

---

**From:** Richard Kahn <[REDACTED]>  
**Sent:** Tuesday, August 16, 2016 10:35 PM  
**To:** jeffrey E.  
**Subject:** Fwd: New Issue E\*TRADE Financial Preferred

a terrible allocation - only received 500,000 of our =,000,000 order

Richard Kahn  
HBRK Associates Inc.  
575 Lexington =venue 4th Floor  
New York, NY 10022  
tel: [REDACTED]  
fax: [REDACTED]  
cell: [REDACTED]

Begin forwarded message:

From: =/b>"Atlas, Andrew S" <[REDACTED]>

Subject: =/b>RE: New Issue =\*TRADE Financial Preferred

Date: =/b>August 16, 2016 at 5:08:17 PM =DT

To: =/b>Richard Kahn <[REDACTED]>

Hi Rich,

E\*Trade Preferred priced =t 5.875%

Southern Trust Company was allocated 500m bonds, =othing done on 4.5mm

There was a lot of =nterest in the offering. If you would like, I'll get an =ffering in the secondary market to see where Southern Trust can =purchase the balance.

Touch base tomorrow.

Thanks again,

Andrew

Andrew S. Atlas

First Vice President

Equity Sales/Middle Markets Group

Financial Advisor

Morgan Stanley Wealth Management

1290 Avenue of the Americas, 12th Floor | New York, NY 10104

Tel/Direct: [REDACTED] | Fax: [REDACTED]

[REDACTED]  
NMLS ID # =326736

=

From: Richard Kahn [mailto: [REDACTED]]  
Sent: Tuesday, August 16, 2016 4:36 PM  
To: Atlas, Andrew S (Wealth Mgmt MS)  
Subject: Re: New Issue E\*TRADE Financial Preferred  
Importance: High

ok

thanks

Richard Kahn  
HBRK Associates Inc.  
575 Lexington Avenue 4th Floor

New York, NY 10022

tel [REDACTED]

fax [REDACTED]

cel [REDACTED]

On Aug 16, 2016, at 4:35 PM, =tlas, Andrew S <  
<mailto:[REDACTED]>> wrote:

Still waiting on final pricing and =location.

Should hear =hortly.

Andrew S. Atlas

First Vice President

Equity Sales/Middle Markets Group

Financial Advisor

Morgan Stanley Wealth Management

1290 Avenue of the =mericas, 12th Floor | New York, =Y 10104

Tel/Direct: [REDACTED] | Fax: [REDACTED]

NMLS ID # =326736

From: Richard Kahn [mailto:[REDACTED]]  
Sent: Tuesday, August 16, 2016 4:34 PM  
To: Atlas, Andrew S (Wealth Mgmt MS)  
Subject: Re: New Issue E\*TRADE Financial Preferred  
Importance: High

did you get an allocation and final pricing yet?

please advise

thanks

Richard Kahn  
HBRK Associates Inc.  
575 Lexington Avenue 4th Floor  
New York, NY 10022  
tel [REDACTED]  
fax [REDACTED]  
cel [REDACTED]

On Aug 16, 2016, at 10:28 AM, =tlas, Andrew S <  
<mailto:[REDACTED]> > wrote:

Ok. Ill be back

Andrew S. Atlas

First Vice President

Equity Sales/Middle Markets Group

Financial Advisor

Morgan Stanley Wealth Management

1290 Avenue of the =mericas, 12th Floor | New York, =Y 10104

Tel/Direct: [REDACTED]

Fax: [REDACTED]

From: Richard Kahn [mailto: [REDACTED]]  
Sent: Tuesday, August 16, 2016 10:27 AM  
To: Atlas, Andrew S (Wealth Mgmt MS)  
Subject: Re: New Issue E\*TRADE Financial Preferred  
Importance: High

please put in for 5,000,000

thank you

=

Richard Kahn  
HBRK Associates Inc.  
575 Lexington Avenue 4th Floor  
New York, NY 10022  
tel: [REDACTED]  
fax: [REDACTED]  
cel: [REDACTED]

On Aug 16, 2016, at 10:03 AM, =tlas, Andrew S <  
<mailto:[REDACTED]>> wrote:

Morning Rich,

Morgan Stanley pricing a ETFC new issue \$1000 Par =referred Price Whisper: 6.25% –  
6.375%

Details:

ANNOUNCED: E\*TRADE Financial =referred

ISSUER: = E\*TRADE Financial Corporation =“ETFC”]

ISSUER RATINGS: =aa3 / BBB- (Stable / Stable)

EXPECTED

SECURITY RATINGS: Ba3 / BB-

SECURITY =ESCRIPTION: &n=sp; Fixed-to-Floating Rate Non-Cumulative Perpetual  
=referred Stock, Series A, \$0.01 par value, with a liquidation =reference of \$1,000 per share

FORMAT: = SEC Registered

SIZE: &=bsp; \$400mm (will not =row)

OFFER =RICE: \$1000 / =referred share

MATURITY: &nb=p; Perpetual

PAR CALL =ATE: On any dividend payment =ate on or after 9/15/2026

DIVIDENDS: &n=sp; Payable at a fixed rate of [ ]% from the original =ssue date to  
September 15, 2026; and thereafter payable at a floating =ate of Three-month LIBOR plus [ ] %

DIV PAYMENT DATES: Semi-annually =n March 15 and September 15, beginning March  
15, 2017 and ending =eptember 15, 2026, and thereafter quarterly on December 15, March 15, =une 15 and September  
15

REGULATORY CALL: At =ar any time within 90 days following a Regulatory Capital Treatment =vent (see red)

LIQUIDATION =IGHTS: Liquidation preference of \$1,000 per share plus any =declared and unpaid dividends, without accumulation of any undeclared =ividends

VOTING =IGHTS: None, except with =respect to certain changes in the terms of Series A Preferred Stock and =n the case of certain dividend non-payments

LISTING: &nbs=; Not Listed

DRD/QDI ELIGIBLE: Yes

USE OF =ROCEEDS: To finance acquisition of =erture, the ultimate parent company of OptionsHouse. If the =quisition of Aperture is not consummated, net proceeds will be for =eneral corporate purposes.

Let me know if you have any questions.

Best,

Andrew

Andrew S. Atlas

First Vice President

Equity Sales/Middle Markets Group

Financial Advisor

Morgan Stanley Wealth Management

1290 Avenue of the =mericas, 12th Floor | New York, NY 10104

Tel/Direct: [REDACTED] Fax: [REDACTED]  
[REDACTED]

NMLS ID # =326736

---

NOTICE: Morgan Stanley is not acting as a =unicipal advisor and the opinions or views contained herein are not =ntended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer =tection Act. If you have received this communication in error, please =estroy all electronic and paper copies and notify the sender =mmediately. Mistransmission is not intended to waive confidentiality or privilege. Morgan Stanley reserves the right, to the extent =ermitted under applicable law, to monitor electronic communications. =his message is subject to terms available at the following link:  
<http://www.morganstanley.com/disclaimers> If you =annot access these links, please notify us by reply message and we will =end the contents to you. By communicating with Morgan Stanley you =onsent to the foregoing and to the voice recording of conversations with personnel of =organ Stanley.

<ETFC - Prelim =rosupp.pdf>

---

NOTICE: Morgan Stanley is not acting as a =unicipal advisor and the opinions or views contained herein are not =ntended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer =tection Act. If you have received this communication in error, please =estroy all electronic and paper copies and notify the sender =mmediately. Mistransmission is not intended to waive confidentiality or privilege. Morgan Stanley reserves the right, to the extent =ermitted under applicable law, to monitor electronic communications. =his message is subject to terms available at the following link:  
<http://www.morganstanley.com/disclaimers> If you =annot access these links, please notify us by reply message and we will =end the contents to you. By communicating with Morgan Stanley you =onsent to the foregoing and to the voice recording of conversations with personnel of =organ Stanley.

---

NOTICE: Morgan Stanley is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. If you have received this communication in error, please destroy all electronic and paper copies and notify the sender immediately. Mistransmission is not intended to waive confidentiality or privilege. Morgan Stanley reserves the right, to the extent permitted under applicable law, to monitor electronic communications. This message is subject to terms available at the following link: <http://www.morganstanley.com/disclaimers>. If you cannot access these links, please notify us by reply message and we will send the contents to you. By communicating with Morgan Stanley you consent to the foregoing and to the voice recording of conversations with personnel of Morgan Stanley.

---

NOTICE: Morgan Stanley is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. If you have received this communication in error, please destroy all electronic and paper copies and notify the sender immediately. Mistransmission is not intended to waive confidentiality or privilege. Morgan Stanley reserves the right, to the extent permitted under applicable law, to monitor electronic communications. This message is subject to terms available at the following link: <http://www.morganstanley.com/disclaimers>. If you cannot access these links, please notify us by reply message and we will send the contents to you. By communicating with

Morgan Stanley you consent to the =foregoing and to the voice recording of conversations with personnel of =organ  
Stanley.

=