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Luigi L. De Ghenghi

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July 21, 2020

Re: Application of Morgan Stanley to Acquire by Merger E*TRADE Financial Corporation—
Response to Additional Information Request

VIA E-APPS

Brian S. Steffey
Assistant Vice President, Bank Applications Function
Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045

Dear Mr. Steffey:

This letter relates to the application (the “**Application**”) filed by Morgan Stanley, New York, New York, pursuant to Sections 4(j) and 4(k) of the Bank Holding Company Act of 1956, as amended, and Regulation Y promulgated thereunder, as well as Section 163(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, requesting approval of the Board of Governors of the Federal Reserve System (the “**Federal Reserve**”) for Morgan Stanley to acquire by merger E*TRADE Financial Corporation (“**E*TRADE**”), Arlington, Virginia, with Morgan Stanley as the surviving entity (the “**Proposed Transaction**”).

Specifically, this letter responds to additional information request 5, reproduced below in bold type, in the requests for additional information regarding the Application and the Proposed Transaction that Federal Reserve staff emailed to me on June 19, 2020. Separately, with respect to the requested updated pro forma information as of June 30, 2020, Morgan Stanley will be in a position to provide that updated information (except for updated pro forma projections through the end of 2022) shortly after the filing of its Form 10-Q for the second quarter, which is expected to be filed sometime in the first two weeks of August. The updated pro forma projections through the end of 2022 will likely be ready sometime in the second half of August.

5. We understand that E*TRADE will hold a special meeting of its stockholders on July 17, 2020, to consider and vote on the proposal to adopt the merger agreement with Morgan Stanley. Please inform the Federal Reserve of the vote outcome, when available.

On July 17, 2020, E*TRADE held a special meeting of its stockholders to consider and vote on a proposal to adopt the merger agreement with Morgan Stanley. At the special meeting, a majority of E*TRADE's stockholders approved by affirmative vote the proposal to adopt the merger agreement, with more than 99% of the shares that were voted at the meeting voting in favor, representing approximately 73% of the shares of E*TRADE common stock issued and outstanding as of the close of business on the record date for the special meeting. A copy of the report on Form 8-K filed by E*TRADE on July 17, 2020 announcing the results of the vote is attached as Exhibit 6 hereto.¹

* * *

If you have any questions regarding this letter, please feel free to contact me at (212) 450-4296 or luigi.deghenghi@davispolk.com, or my colleague Ryan Johansen at (212) 450-3408 or ryan.johansen@davispolk.com.

Yours sincerely

Luigi L. De Ghenghi

cc: Alison M. Thro, Federal Reserve
Eric F. Grossman, Morgan Stanley
Sebastiano Visentini, Morgan Stanley
Andrew S. Baer, Morgan Stanley
Lori S. Sher, E*TRADE Financial Corporation
Neil Barr, Davis Polk & Wardwell LLP
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David C. Hepp, Skadden, Arps, Slate, Meagher & Flom LLP
Dohyun Kim, Skadden, Arps, Slate, Meagher & Flom LLP

¹ The exhibit numbering used in this submission continues in sequence from the public exhibit numbering used in the submission dated April 29, 2020. A copy of the report on Form 8-K is also available here: <https://www.sec.gov/ix?doc=/Archives/edgar/data/1015780/000115752320000996/a52252117.htm>.

Exhibit 6

Report on Form 8-K Dated July 17, 2020

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM 8-K
CURRENT REPORT
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): July 17, 2020

E*TRADE Financial Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-11921
(Commission File Number)

94-2844166
(I.R.S. Employer
Identification No.)

671 N. Glebe Road, Arlington, Virginia 22203
(Address of principal executive offices and Zip Code)

(646) 521-4340
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	ETFC	The NASDAQ Stock Market LLC NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.07 Submission of Matters to a Vote of Security Holders.

On July 17, 2020, E*TRADE Financial Corporation, a Delaware corporation (the “Company”) held a virtual special meeting of stockholders (the “Special Meeting”) exclusively online via live webcast. A total of 221,089,284 shares of the Company’s common stock were entitled to vote at the close of business on June 10, 2020, the record date for the Special Meeting (the “Record Date”) and approximately 161,390,339 shares of the Company’s common stock issued and outstanding were present at the Special Meeting via www.virtualshareholdermeeting.com/ETFC2020SM (the “E*TRADE meeting website”) or represented by proxy at the Special Meeting, representing approximately 73% of such shares entitled to vote, which constituted a quorum. The matters submitted to a vote of the Company’s stockholders and the certified results are as follows:

1. The Merger. The proposal to approve the adoption of the Agreement and Plan of Merger (the “Merger Agreement”), dated as of February 20, 2020, by and among the Company, Morgan Stanley, a Delaware corporation (“Parent”), Moon-Eagle Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Parent (“Merger Sub”), providing for the merger of Merger Sub with and into the Company (the “Merger”), with the Company surviving the Merger as a wholly owned subsidiary of Parent, was approved by the affirmative vote of approximately 73% of the shares of the Company’s common stock issued and outstanding as of the close of business on the Record Date, as follows:

For	Against	Abstain
160,325,469	194,114	870,756

2. Advisory (Non-Binding) Vote on Executive Compensation. The proposal to approve, on an advisory (non-binding) basis, certain compensation that may be paid or become payable to the Company’s named executive officers in connection with the Merger, was not approved, receiving the affirmative vote of approximately 24% of the votes cast by the stockholders present via the E*TRADE meeting website or represented by proxy at the Special Meeting and entitled to vote on the proposal at the Special Meeting, as follows:

For	Against	Abstain
39,036,525	121,402,930	950,884

3. Vote on Adjournment. The proposal to approve the adjournment of the Special Meeting, if necessary or appropriate, including to solicit additional proxies if there are insufficient votes at the time of the Special Meeting to approve the adoption of the Merger Agreement was rendered moot in light of the adoption of the Merger Agreement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

E*TRADE FINANCIAL CORPORATION

Dated: July 17, 2020

By: /s/ Lori S. Sher

Lori S. Sher

Corporate Secretary