



Information Circular: NPS

To: Head Traders, Technical Contacts, Compliance Officers, Head of ETF Trading, Structured Products Traders

From: PHLX Listing Qualifications Department

Index-Linked Notes Symbol CUSIP Number

S&P 500 Index NPS 61746Y288

http://www.amex.com/amextrader/dailylist/data/relFiles/icNPS_062405.pdf

**Capital Protected
Notes, due
June 30, 2011**

The "relevant link" above is to an information circular regarding the Morgan Stanley, Capital Protected Notes based on the values of the S&P 500 Index ("Notes") prepared by their listing market, The American Stock Exchange. PHLX member and member organizations should consult this information circular, which contains important information about the characteristics of the Notes and the principal risks of an investment in the Notes.

Trading in the Notes on PHLX's PSX system is on a UTP basis and is subject to PHLX rules. The Notes will trade on PSX from 9:00 a.m. until 5:00 p.m. For trading during PSX's Pre-Market and Post-Market Sessions, market participants should note that additional risks may exist with respect to trading the Notes during these sessions, when the underlying index's values may not be disseminated.

PHLX will halt trading in the Notes in accordance with PHLX Rule 3100. The grounds for a halt under these rules include a halt by the primary market because the value of the underlying index or a similar value is not being disseminated as required, or a halt for other regulatory reasons. In addition, PHLX will also stop trading the Notes if the primary market de-lists the Notes.

Members and member organizations recommending transactions in the Notes to customers should make a determination that the recommendation is suitable for the customer, as provided by PHLX Rule 763.

PHLX members and member organizations 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 Information Circular is not a statutory prospectus. PHLX members and member organizations should consult the Fund's prospectus and/or the [Fund's website](#) for relevant information.

Inquiries regarding this Information Circular should be directed to:

- [Will Slattery](#), Director, PHLX Listing Qualifications, at 301.978.8088
- PSX Market Sales at 800.846.0477