

MEMORANDUM

TO: File
FROM: James P. Sinnott
RE: Business conduct consultation with Morgan Stanley
DATE: October 14, 2010

On October 14, 2010, Peter Curley, Lourdes Gonzalez, Jack Habert, Cindy Oh, Joanne Rutkowski, Dave Sanchez, Elizabeth Sandoe, Christine Sibille, James Sinnott, and Katrina Wilson of the SEC and Phyllis Cela, Katie Driscoll, John Dolan, Vivek Jain, Ted Kneller, Barry McCarty, Todd Prono, Peter Sanchez and Mike Solinsky of the CFTC met with Anthony Cicia, Soo-Mi Lee, Richard Ostrander, Mary Lou Peters, and RoseAnne Richter of Morgan Stanley.

The agenda provided for the meeting by Morgan Stanley is attached.

The participants provided an overview of the current market environment in which they currently transact, the disclosures required under the business conduct standards of Dodd-Frank Act, current industry best practices, the conduct required to deal with special entities as advisor and/or counterparty, and conflicts of interest under Section 15F(j)(5) of the Exchange Act.

Agenda for Morgan Stanley Meeting with SEC

Business Conduct Rules

1. Disclosures regarding Material Risks, Characteristics and Conflicts of Interest
2. Scope of Special Entity definition
3. Acting as an Advisor to a Special Entity
4. Acting as a Counterparty to a Special Entity
5. Scope of (h)(5) [sic] Conflicts of Interest Provision