. Mr. Marsh, on the other hand, earned approximately \$100,000. If the group had decided to move to a competitor, it would not have been Mr. Marsh's decision, although he acknowledges that he would likely have transferred as part of the group.

In addition, at no time during these discussions did Mr. Marsh ever disclose to the competitors that he was in possession of any of the confidential client information, nor does the Government allege that he did.

Mr. Marsh certainly failed to appreciate the ramifications of viewing and downloading client data to his home computer. He convinced himself that because he did not have a nefarious intent with respect to the information, he was not doing anything improper, although he did know he was not authorized to access that data. As Mr. Marsh quickly learned after the client information was posted online, seemingly innocent actions can have the severest of unintended consequences.

Once news of the data breach broke, the media inquiries were relentless. The flurries of news reports of the data breach were fast and furious. Theories abounded regarding how, when, why and by whom the client information was disclosed. Of course, Morgan Stanley was under immense pressure to determine how its confidential client information became available for sale online and it was imperative that Morgan Stanley discover the source.

From the very beginning, Mr. Marsh denied that he had disclosed the client information to anyone outside of Morgan Stanley. Mr. Marsh denied this to Morgan Stanley, to the Government and to the media. Consistent with his truthful assertions, the Government confirms that Mr. Marsh's home server, on which Mr. Marsh had saved the client data, had been compromised between October 6, 2014, and October 31, 2014, only a few weeks before the client data appeared on the internet. (PSR ¶ 15). It is probable that the client data was extracted from Mr. Marsh's home as a result of outside hackers. In fact, based upon conversations with representatives of Morgan Stanley, we learned that hackers emanating from Russia were suspected of posting the information and offering to sell it online.

Although Mr. Marsh fervently denies posting the client information, the media readily portrayed Mr. Marsh as the culprit and, based upon Morgan Stanley sources, wrongfully accused him of the disclosure. (See examples of news articles at **Exhibit D**). Perhaps most disturbing to Mr. Marsh were the publication of pictures of him and his wife and being branded a hacker. Even his wedding photographer notified him that a news outlet wanted to purchase photographs from his wedding.

We submit that Mr. Marsh's conduct here does not warrant the imposition of an incarceratory sentence. Although Mr. Marsh was not authorized to either view or remove the client information, he did not do so with the intent to profit from it at the expense of Morgan Stanley. **As acknowledged by the Government, Mr. Marsh "did not profit from the use of the information and did not pass the information to anyone else."** (PSR ¶ 18). None of Morgan Stanley's clients suffered any pecuniary losses. Respectfully, Mr. Marsh's conduct was misguided and criminal, but is not deserving of imprisonment.

B. MR. MARSH'S IMMEDIATE EFFORTS TO COOPERATE

Since Mr. Marsh's conduct first came to light in December 2014, Mr. Marsh has made every effort to fully and completely cooperate with the interested parties. First, when Morgan Stanley discovered that client information had been disclosed, Mr. Marsh fully and truthfully disclosed that he had copied client information to his home computer. He first met with Morgan Stanley without counsel and after he admitted that he copied the client information, Morgan Stanley representatives escorted him to his home, where Mr. Marsh voluntarily turned over his personal computer storage devices so that Morgan Stanley could conduct its own investigation and analysis. Mr. Marsh had two subsequent meetings with Morgan Stanley representatives with counsel and was truthful and open during those meetings.

Early in the investigation, after the Government became involved, Mr. Marsh, through counsel, answered its questions and fully cooperated with its investigation. Mr. Marsh also fully cooperated with various inquiries from the SEC and FINRA.

[illegible]

[REDACTED]

[REDACTED]

C. MR. MARSH'S BACKGROUND

One of the factors courts are to consider in fashioning a sentence consists of the “history . . . of the defendant.” 18 U.S.C. § 3553(a)(1). Here, Mr. Marsh’s background reveals that he is a loving and devoted husband, son, brother, and soon to be father.

Mr. Marsh, 31, was born in 1984 in Flemington, New Jersey to Ralph and Gwili Marsh. His mother and father, who met in college, have been married for over forty years. When they were first married, Ralph was in the United States Air Force and stationed in various locations throughout the world. When Gwili became pregnant with Mr. Marsh’s older brother (their first child), Ralph left military service and they moved to New Jersey, where Gwili’s parents lived. Ralph began working as an insurance adjuster at Gwili’s father’s insurance agency. When Mr. Marsh was in the second grade, his mother joined her father’s business, also as an insurance adjuster.

Mr. Marsh grew up in Clinton Township in New Jersey. He attended Immaculata High School, a local Catholic high school. Although Mr. Marsh was Presbyterian, his family felt that he would receive a better education at the Catholic high school than at the local public school. In high school, Mr. Marsh was an above average student and dedicated his extra time to playing soccer and lacrosse, both of which he excelled at. He earned his varsity letter in both sports.

The time that Mr. Marsh dedicated in high school to playing lacrosse proved to be a valuable and wise investment. Mr. Marsh knew that he wanted to play lacrosse in college and learned that Muhlenberg College in Allentown, PA was forming a new lacrosse team. Mr. Marsh was excited at the prospect of becoming a part of a sports team at its inception and sent

the coach a video of him playing lacrosse. Impressed with Mr. Marsh's ability, the coach asked Mr. Marsh to apply to the school so that he could join the team. As Muhlenberg was his first choice, Mr. Marsh applied to the school "early decision" and was accepted.

Throughout college, Mr. Marsh played lacrosse and loved every minute of it. The college's first team consisted of eighteen freshmen and two sophomores. Out of those eighteen freshmen, Mr. Marsh was one of only four who played all four years of college. He was a dedicated and successful member of the team and even won the award for best player one year. By the time he graduated, he considered the team competitive. Mr. Marsh relished that he was responsible, in part, in creating an entirely new and successful lacrosse program at the school.

1. Mr. Marsh's professional background

After graduating in 2006 with a B.A. in political science and a business administration minor, Mr. Marsh moved back home to New Jersey with his parents. He knew that he wanted a career in finance, but every position he was interested in required him to be licensed. He eventually located a position working for a two-person brokerage firm in New Jersey. Mr. Marsh accepted the position which paid him a paltry salary, but the owners also agreed to sponsor him for his licenses. He studied for the tests and passed both the Series 7 and 66 exams on his first attempt.

As soon as he passed the exams, Mr. Marsh began applying for new jobs in New York City. He interviewed at Bear Stearns in the private wealth division. During his first round interview with human resources, the interviewer believed that she had a perfect spot for him and that same day he interviewed with two senior financial advisors. They were so impressed with Mr. Marsh that they hired him on the spot as a sales assistant. There, his job duties primarily entailed market research and analysis, which he thoroughly enjoyed.

The Bear Stearns position lasted approximately eleven months. And then the world fell apart. In March of 2008, the Federal Reserve announced that it was providing an emergency loan to Bear Stearns to prevent its collapse. The senior members of his group immediately began exploring options outside of Bear Stearns and told Mr. Marsh that if they found a new home, they would take him with them. Bear Stearns was in turmoil, but his group successfully relocated to Morgan Stanley before it imploded later that month.

At Morgan Stanley, Mr. Marsh's position was a client services associate. Essentially, he performed the same duties as he had at Bear Stearns, just with a different job title. The transition to the new firm was difficult under the circumstances. Mr. Marsh spent his first two months traveling to the group's clients, having them sign the necessary transition paperwork and generally doing what he could to ensure a smooth transition for the group's clients to Morgan Stanley.

Mr. Marsh's responsibilities within the group increased over time. He took on the responsibilities of another co-worker who had been terminated, and he asked for additional work. Mr. Marsh's goal was to learn as much as he could. He became frustrated, however, because he did not feel as though he was growing in the position. In around 2010, he decided to interview with another department within Morgan Stanley. When he told the senior members of his group of his decision, they placed him in the financial advisor training program to avoid losing him as an employee.

Mr. Marsh was in the financial advisor training program for about three years. During that time, he was provided education and mentorship regarding how to be a successful financial advisor. He graduated from the program in 2013 and officially became a financial advisor. Mr. Marsh was on course to have a productive and successful career as a financial advisor. Indeed,

he was set to become an equity partner within his group on January 1, 2015, only days after the data breach was discovered.

At the same time he was in the training program, Mr. Marsh pursued his MBA at Duke University. It was an intensive educational program consisting of two-week blocks of classroom sessions over a period of 18 months. The class sessions occurred in locations throughout the world. In each location, Duke arranged to have local business leaders lecture to the class regarding local business customs and operations. Although Morgan Stanley did not pay for the education, it allowed him to take the time off to attend. Mr. Marsh graduated in 2013 with his MBA.

2. Mr. Marsh's family

Mr. Marsh considers himself extremely lucky. He has disclosed his legal situation to everyone around him. His entire family remains ready willing and able to support him in any way that they can regardless of the sentence the Court imposes.

Mr. Marsh's parents still reside in New Jersey and both remain insurance adjusters. Mr. Marsh has an older brother, Ethan, who is married with two children in Washington, D.C. Both Ethan and his wife are attorneys. Ethan also spent some time in the Army and successfully completed a six-month deployment to Iraq in 2004. Mr. Marsh has a younger sister, Keely, who is married and lives in Massachusetts. She is a finance manager for a software company and her husband, Ray, is a chemist.

Both of Mr. Marsh's grandmothers are still alive and he is very close to them. Because his parents worked at his grandfather's business, Mr. Marsh saw his maternal grandmother often. She recently decided to move to South Carolina to be closer to her other daughter. Mr. Marsh was instrumental in ensuring that her move was as smooth as possible. As it was during a period

in which he was unemployed, he spent his time helping clean out her home of 60 years, looking for houses with her in South Carolina, and chauffeuring her around. Mr. Marsh is thankful for this extra time that he has been able to spend with her.

His paternal grandmother is 95 years old and lives in Bethlehem, PA. He did not have a close relationship with her growing up as she lived in Florida, and they did not see each other often. However, after his grandfather passed away in 2004, she moved to Pennsylvania. Mr. Marsh now tries to see her as often as he can and relishes the time he spends with her.

Mr. Marsh met his wife, Jessica, in college. She also played lacrosse at Muhlenberg, and their paths often crossed. Although they knew each other the entire four years of college, they did not begin dating until their senior year. After seven years of dating, they were married on August 17, 2013. They live together in New Jersey. Jessica presently works for a public relations and marketing firm in New York City. Like Mr. Marsh's parents and siblings, Jessica is unwavering in her support of Mr. Marsh.

In April of this year, Mr. Marsh and Jessica discovered that they were expecting their first child. Mr. Marsh is elated and overjoyed at the prospect of being a new father, and he recently found out he is having a daughter. However, his elation is tempered by the possibility of an incarceratory sentence in this case. Jessica's due date is December 28, only a few weeks after Mr. Marsh's sentencing date. If Mr. Marsh is sentenced to imprisonment, he will be devastated that he will not be with his daughter during her first year or years of life. This above all other repercussions of his conduct, is what he fears the most and what he would consider wholly unforgiveable.

3. Mr. Marsh's conduct since Morgan Stanley

After Mr. Marsh was terminated from Morgan Stanley, he was numb and overwhelmed. Being terminated from your job is unquestionably a devastating event. However, here, Mr. Marsh was not only terminated from his job, but his entire career that he had spent his adult life working towards was obliterated. As a result of his conduct and his conviction, Mr. Marsh will never work in finance again. He has lost his financial licenses, and his name has been sullied in the industry.

While many individuals in Mr. Marsh's situation would become directionless, Mr. Marsh has refused to remain idle. Throughout this whole situation, Mr. Marsh's number one priorities have been to protect and support his family and to be the best husband and soon to be father. However, Mr. Marsh knew that looking for a job shortly after his termination was unlikely to be fruitful; there was significant amounts of media attention given to the story, some of which wrongfully portrayed Mr. Marsh as a thief who sold client information on the internet.

Rather than losing his direction, after he was terminated from Morgan Stanley, Mr. Marsh made several significant and positive changes in his life.

First, Mr. Marsh rediscovered his religious faith. Mr. Marsh's parents were and still are devout Presbyterians, regularly attending Sunday services. Indeed, his mother teaches Sunday school. Growing up, Mr. Marsh also went to church regularly and participated in various church youth groups and retreats. However, after high school, like many young adults, he stopped attending church. Soon after the events leading to this prosecution unfolded, Mr. Marsh noticed a church near to his home and, one day, decided to attend services. Since then, Mr. Marsh regularly goes to church, welcoming religion back into his life.

Second, Mr. Marsh began volunteering at a nearby soup kitchen. Mr. Marsh has been truly humbled by this whole experience. After he lost his employment, Mr. Marsh realized how lucky and incredibly fortunate he is that he has a strong support network, including his wife and parents, all of whom love him unconditionally. But for that support, Mr. Marsh believes that he could have easily ended up in need of public assistance or charity, such as a soup kitchen. Relieved that he does not need such assistance, he feels as though he has an obligation and duty to volunteer. Thus, several times a week while he was unemployed, Mr. Marsh volunteered at the soup kitchen, helping to prepare and serve meals to between 50-100 people each night.

Third, Mr. Marsh has acknowledged and accepted that he will never work in finance again. He knew that if he was to secure stable employment in a different field, he had to retool his education and background. To that end, he has taken free online classes in computer programming, data sciences/statistics and other related studies. Although he did not receive credit for these classes, he knew that he could not afford additional formal education, and these online classes were all provided by college professors from colleges such as MIT and Harvard.

Mr. Marsh also understood that given his current situation, the likelihood of making it through the screening process of the human resources department of any company was next to nil. Realistically, his felony conviction will make it nearly impossible to secure professional employment in any well-established company. Accordingly, Mr. Marsh focused his job search on startup companies. During his interviews, Mr. Marsh has been completely upfront and honest regarding the circumstances of his termination from Morgan Stanley. Eventually, through his diligent networking efforts and his self-education through the online classes, this past May, Mr. Marsh was hired as a consultant to a startup software company. When Mr. Marsh joined the company, there was one client; now there are three. As the company's second employee (after

the founder), Mr. Marsh serves many functions, including customer support, software testing, and business strategy. He also drafts tutorials and other customer-oriented documentation.

Before Mr. Marsh pled guilty in this matter, he advised his boss and warned him that there would likely be a resurgence in media attention to him. Mr. Marsh would not have been surprised if he would have been terminated. Thankfully, his boss understood the situation and decided to keep Mr. Marsh, recognizing the value that Mr. Marsh has provided to his fledgling company. Of course, if Mr. Marsh is sentenced to a custodial term, it is unlikely that his current employer will be able to keep his position open during any period of incarceration. This possibility is a sobering thought to Mr. Marsh, especially because for the first time in a long time, Mr. Marsh actually enjoys what he is doing professionally.

D. MR. MARSH'S PERSONAL CHARACTERISTICS

In addition to the defendant's background, Section 3553(a)(1) directs the sentencing court to consider the defendant's characteristics for purposes of determining the appropriate sentence. Submitted herewith are numerous letters written by Mr. Marsh's family, friends, and neighbors setting forth detailed descriptions of Mr. Marsh's overwhelming generosity, caring, and selflessness. (**Exhibit E**). We urge the Court to read each of these letters to truly understand who Mr. Marsh is and the myriad ways he has positively affected others. As these letters clearly establish, Mr. Marsh's character is based upon more than just the instant criminal conduct.

Charlotte Bertz has known Mr. Marsh for over thirteen years, having met him in college. As a fellow lacrosse player, Ms. Bertz would often see Mr. Marsh on the playing field. She states that

When we were seniors, I remember seeing him interact with the freshmen on the men's team that normally would have been intimidated by stepping onto the field, but Galen's inclusive and reassuring demeanor made them and people around him at ease. Galen has a kind sense of humor. He is a very

encouraging and supportive person. To this day in all social situations he is the one person to make all people in the room feel comfortable and welcomed.

Ms. Bertz further notes how **“caring for others is one of Galen’s best qualities.”**

Another of Mr. Marsh’s college friends, Rob DeChiaro, recalls how when they used to be roommates,

Through many of our conversations and time on the couch decompressing from work, I quickly learned that Galen’s parents were a guiding light for him. He is deeply rooted in the idea of family, and strives to succeed to ensure that he has the ability to support that family, just as his parents supported him.

...

Galen made a mistake. He did not “do the right thing” and he has paid dearly for it. I am confident in saying to you that while Galen may have made a mistake, it is not who he truly is. He is a kind, caring, loving and genuine person who is focused on one thing – making a great life for him and his family.

David Armstrong, Mr. Marsh’s close college friend, is grateful for Mr. Marsh’s presence in his life. Mr. Armstrong writes

So many unbelievable memories and moments in our lives have been enjoyed together. I married my wife in September 2012 and had Galen by my side as a groomsman. Almost a year later when Galen was married I was incredibly honored to return the favor and stand with him. Now as my wife and I wait to welcome our second child in February we can share this special and blessed time of our lives as Galen and his wife await the birth of their first child. I am grateful for the way my life’s path had crossed with Galen’s and consider him such an important part of my life. He is family to me and I know that he feels the same about me and the rest of my family. I understand the severity of the charges that Galen is charged with, however, I believe that the remorse he feels for his actions will carry with him for the rest of his life. . . . We truly consider him family and hope that our families will continue to grow and be lifelong companions. I can only wish that my sons will find a person to have such a special friendship with during their life’s journey.

A longtime friend of Mr. Marsh, Shannon Donohue, states that

Mr. Marsh is a catalyst. He has always had the ability to change the atmosphere around him, and I cannot recount even one time when his impact

was anything but overtly positive. Throughout our years of friendship, he has been a steadfast support for the people around him and a source of unbridled joy for those of us lucky enough to call him a best friend. . . . Mr. Marsh makes those around him feel special and valuable and important and he shares the greatest parts of himself to make other happy.

Meghan Garibaldi states in her letter that

I have nothing but respect and admiration for my friend, Galen. His positive attitude is contagious, his compassionate nature is refreshing and his love of life is inspiring. I feel blessed to have a friend like him in my life and I look forward to watching him become a father and instill these same qualities in his daughter. He is someone who has always shown forgiveness and kindness to those in his life.

Galen is someone who his friends turn to in times of need. For instance, Ms. Garibaldi notes how

Galen has always been someone that I turn to if I need advice, whether the issue is big or small. He is a wonderful listener and is truly interested in anything that is going on in your life. He will take time to sit with you, weigh the pros and cons of a situation and give you his honest and thoughtful opinion on how you should proceed.

Galen's younger sister, Keely, describes her observations of how the instant situation has affected Mr. Marsh and his family. She writes

Though I'm sure recent events have been incredibly hard on him personally; losing his job, having his name and picture in the papers, and grotesque sexual comments about his wife written on social media, I've never heard Galen complain. In fact, Galen's attitude during this incident is what makes me proudest of him. He used his time of being unemployed by volunteering at a soup kitchen, furthering his education in areas other than finance, traveling with our grandmother to find her a new home, helping her fix up her old home to be ready for sale, and finally helping her sort through, pack up and give away treasures collected during her sixty years in her old home. I also can't thank him enough for how helpful he has been to my parents. It's a common occurrence for me to call my parents and hear that Galen is there, helping my mom paint, spread mulch in the garden, or my dad carry or move something heavy. Galen has managed to take what is a poor situation and use it for the positive. His primary concern remaining to be the ones he loves, and those who count on him.

Galen's uncle, Thomas Wilson, notes that the instant charges are

entirely inconsistent with the type of person who [he has] known Galen to be. . . . I have been proud of him as a family member because of his personal growth and integrity. He values his relationships with family and friends. He respects his parents and appreciates the role models of good character, faith and personal accountability that they have provided in his life. . . . I know that Galen sincerely regrets this mistake. It is a first time offense that has cost him his job and has serious implications for his career. I hope that you will consider that the mistake he has made is an anomaly when compared to the sum of his positive qualities and upstanding life.

Mr. Marsh's mother-in-law, Lydia Geiger describes how when she first met Mr. Marsh over ten years ago, **"I was taken with his polite, yet fun-loving, demeanor and his clear love for Jessica. He has been a part of our family, both unofficially and officially, since then."** She concludes with the observation that **"I can also say with deep truth that he is a most caring, gentle and respectful person that I am proud to call my son-in-law. Galen has always been a loving husband to Jessica and now with their first child on the way, he will be needed more than ever as a provider, partner and father."**

Mr. Marsh's sister-in-law, has

had the chance to observe Galen with his family. They are good, caring people who welcomed me and my family with open arms. Galen has only been married for two years but he has already shown himself to be a love, supportive husband. He's always there when his wife needs him, particularly through her pregnancy. Galen has been truly humbled before his family. They do not have any experience with the criminal justice system, and just going through this in front of them is punishment enough. There is nothing he can learn from incarceration, but his family would be punished. Please consider Galen Marsh's overall character, good heart, and his family's wellbeing as you deliberate on sentencing.

Mr. Marsh's younger cousin, Isobelle Hemmers, describes how

His love for his wife is admirable, putting her first no matter what. This unfaltering love is something I respect greatly. His passion for his family is infinite. With a daughter on the way, he has continued to persevere in hopes of providing for his family in any way he can, getting a job as soon as he was able. He has held his head up in a time where his character could have turned to a dark, selfish and unruly place. He has been strong for his wife, his mother and father, his siblings, and his broad network of extended family and dear friends.

Could I say I would be as selfless as Galen with the weight of this mistake on my shoulders? I can only hope that as life's struggles come my way, I can be as mindful of others in my life and put selfishness at bay, in the way Galen has.

I know that Galen regrets the mistake he made. He has been open and honest with me, and that trust and love and faith is what a man is made of.

I hope that you will too find the trust and faith in Galen that is so unfaltering and evident from the people in his life.

The possibility of losing a son to a prison sentence is a devastating prospect for any parent. Mr. Marsh's parents are no different. His mother provides the Court with some insight in how Mr. Marsh has faced these proceedings. She writes:

The manner in which Galen has handled this situation has been admirable. The press, internet and TV media coverage have been extensive and brutal. His character has been assailed as they speculate on his motive. One newspaper printed a picture of his wife as well as [him]. Some of the comments posted by male readers about Jessica were disgusting. Galen knows he made a serious mistake and will be forced to face consequences, but it is the pain his mistake has caused Jessica, her family, his brother, sister, grandmothers and us that grieves him most. He has told me several times he does not worry for himself, but does for those his actions have affected. He blames no one but himself. He has taken full responsibility for his actions.

As a typical example of the type of person Mr. Marsh is, his mother recalls, that

during his senior year in high school, Galen had a part-time job at the local drug store. He worked with a young lady who attended a different high school than he. In the course of talking about their respective proms, Galen discovered she was not attending hers as she had not been asked and was too shy to ask a boy to take her. So Galen asked her to her prom. He was the perfect gentleman, attended an after prom party with her friends whom he did not know and made her prom special. I later learned from her mother [that] Galen was this young lady's first date. This is the caring, honorable Galen I know and love.

Mr. Marsh's father echoes the sentiments of his mother. In his letter to the Court, he states:

It hurts me to think of the things, personally as well as vocationally, Galen will be unable to do because of a felony conviction. Not that he hasn't suffered already. He lost his job; his friendships with the Morgan Stanley

executives who were “training” him evaporated; news coverage exceeded that of most comparable cases; he became a pariah in the finance industry; and legal expenses exhausted his savings. Most of all, he suffered because of the effects on his family. That continues.

I am particularly proud of how Galen responded to the situation. He concentrated on what he could, vis-à-vis what he could not, still do. He assumed further household duties to clear his wife’s schedule; he took online classes to refine computer skills; and he worked a few days a week at a soup kitchen. After the initial sting of his situation diminished, he began a diligent job search in a completely new field. He was upfront with potential employers. One gentleman finally agreed to hire him (on a consultant basis) for a start-up company. The impact sentencing might have on continuing that employment worries me. I hope you will look beyond past Galen’s mistake[s], see both the fine man he is now and his potential, and grant him leniency. It would not be wasted.

Mr. Marsh’s brother Ethan implores the Court for a non-custodial sentence:

The actions that led Galen to this moment are out of character and, I am very certain, will never be repeated. Galen has suffered for his actions. He lost his job and any prospect of working in the financial industry. I know he regrets his actions and what he has put his wife through. His wife and soon-to-be born daughter are blameless, and a prison sentence will force his wife to support and care for their infant daughter by herself. His daughter would also miss out on that special time to bond with her father at an early age. The loss of his job, the immense embarrassment that I know he feels, and the large restitution that he has agreed to make, are all significant punishments for his actions.

Meghan Roghanchi, who is a close friend to both Mr. Marsh and Jessica, fears for the absence of Mr. Marsh from his newborn daughter’s life. She writes in her letter

I know from experience how important the first stages of your child’s life are. It would be a terrible tragedy for his daughter if Galen was not able to be present for that period. She deserves to experience all the love he already has for her. I have seen this love every time he whispers to his wife’s belly and talks in a little baby voice to his unborn daughter. Any child would be lucky to experience that level of love from the first breath and indeed would be disadvantaged without it.

Jessica shares these fears. In her letter to the Court, she not only describes those fears, but also how she has observed Mr. Marsh develop and grow as a result of these proceedings.

Prior to our current situation, Galen and I shared responsibilities financially and around the home. When he lost his job, he shifted focus and took on the homecare to lighten the load for me. He did all the shopping, he kept our apartment neat and clean, and dinner was waiting when I arrived home from the office without fail. It was clear to me that Galen was fixated on coming out of this situation as an even better partner.

The media attention Galen and I received was not easy to bear, but we leaned on each other. . . . He knows he made a mistake and both he and I have suffered publicly for it.

I can safely say that I know Galen better than anyone. Therefore, I know with all my heart that we find ourselves in this situation as a result of a lapse in judgement. I ask you to consider the impact this instance of poor judgment will have on Galen's family, namely myself and his infant daughter. As we anxiously await her arrival in a few short weeks, I can't help but excitedly anticipate watching her grow, hearing her first laugh, experiencing her first steps and more. These are moments I would be elated to share with Galen, and would be truly devastated for him to miss.

Finally, Mr. Marsh has prepared his own letter for the Court's consideration (Exhibit F).

In his letter, Mr. Marsh expresses his genuine remorse for his conduct and the detrimental impact that he has caused. He writes:

I truly am sorry for my actions and would take them back if I were given the chance. Knowing that I cannot do so leads me to think of a reading I have taken to heart, Proverbs 10:17, "Whoever heeds correction is on the pathway to life, but someone who ignores exhortation goes astray." I am heeding correction and have altered my approach to life accordingly. I humbly ask for your mercy with regard to sentencing. I have worked hard over the last year to help with every aspect of the investigation and to get my life back on track in an honest and lawful manner. However, I realize I still have a long road ahead. This situation has cost me my life savings, my public reputation and left me in a mountain of debt. In my arraignment hearing, you told me that this would "stick" and I agreed. Beyond restitution payments and a felony record, I will have to work for the rest of my life to regain the trust of anyone who Googles my name. However, I believe that I am up to the task and can be additive to society, not detract from it. Given the opportunity, I will do everything in my power to repay my debts, be a productive member of society, and influence the world in a positive way.

E. THE SENTENCING GUIDELINES

The United States Supreme Court ruled in *Booker* that in determining a defendant's sentence, the court should consider all of the factors set forth in 18 U.S.C. § 3553(a). 543 U.S. at 259-260. Included in these factors is a determination of the applicable sentence under the United States Sentencing Guidelines promulgated by the Sentencing Commission. 18 U.S.C. § 3553(a)(4)(A).

Although *Booker* established that the Sentencing Guidelines are advisory and not mandatory on the sentencing court, and the calculated Guidelines sentence is to be considered by the Court as only one of several factors in determining a defendant's sentence, we understand that the Court will still engage in a Guidelines analysis (*see United States v. Crosby*, 397 F.3d 103, 113 (2d Cir. 2005)), and therefore we present herein our Sentencing Guidelines calculations and analysis.

For the Court's convenience, the table below sets forth the Sentencing Guidelines calculations. The Defense, the Government and Probation all agree with respect to the following calculations.

Category	Defense & Government⁵	Probation⁶
Base Offense Level (U.S.S.G. § 2B1.1(a))	6	6
Specific Offense Characteristics Loss Amount of Laundered Funds Between \$550,000 and \$1,500,000 (U.S.S.G. § 2B1.1(b)(1)(H))	14	14
Specific Offense Characteristics Intent to Obtain Personal Information (U.S.S.G. § 2B1.1(b)(17))	2	2

⁵ See Plea Agreement at 2.

⁶ See PSR ¶¶ 23-32.

Acceptance of Responsibility (U.S.S.G. §§ 3E1.1(a), 3E1.1(b))	-3	-3
TOTAL OFFENSE LEVEL	19	19

Because this is Mr. Marsh's first criminal conviction, all parties agree that Mr. Marsh's criminal history points total 0, resulting in a Criminal History Category I. (Plea Agreement at 2; PSR ¶ 35).

Based upon a Total Offense Level of 19 and Criminal History Category I, the Sentencing Guidelines Range is **30-37 months**. As discussed at length herein, we respectfully submit that, based upon the nature of Mr. Marsh's offense as well as his background and otherwise strong moral character, a sentence of **probation** is one that is just under the particular circumstances of this case.

F. THE PARSIMONY CLAUSE OF SECTION 3553(a)

Although reasonableness is the primary concern for the Court in sentencing, it is not the only concern. In the so-called "parsimony clause," section 3553(a) dictates that the court should impose a sentence that is "sufficient, but not greater than necessary" to comply with the purposes of sentencing set forth in 18 U.S.C. § 3553(a)(2). Those purposes are:

- (A) to reflect the seriousness of the offense, to promote respect for the law, and to provide just punishment for the offense;
- (B) to afford adequate deterrence to criminal conduct;
- (C) to protect the public from further crimes of the defendant; and
- (D) to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner.

18 U.S.C. § 3553(a)(2); *see United States v. Ministro-Tapia*, 470 F.3d 137 (2d Cir. 2006) (analyzing parsimony clause).

We respectfully submit that a consideration of these factors overwhelmingly favors a sentence of probation for Mr. Marsh. Certainly, the crime for which Mr. Marsh stands before the Court for sentencing is serious, and his conduct is regrettable; however, the facts and unique circumstances of this case, including Mr. Marsh's background, history, and life today make it clear that a sentence of probation is sufficient and but greater than necessary to comply with the purposes of sentencing as set forth above.

Mr. Marsh is a prime candidate for a sentence of probation. Without question, Mr. Marsh has learned his lesson. He regrets his actions and the impact that those actions have had on his friends and family. There is absolutely no need for additional deterrence in that regard. The Court can be assured that Mr. Marsh will not commit any further crimes regardless of the sentence imposed. Accordingly, there is no continuing need to protect the public from Mr. Marsh.

Mr. Marsh is acutely aware of the ability of the Government to investigate individuals it believes committed a crime and the resources available to engage in such investigations. Mr. Marsh will forever be mindful that the Government has these resources at its disposal. The Court can be assured that Mr. Marsh will not commit any additional crimes.

Moreover, in light of Mr. Marsh's strong educational and business background, he is not in need of any vocational or educational training. Although he was terminated from his position at Morgan Stanley because of his instant conduct, Mr. Marsh was able to secure employment since then and has proven to be a valuable asset to his new employer. His drive to succeed and his work ethic are unparalleled.

If he is not incarcerated, Mr. Marsh plans to continue working where he is and growing that business. Mr. Marsh is excited at the prospect of continuing to be actively involved in a

startup company and the possibilities that arise in such a venture. When he was hired in August of this year, he was the company's only employee, other than the founder. Now there are a total of six. In that time, the company's client base has also grown from one to three. He is reminded of the feeling of accomplishment and satisfaction that he felt in college after starting a new lacrosse team. Of course, a sentence of incarceration will all but destroy his ability to continue working where he is.

We respectfully submit that a non-incarceratory sentence would involve considerable restrictions upon Mr. Marsh's life and liberty, and would more than adequately reflect the seriousness of this particular case and serve to promote respect for the law to others beyond Mr. Marsh. Mr. Marsh's continuing need to report to a Probation Officer and to provide financial information and access to Probation would serve as perpetual reminders of his criminal activity, and would ensure that he would not repeat the conduct which led to his arrest in this case. Moreover, Mr. Marsh is very aware that any violation of a Federal supervisory sentence is swiftly met with harsh punishment.

In this case, a sentence of incarceration is not necessary to promote general deterrence. Mr. Marsh exceeded his authorized access to his employer's computer system by viewing and retrieving client information of clients that were not his group's clients. He did not sell, post or disclose that information to anyone other than himself, nor did he attempt or intend to. As a result of his conduct, Mr. Marsh lost his job, his life savings, and endured countless news stories wrongfully labeling him, among other things, a "hacker." Despite the erroneous media accounts of Mr. Marsh's conduct, the general public is well-aware of what Mr. Marsh did and what the repercussions have been. Under these circumstances, there is no need for the court to send any

further message to the public by sentencing Mr. Marsh to a sentence of imprisonment. The message regarding his wrongdoing has been heard loud and clear.

We respectfully request that the Court also consider the effect that an incarceratory sentence will have, not only on Mr. Marsh, but on his family. As discussed above, his wife Jessica is scheduled to give birth shortly after his sentencing date. It is critical to the formation of his bond with his newborn daughter that Mr. Marsh be available to her. In the event that Mr. Marsh is incarcerated, his newborn daughter will be without her father during these important formative years. His wife will be left alone during his incarceration, essentially becoming a single working mother. Although his family will do what they must in order to ensure the health and safety of his daughter, his family cannot take the place of a father who should and who must be present in her life. Indeed, both his parents and Jessica's parents still work full time, which will make it difficult for any of them to assist Jessica with child care on a regular on-going basis.

As the Court undoubtedly can see from the letters submitted on his behalf, Mr. Marsh has a very strong support network of friends and family who have attested to Mr. Marsh's upstanding moral character. Mr. Marsh is a good and decent human being who lost sight of his moral compass for something that he believed would improve him as a financial advisor and benefit his clients. We hope that the Court will recognize Mr. Marsh for who he truly is – a loving and caring husband, an inquisitive young man, and soon to be father, and **not** someone who is deserving of an incarceratory sentence under the particular circumstances of this case.

RESTITUTION & FORFEITURE

Pursuant to the Plea Agreement, Mr. Marsh consented to a forfeiture order with respect to various computer equipment. We respectfully submit that the Court should not order any additional forfeiture because Mr. Marsh did not reap any monetary benefit from his conduct.

Also pursuant to the Plea Agreement, Mr. Marsh consented to a restitution order of \$600,000, payable to Morgan Stanley. Here, the value of the loss is based upon Morgan Stanley's own internal costs in connection with its investigation of the data breach and its efforts to remedy the situation. None of Morgan Stanley's clients suffered any pecuniary loss as a result of Mr. Marsh's conduct. Accordingly, we respectfully submit that the Court should not impose any additional restitution beyond that which was agreed upon between Mr. Marsh and the Government.

THE COURT SHOULD NOT IMPOSE A FINE

In determining whether to punish a defendant with a monetary fine, in addition to considering the factors set forth in 18 U.S.C. § 3553(a), the sentencing court should consider the defendant's income, earning capacity and financial resources; the burden the fine will impose upon the defendant, any person financially dependent on the defendant, or any other person who would be responsible for the welfare of any person financially dependent on the defendant; any pecuniary loss inflicted upon others as a result of the offense; whether and how much restitution is ordered or made; the need to deprive the defendant of illegally obtained gains; and whether the defendant can pass on to consumers or others the expense of the fine. 18 U.S.C. § 3572(a).

A consideration of these factors makes it clear that a fine is not appropriate in Mr. Marsh's case. At the outset, there is no need to deprive Mr. Marsh of any illegally gotten gains, because his crimes did not generate any, a fact accepted by the Government. As disclosed to Probation, Mr. Marsh has limited assets and savings, the bulk of which consists of a retirement account. (PSR ¶ 60). Mr. Marsh's conduct has derailed his life and forced him to deplete most of his savings, savings which were supposed to be used to purchase his first home. On top of the significant expenses that Mr. Marsh has already incurred as a result of this matter, the imposition

of a fine would be devastating to his and his wife's finances. The financial impact of this prosecution on Mr. Marsh is particularly devastating in light of Mr. Marsh's soon to be born daughter. Having and raising a child is an expensive undertaking. We submit that in light of the anticipated \$600,000 restitution order in this case, Mr. Marsh has been more than sufficiently financially punished. For these reasons, we respectfully request that Your Honor not impose a fine.

CONCLUSION

Mr. Marsh knows that his conduct was wrong, and he is deeply remorseful. However, it is our fervent hope that the Court looks beyond this conduct and will not define him by it, especially in light of all of his positive achievements over the years and the likelihood that he will continue to contribute to society in the years ahead. Mr. Marsh is an honorable man, dedicated to his family, who otherwise leads a law-abiding life and has a demonstrated history of compassion and thoughtfulness to those around him. Mr. Marsh has learned many valuable lessons over the past year, and there is no question that the Court can be confident that he will never repeat his conduct. His unborn daughter needs to have her father present after she is born. Accordingly, we respectfully request that Your Honor sentence Mr. Marsh to probation.

DATED: New York, New York
December 1, 2015

Respectfully submitted,

GOTTLIEB & GORDON LLP

/s/ Robert C. Gottlieb (RG1930)

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(via email and overnight mail)

EXHIBIT A

F9lrmarp

1 UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

2 -----x

3 UNITED STATES OF AMERICA

4 v.

15 Cr. 641 (KTD)

5 GAYLEN MARSH,

Plea

6 Defendant.

7 -----x

8 New York, N.Y.
September 21, 2015
9 10:00 a.m.

10 Before:

11 HON. KEVIN THOMAS DUFFY

12 District Judge

13
14
15
16 APPEARANCES

17 PREET BHARARA

18 United States Attorney for the
Southern District of New York

19 CHRISTINE I. MAGDO

Assistant United States Attorney

20
21 ROBERT C. GOTTLIEB

Attorney for Defendant

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1 (Case called)

2 THE COURT: I have in front of me a letter addressed
3 to Robert C. Gottlieb, five pages long. Is this your
4 signature, Christine Magda?

5 MS. MAGDA: Yes, your Honor, that is my signature on
6 the fifth page.

7 THE COURT: Who is signature is under it?

8 MS. MAGDA: That is the signature of Nicole
9 Friedlander, who is the chief of the complex frauds and
10 cybercrime unit, your Honor.

11 THE COURT: That's an impressive title. How big is
12 that unit? Just for my own information.

13 MS. MAGDA: There must be about 15 people there now.

14 THE COURT: When I was at the U.S. Attorney's office,
15 we had a total of 28 people if you included the U.S. Attorney,
16 and everybody in the executive suite were entitled to do
17 criminal cases. It was the chief of the criminal division and
18 yours truly, and we kind of ran the place. We didn't have all
19 these units save one. I think we had a junk unit; Bill Tendy
20 ran it. Isn't that place named after him now? It is very nice
21 to know that all of these people have died and gotten places
22 named after them.

23 I see there is also a signature by Robert Gottlieb.
24 Is that yours?

25 MR. GOTTLIEB: Yes, it is, your Honor.

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1 THE COURT: And what purports to be a signature of
2 Gaylen Marsh. Is that Gaylen Marsh's signature?

3 THE DEFENDANT: Yes, your Honor.

4 THE COURT: Mr. Marsh, where were you born?

5 THE DEFENDANT: I was born in Flemington, New Jersey.

6 THE COURT: Sit down. It's too long, way too long.
7 Flemington, New Jersey. How long ago was that?

8 THE DEFENDANT: I'm 31 years old, your Honor.

9 THE COURT: How far did you go in school?

10 THE DEFENDANT: I have a Master's in business
11 administration.

12 THE COURT: Where is your MBA from?

13 THE DEFENDANT: Duke University.

14 THE COURT: Are you presently under the influence of
15 alcohol, narcotics of any type?

16 THE DEFENDANT: No, I am not.

17 THE COURT: Do you take any drugs in connection with
18 something a doctor has found wrong with you?

19 THE DEFENDANT: No, your Honor.

20 THE COURT: Are you presently under the care of a
21 physician or psychiatrist?

22 THE DEFENDANT: No, your Honor.

23 THE COURT: How do you feel today?

24 THE DEFENDANT: I'm nervous.

25 THE COURT: Anything other than that?

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1 THE DEFENDANT: No.

2 THE COURT: I have here in front of me this letter
3 which you have signed, which I gather is a plea agreement
4 letter. It's an offer by the United States Attorney's office
5 to take a plea, in particular to Count One of an information to
6 be filed which charges you with exceeding your authorized
7 access to a computer and thereby obtaining information
8 contained in the financial records of a financial institution
9 the value of which information exceeded \$5,000, all in
10 violation of certain sections of the United States Code.

11 Those sections make you liable for a possible maximum
12 term of imprisonment of 5 years, a maximum term of supervised
13 release of 3 years, a maximum fine pursuant to Title 18 section
14 3571 of the greatest of \$250,000, twice the gross pecuniary
15 gain derived from the offense, or twice the gross pecuniary
16 loss. In addition, restitution may be required.

17 "In consideration of the defendant's plea in the above
18 offense, the defendant will not be further prosecuted
19 criminally by this office except for criminal tax violations,
20 if any." By the way, do they explain why they take out
21 criminal tax violations? They don't have any right to
22 prosecute criminal tax violations except under special
23 circumstances. That's the criminal tax division down in
24 Washington.

25 In a typical bureaucratic fight many, many years ago,

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1 the criminal tax division claimed that they were the only
2 persons entitled to prosecute those things and they were the
3 only people entitled to make deals in connection with it.
4 Since then, the U.S. Attorney's office has specifically
5 excluded the criminal tax division. That's what it's about.
6 Did you know that?

7 MR. GOTTLIEB: I didn't know that, actually. Thank
8 you.

9 THE COURT: That's what it's about. It's a
10 bureaucratic fight.

11 MR. GOTTLIEB: I assumed that.

12 THE COURT: It goes back to when I was a boy. You can
13 imagine how long ago that was.

14 This forfeiture provision. If you made money in
15 connection with your illegal activity, the money shouldn't
16 remain with you. That's clear. The government believes that,
17 and I believe it, too. There is a forfeiture provision that
18 says that any moneys that you obtained are forfeited, or any
19 property, money or property or any proceeds from the money or
20 property. They all get forfeited, and that's all there is to
21 it.

22 MR. GOTTLIEB: Your Honor, I don't mean to interrupt,
23 but in this particular case the forfeiture is only the
24 computers, the hard drives. There is no monetary gain that is
25 being forfeited. It is just the computers, the hard drives,

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1 the hardware that the government obtained in its investigation.
2 Mr. Marsh obviously is forfeiting those items and is not
3 seeking to retrieve the hardware and computers. I believe that
4 is the case.

5 THE COURT: Is that true?

6 MS. MAGDA: Yes, your Honor. This is just with
7 respect to --

8 THE COURT: This is a different kind of thing. It's
9 not a forfeiture of the money he made. It's the forfeiture of
10 the tools that he was about to use to make money. I assume to
11 make money. All right.

12 What were you saying? At some point we are going to
13 get around to it anyway, so we might as well do it now. You
14 don't have to stand up.

15 THE DEFENDANT: I accessed a list of client files.
16 There was no real money-making involved. It was a list of
17 client names.

18 THE COURT: Names, address, phone numbers, I assume?

19 THE DEFENDANT: Correct.

20 THE COURT: What were you going to use them for?

21 THE DEFENDANT: I was using it to be better at my job
22 along with other things that I think we'll get to. But I
23 wasn't trying to sell it or make money with it or anything like
24 that.

25 THE COURT: Were you continuing on with your job?

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1 THE DEFENDANT: Yes, I was.

2 THE COURT: You had no idea of moving to a different
3 place?

4 THE DEFENDANT: We had considered that with the
5 gentleman that I worked with, yes. But we didn't have any kind
6 of real contract. I hadn't left to go anywhere else or
7 anything like that.

8 THE COURT: The gentleman that you worked with you
9 thought might be going someplace else if you could bring it
10 along?

11 THE DEFENDANT: Yes.

12 THE COURT: Was that to another broker-dealer?

13 THE DEFENDANT: Yes. We were being recruited by two
14 other broker-dealers.

15 THE COURT: This plea agreement says the defendant
16 further agrees to make restitution in the amount of \$600,000 to
17 Morgan Stanley in accordance with a particular section of the
18 United States Code. \$600,000, does that have to do with the
19 hardware and the software involved or what? Where does that
20 come from?

21 MR. GOTTLIEB: I don't mean to speak for the
22 government. I'm the defense attorney.

23 THE COURT: I know who you are. Most of the time you
24 know more than they do, but don't tell them that.

25 MR. GOTTLIEB: I don't. The amount of restitution in

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1 this case, your Honor, actually is based on something which I
2 don't often see, which isn't the amount of money that my client
3 might have pocketed or gained. It really goes to what Morgan
4 Stanley spent in trying to investigate, to uncover, and to
5 remedy the computer breach. So it all is based on the loss
6 amount to Morgan Stanley, not out-of-pocket but what they had
7 to do in investigating the allegations and remedy, the computer
8 problem.

9 THE COURT: All right. There is a thing called the
10 sentencing guidelines. It's a statute. I personally think
11 poorly about the statute. I don't think it makes much sense.
12 But it's there. Under that statute, they give guidelines as to
13 where a person should fit into a sentencing structure. The
14 guideline that they propose for the base offense level is 6.
15 The offense level is increased by 14, and by 2 more. You
16 basically have a guideline number of 19.

17 Criminal history category. I assume there is no
18 criminal history.

19 MR. GOTTLIEB: No, your Honor.

20 THE COURT: Some of that 19 is reduced because there
21 is no criminal history.

22 The sentencing range, according to the government, is
23 30 to 37 months' imprisonment and a fine within the range of
24 6,000 to \$6,000. Do you understand that?

25 THE DEFENDANT: Yes, your Honor.

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1 THE COURT: According to the agreement, both you and
2 the government agreed that neither party may seek a sentence
3 outside. But it is understood that if you -- well, let's see.
4 It's amusing. The government always puts in this provision
5 that it is understood that if the Court, basically, asks you
6 any information, you are permitted to give the answer directly.
7 It doesn't make any sense to me, because if you don't give the
8 information or, worse, if you lie, I'll bury you. OK? Very
9 simple. But they think they are giving you something. They're
10 not.

11 It goes on to say that the sentence to be imposed is
12 strictly dependent upon the judge. The U.S. Attorney's office
13 cannot, does not, make any promise or representation as to what
14 sentence you're going to receive. I hope to God they never do,
15 because it's none of their business.

16 Are you willing to accept this agreement, sir?

17 THE DEFENDANT: Yes.

18 THE COURT: You realize you are not going to get any
19 Giglio material, any Jencks material, anything like that, and
20 you can't get sentenced and then turn around and say, oh, I was
21 supposed to get this and that and the other thing, and so on
22 and so forth. You're not going to get them, period. Do you
23 understand that?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: It is the intent of the agreement, it says

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1 here, to waive all defenses. Are you willing to do that and
2 plead guilty?

3 THE DEFENDANT: Yes, your Honor.

4 THE COURT: All right. Gaylen Marsh, the government
5 proposes to file an information against you. The charges
6 contained in this information are felonies. Normally, a felony
7 is presented to a grand jury. The grand jury can vote the
8 felony indictment or they can refuse to.

9 Some people say, oh, yeah, grand juries will indict a
10 ham sandwich. They're full of ham sandwiches coming out their
11 ears. That's nonsense. I personally have been involved where
12 the grand jury has refused to vote. Interestingly, they
13 demanded another counsel, and went further than that and asked
14 me whether they could indict the U.S. Attorney. They were
15 annoyed. I told them no, it was not appropriate to indict the
16 U.S. Attorney unless they had lots of evidence against him, and
17 then I'd be glad to try it myself. But no.

18 You are waiving indictment. You are waiving this
19 whole idea of a grand jury. It's a right you have under the
20 Constitution. Our United States Constitution provides this
21 right to you. For God's sake, it's not something to be given
22 away readily. But they intend to file this information. Let
23 me read it to you and make sure you know what's in here.

24 The United States Attorney charges that:

25 "At all times relevant to this information, Gaylen

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1 Marsh, the defendant, was employed in a private wealth
2 management division of a multinational bank and financial
3 services company headquartered in Manhattan. At all relevant
4 times Marsh was employed by the bank's Manhattan office,
5 initially as a customer service associate and then as a
6 financial adviser.

7 "In that capacity, Marsh worked as part of a group of
8 CSAs -- that's a customer service administrator -- and then as
9 a financial adviser. This group of people provided financial
10 and investment services to particular private wealth management
11 clients of the bank. At all relevant times, similarly
12 structured groups within the private wealth management division
13 provided the same services to the bank's other private wealth
14 management clients together with some of the group's clients.

15 "At all times relevant to this information, the bank
16 maintained certain computer systems to manage confidential
17 accounts regarding the clients. The bank's computer systems
18 contained, among other things, the clients' names, addresses,
19 and other personal information. One of the bank's computer
20 systems contained, among other things, details of the clients'
21 fixed income holdings. Another of the bank's computer systems
22 contained information reflecting, among other things, the total
23 value of the amount of revenue generated by the clients'
24 investment accounts at the bank.

25 "Like other bank financial advisers and CSAs --

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1 MS. MAGDA: Customer service associates.

2 THE COURT: -- "customer service associates, Gaylen
3 Marsh, the defendant, was authorized to access the client
4 information maintained in the bank's computer systems only with
5 respect to clients in his own group. At all relevant times,
6 except for certain limited circumstances not relevant to this
7 information, Marsh, like other bank financial advisers and
8 customer service associates" -- I got it all this time -- "was
9 prohibited from accessing information in the bank's computer
10 systems regarding clients not serviced by his group.

11 "Consistent with the limited authorization given to
12 the financial advisers and the customer service associates to
13 access the computer systems, at all times relevant the bank
14 required the financial advisers and customer service associates
15 to input certain identification information into the systems
16 before the client information could be accessed.

17 "In particular, to access client information, each
18 user was required to input unique identification numbers that
19 identified the particular user as well as the user's particular
20 branch office and group. After inputting the identification
21 numbers, the user was able to access only client information
22 concerning clients within the user's own group.

23 "From in or about June 2011 through in or about
24 December 2014, Gaylen Marsh, the defendant, used the bank's
25 computer system to access, without permission or authority,

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1 confidential information about certain clients serviced by the
2 financial advisers and customer service associates outside of
3 his group. In order to obtain this unauthorized access to
4 confidential client information, Marsh used, without permission
5 or authority, the identification numbers of other bank
6 branches, groups, or financial advisers in the bank's computer
7 system.

8 "In or about June 2011 through in or about December
9 14, Gaylen Marsh, the defendant, conducted approximately 4,000
10 unauthorized searches of confidential client information in
11 System-1" -- is that right?

12 MS. MAGDA: Yes. System-1 is defined on the top of
13 page 2.

14 THE COURT: We'll get to System-1, I guess.

15 "From in or about January 1, 2014, until December 31,
16 2014, Marsh conducted approximately 1952 unauthorized searches
17 of confidential client information in System-2. In total,
18 without permission or authority, Marsh obtained confidential
19 information, including names, addresses, telephone numbers,
20 account numbers, fixed income investment information, and
21 account values of approximately 7,300 client bank accounts.
22 Over a series of dates from in or about June 2011 through and
23 in to about December 2014, Gaylen Marsh, the defendant,
24 uploaded the confidential client information from the bank to a
25 personal server in his home in New Jersey.

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1 "From at least on or about June 2011 through in or
2 about December 2014, Gaylen Marsh, the defendant, knowingly
3 accessed, without permission or authority, the bank's
4 confidential client information to use for his personal
5 advantage as a private wealth management adviser at the bank.
6 In addition, from at least in or about October 2013 through in
7 or about December 2014, Marsh was engaged in discussions
8 regarding potential employment with two other financial
9 institutions that are competitors of the bank.

10 "From in or about June 2011 through in or about
11 December 2014, in the Southern District of New York, Gaylen
12 Marsh, the defendant, intentionally exceeded his authorized
13 access to a computer and thereby obtained information
14 containing financial records of a financial institution, the
15 value of which information exceeded \$5,000, to wit, Marsh
16 exceeded his authorized access to the bank's computer systems,
17 thereby obtaining confidential client information the value of
18 which exceeded \$5,000.

19 "As a result of committing the offense alleged in
20 Count One of this information" -- this is the forfeiture
21 allegation -- "Gaylen Marsh, the defendant, shall forfeit to
22 the United States, pursuant to Title 18, any property, real or
23 personal, constituting or derived from any proceeds from that
24 crime, as a result of that crime, and the defendant's interest
25 in any such property:

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1 "One Synology network attached storage device with a
2 particular serial number;

3 "One Toshiba hard drive with a serial number;

4 "One Lenovo ThinkPad with a serial number;

5 "One Samsung Series Media Center server with a serial
6 number;

7 "One Kingston Data Traveler 2.0 USB device with a
8 serial number;

9 "One Kingston Data Traveler USB device with a serial
10 number;

11 "One Kingston Data Traveler 3.0 USB device with a
12 serial number;

13 "One Kingston Data Traveler 2.0 USB device with a
14 serial number; and

15 "Three Western Digital hard drives with three serial
16 numbers.

17 "If any of the above individual forfeitable property,
18 as a result of any act or omission of defendant, cannot be
19 located with due diligence, has been transferred or sold or
20 deposited to a third person, has been placed beyond the
21 jurisdiction of the court, has been substantially diminished in
22 value, or has been commingled with other property which cannot
23 be subdivided without difficulty, it is the intent of the
24 United States pursuant to section such and such to seek forfeit
25 of any other property of the defendant up to the value of the

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1 above-described forfeitable property."

2 It is signed by the United States Attorney.

3 MS. MAGDA: Your Honor --

4 THE COURT: I don't have them. We should have waivers
5 of indictment.

6 MS. MAGDA: May I, so the record is clear, make sure I
7 heard one number correctly as your Honor was reading the
8 information?

9 THE COURT: Yes.

10 MS. MAGDA: In paragraph 5, I wanted to make sure that
11 everyone heard that it was 730,000 client bank accounts. That
12 is the top of page 4.

13 THE COURT: I think that's what I said.

14 MS. MAGDA: Your Honor may well have. I may not have
15 heard it correctly. I just wanted it to be clear. Thank you.

16 THE COURT: I don't have the waivers of indictment.

17 MS. MAGDA: Your Honor, I believe defense counsel has
18 the waiver of indictment.

19 THE COURT: OK.

20 MR. GOTTLIEB: My client is prepared to sign it. We
21 wanted to wait to do it in open court.

22 THE COURT: Sure. How many copies do you have?

23 MS. MAGDA: Here is an extra copy.

24 THE COURT: Hopefully, we can get some more.

25 Mr. Marsh, I have a document which indicates that,

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1 having been advised of the nature of the charge and of your
2 rights, you are willing to waive in open court prosecution by
3 indictment and consent to proceed by the information which I
4 just read to you instead of by the indictment. Do you
5 understand that, sir?

6 THE DEFENDANT: Yes, your Honor.

7 THE COURT: This permits the U.S. Attorney to file the
8 charges against you.

9 Young lady, would you sign as a witness the
10 information and the waiver.

11 I have in front of me also a consent preliminary order
12 of forfeiture as to specific properties. I believe this lists
13 the same things as the Synology network storage unit, Toshiba
14 hard drive, Lenovo ThinkPad, Samsung Media Center server,
15 Kingston Data Traveler 2.0 with a specific number, another
16 Kingston Data Traveler 2.0 with a different number, a Kingston
17 Data Traveler 3.0 with a specific number, and finally another
18 Kingston 2.0 with a number different than the other 2.0 data
19 transfer server; three Western Digital hard drives with certain
20 numbers.

21 I think these numbers and descriptions were given in
22 the charges which I just read in the information. This piece
23 of paper tells me that you are willing to turn them over to the
24 government. My best guess is that they are already turned
25 over. Am I correct?

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1 MS. MAGDA: That's correct, your Honor.

2 THE COURT: You want clear title to them.

3 MS. MAGDA: Yes, your Honor.

4 THE COURT: The information, Mr. Marsh, which was thus
5 filed against you and which I read in numbing detail charges
6 you with a certain very specific crime. Have you received a
7 copy of this information against you, sir?

8 THE DEFENDANT: Yes, your Honor.

9 THE COURT: Have you had a chance to discuss it with
10 your attorney?

11 THE DEFENDANT: Yes, your Honor.

12 THE COURT: Do you wish it read to you again?

13 THE DEFENDANT: No, your Honor.

14 THE COURT: I would have made him read it.

15 MR. GOTTLIEB: Thank you.

16 THE COURT: Do you realize that you have a right to an
17 attorney at every stage of the proceedings against you? If
18 necessary, I would appoint an attorney for you.

19 THE DEFENDANT: Yes, your Honor.

20 THE COURT: Do you realize that if you persist in a
21 plea of not guilty, which you have a perfect right to do, you
22 are entitled to a trial before a judge and jury or before a
23 judge alone, and at that trial you would be presumed innocent?

24 Sometimes people think that that presumption of
25 innocence is a meaningless wordplay. It's far from it. I have

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1 talked to every jury over the last 42 years that I have had,
2 save one. That's a lot of juries. The only reason I didn't
3 talk to that one is because they got out of there before I
4 could get a chance to talk to them.

5 It's amazing to me to have them say things like,
6 Judge, that SOB really should be buried, he's guilty as hell,
7 but we've got to find him not guilty because we couldn't find
8 it was beyond a reasonable doubt.

9 Think of that. Juries pay attention to the law as
10 given if it's given in an understandable manner, and they
11 follow the law. They realize that basically they have to do
12 that because someday they or someone close to them may be
13 involved as a defendant. What they are doing is not feeling
14 sorry for the defendant but defending the rights of their
15 beloved ones.

16 If we had a trial, the government would have to prove
17 your guilt beyond a reasonable doubt to the satisfaction of
18 each one of the 12 jurors. If one said no, no conviction. Do
19 you understand that?

20 THE DEFENDANT: I do, your Honor.

21 THE COURT: Do you understand that your attorney would
22 have the right to confront and cross-examine witnesses against
23 you and, at your request, I would compel the attendance of
24 witnesses and production of evidence on your behalf? You have
25 the right not to incriminate yourself. You could remain

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1 silent, and no inference could be drawn against you. And the
2 government couldn't call you to the stand and insist that you
3 testify. That's the kind of thing that they do in France or in
4 the cold countries, but they don't do it here. That's not the
5 way we work.

6 Do you realize that if you plead guilty, you are going
7 to waive all of these and there will be no trial of any kind?

8 I recognize, and you do, too, that under the plea
9 agreement certain suggestions were made, promises. The
10 government is not going to indict you for anything except for
11 this crime, and most likely they'll never touch the criminal
12 tax evasion. But please realize this particular plea of guilty
13 is going to stick no matter what happens. It subjects you to 5
14 years' imprisonment. Five years, in case you haven't figured
15 out, is a long time.

16 Did anyone make any threats or promises to get you to
17 plead guilty?

18 THE DEFENDANT: No.

19 THE COURT: Did anyone make a prediction as to what
20 kind of sentence you might receive?

21 THE DEFENDANT: No, your Honor.

22 THE COURT: Are you pleading guilty because in fact
23 you are guilty?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: Now let's talk about what you really did.

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1 MR. GOTTLIEB: Your Honor, may I? We had prepared a
2 written allocution. We shared it with the government. We have
3 had numerous discussions back and forth. Would it be
4 appropriate, would your Honor allow him to read that
5 allocution?

6 THE COURT: Fine.

7 MR. GOTTLIEB: Thank you.

8 THE DEFENDANT: Between approximately June 2011 and
9 December 2014, within the Southern District of New York and
10 elsewhere, while I was employed at Morgan Stanley bank,
11 initially as a customer service associate and then as a
12 financial adviser, I intentionally accessed the bank's computer
13 system exceeding my authorized access and thereby obtained
14 confidential client information which had a value of over
15 \$5,000.

16 THE COURT: I don't understand some of the things.
17 For example, the Synology network attached storage device, how
18 big is that piece?

19 THE DEFENDANT: How big is the physical device?

20 THE COURT: Yes.

21 THE DEFENDANT: It's about that big, about the size of
22 an encyclopedia, dictionary.

23 THE COURT: The Toshiba hard drive?

24 THE DEFENDANT: Small. It's a hard drive about that
25 big.

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1 THE COURT: Indicating a square of about 5 by 5. Is
2 this Kingston Data Traveler 2.0 USB, is that one of these
3 things that you slip into the USB port?

4 THE DEFENDANT: Yes, your Honor.

5 THE COURT: In a computer and just load it up with
6 this, that, and the other thing?

7 THE DEFENDANT: It's a thumb drive.

8 THE COURT: Thumb drive. The difference between the
9 2.0 and the 3.0 is the amount of material that the thumb drive
10 can take?

11 THE DEFENDANT: Actually, they are essentially the
12 same thing. One is slightly faster than the other.

13 THE COURT: Did you physically take them?

14 THE DEFENDANT: Take these devices?

15 THE COURT: Yes.

16 THE DEFENDANT: No. All of these devices, your Honor,
17 were purchased by me. Morgan Stanley never owned any of those
18 devices.

19 THE COURT: You just took the information?

20 THE DEFENDANT: Yes, your Honor.

21 THE COURT: At the time you were getting this
22 information, you knew it was wrong, did you?

23 THE DEFENDANT: Yes, your Honor, I knew that I
24 shouldn't do it.

25 THE COURT: Do you wish to plead guilty or not guilty,

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1 sir?

2 THE DEFENDANT: Plead guilty, your Honor.

3 THE COURT: Is there anything you feel that you want
4 to ask me before you plead guilty?

5 THE DEFENDANT: No, your Honor.

6 THE COURT: Does the government know of any reason why
7 I should not accept the plea in this case?

8 MS. MAGDA: The government knows of no such reason,
9 your Honor.

10 THE COURT: Counsel?

11 MR. GOTTLIEB: No, your Honor. Thank you very much.

12 THE COURT: I think you may not be used to the way I
13 take a plea of guilty. The intention is so that I never have
14 to set aside a plea of guilty.

15 MR. GOTTLIEB: I understand that, and I appreciate
16 that.

17 THE COURT: It may be done colloquially, but I'm
18 absolutely positive that the defendant understands it.

19 The plea of guilty is accepted. Under the
20 circumstances, I believe it to be voluntary and to have a basis
21 in fact. The pre-sentence report will be ordered.

22 What kind of a sentence date do we have? December
23 7th.

24 MS. MAGDA: Was there a particular time that day?

25 THE COURT: Sure. 10:00. I want to get it all

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1 cleaned up before that December date for reasons which, if not
2 obvious, will become obvious.

3 Have you figured out what the bail conditions are?

4 MS. MAGDA: Yes, your Honor. The government has
5 conferred with defense counsel, and we have come up with a bail
6 package that is acceptable to both sides. The conditions would
7 be a \$200,000 personal recognizance bond, travel would be
8 limited to the 50 United States with no foreign travel, a
9 surrender of the defendant's passport, no application for new
10 travel documents, and then the usual conditions of pretrial
11 supervision.

12 THE COURT: If I were you, I'd make it 48 contiguous
13 states.

14 MS. MAGDA: OK, let's do that. Let's make it 48
15 contiguous.

16 THE COURT: OK.

17 MS. MAGDA: Thank you very much, your Honor.

18 THE COURT: Go in peace. Oh, by the way, when you go
19 to the pretrial people and they ask you questions, if you don't
20 want to answer it, don't answer it. I'm serious. On the other
21 hand, if you do answer it, answer it truthfully. I'm willing
22 to bet that at least 80 percent of the pretrial services
23 pre-sentence things I get have at least one lie in them. It's
24 astounding to me, because it's stupid. Don't be stupid.
25 You've done enough stupid things for your life. Don't do

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1 another one. If you lie, your sentence goes up.

2 OK? Is that sufficient enough to avoid lying?

3 THE DEFENDANT: Yes, your Honor.

4 THE COURT: As I said, if you don't want to answer it,
5 say "I don't want to answer it, I can't answer it."

6 Good-bye. Go in peace.

7 (Adjourned)

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EXHIBIT B



U.S. Department of Justice

*United States Attorney
Southern District of New York*

*The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007*

September 18, 2015

By email

Robert C. Gottlieb, Esq.
Gottlieb & Gordon, LLP
Trinity Building
111 Broadway, Suite 701
New York, New York 10006

Re: United States v. Galen Marsh, 15 Cr. _____

Dear Mr. Gottlieb:

On the understandings specified below, the Office of the United States Attorney for the Southern District of New York ("this Office") will accept a guilty plea from Galen Marsh ("the defendant") to Count One of the above-referenced Information. Count One charges the defendant with exceeding his authorized access to a computer and thereby obtaining information contained in a financial record of a financial institution, the value of which information exceeded \$5,000, in violation of Title 18, United States Code, Sections 1030(a)(2)(A) and 1030(c)(2)(B)(iii), and carries a maximum term of imprisonment of five years, a maximum term of supervised release of three years, a maximum fine, pursuant to Title 18, United States Code, Section 3571 of the greatest of \$250,000, twice the gross pecuniary gain derived from the offense, or twice the gross pecuniary loss to persons other than the defendant resulting from the offense, and a \$100 mandatory special assessment. In addition to the foregoing, the Court must order restitution as specified below.

In consideration of the defendant's plea to the above offense, the defendant will not be further prosecuted criminally by this Office (except for criminal tax violations, if any, as to which this Office cannot, and does not, make any agreement) for intentionally accessing, from in or about June 2011 to in or about December 2014, certain computer network systems of his employer, a multinational bank and financial services company headquartered in Manhattan, in a manner that exceeded the defendant's authorized access to the systems, it being understood that this agreement does not bar the use of such conduct as a predicate act or as the basis for a sentencing enhancement in a subsequent prosecution including, but not limited to, a prosecution pursuant to 18 U.S.C. §§ 1961 *et seq.* In addition, at the time of sentencing, the Government will move to dismiss any open Count(s) against the defendant. The defendant agrees that with respect to any and all dismissed charges he/she is not a "prevailing party" within the meaning of the "Hyde Amendment," Section 617, P.L. 105-119 (Nov. 26, 1997), and will not file any claim under that law.

The defendant hereby admits the forfeiture allegation with respect to Count One of the Information and agrees to forfeit to the United States, pursuant to Title 18, United States Code, Section 1030(i)(1), all property, real and personal, constituting or derived from, any proceeds that the defendant obtained, directly or indirectly, as a result of the offense, and the defendant's

interest in any personal property that was used or intended to be used to commit or to facilitate the offense, including but not limited to the specific property listed in the Information (the "Specific Property"). The defendant agrees that he will not file a claim or a petition for remission or mitigation in any forfeiture proceeding involving the Specific Property and will not cause or assist anyone else in doing so. The defendant also agrees to take all necessary steps to pass clear title to the Specific Property to the United States, including, but not limited to, the execution of all necessary documentation. It is further understood that any forfeiture of the defendant's assets shall not be treated as satisfaction of any fine, restitution, cost of imprisonment, or any other penalty the Court may impose upon him in addition to forfeiture. The defendant consents to the entry of the Consent Order of Forfeiture annexed hereto as Exhibit A and agrees that the Consent Order of Forfeiture shall be final as to the defendant at the time it is ordered by the Court.

The defendant further agrees to make restitution in the amount of \$600,000 to Morgan Stanley in accordance with 18 USC §3663.

In consideration of the foregoing and pursuant to United States Sentencing Guidelines ("U.S.S.G." or "Guidelines") Section 6B1.4, the parties hereby stipulate to the following:

A. Offense Level

Pursuant to U.S.S.G. § 2B1.1(a), the base offense level is 6.

Pursuant to U.S.S.G. § 2B1.1(b)(1)(H), because the loss exceeded \$550,000, but was less than or equal to \$1.5 million, the offense level is increased by 14.

Pursuant to U.S.S.G. § 2B1.1(b)(17), because the offense involved an intent to obtain personal information, the offense level is increased by 2.

Assuming the defendant clearly demonstrates acceptance of responsibility, to the satisfaction of the Government, through his allocution and subsequent conduct prior to the imposition of sentence, a two-level reduction will be warranted, pursuant to U.S.S.G. § 3E1.1(a). Furthermore, assuming the defendant has accepted responsibility as described in the previous sentence, the Government will move at sentencing for an additional one-level reduction, pursuant to U.S.S.G. § 3E1.1(b), because the defendant gave timely notice of his intention to enter a plea of guilty, thereby permitting the Government to avoid preparing for trial and permitting the Court to allocate its resources efficiently.

In accordance with the above, the applicable Guidelines offense level is 19.

B. Criminal History Category

Based upon the information now available to this Office (including representations by the defense), the defendant has no criminal history points.

In accordance with the above, the defendant's Criminal History Category is I.

C. Sentencing Range

Based upon the calculations set forth above, the defendant's stipulated Guidelines range is 30 to 37 months' imprisonment (the "Stipulated Guidelines Range"). In addition, after determining the defendant's ability to pay, the Court may impose a fine pursuant to U.S.S.G. § 5E1.2. At Guidelines level 19, the applicable fine range is \$6,000 to \$60,000.

The parties agree that neither a downward nor an upward departure from the Stipulated Guidelines Range set forth above is warranted. Accordingly, neither party will seek any departure or adjustment pursuant to the Guidelines that is not set forth herein. Nor will either party in any way suggest that the Probation Office or the Court consider such a departure or adjustment under the Guidelines.

The parties agree that either party may seek a sentence outside of the Stipulated Guidelines Range based upon the factors to be considered in imposing a sentence pursuant to Title 18, United States Code, Section 3553(a).

Except as provided in any written Proffer Agreement(s) that may have been entered into between this Office and the defendant, nothing in this Agreement limits the right of the parties (i) to present to the Probation Office or the Court any facts relevant to sentencing; (ii) to make any arguments regarding where within the Stipulated Guidelines Range (or such other range as the Court may determine) the defendant should be sentenced and regarding the factors to be considered in imposing a sentence pursuant to Title 18, United States Code, Section 3553(a); (iii) to seek an appropriately adjusted Guidelines range if it is determined based upon new information that the defendant's criminal history category is different from that set forth above; and (iv) to seek an appropriately adjusted Guidelines range or mandatory minimum term of imprisonment if it is subsequently determined that the defendant qualifies as a career offender under U.S.S.G. § 4B1.1. Nothing in this Agreement limits the right of the Government to seek denial of the adjustment for acceptance of responsibility, *see* U.S.S.G. § 3E1.1, regardless of any stipulation set forth above, if the defendant fails clearly to demonstrate acceptance of responsibility, to the satisfaction of the Government, through his/her allocution and subsequent conduct prior to the imposition of sentence. Similarly, nothing in this Agreement limits the right of the Government to seek an enhancement for obstruction of justice, *see* U.S.S.G. § 3C1.1, regardless of any stipulation set forth above, should it be determined that the defendant has either (i) engaged in conduct, unknown to the Government at the time of the signing of this Agreement, that constitutes obstruction of justice or (ii) committed another crime after signing this Agreement.

It is understood that pursuant to U.S.S.G. § 6B1.4(d), neither the Probation Office nor the Court is bound by the above Guidelines stipulation, either as to questions of fact or as to the determination of the proper Guidelines to apply to the facts. In the event that the Probation Office or the Court contemplates any Guidelines adjustments, departures, or calculations different from those stipulated to above, or contemplates any sentence outside of the stipulated Guidelines range, the parties reserve the right to answer any inquiries and to make all appropriate arguments concerning the same.

It is understood that the sentence to be imposed upon the defendant is determined solely by the Court. It is further understood that the Guidelines are not binding on the Court. The defendant acknowledges that his/her entry of a guilty plea to the charged offenses authorizes the sentencing court to impose any sentence, up to and including the statutory maximum sentence. This Office cannot, and does not, make any promise or representation as to what sentence the defendant will receive. Moreover, it is understood that the defendant will have no right to withdraw his/her plea of guilty should the sentence imposed by the Court be outside the Guidelines range set forth above.

It is agreed (i) that the defendant will not file a direct appeal; nor bring a collateral challenge, including but not limited to an application under Title 28, United States Code, Section 2255 and/or Section 2241; nor seek a sentence modification pursuant to Title 18, United States Code, Section 3582(c), of any sentence within or below the Stipulated Guidelines Range of 30 to 37 months' imprisonment, and (ii) that the Government will not appeal any sentence within or above the Stipulated Guidelines Range. This provision is binding on the parties even if the Court employs a Guidelines analysis different from that stipulated to herein. Furthermore, it is agreed that any appeal as to the defendant's sentence that is not foreclosed by this provision will be limited to that portion of the sentencing calculation that is inconsistent with (or not addressed by) the above stipulation. The parties agree that this waiver applies regardless of whether the term of imprisonment is imposed to run consecutively to or concurrently with the undischarged portion of any other sentence of imprisonment that has been imposed on the defendant at the time of sentencing in this case. The defendant further agrees not to appeal any term of supervised release that is less than or equal to the statutory maximum. The defendant also agrees not to appeal any restitution amount that is less than or equal to \$600,000, and the Government agrees not to appeal any restitution amount that is greater than or equal to \$600,000. The defendant also agrees not to appeal any fine that is less than or equal to \$60,000, and the Government agrees not to appeal any fine that is greater than or equal to \$6,000. Notwithstanding the foregoing, nothing in this paragraph shall be construed to be a waiver of whatever rights the defendant may have to assert claims of ineffective assistance of counsel, whether on direct appeal, collateral review, or otherwise. Rather, it is expressly agreed that the defendant reserves those rights.

The defendant hereby acknowledges that he has accepted this Agreement and decided to plead guilty because he is in fact guilty. By entering this plea of guilty, the defendant waives any and all right to withdraw his plea or to attack his conviction, either on direct appeal or collaterally, on the ground that the Government has failed to produce any discovery material, *Jencks* Act material, exculpatory material pursuant to *Brady v. Maryland*, 373 U.S. 83 (1963), other than information establishing the factual innocence of the defendant, and impeachment material pursuant to *Giglio v. United States*, 405 U.S. 150 (1972), that has not already been produced as of the date of the signing of this Agreement.

It is further agreed that should the conviction following the defendant's plea of guilty pursuant to this Agreement be vacated for any reason, then any prosecution that is not time-barred by the applicable statute of limitations on the date of the signing of this agreement (including any counts that the Government has agreed to dismiss at sentencing pursuant to this Agreement) may be commenced or reinstated against the defendant, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement or reinstatement of such prosecution. It is the intent of this Agreement to waive all defenses based on the statute of

limitations with respect to any prosecution that is not time-barred on the date that this Agreement is signed.

It is further understood that this Agreement does not bind any federal, state, or local prosecuting authority other than this Office.

Apart from any written Proffer Agreement(s) that may have been entered into between this Office and defendant, this Agreement supersedes any prior understandings, promises, or conditions between this Office and the defendant. No additional understandings, promises, or conditions have been entered into other than those set forth in this Agreement, and none will be entered into unless in writing and signed by all parties.

Very truly yours,

PREET BHARARA
United States Attorney

By:



CHRISTINE I. MAGDO
Assistant United States Attorney
(212) 637-2297

APPROVED:



NICOLE FRIEDLANDER
Chief, Complex Frauds & Cybercrime Unit

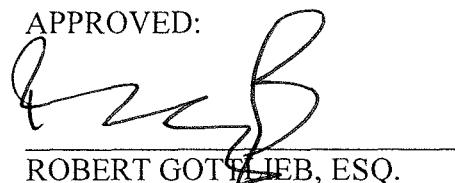
AGREED AND CONSENTED TO:



GALEN MARSH

9/22/15
DATE

APPROVED:



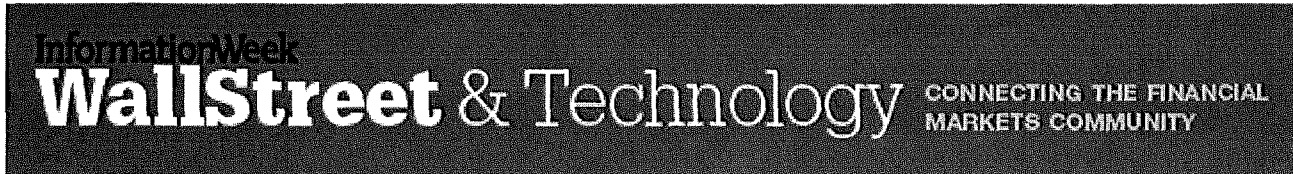
ROBERT GOTTLIEB, ESQ.
Attorney for Galen Marsh

9/22/15
DATE

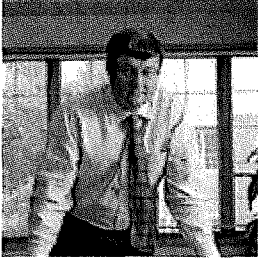
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It's Not About the Algorithm Anymore

Today the business priority is less on the algorithm and more on building the organization to create leverage from the algorithm.

Five years ago we knew that data would fundamentally transform everything, from the ways businesses developed products, offered them in (often new) marketplaces, worked with their customers, and made decisions. We also knew that discovering key insights buried in vast oceans of disparate data was a necessary first step. This would take considerable experimentation and lead to sophisticated algorithms that teased out key insights. Developing those algorithms was the first order of business.

Five years ago, we also knew the companies' organizations were "unfit for data." For example, we knew that poor-quality data would continue to be a problem, that too much of the analytic work was a tech capability searching for a problem, and that silos would complicate the needed data sharing. But we weren't sure how managers should adjust their thinking nor how companies should reorganize to take advantage of the new capabilities. Nor did we anticipate how quickly big data and analytics would assert themselves beyond niches such as high-frequency trading. These include:

- More effectively matching clients and the best investment opportunities for them
- Improving compliance monitoring, using artificial intelligence
- Better managing internal trade inventory, by leveraging massive computations of billions of real-time risk-based scenarios

Finally, and perhaps most importantly, we did not anticipate the speed at which sophisticated data and analytics technologies would become accessible to virtually everyone. Five years ago, small groups of data scientists were the only individuals in an organization who had any real analytic capabilities. Today, even junior people (and some managers!) conduct rich analyses as part of their daily functions as they come up, and in near real-time.

11/17/2015

Wall Street & Technology - It's Not About the Algorithm Anymore

We have no doubt that new and better algorithms are still needed -- and probably always will be. The underlying processes that increase computing power and create new kinds of data for that power to work on are only now gaining steam. At the same time, today the business priority is less on the algorithm and more on building the organization to create leverage from the algorithm.

Over the last five years, we've learned a great deal about what is required here. First, both individuals and managers must *think long-term, but act with urgency*. Long-term, it is clear that those who inculcate data and analytics into their DNA will have an enormous advantage. This means that everyone must get involved. And while we don't expect everyone to be a data scientist, we do expect everyone to think like one and, from time to time, act like one (e.g., collect simple data on their own, properly interpret basic plots, understand the difference between correlation and cause and effect).

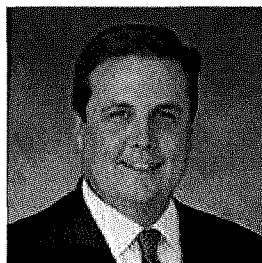
Second, build end-to-end "data processes." Think in terms of a D⁴ (Data, Discovery, Delivery, and Dollars) process. As we've noted, most of the work so far has focused on the algorithm (i.e., Discovery). The Delivery and Dollars steps are much weaker. Drive the effort by business problems and opportunities. Define business-oriented metrics such as "new dollars from data" and set aggressive growth targets. Work with customers to sort out what new insights are worth hard dollars versus those that are "merely nice to have." Finally, while fully recognizing that data scientists and business analysts play separate roles, pair them up.

Third, much more work is needed on the data, specifically data quality. We can't make this point strongly enough. The cold, brutal reality is that few decision makers will base important decisions on data they do not trust, and today, too much data is not worthy of trust. Importantly, the organizational structures and methods needed to make order-of-magnitude improvements in data quality are now freely available to all.

Fourth, take heart and show courage. Facts can disrupt the power centers of organizations as they upset "sacred cows" and challenge conventional wisdom. If you're on the receiving end, do your best to stay calm, understand the full context of the facts, and look for opportunity.

If you are delivering the facts, expect push-back. Be sensitive and patient, fully explain limitations in your analysis, and look to build partnerships. But do not back off -- the facts are the facts, and those who deny them almost always pay stiff penalties in the end.

Lastly, get on with it. The data scientists and technologists have done their part by finding some good algorithms and making powerful technologies available to all. Companies must act -- and pretty soon, before competitors get too far ahead. Most of all, individual managers must act even faster! Get in front and show your company the way.



— Jeff McMillan is co-author of this article. Jeff is Managing Director, Investment Products and Services, at Morgan Stanley Wealth

Management. He is currently leading the firm's strategic analytics efforts, which are focused on scaling product delivery capabilities through the use of a sophisticated idea targeting and

11/17/2015

Wall Street & Technology - It's Not About the Algorithm Anymore

measurement framework. Before joining MSWM in 2009, Jeff was the Head of Product Strategy for Bank of America Merrill Lynch Research, where he led strategic efforts for the Research Division to include the development of research-based products and the monetization of research content.

Dr. Thomas C. Redman, "the Data Doc," is President of Navesink Consulting Group. He helps leaders and organizations craft programs to get in front on data quality, learn to compete with data, and build the capabilities to do so. His most ... View Full Bio

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Forbes / Investing

The Little Black Book of Billionaire Secrets

JAN 5, 2015 @ 12:18 PM 13,508 VIEWS

Morgan Stanley Fires Rogue Employee After Customer Data Leak



Morgan Stanley CEO James Gorman



Antoine Gara, FORBES STAFF
I cover the good, the bad and the ugly of finance.

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FULL BIO

Morgan Stanley MS +0.00% has a new kind of data breach: a rogue 30-year old employee named Galen Marsh.

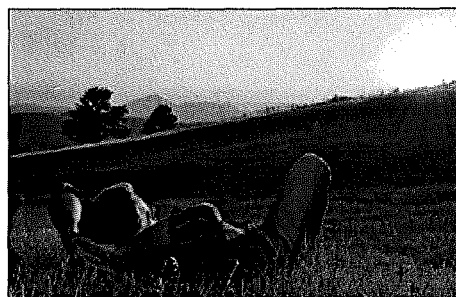
The bank said Monday it fired an employee who stole account information from up to 10% of its total wealth management clients, including account names and numbers. Monday afternoon a

source familiar with the situation told *Forbes* that Marsh, a recently promoted financial advisor, was the employee involved.

The insider data leak, a contrast to other high profile breaches stemming from hackers, comes just after the bank wrapped up its first calendar year as the full owner of a wealth management joint venture it acquired from Citigroup $+0.00\%$, which helped total wealth management assets eclipse \$2 trillion in the third quarter.

According to Morgan Stanley, the employee stole account information from roughly 900 clients and posted the data briefly on the internet. No account passwords or social security numbers were taken, and the bank added that "there is no evidence of any economic loss to any client."

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FISHER INVESTMENTS*

The source told *Forbes* the bank discovered the data on a file sharing site called **Pastebin** and believes Marsh was looking to sell the client data to those who peddle in identity theft. The stolen information was discovered on Dec. 27 and Morgan Stanley believes it knows exactly what data was stolen, and what wasn't. Marsh was fired last week and Morgan Stanley has begun contacting affected clients, and advised law enforcement and regulatory authorities of the leak.

"Overall, partial account information of up to 10 percent of all Wealth Management clients was stolen. The data stolen does not include account passwords or social security numbers. The Firm is taking the precaution of notifying all potentially affected clients and instituting enhanced security procedures including fraud monitoring on these

accounts,” Morgan Stanley said. The firm has opened a hotline for customers as it investigates the incident.

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“This is an employment matter between Mr. Marsh and Morgan Stanley. He has acknowledged that he should not have obtained the account information and has been cooperating with Morgan Stanley to protect the firm and its customers,” Robert C. Gottlieb, an attorney representing Marsh told *Forbes* in an emailed statement.

“To be clear, Mr. Marsh did not sell or ever intend to sell any account information to anyone. He did not post the information on-line, he did not share any account information with anyone or use it for any personal financial gain. He is devastated by what has occurred and is extremely sorry for his conduct,” Gottlieb added.

The data leak comes just as Morgan Stanley begins to see the benefit of its focus on wealth management under CEO James Gorman. In July, the bank characterized eclipsing \$2 trillion in total wealth management client assets as “a milestone both in the firm’s growth and in the transformation of its business model.”

Before the financial crisis, Morgan Stanley, like its investment banking peers Goldman Sachs Group ^{GS -1.07%}, Bear Stearns, Merrill Lynch and Lehman Brothers, relied on trading for the vast majority of its revenue and profits. However, after the crisis felled Bear, Merrill and Lehman, Gorman took over Morgan Stanley’s top job with a strategy to diversify the bank into wealth management activities, which aren’t as risky or capital intensive as trading.

Gorman’s wealth management bet has paid off. Morgan Stanley is now in a stronger capital position than it was before the crisis and investors are taking a liking to its exposure to non-trading earnings, which now account for over 40% of the bank’s total revenue. For Morgan Stanley, positive sentiment is a long-time coming after the firm worked hard to recover from rating agency downgrades, regulatory

changes and intermittent market panics in Europe in the years immediately following the crisis.

When reaching \$2 trillion in wealth management assets in July, Gorman said it was “testament to the trust that our clients place in us and a sizable store of ballast, giving great stability to our business model.”

Now, after a leak of client data at the hands of one of its own, Gorman and Morgan Stanley’s wealth management team will need to work hard to regain that trust.

Morgan Stanley shares traded lower by over 3% on Monday, closing at \$37.50. The broader S&P 500 shed nearly 2%.

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Bloomberg

Morgan Stanley Fires Employee Accused of Stealing Client Data

By Michael J. Moore - Jan 5, 2015

Morgan Stanley (MS) fired an employee it said stole data, including account numbers, for as many as 350,000 wealth-management clients and posted some of the information online.

The bank alerted law enforcement and found no evidence that clients lost any money, New York-based Morgan Stanley said today in a statement. The firm said it detected account information for about 900 clients on an external website and “promptly” had it removed.

“Morgan Stanley takes extremely seriously its responsibility to safeguard client data, and is working with the appropriate authorities to conduct and conclude a thorough investigation of this incident,” the company said in the statement.

Banks are spending more to protect client data as hacking attacks increase and technology makes dissemination and use of data potentially more widespread. Government agencies and regulators around the world are urging greater vigilance to counter cybercrime after an attack against JPMorgan Chase & Co. last year compromised personal information of about 76 million households.

Morgan Stanley didn’t name the fired employee. The bank said it’s notifying all potentially affected clients, which represent about 10 percent of its wealth-management customers, and enhancing security on those accounts.

The information didn’t include passwords or Social Security numbers, according to the statement. Bank account and credit-card data also weren’t compromised, according to a person briefed on the bank’s investigation who asked not to be named because the probe is ongoing.

Application Disabled

The bank’s inquiry found the employee may have been seeking to sell the stolen information, though there was no evidence any third party received it, according to the person. The firm has disabled the application used to access the data, the person said.

In 2011, Morgan Stanley's brokerage unit said unencrypted compact discs containing tax information for 34,000 clients were lost in transit to the New York State Department of Taxation and Finance. The firm said at the time it found no evidence the data was misused.

To contact the reporter on this story: Michael J. Moore in New York at mmoore55@bloomberg.net

To contact the editors responsible for this story: Peter Eichenbaum at peichenbaum@bloomberg.net Steve Dickson, Steven Crabill

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The New York Times

Morgan Stanley Breach Put Client Data Up for Sale on Pastebin, an Online Site

By Nathaniel Popper January 5, 2015 11:57 am

Updated, 9:29 p.m. | In mid-December, a posting appeared on the Internet site Pastebin offering six million account records, including passwords and login data for clients of Morgan Stanley.

Two weeks later, a new posting on the information-sharing site offered a teaser of actual records from 1,200 accounts, and provided a link for people interested in purchasing more, according to a person briefed on the matter. The link pointed to a website that sells digital files for virtual currencies like Bitcoin. In this case, the files were being sold for a more obscure currency, Speedcoin.

The offer was quickly taken down the same day, Dec. 27, after Morgan Stanley discovered the leak. In short order, the bank traced the breach to a financial adviser working out of its New York offices, a 30-year-old named Galen Marsh, according to a person involved in the investigation who spoke on the condition of anonymity.

Mr. Marsh, who had been with Morgan Stanley since 2008, was quickly fired and is currently the subject of a criminal investigation by the Federal Bureau of Investigation, a person briefed on the investigation said. The Financial Industry Regulatory Authority is also examining the matter.

Morgan Stanley said on Monday that it had determined that Mr. Marsh took data on about 10 percent of its 3.5 million wealth management customers, including transactional information from customer statements.

The bank said that Mr. Marsh did not take any sensitive passwords or Social Security numbers, and that it had not found any evidence that the breach resulted in any losses to customers. A lawyer for Mr. Marsh, Robert C. Gottlieb, acknowledged on Monday that his client did take the information in question but said that he did not post it online, share it or try to sell it.

The case, though, points to the variety of threats banks face as they try to safeguard sensitive customer data.

While foreign hackers have been responsible for attacks on JPMorgan Chase and Nasdaq, among others, the vulnerability at Morgan Stanley was an employee at the firm. Financial firms have struggled to deal with inside threats because it can be hard to differentiate between employees pulling data for legitimate purposes and those using it for nefarious reasons.

The case could be damaging for Morgan Stanley because the firm has become increasingly reliant on the success of its wealth management division as it has de-emphasized riskier trading. The company's stock ended down more than 3 percent on Monday.

Morgan Stanley worked back to Mr. Marsh from the information that was posted publicly on Pastebin, a site that allows for the easy and anonymous publication of large amounts of data.

The first advertisement of Morgan Stanley data was on Dec. 15, and it directed people interested in buying the data to two email addresses, neither of which appear to be related to Mr. Marsh.

The Dec. 15 posting did not reveal any actual client data, but boasted of the array of information available, including “account records and other data.”

Twelve days later, a different item provided a sample of the information that was available, giving details from 1,200 accounts that Morgan Stanley said were tied to 900 clients.

The item directed interested buyers to gourgio, a website that advertises itself as a “crypto-currency payment gateway,” allowing digital files to be sold anonymously.

The Morgan Stanley documents were offered for 78,000 Speedcoins, a relatively new virtual currency that is not yet big enough to have a readily available exchange rate.

Mr. Marsh, who attended Muhlenberg College in Pennsylvania, was hired by Morgan Stanley as a sales assistant in 2008, after brief stints at Bear Stearns and the hedge fund manager Paulson & Company, according to regulatory filings.

Working out of Morgan Stanley’s offices on Sixth Avenue in Manhattan, Mr. Marsh rose to become a full financial adviser in March 2014.

Mr. Marsh was fired last week, according to a person at the firm.

Mr. Gottlieb said that Mr. Marsh had acknowledged “that he should not have obtained the account information and has been cooperating with Morgan Stanley to protect the firm and its customers.”

Mr. Gottlieb added: “To be clear, Mr. Marsh did not sell or ever intend to sell any account information to anyone. He did not post the information online; he did not share any account information with anyone or use it for any personal financial gain. He is devastated by what has occurred and is extremely sorry for his conduct.”

A version of this article appears in print on 01/06/2015, on page B1 of the New York edition with the headline: Breach Puts Morgan Data Up for Sale.

THE WALL STREET JOURNAL.

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MARKETS

Puzzle Forms in Morgan Stanley Data Breach

Bank Tightens Access to Client Database

By **JUSTIN BAER**

Updated Jan. 7, 2015 1:14 p.m. ET

Last summer, a newly minted Morgan Stanley financial adviser named Galen Marsh started to sift through the account records of some 350,000 of the firm's clients. Virtually none of them were his own.

By December, some of that account information appeared on a text-sharing website, with the offer to trade it for an obscure virtual currency. Shortly after Morgan Stanley discovered the posting, it fired the 30-year-old Mr. Marsh and triggered a Federal Bureau of Investigation probe into how the records ended up online.

In what some security experts are saying is likely the biggest data theft at a wealth-management firm, some facts aren't in dispute: Mr. Marsh's lawyer has said that his client downloaded the account information and that he was subsequently fired by Morgan Stanley.

But a mystery remains about whether Mr. Marsh posted the information online and, if so, why he would risk his career.

Already, the episode is having ramifications within Morgan Stanley: On Tuesday, people familiar with the matter said the firm has tightened access to its client database so that individual advisers no longer have access to such wide swaths of account data. It also hired an outside consulting firm to increase its capacity to take calls from clients concerned about the breach and provide credit and identity-theft protective services.

Mr. Marsh's lawyer Robert Gottlieb says the matter is an employment dispute and denies that Mr. Marsh posted the information online or ever tried to sell it.

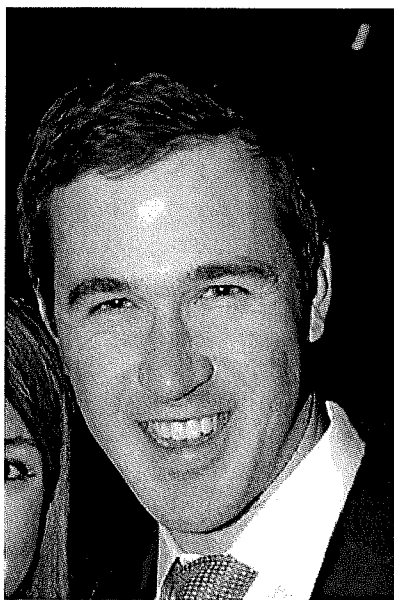
It isn't uncommon in the wealth-management industry for advisers to squirrel away information about clients before leaving for another firm, since a stable of wealthy clients is the lifeblood of any successful advisory practice.

But Mr. Marsh, who had been promoted from trainee last April, wasn't facing any disciplinary action, and had no reason to believe his position at Morgan Stanley was in jeopardy before he was confronted about the data he had downloaded, according to a person familiar with the matter.

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Galen Marsh PATRICK MCMULLAN

However, Morgan Stanley officials believe the trail to the data posted online leads back to Mr. Marsh, according to people familiar with the matter.

The data appeared as a posting on Pastebin on Saturday, Dec. 27. The posting was created anonymously, without a Pastebin user account, an official with the text-sharing service said.

Morgan Stanley officials picked up on the posting early that morning after it triggered an alert by a routine surveillance of a number of websites that traffic in sensitive information, according to people familiar with the matter.

Later that day, Morgan Stanley officials alerted Pastebin that the posting contained client information and requested its removal. The site complied and by Monday the posting was down, the people said. In the coming days, Morgan Stanley would come back to Pastebin with additional removal requests, the site official said.

By Saturday afternoon, many of Morgan Stanley's top executives, including Chairman and Chief Executive James Gorman, were briefed on what the firm's security and tech teams had uncovered.

A Dec. 15 posting touted "about 6 000 000 account records" from Morgan Stanley, along with a vague offer to "buy data." That posting, which appears to have been taken down, didn't trigger an alarm at Morgan Stanley. The Dec. 27 posting was far more explicit, providing details on 1,200 accounts, and instructing would-be buyers to a different website, gurl.io, where data can be exchanged for virtual currencies. The poster was asking for 78,000 speedcoins, a type of virtual currency, people familiar with the matter said.

Speedcoin is one of a number of digital currencies that are similar to bitcoin.

The morning of Dec. 27, Morgan Stanley also alerted the FBI.

As the Morgan Stanley officials looked through the firm's computer system to figure out if anyone had accessed a cache of data that would have included the details found on Pastebin, they got one hit: Galen Marsh, the people said.

On Sunday, the firm's employees accessed Mr. Marsh's office computer and found that he had downloaded the same database, the people said. On Monday, Morgan Stanley officials approached Mr. Marsh at his Midtown Manhattan office and quizzed him on their findings, the people said.

In that conversation, Mr. Marsh conceded he had accessed the client information but maintained that he hadn't posted any of it online or intended to sell the data, the people said.

Morgan Stanley security officials then escorted Mr. Marsh to his home, where they took a computer and storage devices that also held client data. The firm is

still investigating how Mr. Marsh allegedly transferred the data to his personal devices, the people said.

Morgan Stanley's office computers typically don't have a port to accept external hardware devices, and Mr. Marsh didn't send it to himself by email, the people said.

Mr. Marsh studied at Muhlenberg College, where he played lacrosse and met his wife. He joined Morgan Stanley as a sales assistant in 2008 after spending several months at Paulson Investment Co. and then Bear Stearns Cos., the investment bank that sold itself to J.P. Morgan Chase & Co. during the financial crisis.

He got married in August 2013. Eight months later, he was promoted from trainee to full-fledged financial adviser.

One clue to the mystery could reside at Pastebin: The site has a record of the anonymous poster's IP address, but won't share it unless a court order compels them to, the Pastebin official said. Besides, he said, it is very possible the address would be traced to a proxy service used in part to mask the real poster's identity.

Write to Justin Baer at justin.baer@wsj.com

Corrections & Amplifications

Galen Marsh worked for Paulson Investment Co., an investment bank. An earlier version of this story stated incorrectly that Mr. Marsh worked briefly for Paulson & Co., a hedge-fund firm.

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EXHIBIT E

November 16, 2015

The Honorable Kevin Thomas Duffy
Daniel Patrick Moynihan
United States Courthouse
500 Pearl St.
New York, NY 10007-1312

Dear Judge Duffy,

My name is David Armstrong and I am writing you in the hopes of giving you a better understanding of the character of Mr. Galen Marsh, despite the charges that Mr. Marsh has pled guilty to. Galen and I first met at Muhlenberg College in the fall of 2002. We chose to attend Muhlenberg College due to its academic record as well as its reinstatement of its varsity lacrosse team for the spring 2003 season. The team consisted of mostly freshman with less than a handful of sophomores. Needless to say the situation was fairly different from most collegiate athletes' arrival to campus to a much more established program. A group of twenty or so recent high school graduates were tasked in not only navigating the day to day rigors of college life, but also to successfully resurrect a varsity sport. In hindsight, I do not think we even realized how special of a situation we were in at the time. After about a week at school we finally had our first practice and slowly over the course of fall practice we began to learn our teammates' names and start to create a bond that I am lucky enough to still have with not only Galen but also many other now men from that team. I can remember immediately hitting it off with Galen and laughing like we have known each other for years. We became closer each day that passed as we realized our backgrounds and personalities were extremely similar and compatible. We had a successful freshman year in the classroom and on the field and we were fortunate enough to be living with each other come sophomore year. Our second year at college was better than the first and living together gave us even more time to forge the friendship we have today. After our sophomore year, I made a tough decision to transfer to Montclair State University. I had many sleepless nights mulling the decision and a large part of this difficulty was the friendships I would be leaving, especially Galen's. My friendship with the men I met at Muhlenberg not only survived my leaving the school but strengthened in some ways. After graduation we were fortunate to live in Hoboken at the same time and continue our friendship. Galen had been dating his now wife and I was extremely fortunate to meet my now wife and mother of my children while living in Hoboken. So many unbelievable memories and moments in our lives have been enjoyed together. I married my wife in September 2012 and had Galen by my side as a groomsman. Almost a year later when Galen was married I was incredibly honored to return the favor and stand with him. Now as my wife and I wait to welcome our second child in February we can share this special and blessed time of our lives as Galen and his wife await the birth of their first child. I am grateful for the way my life's path had crossed with Galen's and consider him such an important part of my life. He is family to me and I know that he feels the same about me and the rest of my family.

I understand the severity of the charges that Galen is charged with, however, I believe that the remorse he feels for his actions will carry with him for the rest of his life. I understand that transgressions such as these are serious and consequences are a direct result from such. It is my hope that my letter can be used to understand Galen on a more personal level and to use this information to form your opinion on the consequences he should face.

I hope that this letter can provide you some insight on the friendship that Galen and myself have and allows you to understand a little more in detail the type of person Galen is. We truly consider him family and hope that our families will continue to grow and be lifelong companions. I can only wish that my sons will find a person to have such a special friendship with during their life's journey.

I thank you in advance for your time and welcome any further inquiries that you might have.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Armstrong', with a stylized, flowing script.

David Armstrong


November 3, 2015

The Honorable Kevin Thomas Duffy
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10006

Dear Judge Duffy,

Thank you in advance for taking the time to review this letter. I am writing to you today to give you an understanding of who Galen Marsh is and why he is someone I respect very much. Before I do so I wanted to introduce myself so you have some background on who I am and how Galen and I know each other. My name is Charlotte Bertz and I live in Monmouth County New Jersey. For 7 years I worked for the non-profit organization behind Sesame Street. That institution preaches good values, education, and encourages a strong community. I have always tried to live my life by their mission statement and was even given the "Core Value" award, an honor given to the employee whose behavior best exemplifies the company's high standards and morals, in June 2009.

In 2013 I departed from Sesame to take on the role I am most proud of - being a mother. I am now a stay at home mom to my 2.5 year old daughter Lila and 6 month old son Thomas. I love my family and friends fiercely and take personal pride in my sense of community. It is for this reason that I hold myself to a very high standard. This standard includes the people who I surround myself with; Galen not only meets this standard, he exceeds it.

I have known Galen for over thirteen years. He is a dear friend of mine and husband to my very best friend Jessica. Jessica and I lived together for all four years at Muhlenberg College, the same place where I was first privileged to get to know Galen. Jessica and I were members of the women's lacrosse team, and Galen was a member of the men's team. It is here that I first noticed that Galen was different from his teammates. Galen is someone that is easy to get to know, relaxed, friendly, and is welcoming to everyone he meets. When we were seniors, I remember seeing him interact with the freshmen on the men's team that normally would have been intimidated by stepping onto the field, but Galen's inclusive and reassuring demeanor made them and people around him at ease. Galen has a kind sense of humor. He is a very encouraging and supportive person. To this day in all social situations he is the one person to make all people in the room feel comfortable and welcomed. These are the same qualities that make Galen an amazing husband to my best friend.

When Jess and Galen became engaged I could not have been happier for them. I was filled with such a sense of peace because I knew one of the people I cherish the most would be forever in good hands with Galen. I still feel the same way. Galen is everything you would want in a life partner and I cannot wait to see him as a father. I know it is a role he is made for. Just a few weeks ago at Jess's baby shower he excitedly worked to assemble a crib, close the blinds and set up a perfect napping environment so my son Thomas could take his afternoon rest. It was so thoughtful of him to take care of us in that way. It was not surprising though, because caring for others is one of Galen's best qualities. He truly is a selfless person who will put other's needs before his own.

One person that needs Galen, and deserves Galen's care is his daughter who will arrive in 2 months. Having a baby and caring for a newborn is a tremendous amount of work and is a once in a lifetime opportunity. Galen has always been outstanding with my children and I look forward to seeing him now love his own. He is a tremendous asset to the community and is most importantly needed at home.

Thank you very much for taking this letter into consideration.

Sincerely, Charlotte Bertz

Charlotte Bertz

November 4, 2015

To The Honorable Kevin T. Duffy,

We are writing to let you know about the Galen Marsh we have known for his entire life. He and his family have been our friends for many years. Galen loves his family dearly and has been a good son to his parents Ralph and Gwili, a great brother to Ethan and Keely, a fun and loving uncle to Solomon and Sydney, a loving and devoted husband to Jess, and he is most excited about his upcoming new status as a dad. He will be a great dad to his new baby daughter.

We have vacationed with Galen's family on Cape Cod for the past 10 years and have spent many happy hours with them all on the beach, the golf course, and in the kitchen with Galen! Galen loves to cook and we always look forward to his meals. We also enjoy just spending time with him because we like him so much. He is warm and friendly and has a great sense of humor. He is respectful and fun to be with.

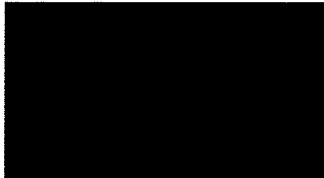
Galen recently earned his MBA from Duke University while working full time. He was focused and determined to see it through and do the best job he could. He played lacrosse in high school and college and was a loyal team member. He was active in church during his growing up years and was confirmed when he was in 9th grade. He also participated in a Bible study during his teen years. Church has always been a big part of his life, and he's an active volunteer in a soup kitchen in Hoboken.

Galen is a wonderful young man. He cares so much about his family and friends. He is kind, generous, responsible and helpful. He is fun and friendly and has a great spirit for life.

We are proud to call Galen our friend.

Sincerely,

Cindy and Dave Boyer



1

From:
Sent:
To:
Subject:



I have known the Vey family since the 1970's. Galen's grandmother, Barbara Vey and I have been friends since mid 1970's and remain close today.

I have been privileged to share the lives of her three daughters through marriages, births, graduations, weddings and births of their children. I also got to follow all the grand children through their marriages and the birth of their off spring. It is a long and inspirational journey with these girls and their families as their life journey's have taught me a thing or two along the way. I even got to babysit Galen as a toddler.

Galen is the product of an exceptionaly strong Christian foundation and background.

I was devastated when Barbara shared Galen's legal issues. Ignorance is not considered a defense but in this case I appeal to you find in Galen's favor. Galen made an innocent and stupid mistake. His actions may have been naive but not malicious. I ask that you bare all this in mind when passing sentence on him.

Thank you for your time.

Julia E. Cardillo

GALEN MARSH CHARACTER LETTER
The Honorable Kevin Thomas Duffy
Daniel Patrick Moynihan
United States Courthouse
500 Pearl St.
New York, NY 10007-1312

Dear Judge Duffy,

My name is Rob DeChiaro and I am writing this letter on behalf of Galen Marsh. I first met Galen in 2002 when we were both freshman at Muhlenberg College in Allentown, Pennsylvania.

Muhlenberg is a small college, with somewhere near 2,400 students at the time. Galen and I both participated in NCAA Athletics (he was on the Lacrosse team, I was on the Football team). When you end up spending a great deal of time in the sports program and at the sports facilities at a small school, you tend to grow close to other people in the community. This was how I began to truly know, and appreciate, the friend I had in Galen. He was dedicated to his craft, not only in the gym and athletic facility, but also in the classroom, where it was quite obvious Galen wanted to "win" and become a successful contributor to society. Galen and I quickly became close friends and spent a great deal of time together.

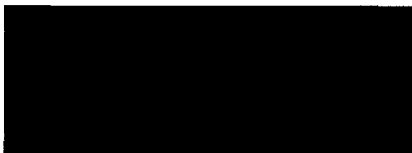
It was our junior year, 2004, when Galen started to date a woman who I would consider my closest and dearest friend at school, Jessica. "Geiger", her last name that she is commonly referred to by, and I had the same major (Communications and Media) and spent a great deal of time together as well. This meant that I quickly became Galen's harshest critic, going a little further than usual to ensure he had the right intentions and was going to treat my dear friend with the respect and love that she deserved. Several years after we graduated, Jess and Galen were married and I was standing next to them both as part of their wedding party.

Between the time of their marriage and our time at Muhlenberg, Galen and I were roommates in a small apartment in Hoboken, NJ. Galen and I both had the same aspirations - succeed in the corporate world in order to start a family, buy a home and grow up to be like the hard working parents we both had and deeply respected. Through many of our conversations and time on the couch decompressing from work, I quickly learned that Galen's parents were a guiding light for him. He is deeply rooted in the idea of family, and strives to succeed to ensure that he has the ability to support that family, just as his parents supported him. He and Jess, as I am sure you know, will be adding one member to their family in the end of December when they welcome their baby in to the world.

Much like Galen, I owe a great deal of gratitude to my parents for the man I have become and the life I am now lucky to live. My father is the man who I look up to the most in this world and while growing up he taught me one virtue that I try to live by to this day - "Do the right thing". At work, in life, with family, with friends, to strangers - just do the right thing.

Galen made a mistake. He did not "do the right thing" and he has paid dearly for it. I am confident in saying to you that while Galen may have made a mistake, it is not who he truly is. He is a kind, caring, loving and genuine person who is focused on one thing - making a great life for him and his family. While I in no way neither condone nor support the mistakes he has made, I am willing to be a reference for you to judge his character upon because I believe in Galen and the person he is. I hope this letter allows you to see a fuller version of who Galen is.

Sincerely,
Rob DeChiaro



November 10th, 2015

Dear Judge Duffy,

For the past thirteen years, I have had the pleasure of calling Galen Marsh my dear friend. I write to you today not with the intent to claim that Mr. Marsh has not made mistakes- but instead, to illustrate the type of man that he is; the type of friend who appears in so many of my most cherished memories, and the person I look forward to being in so many more.

Mr. Marsh is a catalyst. He has always had the ability to change the atmosphere around him, and I cannot recount even one time when his impact was anything but overtly positive. Throughout our years of friendship, he has been a steadfast support for the people around him and a source of unbridled joy for those of us lucky enough to call him a best friend. He is the friend who will drive an hour just to visit a sandwich shop you love. He is the friend who will host a party and invite new friends worried about fitting in. He is the friend who will dance with you when everyone is partnered up and you are on the dance floor alone. Mr. Marsh makes those around him feel special and valuable and important and he shares the greatest parts of himself to make others happy. He is, irrevocably, one of my favorite people.

I've seen him make mistakes. I was with him when he accepted the invitation for a late-evening footrace and didn't notice a thin, chain fence across the driveway he was sprinting down. I was there when he accepted a burrito eating contest after a day spent at the beach in the hot sun. We've all made wrong turns and gotten lost and fallen down as we have grown up together. But despite our growing pains and adversities, in the very fabric of my happiest memories, Mr. Marsh is one of the brightest threads. He has helped so many of us weave these beautiful blankets of laughter and adventure and happiness, and now we are here with them, outstretched, ready to catch him. This letter seems like such a small token in return for a lifetime of happy moments Mr. Marsh has given me, and the rest of us who love him.

Your honor, as a native New Yorker who comes from a family of NYPD detectives, I am familiar with your judicial service and some of the important cases you've presided over. I have a tremendous amount of respect for your tenure with the Southern District and understand that you have had a meaningful impact on the city I consider home. You are known for your fairness and humility, and that is all I am asking for when considering my friend Mr. Marsh, who is about to begin a brand new chapter in his life. Ten years ago, Mr. Marsh fell in love with my best friend, Jess. Two years ago, I stood next to them as they exchanged vows. Next month, I will be thrilled to see them welcome their first child. I picture them as a family, celebrating life's milestones, and I am so hopeful when I think about what the future holds for my friend, Galen, and his family.


Thank you so much for your consideration and for your understanding.

With sincere respect,

Shannon Donohue

A handwritten signature in black ink, appearing to read 'Shannon Donohue', with a stylized, looping flourish at the end.

JUDITH KAGLE FERGUSON



October 28, 2015

The Honorable Kevin T. Duffy

Re: Galen Marsh

Dear Judge Duffy

My name is Judith Kagle Ferguson and, though now retired in South Carolina, I spent my corporate career with Bell Labs and AT&T in New Jersey. For most of that time, my family lived in Annandale NJ, close to the home of The Marshes. I have known Galen from the time he was born, as a neighbor, a student, and a member of our church.

Our families were close from church, from school, from athletics and from values. In fact, my will named the Marshes as my son's guardians should anything had happened to my husband and me. It was a home of strong Christian values and family.

Galen was a joyful, inquisitive child, always with a smile and a kind heart. It was heartwarming to see him grow into maturity and tackle the demands of the graduate program at Duke. Married, settling down to a family of his own, putting roots even deeper into the community.

It has also been a joy to see him grow in faith and his relationship with Christ.

Should you have any questions, please feel free to contact me.

I remain

Very truly yours,

Judith Kagle Ferguson

500 Pearl St.
New York, NY 10007-1312

Dear Judge Duffy,

We have known Galen Marsh for over 10 years. He has always been a very close friend of our daughter, Meghan. They both attended and graduated from Muhlenberg College, along with Galen's wife, Jess.

Galen and Jess have spent many weekends visiting with us at our home. He has always been a wonderful guest. He is a smart, thoughtful, reliable and very likable young man. We've also attended many functions with Galen and have been impressed with how he conducts himself. At his wedding to Jess, we were able to get a real glimpse into his life. Everyone we met, spoke of him with admiration and love. We were impressed at all he has accomplished in life and very proud of his work ethic. Their wedding was full of love and laughter, which is how we think of Galen. It was beautiful to see how much love is between Jess and Galen and we were honored to be a part of their special day.

Galen has a supportive and loving family and has a very strong bond with them. Galen has always appeared to be an ethical and impressive young man with very strong principles and morals. Our daughter, Meghan, not only went to college with Galen, but they were neighbors in Hoboken for over 6 years. As a parent, you always worry about your children and want the best for them. Knowing that Meghan has a friend like Galen has put our mind at ease.

Galen has grown to become not only a friend of our daughters, but a friend of ours as well. We are more than happy to write a letter on his behalf and hope that it can help you see Galen as the commendable and genuine person that we believe he is.

Sincerely,
Marion & Jeff Garibaldi

The Honorable Kevin Thomas Duffy
Daniel Patrick Moynihan
United States Courthouse
500 Pearl St.
New York, NY 10007-1312

Dear Judge Duffy,

I am writing to you on behalf of my dear friend, Galen Marsh. When Galen asked me to write a letter to help the courts get a better understanding of his character, I was more than happy to do so. I have known Galen for over 10 years, we met our freshman year at Muhlenberg College and he has continued to be a trusted and valued friend of mine ever since. I hope to share some stories that will allow you to see Galen through my eyes, a kind, generous and dependable person.

As I said before, I have known Galen for the better part of my adult life. I have come to depend on him in many ways throughout the years. He would do anything for the people he loves and can make you feel comfortable in any situation. It is rare to meet someone like Galen in your life. He is very smart, confident and comfortable with himself and inspires the same feelings in those around him. These qualities are just some of what make him such a special person. Galen has always been someone that I turn to if I need advice, whether the issue is big or small. He is a wonderful listener and is truly interested in anything that is going on in your life. He will take time to sit with you, weigh the pros and cons of a situation and give you his honest and thoughtful opinion on how you should proceed.

Galen is someone who puts the needs of those he loves and cares about, before his own. Galen and his wife, Jess, met at Muhlenberg College as well. I have been lucky enough to watch two of my very best friends fall in love. Galen loves Jess with all his heart and would do anything for her. They have always talked about starting a family and they are blessed to have this dream come true in the next couple of months. I have no doubt in my mind that Galen will be a wonderful father. He has not only grown up with supportive and loving parents to serve as great role models, but he also is a natural caregiver. Their child will be one lucky little girl, to have parents like Jess and Galen.

I have nothing but respect and admiration for my friend, Galen. His positive attitude is contagious, his compassionate nature is refreshing and his love of life is inspiring. I feel blessed to have a friend like him in my life and I look forward to watching him become a father and instill these same qualities in his daughter. He is someone who has always shown forgiveness and kindness to those in his life. I hope that I have been able to help you understand the person that Galen is and continues to be.

Sincerely,
Meghan Garibaldi

The Honorable Kevin Thomas Duffy
Daniel Patrick Moynihan
United States Courthouse

The Honorable Kevin Thomas Duffy
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10006

Dear Judge Duffy,

My name is Lydia Geiger. I am a personal trainer and also work as an assistant to a physical therapist. I am writing this letter on behalf of Galen Marsh. Galen is married to my daughter, Jessica Marsh. I first met Galen at a Muhlenberg College function over 10 years ago where my daughter introduced him as her boyfriend. I was taken with his polite, yet fun-loving, demeanor and his clear love for Jessica. He has been a part of our family, both unofficially and officially, since then.

My understanding of the current situation is that Galen made a mistake in his professional arena. Because of that mistake, Galen has lost his job and eliminated the possibility of any future careers in the financial industry. Although I am unaware of all the details, I can say with deepest sincerity that Galen has learned a very tough lesson from this.

I can also say with deep truth that he is a most caring, gentle and respectful person that I am proud to call my son-in-law. Galen has always been a loving husband to Jessica and now with their first child on the way, he will be needed more than ever as a provider, partner and father.

Respectfully,

Lydia Geiger

The Honorable Kevin Thomas Duffy
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10007-1312

November 7, 2015

Dear Judge Duffy,

I am writing to you in regard to the true character of Galen Marsh. He is my son-in-law, having married my only daughter, Jessica, in August, 2013. I became aware of Galen being a part of my daughter's life over ten years ago while they were both attending Muhlenberg College. I had the pleasure of meeting his wonderful family on graduation day. Over the years it was clear to all of us that Galen and Jessie were meant for each other; it was just a matter of picking the right time.

Asking a father for permission to marry his daughter was considered an old fashioned thing to do back when I did it in my twenties. Galen asked me to meet him after work. He was honestly and earnestly making sure that he had my blessing. I admired his sense of tradition, respect and honorable intentions. I knew what my reply would be even before he asked.

Galen and Jessie are expecting my first granddaughter at the end of December. By that time the final steps of the unfortunate incident you are presiding over will have been completed. I know nothing about the case except for what was reported in the media. It was written that there was the potential for many victims but the only true victim appears to have been Galen. Of course, my opinion about the case is speculation but my knowledge of Galen's character is not.

I understand that the law is reason, free of passion; but I also know that our society is built on compassion and empathy. Please consider that a truly honorable man found himself in overwhelming circumstances.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Geiger", with a stylized flourish at the end.

Paul Geiger



November 24, 2015

To: The Honorable Kevin T. Duffy

Subject: Character Reference for Galen J. Marsh

Your Honor:

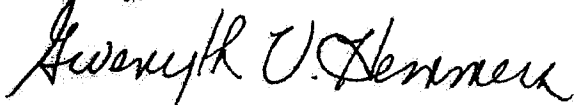
I am writing this letter in support of my nephew, Galen Marsh.

Obviously, I was devastated when I heard of the accusations against Galen. And knowing what an open, hard working man Galen is, it was contrary to the person I know.

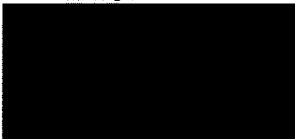
Galen has always been the center of the family because of his sense of humor and his love for our family. Galen and I have had many talks while cooking together during family gatherings about life and work and I always find him to be down to earth and centered. My oldest son has special needs and Galen always shows as much interest in his life as he has with my other children. All of my children have looked up to him and called him their "favorite" cousin because they can talk to him about anything and he gives them good, solid advice.

I see Galen growing and learning from this very serious mistake and I ask that you will consider this a very serious mistake and not an implication of the way he conducts his life.

Sincerely,



Gwenth V. Hemmers



November 27, 2015

To: The Honorable Kevin T. Duffy
Subject: Character Reference for Galen Marsh

Your Honor,

Thank you for the opportunity to present this character reference in support of Galen Marsh.

I am one of Galen's younger cousins and have grown up admiring and looking up to him as a role model, friend and example of the type of person I want to be, both in my career and my life, as I embark on my own professional journey.

Galen has always been open and kind. He has a charismatic way about him that makes you feel good about yourself, which is something I rarely see in men of my generation.

He is a hard worker. A worker who started from the bottom and worked his way up to a respectable and strenuous position. A position that led him to this grave mistake. But since that first time offense, I have seen Galen continue to express and prove his true character.

His love for his wife is admirable, putting her first no matter what. This unfaltering love is something I respect greatly. His passion for his family is infinite. With a daughter on the way, he has continued to persevere in hopes of providing for his family in any way he can, getting a job as soon as he was able. He has held his head up in a time where his character could have turned to a dark, selfish and unruly place. He has been strong for his wife, his mother and father, his siblings, and his broad network of extended family and dear friends.

Could I say I would be as selfless as Galen with the weight of this mistake on my shoulders? I can only hope that as life's struggles come my way, I can be as mindful of others in my life and put selfishness at bay, in the way Galen has.

I know that Galen regrets the mistake he made. He has been open and honest with me, and that trust and love and faith is what a man is made of.

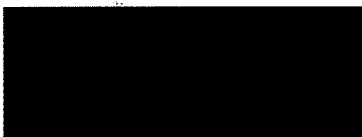
I hope that you will too find the trust and faith in Galen that is so unfaltering and evident from the people in his life.

Should you need any additional information, please reach out to me.

Sincerely,



Isobelle B. Hemmers



Carol Kotopoulos



The Honorable Kevin T. Duffy
United States Courthouse
500 Pearl St.
New York, NY 10007-1312

November 29, 2015

Dear Judge Duffy,

I am writing to you concerning Mr. Galen Marsh.

I have known Galen through my church, Clinton Presbyterian in Clinton New Jersey since he was in middle school. I have always found him to be a young man of fine moral character and integrity. As a Sunday school teacher, I observed him to be honest in all his interactions with both teachers and other students.

When considering a high school, I was impressed with his mature decision to attend a Catholic high school, because he knew it would be a better environment for him to thrive in.

I trusted him to accompany my daughter to a high school prom. He treated her with care and respect.

I know that Galen Marsh is an honest man and as a business owner, I would not hesitate to recommend him for employment in any firm.

Respectfully,

Carol Kotopoulos

The Honorable Kevin T. Duffy

Dear Judge Duffy,

I am writing on behalf Galen Marsh, a fine young man I have known since he was a small child.

Galen grew up in our Church. He was active in a variety of Church and school activities here in Clinton Township. I always found Galen to be polite and conscientious. When he was a young teen, I employed him as a babysitter for my two young boys. They enjoyed the time he spent with them and I always found him to be dependable and trustworthy. As a young mother, these were the qualities I looked for in a babysitter and, I believe, Galen still exhibits these qualities today.

Galen comes from a wonderful family that loves and supports him. I have no doubt that he will be a wonderful father himself and that he has much to contribute to this world. I also hope that this letter gives you some insight into Galen's good character. He is held in high regard by many who know him and have watched him grow up.

Thank you for your consideration as you proceed with Galen's sentencing.

Best Regards,

Karen Kursar

November 13, 2015

The Honorable Kevin T. Duffy
United States District Court
Southern District of New York
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10007-1312

Dear Judge Duffy,

I write on behalf of my younger brother, Galen. Galen is an honest, kind, and caring person. In our family, he's always been the out-going one, cracking jokes and livening things up. He looks out for his family and friends, and he has always had lots of friends because of that.

Galen lived with me in Hoboken one summer while he interned in New York City during college. I was in college while Galen was in high school, so that summer we had the chance to get to know one another as young adults for the first. Living with Galen for those months, I realized that Galen had grown up to be an honest and hardworking young man.

Galen has demonstrated his kindness and warmth with my 3-year old son. Whenever the family is together, my son wants to spend the whole time playing with Galen. When we're not together, he's constantly talking about Galen. One of my favorite memories is from last Thanksgiving. Galen spent the better part of 2 hours locked in a dance contest with my son. My son had a blast, and all of us had some great laughs. That's the kind of person Galen is- someone who doesn't mind spending hours dancing with a toddler.

The actions that led Galen to this moment are out of character and, I am very certain, will never be repeated. Galen has suffered for his actions. He lost his job and any prospect of working in the financial industry. I know he regrets his actions and what he has put his wife through. His wife and soon-to-be-born daughter are blameless, and a prison sentence will force his wife to support and care for their infant daughter by herself. His daughter would also miss out on that special time to bond with her father at an early age. The loss of his job, the immense embarrassment that I know he feels, and the large restitution that he has agreed to make, are all significant punishments for his actions. A prison sentence would serve no legitimate purpose in these circumstances.

Sincerely,



Ethan Marsh

November 16, 2015

To: The Honorable Kevin T. Duffy

Subject: Character Reference for Galen Marsh

Your Honor:

I am Galen's mother. I hope to tell you about Galen so he is not reduced in your eyes to his stupid, albeit, serious mistake.

Galen is the second of our three children. He has always been a fun, caring, loyal, smart and very curious person. As a child his inquisitive nature led to some interesting activities like taking apart small appliances to see how they worked. He once engineered a Rube Goldberg type contraption in his sister's room to see if he could cause a bucket to dump its load of small stuffed animals when she opened her bedroom door. It worked, much to her chagrin. His sense of humor is keen, stemming from his intelligence. He is very likable because he is a good and truly nice person. He makes deep enduring friendships. He has always been a good son; honest, respectful and loving. He is not perfect. None of my children are, but neither am I, his father or anyone I know. I trust and respect him. He is a good husband to Jessica and I have no doubt he will be a terrific father to their unborn daughter.

During his senior year in high school, Galen had a part time job at the local drug store. He worked with a young lady who attended a different high school than he. In the course of talking about their respective proms, Galen discovered she was not attending hers as she had not been asked and was too shy to ask a boy to take her. So Galen asked her to her prom. He was the perfect gentleman, attended an after prom party with her friends whom he did not know and made her prom special. I later learned from her mother Galen was this young lady's first date. This is the caring, honorable Galen I know and love.

During college, Galen played lacrosse and was 1 of 4 in a recruiting class of over 20 who played through to graduation. He is loyal to friends, family and commitments. He told the coach he would play lacrosse when he was accepted at Muhlenberg College and honored his commitment. He had every excuse to stop playing after blowing out his PCL and undergoing knee surgery, but he rehabbed and came back.

The manner in which Galen has handled this situation has been admirable. The press, Internet and TV media coverage have been extensive and brutal. His character has been assailed as they speculate on his motive. One newspaper printed a picture of his wife as well as his. Some of the comments posted by male readers about Jessica were disgusting. Galen knows he made a serious mistake and will be forced to face consequences, but it is the pain his mistake has caused Jessica, her family, his brother, sister, grandmothers and us that grieves him most. He has told me several times he does not worry for himself, but does for those his actions have affected. He blames no one but himself. He has taken full responsibility for his actions.

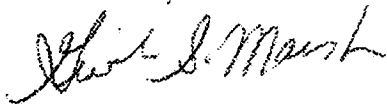
My respect for Galen has not diminished but increased. One can often see the measure of a person in adversity. Galen lost his job and had time to wallow in pity, anger and hopelessness, or use the time to reflect and do something useful. He began to volunteer at the local soup kitchen. He took several on-line

classes to learn coding and took over as house husband to make Jessica's life easier during a very stressful time. He spent the better part of April traveling with his grandmother, my mother, helping her at age 84, make a big decision as to her future and to where she would move. It was time for her to give up the house I grew up in. He helped her sort through and organize 60 years of life in the same house and, in July, just 3 months after their trip, she made the move. Galen's spiritual life deepened as he reflected on his life, what he had done and his future. When he felt he was ready to face prospective employers and knowing he had to be completely honest about his situation, he set about looking for employment. He found a gentleman who was willing to give him a chance. Galen worries he will hurt his employer's start up business. After he pled to felony before you, Galen voiced his concern directly, telling his employer he would understand if he severed their consultancy relationship. It appears his employer values his talent as he has chosen to keep him on, despite the risk to his business. I think he sees in Galen what those of us who know him well know to be the truth.

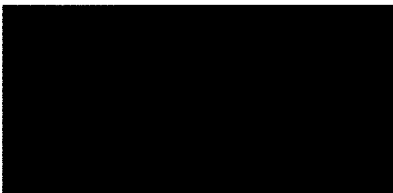
Jessica and Galen will be first time parents in December. Believe it or not, this little one was not planned. Galen considers her a gift of hope for their future as a family. Their savings, meant to buy a house is depleted. The restitution he is obligated to pay will be a burden. But I know my son. He will meet his obligations, persevere to care for his family and given the chance, reach his potential. I humbly ask for leniency.

Thank you for your time and consideration.

Sincerely,



Gwili S. Marsh



The Honorable Kevin Thomas Duffy
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street New York, NY 10006

Dear Judge Duffy,

Thank you for taking the time to review this letter on behalf of Galen Marsh. My name is Jessica Marsh and I am Galen's wife. We've been together for almost 10 years, married for a little over two years and are expecting our first child, a baby girl, this December. Galen and I met at Muhlenberg College in 2002. We became friends our freshman year and remained close until we started dating at the end of our senior year. We have been together, and inseparable, ever since.

Our marriage is built on trust, loyalty, compatibility and perhaps most importantly, friendship. I trust him wholeheartedly and admire so many attributes of his personality. Marrying Galen was the best decision I've ever made. And, it was not a tough decision in the least. There is no one I would rather build my life with than Galen. He is not only my husband and my confidant, he is my best friend.

Galen has such enthusiasm for life. Anyone who knows him will tell you his perpetually positive attitude is contagious. Perhaps the most enthusiastic I have ever seen him during all the years of our relationship was the day we found out we are having a baby. Since then, Galen has had a seemingly singular focus on getting prepared for her arrival and his new role as a father. Our weekends have been spent reorganizing our home, refinishing furniture for her nursery, reading "baby books," and more. He is already exhibiting all the qualities of a very hands-on dad. Watching his face light up when the baby kicks in my womb has become the highlight of my day. It not only makes me more excited for our baby girl's arrival, but it proves to me how much both our child and I need him.

Prior to our current situation, Galen and I shared responsibilities financially and around the home. When he lost his job, he shifted focus and took on the homecare to lighten the load for me. He did all the shopping, he kept our apartment neat and clean, and dinner was waiting when I arrived home from the office without fail. It was clear to me that Galen was fixated on coming out of this situation as an even better partner.

The media attention Galen and I received was not easy to bear, but we leaned on each other. No matter the media speculation, Galen is in this situation because he made a mistake, not because he had any malintent. He would never intentionally harm anyone, nor would he do anything to his knowledge to break the law. He is an honest person. He knows he made a mistake and both he and I have suffered publicly for it.

I can safely say that I know Galen better than anyone. Therefore, I know with all my heart that we find ourselves in this situation as a result of a lapse in judgement. I ask you to consider the impact this instance of poor judgement will have on Galen's family, namely myself and his infant daughter. As we anxiously await her arrival in a few short weeks, I can't help but excitedly anticipate watching her grow, hearing her first laugh, experiencing her first steps and more. These are moments I would be elated to share with Galen, and would be truly devastated for him to miss.

Thank you, again, for your time and consideration.

Sincerely,

Jessica Marsh

Dear Judge Duffy:

I have been asked to attest to Galen Marsh's character for your consideration, and I gladly do so. To me, Galen is first and foremost a fantastic uncle to my kids. Galen has a good heart that is obvious when he's with them. Seeing him with my baby daughter shows me what a wonderful, loving dad he will be. He takes joy in the little moments and works hard to get smiles and giggles. My three-year-old son can't wait to see him between visits. Last winter, Galen tirelessly pulled him up a big sledding hill and even folded himself up onto the sled so the trip down wouldn't be too scary. Galen has also taught my son signature uncle moves like "rocket," which involves a countdown followed by a toss in the air. Galen even lets my son try pro-wrestling moves on him. To the kids, Uncle Galen can do no wrong.

As Galen's sister-in-law, I've had the chance to observe Galen with his family. They are good, caring people who welcomed me and my family with open arms. Galen has only been married for two years but he has already shown himself to be a loving, supportive husband. He's always there when his wife needs him, particularly through her pregnancy. Galen has been truly humbled before his family. They do not have any experience with the criminal justice system, and just going through this in front of them is punishment enough. There is nothing he can learn from incarceration, but his family would be punished.

Please consider Galen Marsh's overall character, good heart, and his family's wellbeing as you deliberate on sentencing. Thank you for your consideration.

Sincerely,

Molly Marsh

November 17, 2015

The Honorable Kevin T. Duffy
Daniel Patrick Moynihan United States Courthouse-Southern District of New York
500 Pearl Street
New York, New York 10007-1312

Dear Judge Duffy:

I am writing to you regarding my son Galen Marsh.

This is not a letter I ever envisioned writing. Galen is charged with a serious offense. It is an aberration, and in no way a reflection of the young man I know him to be. I say that as Galen has matured into a man of integrity, kindness, and good character. I am proud of him.

Galen was a tactile learner as a youngster. He learned much better by doing rather than by such as book-reading. He tended to focus on, and become more skillful at, things that really interested him. In early-adulthood, I was pleased to watch the attention and strong work ethic once directed at such as sports divert to financial services. I became impressed by the depth of his knowledge.

Galen has, along the way, had non-work moments of which I am especially proud. 1) Five years ago, my sister-in-law's son, who was then a teenager, hit a rough patch that included alcohol and failed classes. He left public and private schools in quick succession. My sister-in-law was at her wit's end. She asked Galen to speak to him. He did. There was a dramatic turn-around. Galen's cousin is now a successful college junior. 2) Galen moved to his first apartment in 2007, but still volunteers to come home if I need help. Three years ago, when we were renovating and I had to move furniture to our basement and a storage pod, he insisted on sharing the labor. The same was true when pallets of rocks were delivered to our driveway and needed wheel-barrowing to the backyard for new walls and walks and when soil, mulch, and plants later needed similar transport. 3) He has become a loving, attentive, and supportive husband. That is the Galen Marsh I know.

It hurts me to think of the things, personally as well as vocationally, Galen will be unable to do because of a felony conviction. Not that he hasn't suffered already. He lost his job; his friendships with the Morgan Stanley executives who were "training" him evaporated; news coverage exceeded that of most comparable cases; he became a pariah in the finance industry; and legal expenses exhausted his savings. Most of all, he suffered because of the effects on his family. That continues.

I am particularly proud of how Galen responded to his situation. He concentrated on what he could, vis-à-vis what he could not, still do. He assumed further household duties to clear his wife's schedule; he took online classes to refine computer skills; and he worked a few days a week at a soup kitchen. After the initial sting of his situation diminished, he began a diligent job search in a completely new field. He was upfront with potential employers. One gentleman finally agreed to hire him (on a consultant basis) for a start-up company. The impact sentencing might have on continuing that employment worries me. I hope you will look beyond past Galen's mistake[s], see both the fine man he is now and his potential, and grant him leniency. It would not be wasted.

Thank you for your consideration.



Ralph E. Marsh [Jr.]



The Honorable Kevin Thomas Duffy
Daniel Patrick Moynihan
United States Courthouse
500 Pearl St.
New York, NY 10007-1312

November 13, 2015

Dear Judge Duffy.

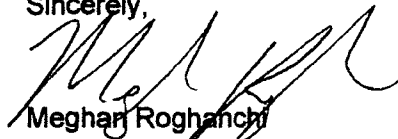
I am writing this letter on behalf of Galen Marsh. I have known Galen for over 10 years and in that time he has consistently displayed the highest level of character, compassion, and friendship. Galen is married to my lifelong best friend Jessica and my children call him "Uncle Gay".

Galen has always been a fun and friendly person to be around. He has an electric personality that brings light and entertainment to every event. He is extremely loving and patient with my children. He is a doting husband and I am quite sure that he will be a doting father.

I know from experience how important the first stages of your child's life are. It would be a terrible tragedy for his daughter if Galen was not able to be present for that period. She deserves to experience all the love he already has for her. I have seen this love every time he whispers to his wife's belly and talks in a little baby voice to his unborn daughter. Any child would be lucky to experience that level of love from the first breath and indeed would be disadvantaged without it.

In no way does this letter intend to downplay the seriousness of Galen's actions. Everybody makes mistakes and Galen has made a very big mistake that has affected his family and his friends in an irreversible way; and will continue to affect them for a long time. But I believe strongly in his character and the love he has for those around him.

Sincerely,



Meghan Roghanchi

November 5, 2015

The Honorable Kevin T. Duffy
Daniel Patrick Moynihan
United States Courthouse
500 Pearl St.
New York, NY 10007-1312

Dear Judge Duffy,

I am Galen's younger sister, and someone who has always looked up to and admired him for his kindness and compassion for others. The events that have transpired just a year ago have not changed that, and I'd like to take this opportunity to explain a bit further.

To start, I'd like to give some examples of the person and the brother Galen has always been. From the time we were young, I have been able count on him for love and support. Galen and I were two years apart in grade school, and like many younger siblings, I wanted to be with him constantly. The difference between Galen and many other older siblings, was that he made me feel like the feelings were mutual. I'm sure it wasn't "cool" to have your little sister following you around, but my feelings, and treating me with respect always outweighed his need to look "cool." He taught me from the time I was little, what it meant to love and be loved. Galen's support and encouragement continued even when he went off to college. I still remember a time my junior year of high school when I had won my event at our state track meet. I got a call from Galen after the meet, except when I picked up the phone, it wasn't just Galen on the other end. He had gotten a bunch of friends together, and they were cheering for me. Galen's kindness and compassion didn't just stop at his family. One of my favorite stories about Galen is when he took a girl from another high school to her prom. They worked together at the local drugstore. Without a date, she was planning to stay home until Galen suggested they go together. He recognized she was about to miss out on a great experience, and gave her the chance to make those memories with her friends that the high school prom is all about. As we've gotten older, I've realized what a special person Galen is. It's rare to find someone who is so selfless, who thinks about how their actions make others feel and will go out of their way to show compassion and kindness.

Still today, Galen is a light in my life and someone I know I can count on. It's hard to forget a winter like last winter, particularly in the Boston area where my husband and I had just purchased a home. As soon as we moved in, my husband was traveling fifty percent of the time for work. Every other week he was gone, and I was alone in a new town, in a new house, learning about ice dams, snow throwers and roof rakes the hard way. Galen constantly checked up on me, he would call and text just to make sure I wasn't lonely. He sent me emails and book suggestions. I remember one late night after watching stories of roof collapses in the news, I called Galen in a panic thinking I had heard noises from the roof. He calmed my worries, made me laugh, and gave me a little advice for how to make sure I stayed safe

through the night. He seemed far more concerned about me and my well-being than himself. It amazes me that despite fighting his own battles this winter with the news of this case, Galen never let me down. In fact, above everyone else in my life, he was the one that went over and beyond to make sure I was happy and safe.

I hope I've provided a few examples of Galen's strong character, both our time growing up together and still today. Though I'm sure recent events have been incredibly hard on him personally; losing his job, having his name and picture in the papers, and grotesque sexual comments about his wife written on social media, I've never heard Galen complain. In fact, Galen's attitude during this incident is what makes me proudest of him. He used his time of being unemployed by volunteering at a soup kitchen, furthering his education in areas other than finance, traveling with our grandmother to find her a new home, helping her fix up her old home to be ready for sale, and finally helping her sort through, pack up and give away treasures collected during her sixty years in her old home. I also can't thank him enough for how helpful he has been to my parents. It's a common occurrence for me to call my parents and hear that Galen is there, helping my mom paint, spread mulch in the garden, or my dad carry or move something heavy. Galen has managed to take what is a poor situation and use it for the positive. His primary concern remaining to be the ones he loves, and those who count on him.

I hope this letter illustrates some of Galen's attributes and who he is, a person of great kindness and character. I am incredibly proud to be Galen's sister, and consider myself extremely lucky for the example he has set for me throughout my life.

Please feel free to contact me if you have any further questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Keely Thibault', with a stylized flourish at the end.

Keely Thibault

Barbara K. Vev



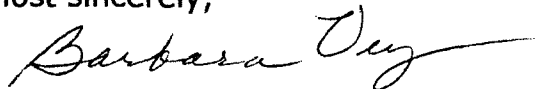
Robert Gottlieb
Gottlieb and Gordon, LLP
Trinity Building, 111 Broadway, Suite 701
New York, New York, 10006

October 30, 2015

To the Honorable Kevin T. Duffy

After the death of my husband, and living in one house for 60 years, it became time for a major life change, but how and where? My grandson Galen Marsh agreed that he and I take an extended trip together to help me make that huge decision. Upon our return he stayed with me and worked diligently on the unbelievable task of cleaning out the attic and basement, helping make decisions as to what to keep and what to let go. In difficult times, Galen is the person I want at my side. His sunny personality cheered me, his gentle, kind attention supported and encouraged me. With his help I was able to make the decision that was absolutely correct, and I have been able to move forward with my life. That is the Galen Marsh I know and love. The world needs more Galens.

Most sincerely,


Barbara Vey, proud grandmother

November 10, 2015

To: The Honorable Kevin T. Duffy

Subject: Character Reference for Galen Marsh

Your Honor:

I am pleased to submit this reference letter in support of Galen Marsh.

I am Galen's uncle and have known him all his life. I was troubled to learn about the serious charges he is facing because it is entirely inconsistent with the type of person who I have known Galen to be.

In our time spent together at regular family gatherings, I have seen him develop into a responsible and caring young man. In my conversations with him, he always expressed an interest in what I was doing and a concern for how things were going. He has always been open and honest with me and others in our family. I have been proud of him as a family member because of his personal growth and integrity. He values his relationships with family and friends. He respects his parents and appreciates the role models of good character, faith and personal accountability that they have provided in his life.

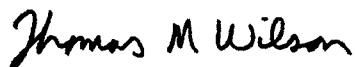
I think an indicator of his character is the recent support that he provided to his elderly grandmother when she was making decisions on moving out-of-state. In the midst of dealing with the charges against him, he took the time to accompany her on an out-of-state trip to support and advise her during her search for a new home and all the decisions involved with relocating. During the process, I observed him exhibit patience, discernment, sound advice and loving support that I know was appreciated.

I know that Galen sincerely regrets this mistake. It is a first time offense that has cost him his job and has serious implications for his career.

I hope that you will consider that the mistake he has made is an anomaly when compared to the sum of his positive qualities and upstanding life.

Should you need to verify any of my statements, please contact me.

Sincerely,



Thomas M. Wilson



EXHIBIT F

The Honorable Kevin Thomas Duffy
Daniel Patrick Moynihan
United States Courthouse
500 Pearl St.
New York, NY 10007-1312

Dear Judge Duffy,

My name is Galen Marsh and I am writing this letter on my own behalf to introduce myself. I hope that through this letter, I can give you a better understanding of the person I was, the person I am, and the person I strive to be.

First and foremost, I would like to take this opportunity to express my sincere remorse for my actions. I never intended for, or even fathomed that anything like this would ever happen. It was never my intent to hurt anyone, but I realize and take responsibility for the fact that my poor decisions lead to this situation. I am happy that it appears no clients lost money, however, I will forever be sorry for the effect my actions had on my former employer, colleagues, and clients. Furthermore, I deeply regret the pain and anxiety I have caused my friends and family and will spend the rest of my life attempting to make it up to them.

I grew up in Clinton Township, NJ and consider myself very blessed to have been raised the way I was. My parents instilled good values in my siblings and me, including education, spirituality, morality, and stewardship. I was fortunate enough to attend Muhlenberg College, where I met my wife Jessica, and upon graduation, quickly transitioned into a promising career in financial services.

From 2007 to 2014, I worked hard and continued my education, earning a Master of Business Education degree from Duke University. I was due to be made a "partner" in the 1211 Group, effective on January 1st, 2015. This never came to fruition, because in December of 2014, I was called in by Morgan Stanley management and questioned regarding some information that had been posted to the internet. I was as alarmed about this development as Morgan Stanley was and cooperated with the investigation from this first meeting. This included answering their questions and turning over personal computers to help them as much as possible.

Following the investigation, I was subsequently fired from my job and the media was made aware of the situation. The press coverage was difficult and I would not wish it on my worst enemy, however I believe it played an important role in my self reflection. It was at this time that I began attending church for the first time in years and reincorporated faith and spirituality

into my daily regimen. My goal was not to ask God to magically remove my current situation, but to determine what it was about me that lead me into this mess. What I learned was that there are many things that are out of my control and there can be unintended consequences for my actions.

Additionally, this period gave me the opportunity to reevaluate the priorities in my life. I promised myself that I would emerge a better person than before. My top priority was to be the best husband, son, brother, employee, and citizen that I could be. I spent my days taking classes online to improve my skills and marketability. I also assumed responsibility for our household tasks, like cooking, cleaning, and food shopping. In the evenings, I spent time at a local homeless shelter. This made me realize that many of the guests were likely not that different from me. I discovered how one bad decision, or one bad break could completely derail someone's life. This further inspired me to not let my current situation keep me down.

After months of praying for a sign that everything would be okay, on April 24th, it finally came. My wife, Jess and I discovered that she was 5 weeks pregnant, a development we had certainly had not planned due to present circumstances. Both Jess and I are very excited for our new roles as parents and this only gives me more inspiration to recover from this situation and be the best father and husband possible.

In May, my good fortune continued and I was lucky enough to find employment. I was honest and upfront about my situation with my employer, and although he originally had reservations about doing so, he hired me on a temporary basis. Through hard work and honest communication, he has since agreed to keep me on indefinitely. I believe I have come to be a critical part of the small company and am excited about the prospects for my new career going forward.

Jess has been extremely supportive of me over the past year. She was put in an awful situation by no fault of her own. Many people would have given up and left, and I would not have blamed her for doing so. But she didn't. The thought of leaving her alone with a newborn to face the world is truly gut wrenching to me, especially after how she has stood by my side. Over the past few months, Jess and I have been preparing for the arrival of our first child. This has included birth classes, hospital tours, and frequent visits to the doctor. One thing that has become increasingly apparent is that both Jess and my daughter will need me greatly. Every professional we speak with stresses the importance of the partner, financially, physically, and emotionally. I look forward to being the supportive and loving husband that Jess deserves.

Your Honor, I hope my history has given you a good idea of how I have been living my life and my goals for the future. I truly am sorry for my actions and would take them back if I were given the chance. Knowing that I cannot do so leads me to think of a reading I have taken to heart, Proverb 10:17, "Whoever heeds correction is on the pathway to life, but someone who ignores exhortation goes astray." I am heeding correction and have altered my approach to life accordingly. I humbly ask for your mercy with regard to sentencing. I have worked hard over the last year to help with every aspect of the investigation and to get my life back on track in an honest and lawful manner. However, I realize I still have a long road ahead. This situation has cost me my life savings, my public reputation and left me in a mountain of debt. In my arraignment hearing, you told me that this would "stick" and I agreed. Beyond restitution payments and a felony record, I will have to work for the rest of my life to regain the trust of anyone who Googles my name. However, I believe I am up to the task and can be additive to society, not detract from it. Given the opportunity, I will do everything in my power to repay my debts, be a productive member of society, and influence the world in a positive way.

Thank you for your time and consideration in this matter.

Sincerely,

Galen Marsh