

STOCK EXCHANGE			
Regulatory Information Circular			
Circular number:	2008-305	Contact:	Russ Davidson
Date:	October 17, 2008	Telephone:	(646) 805-1857

Subject: Morgan Stanley BRIDGES

Information on the Notes

ISE today began trading Morgan Stanley BRoad InDex Guarded Equity-Linked Securities (“BRIDGES”) based upon the value of common stock of Fifteen Companies in the Financial Services Industry. Two million shares of the new BRIDGES were issued at \$10 principal amount, with a maturity date of August 30, 2009.

As more fully set forth in the Issuer’s Registration Statement (#333-83616), and Prospectus Supplement, the BRIDGES 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. At maturity, each Unit will entitle the holder to receive the greater of (i) the principal amount of \$10 and (ii) the final average basket value.

The final average basket value will equal the arithmetic average of the basket values on August 30, 2005, August 30, 2006, August 30, 2007, August 30, 2008, and August 27, 2009.

The basket value on any date equals the sum of the products of the closing price and the exchange ratio of each basket stock on that date.

The basket is composed of the common stocks of fifteen companies in the financial services industry. The issuers of the basket stocks are among the largest banks and insurance companies based in the United States. The basket stocks are The Allstate Corporation, American International Group, Inc., Bank of America Corporation, Banc One Corporation, Berkshire Hathaway Inc., Citigroup Inc., Fifth Third Bancorp, FleetBoston Financial Corporation, J.P. Morgan Chase & Co., MetLife, Inc., Prudential Financial, Inc., U.S. Bancorp, Wachovia Corporation, Washington Mutual, Inc., Wells Fargo & Company.

It is expected that the market value of the BRIDGES will be affected by the value of the basket stocks and, by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the basket stocks, the time remaining to maturity, the dividend yields on each of the basket stocks, and the credit rating of the Issuer.

The return a holder will receive on the BRIDGES, if any, will not be the same as the return that you would earn if you actually owned each of the basket stocks and received the dividends paid on those stocks.

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

MBK 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
MBK	Morgan Stanley BRoad InDex Guarded Equity-Linked Securities ("BRIDGES")	617 48A 12 2