

From: Morgan Stanley, Ka-Kin Lau, CFA  
Proposal: FR Y-6, FR Y-7, FR Y-9C, FR Y-9LP, FR Y-9SP, FR Y-9ES, FR Y-9CS FR Y-10 and FR Y-10E(ICP-2015-31; PU  
Subject: FR Y-6, FR Y-7, FR Y-9C, FR Y-9LP, FR Y-9SP, FR Y-9ES, FR Y-9CS FR Y-10 and FR Y-10E

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Comments:

Dear Mr. Frierson,

Morgan Stanley is pleased to have this opportunity to comment on the Federal Reserve structure reporting forms FR Y-10 and FR Y-6. Although there is no proposed change from the Federal Reserve this year, Morgan Stanley would like to make some suggestions on reporting instruction clarifications for both forms.

FR Y-10 Report of Changes in Organizational Structure

1. Nonbanking Schedule:

a) Item 4. Functional Regulator

Morgan Stanley Comment: Morgan Stanley suggests that the FR Y-10 instructions be elaborated with respect to Item 4 on the Nonbanking Schedule. It would be helpful to provide specificity regarding regulated by one of the functional regulators to ensure proper application, as mere registration with the aforementioned functional regulators does not in and of itself satisfy this requirement.

b) Item 13.a, 13.b and 13.c Ownership Section

Morgan Stanley Comment: For an Limited Liability Company that issues voting shares and does not have a managing or non-managing member structure, it is unclear as to how items 13.a, 13.b and 13.c should be reported since 13.b and 13.c are not applicable. We would like clarifications on these items given aforementioned scenario.

FR Y-10 Report of Changes in Organizational Structure and FR Y-6 Annual Report of Holding Companies

2. Exclusions Clarification:

a) Inactive Companies

Morgan Stanley Comment: The definition of Inactive Companies in both FR Y-10 and FR Y-6 contains the phrase but does not engage in any business activity. When an entity is liquidating it usually sells off its assets over an unpredictable time horizon, it is unclear at which stage of this liquidation process should it be considered as not engaged in any business activity. We would like clarifications on the Inactive Companies definition given aforementioned described liquidation process.

Morgan Stanley appreciates the opportunity to comment on the Federal Reserve structure reporting forms FR Y-10 and FR Y-6 and thank you for your consideration of the comments in this email. Please direct any questions regarding specific comments and suggestions to me, Ka-Kin Lau, Senior Manager, at 212-276-2521 or [kay.lau@morganstanley.com](mailto:kay.lau@morganstanley.com).

Very truly yours,  
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