



STOCK EXCHANGE			
Regulatory Information Circular			
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Subject: Morgan Stanley Market Participation Securities with Minimum Return Protection

Information on the Notes

ISE today began trading Morgan Stanley Market Participation Securities with Minimum Return Protection (“MPS”) based upon the value of the S&P 500 Index. 14 million shares of the new six-year MPS were issued at \$10 principal amount, with a maturity date of December 30, 2008.

As more fully set forth in the Issuer’s Registration Statement (#333-83616), and Prospectus Supplement, the MPS are medium term debt securities of Morgan Stanley, which are being offered at an original price of 100% of the principal amount (\$10) and will not bear any periodic payments of interest. MPS will not be redeemable by the holder or callable by the Issuer prior to maturity. At maturity, each Unit will entitle the holder to receive the index-linked payment amount equal to \$10 multiplied by the product of the quarterly performance amounts of the S&P 500 Index for each of the 25 quarterly valuation periods during the term of the MPS. However, if the index-linked payment amount is less than the minimum payment amount of \$11.30, holders will receive the minimum payment amount for each MPS.

The quarterly performance amount in each quarterly valuation period is equal to (i) the closing value of the S&P 500 Index at the end of that quarterly valuation period divided by (ii) the closing value of the S&P 500 Index at the beginning of that quarterly valuation period, subject to a maximum quarterly performance amount of 1.10.

The maximum quarterly performance amount is equivalent to a return of the S&P 500 Index of 10% in that quarter. As a result of the maximum quarterly performance amount, the maximum amount payable for each MPS is \$108.35.

The S&P 500 Index is published by Standard & Poor’s and is intended to provide an indication of the pattern of common stock price movement. The calculation of the value of the S&P 500 Index is based on the relative value of the aggregate market value of the common stocks of 500 companies during the base period of the years 1941 through 1943. As of May 31, 2002, the aggregate market value of the 500 companies included in the S&P 500 Index represented approximately 79% of the aggregate market value of United States domestic public companies.

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 S&P 500 Index, the time remaining to maturity, the dividend rate on stocks underlying the S&P 500 Index, and the credit rating of the Issuer.

Investing in the MPS is not equivalent to investing in the S&P 500 Index.

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

MRP 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
MRP	Morgan Stanley Market Participation Securities with Minimum Return Protection (“MPS”) based upon the value of the S&P 500 Index	617 44Y 23 1