

To: Public Comment File – Docket No. OCC–2023–0008

From: Carl Kaminski, Assistant Director, Bank Advisory

Date: November 29, 2023

Subject: Meeting between the Acting Comptroller of the Currency and the Chief Financial Officer of Morgan Stanley to discuss: Notice of Proposed Rulemaking: “Regulatory Capital Rule: Large Banking Organizations and Banking Organizations with Significant Trading Activity”

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On November 29, 2023, the Acting Comptroller of the Currency met with the Chief Financial Officer of Morgan Stanley regarding the Federal banking agencies’ notice of proposed rulemaking entitled “Regulatory Capital Rule: Large Banking Organizations and Banking Organizations with Significant Trading Activity,” which was published in the Federal Register on September 18, 2023 (88 Fed. Reg. 64028).

The Morgan Stanley representative discussed the potential impact of the proposed rulemaking, in particular the potential relationship between the proposed new requirements and the Federal Reserve Board’s stress-capital buffer requirement applicable to bank holding companies. The Morgan Stanley representative also addressed the potential impact of the proposed requirements for operational risk and market risk. In particular, the Morgan Stanley representative asserted that the proposed operational risk requirements are mis-calibrated and the proposed requirements for market risk model approval may discourage banking organizations from seeking supervisory approval to use such models. The Morgan Stanley representative expects to highlight all these points in a written comment letter.

#### Attendees

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OCC

Michael Hsu  
Amrit Sekhon

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Morgan Stanley

Sharon Yeshaya

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