

MEMORANDUM

TO: Public File – Notice of Proposed Rulemaking: Market Risk; Alternatives to Credit Ratings for Debt and Securitization Positions (RIN 3064-AD70)

FROM: FDIC Staff

DATE: February 10, 2012

SUBJECT: Meeting with Morgan Stanley

On February 10, 2012, FDIC management (Bobby Bean & Ryan Billingsley) and staff (Karl Reitz, Mark Handzlik & Michael Phillips) participated in a meeting with representatives of Morgan Stanley (Candice Koederitz, Amol Prasad, Arya Sekhar, Robert Yeo & Denise Pieck). The Morgan Stanley representatives presented their concerns regarding the potential impact of the Notice of Proposed Rulemaking (NPR) on the market risk capital requirements for securitization positions under the simplified supervisory formula approach (SSFA), and clarified the Morgan Stanley letter of February 3, 2012, on this NPR.