

**Meeting Between Federal Reserve Staff and
Representatives of Morgan Stanley
February 10, 2012**

Participants: Mary Aiken, David Emmel and Nicholas Maggiulli (Federal Reserve Board)

Kevin Ryan, Jonathan Pruzan and Denise Pieck (Morgan Stanley)

Summary: Federal Reserve Board staff met with representatives of Morgan Stanley to discuss the Basel III LCR and enhanced prudential standards regarding liquidity. During the meeting representatives from Morgan Stanley expressed concerns raised by certain clients of their Financial Institutions Group and some market dynamics that the standard could create. The group talked about the interaction between Basel III liquidity and Basel III capital, specifically Other Comprehensive Income. Additionally, the group discussed the similarities and differences between the enhanced liquidity standards and the Basel III LCR.