

**Meeting Between Staffs of the Federal Reserve Board, the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), and Morgan Stanley  
November 14, 2016**

**Participants:** Kevin Littler, Christopher Powell, Lesley Chao, Dafina Stewart, Adam Cohen, and Josh Strazanac (Federal Reserve Board)

Henry Barkhausen, James Weinberger, Ang Middleton, David Malmquist, David Stankiewicz, and Tom Fursa (OCC)

Erin Schatten, Andrew Carayiannis, Greg Feder, Suzanne Dawley, Andy Williams, and Nana Ofori-Ansah (FDIC)

Celeste Mellet Brown, Soo-Mi Lee, Kate Clune, and Andrew Nash (Morgan Stanley)

**Summary:** Staffs of the Federal Reserve Board, OCC, and FDIC met with representatives of Morgan Stanley to discuss the notice of proposed rulemaking to establish the Net Stable Funding Ratio in the United States. Specifically, the representatives from Morgan Stanley discussed (1) the treatment under the proposed rule of level 1 HQLA when it is used as variation margin or to secure reverse repurchase transactions; (2) RSF factors for equity securities; (3) ASF factors for client short sale proceeds and non-segregated initial margin; and (4) the 20 percent add-on for gross derivatives liabilities.