

MEMORANDUM

TO: Public File - Notice of Public Rulemaking: Net Stable Funding Ratio: Liquidity Risk Measurement Standards and Disclosure Requirements (RIN 3064-AE44) (“NSFR NPR”)

FROM: Sue Dawley, Senior Attorney, Legal Division

DATE: November 15, 2016

SUBJECT: Meeting with Representatives from Morgan Stanley

On November 14, 2016, FDIC staff, along with the staff of the Office of the Comptroller and the Board of Governors of the Federal Reserve System, met with representatives of Morgan Stanley.

Representatives from Morgan Stanley presented their concerns and views with regard to certain provisions of the NSFR NPR, which was issued in the Federal Register of 81 FR 35124 (June 1, 2016), including the impact of the NSFR NPR on the treatment of level 1 high-quality liquid assets, noncash variation margin, initial margin funded hedges, client short sales, and derivatives.

The FDIC representatives at this meeting were:

- Drew Carayiannis, Senior Policy Analyst, Division of Risk Management Supervision
- Eric Schatten, Senior Policy Analyst, Division of Risk Management Supervision
- Nana Ofori-ansah, Policy Analyst, Division of Risk Management Supervision
- Greg Feder, Counsel, Legal Division
- Andy Williams, Counsel, Legal Division
- Sue Dawley, Senior Attorney, Legal Division

Representatives from Morgan Stanley in attendance at the meeting were:

- Celeste Mellet Brown, Global Treasurer and Managing Director
- Kate Clune, Executive Director, Firm Treasury
- Soo-Mi Lee, Managing Director, Legal Department
- Andrew Nash, Executive Director, Legal Department
- Alan Thomas, Managing Director, Institutional Securities