



STOCK EXCHANGE			
Regulatory Information Circular			
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Subject: Morgan Stanley Market Participation Securities

Information on the Notes

ISE today began trading Morgan Stanley Market Participation Securities (“MPS”) based upon the value of the Nikkei 225 Index. 1.9 million shares of the new seven-year MPS were issued at \$25 principal amount, with a maturity date of December 30, 2010.

As more fully set forth in the Issuer’s Registration Statement (#333-106789), and Prospectus Supplement, the MPS are medium term debt securities of Morgan Stanley. The return on the MPS is linked to the performance of the Nikkei 225 Index. The MPS combine features of debt and equity by offering at maturity repayment of the issue price, interest payments of 2% per year and the opportunity to participate in the upside potential of the underlying Nikkei 225 Index. At maturity, each Unit will entitle the holder to receive for each MPS, the principal amount of \$25 plus a supplemental amount based on the performance of the Nikkei 225 Index.

The Nikkei 225 Index is a stock index calculated, published and disseminated by NIKKEI that measures the composite price performance of selected Japanese stocks. The Nikkei 225 Index currently is based on 225 underlying stocks trading on the Tokyo Stock Exchange (TSE), representing a broad cross-section of Japanese industries. Stocks listed in the first section of the TSE are among the most actively traded stocks on the TSE. All 225 Underlying Stocks are stocks listed in the first section of the TSE.

It is expected that the market value of the MPS will be affected by the value of the Index, by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Nikkei 225 Index, the time remaining to maturity, the dividend rate on stocks underlying the Nikkei 225 Index, and the credit rating of the Issuer.

Investing in the MPS is not equivalent to investing in the Nikkei 225 Index.

Ownership of the MPS will be maintained in book-entry form by or through The Depository Trust Company.

MJP will be quoted and trade as an equity issue in round lots of 100, and will trade “flat” without accrued interest.

Trading in the shares on ISE is on a UTP basis and is subject to ISE equity trading rules. The shares will trade from 9:00 a.m. until 4:00 p.m. Eastern Time. Equity Electronic Access Members (“Equity EAMs”) trading the shares during the Pre-Market Session are exposed to the risk of the lack of the calculation or dissemination of underlying index value or intraday indicative value (“IIV”). For certain derivative securities products, an updated underlying index value or IIV may not be calculated or publicly disseminated in the Pre-Market hours. Since the underlying index value and IIV are not calculated or widely disseminated during Pre-Market hours, an investor who is unable to calculate implied values for certain derivative securities products during Pre-Market hours may be at a disadvantage to market professionals.

Equity EAMs also should review NASD Notice to Members 03-71 for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

This Regulatory Information Circular is not a statutory Prospectus. Equity EAMs should consult the Trust’s Registration Statement, SAI, Prospectus and the Fund’s website for relevant information.

Appendix A
Exchange-Traded Fund Symbol CUSIP Number

Ticker	Fund Name	CUSIP Number
MJP	Morgan Stanley Market Participation Securities	61748A775