

MEMORANDUM

December 21, 2010

To: File No. S7-11-10

From: Rebekah Liu
Division of Trading and Markets

Re: Telephone Conference with Morgan Stanley

On December 21, 2010, staff from the Division of Trading and Markets (David Shillman, Associate Director; David Hsu, Assistant Director; Rebekah Liu, Special Counsel; Jennifer Colihan, Special Counsel; and Leigh Duffy, Attorney), staff from the Office of Compliance Inspections and Examinations (John Polise, Associate Director and Mark Donohue, Assistant Director), and staff from the Division of Risk, Strategy and Financial Innovation (Tim McCormick, Senior Financial Economist) participated in a telephonic conference call with representatives of Morgan Stanley (Paul Fitzgerald and Marc Rosenthal).

The participants discussed the Commission's proposed rule-making concerning the consolidated audit trail.