

To: d'emic, matt (financial crimes)

From: digilio, rick (pbg operational risk)

Sent: 2015-08-14 10:40

Subject: FW: Escalation - Devon Archer

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From: "Digilio, Rick (PBG OPERATIONAL RISK)"

Date: Fri, 14 Aug 2015 14:40:11 +0000

To: "D'Emic, Matt (Financial Crimes)"

Hi Matt,

I would like to chat with you about this when you have some time.

Thanks,

Rick

From: Regan, Rebecca (Financial Crimes)

Sent: Wednesday, August 05, 2015 10:02 AM

To: Digilio, Rick (PBG OPERATIONAL RISK); Badigian, Greg (PBG OPERATIONAL RISK); pbgoperationalriskaml

Cc: aml-wminvestigations-mngrs; Mariadason, Christopher (Financial Crimes); bgcaml

Subject: Escalation - Devon Archer

Hello,

We received a referral from WM AML regarding suspicious investment positions in the accounts of shared client Devon Archer (Manager of RSB LLC, PLA 754-1407905, collateral accounts (654-028319, 654-029324, 654-028320). Collateral account 654-028319 contains stock of Code Rebel, which WM AML has reason to suspect is involved in pump-and-dump scheme (shares were initially valued at \$5, were sold at \$12 on IPO, went up to around \$40 and have since plummeted; see <http://www.equities.com/editors-desk/investing-strategies/shorting/the-curious-case-of-software-maker-code-rebel-cdrb-soaring-stock>). Additionally, Archer, through RSB accounts and others in his household, has engaged in suspect behavior related to the purchase and attempted sale of shares of Wakpamni Indian Tribe bond, which are currently valued at \$0 by the MS Fixed Income desk. Archer has previously been brought to the attention of Bank AML following a real estate transaction with Russian oligarch Elena Baturina and because of his close relationships with Hunter Biden, the son of U.S. Vice President Joe Biden and the son of current U.S. Secretary of State, John Kerry.

The PLA was opened in March 2015 for “general liquidity” purposes and has two notes, the first carrying a current balance of \$385,402.14 and a letter of credit with a balance of \$3,014,236.00. A review of the PLA activity did not identify activity indicative of involvement in either of these two investments specifically, or demonstrating characteristics or patterns of concern in general. WM AML has initiated conversations with the branch regarding the closure of the accounts, however a decision has not yet been made. Attached for your convenience is a copy of the PLA application.

Thanks,

Rebecca Regan
Morgan Stanley | Legal and Compliance



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