

Morgan Stanley

MORGAN STANLEY

(incorporated under the laws of the State of Delaware in the United States of America)

MORGAN STANLEY & CO. INTERNATIONAL plc

(incorporated with limited liability in England and Wales)

MORGAN STANLEY (JERSEY) LIMITED

(incorporated with limited liability in Jersey, Channel Islands)

and

MORGAN STANLEY B.V.

(incorporated with limited liability in The Netherlands)

This Registration Document (as amended and supplemented from time to time and including all documents incorporated by reference herein, the "**Registration Document**") has been approved by (i) the United Kingdom Financial Services Authority (the "**FSA**") which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") and relevant implementing measures in the United Kingdom as a registration document issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purposes of providing information during the period of twelve months after the date of publication of this Registration Document with regard to Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley (Jersey) Limited ("**Morgan Stanley Jersey**") and Morgan Stanley B.V. ("**MSBV**") as issuers or obligors in respect of debt or derivative securities and (ii) the SIX Swiss Exchange pursuant to points 14 et seq. of the directive of the SIX Swiss Exchange on the listing of notes for the purpose of giving certain information with regard to Morgan Stanley, MSI plc, Morgan Stanley Jersey and MSBV as issuers or obligors in respect of debt or derivative securities.

Certain risk factors relating to Morgan Stanley, MSI plc, Morgan Stanley Jersey and MSBV are set out in "Risk Factors", commencing on page 4 of this Registration Document.

Each of the Responsible Persons accepts responsibility for the information contained in this document and confirms that, to the best of its knowledge, having taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and contains no omission likely to affect the import of such information. "Responsible Persons" means (i) Morgan Stanley in relation to information contained in the sections entitled (a) "Risk Factors" at pages 4-14, (b) "Information Incorporated by Reference" at pages 15-17 (other than items 14-19 thereof), (c) "Description of Morgan Stanley at pages 18-37, (d) "Selected Financial Information of Morgan Stanley" at pages 38-42 and (e) "Subsidiaries of Morgan Stanley" at pages 57-86, (ii) MSI plc in relation to information contained in the sections entitled (a) "Risk Factors" at pages 4-14 (b) "Information Incorporated by Reference" at pages 15-17 (other than items 1-13 and 16-19 thereof), (c) "Description of Morgan Stanley & Co. International plc" at pages 43-48 and (d) "Selected Financial Information of Morgan Stanley & Co. International plc" at pages 49-52, (iii) Morgan Stanley Jersey in relation to information contained in the sections (a) "Risk Factors" at pages 4-14, (b) "Information Incorporated by Reference" at pages 15-17 (other than items 1-15 and 18-19 thereof) and (c) "Description of Morgan Stanley (Jersey) Limited" at pages 52-53 and (iv) MSBV in relation to the information contained in the sections entitled (a) "Risk Factors" at pages 4-14, (b) "Information Incorporated by Reference" at pages 15-17 (other than items 1-17 thereof) and (c) "Description of Morgan Stanley B.V." at pages 54-56.

MORGAN STANLEY

15 June 2010

Important Notices

The distribution of this Registration Document and the offering, sale and delivery of debt or derivative securities in certain jurisdictions may be restricted by law. Persons into whose possession this Registration Document comes are required by Morgan Stanley, MSI plc, Morgan Stanley Jersey and MSBV to inform themselves about and to observe any such restrictions.

This Registration Document is intended to form part of a prospectus prepared in compliance with the Prospectus Directive and relevant implementing measures and should be read and construed with any amendment or supplement hereto together with all documents incorporated by reference into it, the other parts of such relevant prospectus or, as the case may be, securities note containing disclosure in relation to any issue of debt or derivative securities by any of Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV (or for which any of Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV is an obligor) and, where appropriate, the final terms containing information with respect to such debt or derivative securities (the "Final Terms").

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Registration Document and, if given or made, such information or representation must not be relied upon as having been authorised by any of Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV, any trustee or any dealer appointed in relation to any issue of debt or derivative securities by Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV or for which any of Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV is an obligor.

This Registration Document does not constitute an offer of or an invitation to subscribe for or purchase any debt or derivative securities and should not be considered as a recommendation by any of Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV that any recipient of this Registration Document should subscribe for or purchase any debt or derivative securities. Each recipient of this Registration Document will be taken to have made its own investigation and appraisal of Morgan Stanley, MSI plc, Morgan Stanley Jersey and MSBV and of the particular terms of any offered debt or derivative securities.

The distribution of this Registration Document and the offer or sale of securities issued by any of Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV (or in relation to which Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV is an obligor) may be restricted by law in certain jurisdictions. Persons into whose possession this Registration Document or any document incorporated by reference herein or any securities issued by Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV (or for which Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV is an obligor) come must inform themselves about, and observe, any such restrictions. For a description of certain restrictions on offers, sales and deliveries of securities issued by any of Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV (or for which Morgan Stanley, MSI plc, Morgan Stanley Jersey or MSBV is an obligor) and on the distribution of this Registration Document, including any document incorporated herein by reference, see the applicable description of arrangements relating to subscription and sale of the relevant debt or derivative securities in the relevant prospectus or securities note.

All references in this Registration Document to "Sterling" and "£" are to the lawful currency of the United Kingdom, all references to "U.S. dollars," "U.S.\$" and "\$" are to the lawful currency of the United States of America and all references to "EUR", "Euro" and "€" refer to the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty establishing the European Communities, as amended by the Treaty on European Union.

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RISK FACTORS

Prospective investors should read the entire Registration Document and any relevant securities note (and where appropriate, any relevant final terms). Words and expressions defined elsewhere in this Registration Document have the same meanings in this section.

Each of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley (Jersey) Limited and Morgan Stanley B.V. believes that the factors described below represent the principal risks with respect to each of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley (Jersey) Limited and Morgan Stanley B.V. Prospective investors should consider, among other things, the following:

Risks Relating to Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley (Jersey) Limited and Morgan Stanley B.V.

Morgan Stanley is the ultimate parent company of the Morgan Stanley group of companies. Morgan Stanley B.V., Morgan Stanley (Jersey) Limited and Morgan Stanley & Co. International plc are all part of the Morgan Stanley group of companies.

All material assets of Morgan Stanley B.V. and Morgan Stanley (Jersey) Limited are obligations of one or more of the Morgan Stanley group companies and securities issued by Morgan Stanley B.V. and Morgan Stanley (Jersey) Limited are guaranteed by Morgan Stanley.

There are substantial inter-relationships between Morgan Stanley & Co. International plc and Morgan Stanley as well as other Morgan Stanley group companies, including the provision of funding, capital services and logistical support to or by Morgan Stanley & Co. International plc, as well as common or shared business or operational platforms or systems, including employees.

The principal risks with respect to Morgan Stanley described below will also represent the principal risks with respect to Morgan Stanley B.V., Morgan Stanley (Jersey) Limited and Morgan Stanley & Co. International plc, either as individual entities or as part of the Morgan Stanley group of companies.

Liquidity and Funding Risk

Liquidity and funding risk refers to the risk that Morgan Stanley will be unable to finance its operations due to a loss of access to the capital markets or difficulty in liquidating its assets. Liquidity and funding risk also encompasses the ability of Morgan Stanley to meet its financial obligations without experiencing significant business disruption or reputational damage that may threaten its viability as a going concern.

Liquidity is essential to Morgan Stanley's businesses and Morgan Stanley relies on external sources to finance a significant portion of its operations

Liquidity is essential to Morgan Stanley's businesses. Morgan Stanley's liquidity could be substantially affected negatively by its inability to raise funding in the long-term or short-term debt capital markets or the equity capital markets or Morgan Stanley's inability to access the secured lending markets. Factors that Morgan Stanley cannot control, such as disruption of the financial markets or negative views about the financial services industry generally, could impair its ability to raise funding. In addition, Morgan Stanley's ability to raise funding could be impaired if lenders develop a negative perception of its long-term or short-term financial prospects. Such negative perceptions could be developed if Morgan Stanley incurs large trading losses, it is downgraded or put on (or remains on) negative watch by the rating agencies, it suffers a decline in the level of its business activity, regulatory authorities take significant action against it, or it discovers significant employee misconduct or illegal activity, among other reasons. If Morgan Stanley is unable to raise funding using the methods described above, it would likely need to finance or liquidate unencumbered assets, such as its investment and trading portfolios, to meet maturing liabilities. Morgan Stanley may be unable to sell some of its assets, or it may have to sell assets at a

discount from market value, either of which could adversely affect its results of operations and cash flows.

Morgan Stanley's borrowing costs and access to the debt capital markets depend significantly on its credit ratings

The cost and availability of unsecured financing generally are dependent on Morgan Stanley's short-term and long-term credit ratings. Factors that are important to the determination of Morgan Stanley's credit ratings include the level and quality of its earnings, as well as its capital adequacy, liquidity, risk appetite and management, asset quality and business mix.

Morgan Stanley's debt ratings also can have a significant impact on certain trading revenues, particularly in those businesses where longer term counterparty performance is critical, such as OTC derivative transactions, including credit derivatives and interest rate swaps. In connection with certain OTC trading agreements and certain other agreements associated with the Institutional Securities business segment, Morgan Stanley may be required to provide additional collateral to certain counterparties in the event of a credit ratings downgrade.

Morgan Stanley is a holding company and depends on payments from its subsidiaries

Morgan Stanley depends on dividends, distributions and other payments from its subsidiaries to fund dividend payments and to fund all payments on its obligations, including debt obligations. Regulatory and other legal restrictions may limit its ability to transfer funds freely, either to or from its subsidiaries. In particular, many of its subsidiaries, including its broker-dealer subsidiaries, are subject to laws, regulations and self regulatory organisation rules that authorize regulatory bodies to block or reduce the flow of funds to the parent holding company, or that prohibit such transfers altogether in certain circumstances. These laws, regulations and rules may hinder Morgan Stanley's ability to access funds that it may need to make payments on its obligations. Furthermore, as a bank holding company, Morgan Stanley may become subject to a prohibition or to limitations on its ability to pay dividends. The Office of the Comptroller of the Currency ("**OCC**"), the Board of Governors of the Federal Reserve System ("**Fed**") and the Federal Deposit Insurance Corporation ("**FDIC**") have the authority, and under certain circumstances the duty, to prohibit or to limit the payment of dividends by the banking organizations they supervise, including Morgan Stanley and its bank holding company subsidiaries.

Morgan Stanley's liquidity and financial condition have in the past been, and in the future could be, adversely affected by U.S. and international markets and economic conditions

Morgan Stanley's ability to raise funding in the long-term or short-term debt capital markets or the equity markets, or to access secured lending markets, has in the past been, and could in the future be, adversely affected by conditions in the U.S. and international markets and economy. Global market and economic conditions have been particularly disrupted and volatile during the past two years, with volatility reaching unprecedented levels in the Fall of 2008 and into 2009. In particular, Morgan Stanley's cost and availability of funding have been, and may in the future be, adversely affected by illiquid credit markets and wider credit spreads. Renewed turbulence in the U.S. and international markets and economy could adversely affect Morgan Stanley's liquidity and financial condition and the willingness of certain counterparties and customers to do business with Morgan Stanley.

Market Risk

Market risk refers to the risk that a change in the level of one or more market prices of commodities or securities, rates, indices, implied volatilities (the price volatility of the underlying instrument imputed from option prices), correlations or other market factors, such as liquidity, will result in losses for a position or portfolio.

Morgan Stanley's results of operations may be materially affected by market fluctuations and by economic and other factors

The amount, duration and range of Morgan Stanley's market risk exposures have been increasing over the past several years, and may continue to do so. Morgan Stanley's results of operations may be materially affected by market fluctuations due to economic and other factors. Results of operations in the past have been, and in the future may continue to be, materially affected by many factors of a global nature, including political, economic and market conditions; the availability and cost of capital; the liquidity of global markets; the level and volatility of equity prices, commodity prices and interest rates; currency values and other market indices; technological changes and events; the availability and cost of credit; inflation; natural disasters; acts of war or terrorism; investor sentiment and confidence in the financial markets; or a combination of these or other factors. In addition, legislative, legal and regulatory developments related to Morgan Stanley's businesses potentially could increase costs, thereby affecting results of operations. These factors also may have an impact on Morgan Stanley's ability to achieve Morgan Stanley's strategic objectives.

The results of Morgan Stanley's Institutional Securities business segment, particularly results relating to its involvement in primary and secondary markets for all types of financial products, are subject to substantial fluctuations due to a variety of factors, such as those enumerated above that Morgan Stanley cannot control or predict with great certainty. These fluctuations impact results by causing variations in new business flows and in the fair value of securities and other financial products. Fluctuations also occur due to the level of global market activity, which, among other things, affects the size, number and timing of investment banking client assignments and transactions and the realization of returns from Morgan Stanley's principal investments. During periods of unfavourable market or economic conditions, the level of individual investor participation in the global markets, as well as the level of client assets, may also decrease, which would negatively impact the results of its Global Wealth Management Group business segment. In addition, fluctuations in global market activity could impact the flow of investment capital into or from assets under management or supervision and the way customers allocate capital among money market, equity, fixed income or other investment alternatives, which could negatively impact its Asset Management business segment.

Morgan Stanley may experience further writedowns of its financial instruments and other losses related to volatile and illiquid market conditions

Market volatility, illiquid market conditions and disruptions in the credit markets have made it extremely difficult to value certain of Morgan Stanley's securities. Subsequent valuations, in light of factors then prevailing, may result in significant changes in the values of these securities in future periods. In addition, at the time of any sales and settlements of these securities, the price Morgan Stanley ultimately realizes will depend on the demand and liquidity in the market at that time and may be materially lower than their current fair value. Any of these factors could require Morgan Stanley to take further writedowns in the value of its securities portfolio, which may have an adverse effect on its results of operations in future periods.

In addition, financial markets are susceptible to severe events evidenced by rapid depreciation in asset values accompanied by a reduction in asset liquidity. Under these extreme conditions, hedging and other risk management strategies may not be as effective at mitigating trading losses as they would be under more normal market conditions. Moreover, under these conditions market participants are particularly exposed to trading strategies employed by many market participants simultaneously and on a large scale, such as crowded trades. Morgan Stanley's risk management and monitoring processes seek to quantify and mitigate risk to more extreme market moves. Severe market events have historically been difficult to predict, however, and Morgan Stanley could realize significant losses if unprecedented extreme market events were to occur, such as conditions in the global financial markets and global economy that prevailed from 2008 into 2009.

Holding large and concentrated positions may expose Morgan Stanley to losses

Concentration of risk may reduce revenues or result in losses in Morgan Stanley's market-making, proprietary trading, investing, block trading, underwriting and lending businesses in the event of unfavourable market movements. Morgan Stanley commits substantial amounts of capital to these businesses, which often results in Morgan Stanley taking large positions in the securities of, or making large loans to, a particular issuer or issuers in a particular industry, country or region.

Morgan Stanley has incurred, and may continue to incur, significant losses in the real estate sector

Morgan Stanley finances and acquires principal positions in a number of real estate and real estate-related products for its own account, for investment vehicles managed by affiliates in which it also may have a significant investment, for separate accounts managed by affiliates and for major participants in the commercial and residential real estate markets. Morgan Stanley also originates loans secured by commercial and residential properties. Morgan Stanley also securitizes and trades in a wide range of commercial and residential real estate and real estate-related whole loans, mortgages and other real estate and commercial assets and products, including residential and commercial mortgage-backed securities. These businesses have been, and may continue to be, adversely affected by the downturn in the real estate sector.

Credit Risk

Credit risk refers to the risk of loss arising from borrower or counterparty default when a borrower, counterparty or obligor does not meet its obligations.

Morgan Stanley is exposed to the risk that third parties that are indebted to it will not perform their obligations

Morgan Stanley incurs significant "single-name" credit risk exposure through the Institutional Securities business segment. This risk may arise from a variety of business activities, including but not limited to entering into swap or other derivative contracts under which counterparties have obligations to make payments to Morgan Stanley; extending credit to clients through various lending commitments; providing short or long-term funding that is secured by physical or financial collateral whose value may at times be insufficient to fully cover the loan repayment amount; and posting margin and/or collateral to clearing houses, clearing agencies, exchanges, banks, securities firms and other financial counterparties. Morgan Stanley incurs credit risk in traded securities and loan pools whereby the value of these assets may fluctuate based on realized or expected defaults on the underlying obligations or loans.

Morgan Stanley also incurs "individual consumer" credit risk in the Global Wealth Management Group business segment lending to individual investors, including margin and non-purpose loans collateralized by securities, and residential mortgage loans.

The global economic downturn continues to impact Morgan Stanley's "single-name" credit risk exposure. While Morgan Stanley believes current valuations and reserves adequately address Morgan Stanley's perceived levels of risk, there is a possibility that continued difficult economic conditions may further negatively impact Morgan Stanley's clients and Morgan Stanley's current credit exposures. In addition, as a clearing member firm, Morgan Stanley finances its customer positions and Morgan Stanley could be held responsible for the defaults or misconduct of its customers. Although Morgan Stanley regularly reviews its credit exposures, default risk may arise from events or circumstances that are difficult to detect or foresee.

Defaults by another large financial institution could adversely affect financial markets generally

The commercial soundness of many financial institutions may be closely interrelated as a result of credit, trading, clearing or other relationships between the institutions. As a result, concerns about, or a default or

threatened default by, one institution could lead to significant market-wide liquidity and credit problems, losses or defaults by other institutions. This is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which Morgan Stanley interacts on a daily basis, and therefore could adversely affect Morgan Stanley.

Operational Risk

Operational risk refers to the risk of financial or other loss, or damage to a firm's reputation, resulting from inadequate or failed internal processes, people, resources and systems or from other internal or external events (e.g., internal or external fraud, legal and compliance risks, damage to physical assets, etc.). Morgan Stanley may incur operational risk across its full scope of business activities, including revenue-generating activities (e.g., sales and trading) and support functions (e.g., information technology and trade processing). Legal and compliance risk is included in the scope of operational risk and is discussed below under "Legal Risk".

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that either Morgan Stanley or the Morgan Stanley Group (as defined below) will be unable to comply with its obligations as a company with securities admitted to the Official List, and in respect of MSI plc, as a supervised firm regulated by the Financial Services Authority.

Morgan Stanley is subject to operational risk that could adversely affect its businesses

Morgan Stanley's businesses are highly dependent on its ability to process, on a daily basis, a large number of transactions across numerous and diverse markets in many currencies. In general, the transactions it processes are increasingly complex. Morgan Stanley performs the functions required to operate its different businesses either by itself or through agreements with third parties. Morgan Stanley relies on the ability of its employees, its internal systems and systems at technology centres operated by third parties to process a high volume of transactions.

Morgan Stanley also faces the risk of operational failure or termination of any of the clearing agents, exchanges, clearing houses or other financial intermediaries it uses to facilitate its securities transactions. In the event of a breakdown or improper operation of its or a third party's systems or improper action by third parties or employees, Morgan Stanley could suffer financial loss, an impairment to its liquidity, a disruption of its businesses, regulatory sanctions or damage to its reputation.

Despite the business contingency plans Morgan Stanley has in place, its ability to conduct business may be adversely affected by a disruption in the infrastructure that supports its business and the communities where it is located. This may include a disruption involving physical site access, terrorist activities, disease pandemics, electrical, communications or other services used by Morgan Stanley, its employees or third parties with whom Morgan Stanley conducts business.

Legal Risk

Legal and compliance risk includes the risk of exposure to fines, penalties, judgements, damages and/or settlements in connection with regulatory or legal actions as a result of non-compliance with applicable legal or regulatory requirements or litigation. Legal risk also includes contractual and commercial risk such as the risk that a counterparty's performance obligations will be unenforceable. In today's environment of rapid and possibly transformational regulatory change, Morgan Stanley also views regulatory change as a component of legal risk.

The financial services industry is subject to extensive regulation, which is undergoing major changes

As a major financial services firm, Morgan Stanley is subject to extensive regulation by U.S. federal and state regulatory agencies and securities exchanges and by regulators and exchanges in each of the major

markets where it operates. Morgan Stanley also faces the risk of investigations and proceedings by governmental and self-regulatory agencies in all countries in which Morgan Stanley conducts its business. Interventions by authorities may result in adverse judgments, settlements, fines, penalties, injunctions or other relief. In addition to the monetary consequences, these measures could, for example, impact Morgan Stanley's ability to engage in, or impose limitations on, certain of its businesses. The number of these investigations and proceedings, as well as the amount of penalties and fines sought, has increased substantially in recent years with regard to many firms in the financial services industry, including Morgan Stanley. Significant regulatory action against Morgan Stanley could materially adversely affect its business, financial condition or results of operations or cause Morgan Stanley significant reputational harm, which could seriously harm Morgan Stanley's business.

In response to the financial crisis, legislators and regulators, both in the U.S., in the UK and worldwide, are currently considering a wide range of proposals that, if enacted, could result in major changes to the way Morgan Stanley's global operations are regulated. Some of these major changes may take effect as early as 2010, and could materially impact the profitability of Morgan Stanley's businesses, the value of assets Morgan Stanley holds, require changes to business practices or force Morgan Stanley to discontinue businesses, and expose Morgan Stanley to additional costs, taxes, liabilities and reputational risk.

Morgan Stanley is a bank holding company that has elected to be treated as a financial holding company. As a financial holding company, Morgan Stanley is subject to the comprehensive, consolidated supervision and regulation of the Fed, including risk-based capital requirements and leverage limits. Reform proposals could result in Morgan Stanley becoming subject to stricter capital requirements and leverage limits, and could also affect the scope, coverage, or calculation of capital, all of which could adversely affect Morgan Stanley's ability to pay dividends, or could require Morgan Stanley to reduce business levels or to raise capital, including in ways that may adversely impact Morgan Stanley's shareholders or creditors. Regulatory reform proposals could also result in the imposition of additional restrictions on Morgan Stanley's activities if Morgan Stanley was to no longer meet certain capital requirements at the level of the financial holding company.

The financial services industry faces substantial litigation and is subject to regulatory investigations, and Morgan Stanley may face damage to its reputation and legal liability

Morgan Stanley has been named, from time to time, as a defendant in various legal actions, including arbitrations, class actions, and other litigation, as well as investigations or proceedings brought by regulatory agencies, arising in connection with its activities as a global diversified financial services institution. Certain of the actual or threatened legal or regulatory actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages, or may result in penalties, fines, or other results adverse to Morgan Stanley. In some cases, the issuers that would otherwise be the primary defendants in such cases are bankrupt or in financial distress. Like any large corporation, Morgan Stanley is also subject to risk from potential employee misconduct, including non-compliance with policies and improper use or disclosure of confidential information.

Substantial legal liability could materially adversely affect Morgan Stanley's business, financial condition or results of operations or cause it significant reputational harm, which could seriously harm Morgan Stanley's business.

Morgan Stanley's business, financial condition and results of operations could be adversely affected by governmental fiscal and monetary policies

Morgan Stanley is affected by fiscal and monetary policies adopted by regulatory authorities and bodies of the U.S., the UK and other governments. For example, the actions of the Fed and international central banking authorities directly impact Morgan Stanley's cost of funds for lending, capital raising and investment activities and may impact the value of financial instruments Morgan Stanley holds. In

addition, such changes in monetary policy may affect the credit quality of Morgan Stanley's customers. Changes in domestic and international monetary policy are beyond Morgan Stanley's control and difficult to predict.

Morgan Stanley's commodities activities subject it to extensive regulation, potential catastrophic events and environmental risks and regulation that may expose it to significant costs and liabilities

In connection with the commodities activities in Morgan Stanley's Institutional Securities business segment, Morgan Stanley engages in the production, storage, transportation, marketing and trading of several commodities, including metals (base and precious), agricultural products, crude oil, oil products, natural gas, electric power, emission credits, coal, freight, liquefied natural gas and related products and indices. In addition, Morgan Stanley owns electricity generating facilities in the U.S. and Europe; TransMontaigne Inc. and its subsidiaries, a group of companies operating in the refined petroleum products marketing and distribution business; and Morgan Stanley has an interest in Heidmar Holdings LLC, which owns a group of companies that provide international marine transportation and U.S. marine logistics services. As a result of these activities, Morgan Stanley is subject to extensive and evolving energy, commodities, environmental, health and safety and other governmental laws and regulations. For example, liability may be incurred without regard to fault under certain environmental laws and regulations for the remediation of contaminated areas. Further, through these activities Morgan Stanley is exposed to regulatory, physical and certain indirect risks associated with climate change. Morgan Stanley's commodities business also exposes it to the risk of unforeseen and catastrophic events, including natural disasters, leaks, spills, explosions, release of toxic substances, fires, accidents on land and at sea, wars and terrorist attacks that could result in personal injuries, loss of life, property damage, and suspension of operations.

Although Morgan Stanley has attempted to mitigate its pollution and other environmental risks by, among other measures, adopting appropriate policies and procedures for power plant operations, monitoring the quality of petroleum storage facilities and transport vessels and implementing emergency response programs, these actions may not prove adequate to address every contingency. In addition, insurance covering some of these risks may not be available, and the proceeds, if any, from insurance recovery may not be adequate to cover liabilities with respect to particular incidents. As a result, Morgan Stanley's financial condition and results of operations may be adversely affected by these events.

Morgan Stanley also expects the other laws and regulations affecting its commodities business to increase in both scope and complexity. During the past several years, intensified scrutiny of certain energy markets by federal, state and local authorities in the U.S. and abroad and the public has resulted in increased regulatory and legal enforcement, litigation and remedial proceedings involving companies engaged in the activities in which Morgan Stanley is engaged. For example, the U.S. and the EU have increased focus on the energy markets which has resulted in increased regulation of companies participating in the energy markets, including those engaged in power generation and liquid hydrocarbons trading. Regulatory reforms currently underway are likely to include significant regulation of OTC derivatives markets, which could include mandated exchange trading and clearing, position limits, margin, capital and registration requirements. Morgan Stanley may incur substantial costs or loss of revenue in complying with current or future laws and regulations and its overall businesses and reputation may be adversely affected by the current legal environment. In addition, failure to comply with these laws and regulations may result in substantial civil and criminal fines and penalties.

A failure to deal with conflicts of interest appropriately could adversely affect Morgan Stanley's businesses

As a global financial services firm that provides products and services to a large and diversified group of clients, including corporations, governments, financial institutions and individuals, Morgan Stanley faces potential conflicts of interests in the normal course of business. For example, potential conflicts can occur when there is a divergence of interests between Morgan Stanley and a client, among clients, or between

an employee on the one hand and the Morgan Stanley or a client on the other. Morgan Stanley has policies, procedures and controls that are designed to address potential conflicts of interest. However, identifying and managing potential conflicts of interest can be complex and challenging, and can become the focus of media and regulatory scrutiny. Indeed, actions that merely appear to create a conflict can put Morgan Stanley's reputation at risk even if the likelihood of an actual conflict has been mitigated. It is possible that potential conflicts could give rise to litigation or enforcement actions, which may lead to Morgan Stanley's clients being less willing to enter into transactions in which a conflict may occur and could adversely affect Morgan Stanley's businesses.

Morgan Stanley's regulators have the ability to scrutinize Morgan Stanley's activities for potential conflicts of interest, including through detailed examinations of specific transactions. In addition, Morgan Stanley's status as a bank holding company supervised by the Fed subjects Morgan Stanley to direct Fed scrutiny with respect to transactions between Morgan Stanley's domestic subsidiary banks and their affiliates.

Competitive Environment

Morgan Stanley faces strong competition from other financial services firms, which could lead to pricing pressures that could materially adversely affect its revenue and profitability

The financial services industry, and all of Morgan Stanley's businesses, are intensely competitive, and Morgan Stanley expects them to remain so. Morgan Stanley competes with commercial banks, insurance companies, sponsors of mutual funds, hedge funds, energy companies and other companies offering financial services in the U.S., globally and through the internet. Morgan Stanley competes on the basis of several factors, including transaction execution, capital or access to capital, products and services, innovation, reputation, risk appetite and price. Over time, certain sectors of the financial services industry have become more concentrated, as institutions involved in a broad range of financial services have been acquired by or merged into other firms or have declared bankruptcy. These developments could result in Morgan Stanley's competitors gaining greater capital and other resources, such as a broader range of products and services and geographic diversity. Morgan Stanley may experience pricing pressures as a result of these factors and as some of its competitors seek to increase market share by reducing prices.

Morgan Stanley's ability to retain and attract qualified employees is critical to the success of its business and the failure to do so may materially adversely affect its performance

Morgan Stanley's people are its most important resource and competition for qualified employees is intense. In order to attract and retain qualified employees, Morgan Stanley must compensate such employees at market levels. Typically, those levels have caused employee compensation to be Morgan Stanley's greatest expense as compensation is highly variable and changes based on business and individual performance and market conditions. If Morgan Stanley is unable to continue to attract and retain qualified employees, or do so at rates necessary to maintain its competitive position, or if compensation costs required to attract and retain employees become more expensive, Morgan Stanley's performance, including its competitive position, could be materially adversely affected. The financial industry may experience more stringent regulation of employee compensation, or employee compensation may be made subject to special taxation, as has been proposed in the U.K. and France, which could have an adverse effect on Morgan Stanley's ability to hire or retain the most qualified employees.

Automated trading markets may adversely affect Morgan Stanley's business and may increase competition

Morgan Stanley has experienced intense price competition in some of its businesses in recent years. In particular, the ability to execute securities trades electronically on exchanges and through other automated trading markets has increased the pressure on trading commissions. The trend toward direct access to automated, electronic stock markets will likely continue. It is possible that Morgan Stanley will

experience competitive pressures in these and other areas in the future as some of its competitors may seek to obtain market share by reducing prices.

International Risk

Morgan Stanley is subject to numerous political, economic, legal, operational, franchise and other risks as a result of its international operations which could adversely impact its businesses in many ways

Morgan Stanley is subject to political, economic, legal, operational, franchise and other risks that are inherent in operating in many countries, including risks of possible nationalization, expropriation, price controls, capital controls, exchange controls and other restrictive governmental actions, as well as the outbreak of hostilities or political and governmental instability. In many countries, the laws and regulations applicable to the securities and financial services industries are uncertain and evolving, and it may be difficult for Morgan Stanley to determine the exact requirements of local laws in every market. Morgan Stanley's inability to remain in compliance with local laws in a particular market could have a significant and negative effect not only on Morgan Stanley's businesses in that market but also on Morgan Stanley's reputation generally. Morgan Stanley is also subject to the enhanced risk that transactions its structures might not be legally enforceable in all cases.

Various emerging market countries have experienced severe political, economic and financial disruptions, including significant devaluations of their currencies, capital and currency exchange controls, high rates of inflation and low or negative growth rates in their economies. Crime and corruption, as well as issues of security and personal safety, also exist in certain of these countries. These conditions could adversely impact Morgan Stanley's businesses and increase volatility in financial markets generally.

The emergence of a pandemic or other widespread health emergency, or concerns over the possibility of such an emergency, could create economic and financial disruptions in emerging markets and other areas throughout the world, and could lead to operational difficulties (including travel limitations) that could impair Morgan Stanley's ability to manage its businesses around the world.

As a U.S. company, Morgan Stanley is required to comply with the economic sanctions and embargo programs administered by the Treasury's Office of Foreign Assets Control ("OFAC") and similar multinational bodies and governmental agencies worldwide and the U.S. Foreign Corrupt Practices Act ("FCPA"). A violation of a sanction or embargo program or of the FCPA could subject Morgan Stanley, and individual employees, to a regulatory enforcement action as well as significant civil and criminal penalties.

Acquisition Risk

Morgan Stanley may be unable to fully capture the expected value from acquisitions, joint ventures, minority stakes and strategic alliances

In connection with past or future acquisitions, combinations, joint ventures or strategic alliances, Morgan Stanley faces numerous risks and uncertainties combining or integrating the relevant businesses and systems, including the need to combine accounting and data processing systems and management controls and to integrate relationships with clients and business partners. In the case of joint ventures and minority stakes, Morgan Stanley is subject to additional risks and uncertainties because it may be dependent upon, and subject to liability, losses or reputational damage relating to, systems, controls and personnel that are not under Morgan Stanley's control. In addition, conflicts or disagreements between Morgan Stanley and its joint venture partners may negatively impact the benefits to be achieved by the joint venture. There is no assurance that any of Morgan Stanley's acquisitions will be successfully integrated or yield all of the positive benefits anticipated. If Morgan Stanley is not able to integrate successfully its past and future acquisitions, there is a risk that Morgan Stanley's results of operations, financial condition and cash flows may be materially and adversely affected.

Certain of Morgan Stanley's recent and planned business initiatives, including expansions of existing businesses, may bring Morgan Stanley into contact, directly or indirectly, with individuals and entities that are not within Morgan Stanley's traditional client and counterparty base and may expose Morgan Stanley to new asset classes and new markets. These business activities expose Morgan Stanley to new and enhanced risks, greater regulatory scrutiny of these activities, increased credit-related, sovereign and operational risks, and reputational concerns regarding the manner in which these assets are being operated or held.

Risk Management

Morgan Stanley's hedging strategies and other risk management techniques may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk

Morgan Stanley has devoted significant resources to develop its risk management policies and procedures and expects to continue to do so in the future. Nonetheless, Morgan Stanley's hedging strategies and other risk management techniques may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some of Morgan Stanley's methods of managing risk are based upon the use of observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be significantly greater than the historical measures indicate. Management of market, credit, liquidity, operational, legal and regulatory risks requires, among other things, policies and procedures to record properly and verify a large number of transactions and events, and these policies and procedures may not be fully effective.

Risk factors specific to Morgan Stanley Jersey, MSBV and MSI plc

All material assets of Morgan Stanley Jersey and MSBV are obligations of one or more companies in the Morgan Stanley group and Morgan Stanley Jersey's or MSBV's ability to perform its obligations is dependent upon such companies fulfilling their obligations to MSBV and Morgan Stanley Jersey

All material assets of Morgan Stanley Jersey and MSBV are obligations of (or securities issued by) one or more Morgan Stanley group companies. The obligations of Morgan Stanley Jersey and MSBV pursuant to such transactions are guaranteed by Morgan Stanley. If one of these Morgan Stanley group companies incur losses with respect to any of their activities (irrespective of whether those activities relate to Morgan Stanley Jersey or MSBV or not) their ability to fulfil their obligations to Morgan Stanley could be impaired, thereby exposing holders of securities issued by Morgan Stanley Jersey or MSBV to a risk of loss.

Risks relating to insolvency proceedings in the Netherlands

The validity or enforceability of any documents or any legal act (*rechtshandeling*) forming part thereof or contemplated thereby in relation to any securities issued under this programme by MSBV are subject to and limited by the protection afforded by the Netherlands law to creditors whose interests have been adversely affected pursuant to the rules of the Netherlands law relating to (x) unlawful acts (*onrechtmatige daden*) based on Section 6:162 et seq. of the Netherlands Civil Code (*Burgerlijk Wetboek*) and (y) fraudulent conveyance or preference (*actio pauliana*) within the meaning of Section 3:45 of the Netherlands Civil Code (*Burgerlijk Wetboek*). Furthermore, in the event of any insolvency proceedings being opened in the Netherlands in relation to MSBV, Dutch laws in relation to bankruptcy proceedings, in particular Section 42 et seq. of the Netherlands Bankruptcy Act (*Faillissementswet*) in relation to fraudulent conveyance or preference (*actio pauliana*) would apply.

There are substantial inter-relationships between MSI plc and other Morgan Stanley group companies

Morgan Stanley is the holding company of a global financial services group. MSI plc is one of the principal operating companies in the Morgan Stanley Group (as defined below). MSI plc itself provides a wide range of financial and securities services. There are substantial inter-relationships between MSI plc

and Morgan Stanley as well as other companies in the Morgan Stanley Group, including the provision of funding, capital, services and logistical support to or by MSI plc, as well as common or shared business or operational platforms or systems, including employees. As a consequence of such inter-relationships, and of the participation of both MSI plc and other Morgan Stanley Group companies in the global financial services sector, factors which could affect the business and condition of Morgan Stanley or other companies in the Morgan Stanley Group may also affect the business and condition of MSI plc. Any such effect could be direct, for example, where economic or market factors directly affect the markets in which MSI plc and other companies in the Morgan Stanley Group operate, or indirect, for example where any factor affects the ability of other companies in the Morgan Stanley Group to provide services or funding or capital to MSI plc or, directly or indirectly, to place business with MSI plc. Similarly, any development affecting the reputation or standing of Morgan Stanley or other companies in the Morgan Stanley Group may have an indirect effect on MSI plc. Such inter-relationships should therefore be taken into account in any assessment of MSI plc.

No guarantee

Securities issued by MSI plc will not be guaranteed by Morgan Stanley. Although Morgan Stanley has in the past provided financial support to MSI plc through capital injection and debt financing, there is no assurance that it will do so in the future.

INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated in, and to form part of, this Registration Document:

Document filed	Information incorporated by reference	Page reference
Morgan Stanley		
1. Proxy Statement dated 12 April 2010	Whole document	-
2. Current Report on Form 8-K dated 24 August 2009	Whole document	-
3. Current Report on Form 8-K dated 9 March 2010	Whole document	-
4. Current Report on Form 8-K dated 30 March 2010	Whole document	-
5. Current Report on Form 8-K dated 13 April 2010	Whole document	-
6. Current Report on Form 8-K dated 21 April 2010	Whole document	-
7. Current Report on Form 8-K dated 18 May 2010	Whole document	-
8. Current Report on Form 8-K dated 27 May 2010	Whole document	-
9. Current Report on Form 8-K dated 28 May 2010	Whole document	-
10. Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2010	Whole document	-
11. Amended Quarterly Report on Form 10-Q/A for the quarterly period ended 31 March 2010	Whole document	-
12. Annual Report on Form 10-K for the year ended 31 December 2009	(1) Report of Independent Registered Public Accounting Firm	112
	(2) Consolidated Statements of Financial Condition	113-114
	(3) Consolidated Statements of Cash Flow	117
	(4) Consolidated Statements of Income	115
	(5) Notes to the Consolidated Financial Statements	120-229
13. Annual Report on Form 10-K for the fiscal year ended 30 November 2008	(1) Report of Independent Registered Public Accounting Firm	106
	(2) Consolidated Statements of Financial Condition	107-108
	(3) Consolidated Statements of Cash Flow	117
	(4) Consolidated Statements of Income	116
	(5) Notes to the Consolidated Financial Statements	113-188
Morgan Stanley & Co. International plc		
14. Report and Financial Statements for the period ended 31 December 2009	(1) Independent auditor's report	7-8
	(2) Consolidated income statement	9

	(3)	Consolidated Statement of comprehensive income and expense	10
	(4)	Consolidated Statement of changes in equity	11
	(5)	Consolidated Statement of cash flows	12
	(6)	Consolidated Statement of financial position	13
	(7)	Notes to the consolidated financial statements	14-84
	(8)	MSI plc balance sheet	85
	(9)	Notes to MSI plc financial statements	86-107
15. Report and Financial Statements for the period ended 31 December 2008	(1)	Independent auditor's report	7-8
	(2)	Consolidated income statement	9
	(3)	Consolidated balance sheet	10
	(4)	Consolidated Statement of recognised income and expense	11
	(5)	Consolidated cash flow Statement	12
	(6)	Notes to the consolidated financial statements	13-77
	(7)	Company balance sheet	78
	(8)	Notes to MSI plc financial statements	79-92
Morgan Stanley (Jersey) Limited			
16. Annual Report for the year ended 31 December 2009	(1)	Independent Auditors' Report	5
	(2)	Statement of Comprehensive Income	6
	(3)	Statement of Changes in Equity	7
	(4)	Statement of Financial Position	8
	(5)	Statement of Cash Flows	9
	(6)	Notes to the financial statements	10-28
17. Annual Report for the year ended 31 December 2008	(1)	Independent Auditors' Report	4
	(2)	Income Statement	5
	(3)	Balance Sheet	6
	(4)	Cash Flow Statement	8
	(5)	Notes to the accounts	9-22

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18. Annual Report for the year ended 31 December 2009	(1)	Independent Auditors' Report	34-37
	(2)	Statement of Comprehensive Income	5
	(3)	Statement of changes in equity	6
	(4)	Statement of Financial Position	7
	(5)	Statement of Cash Flows	8
	(6)	Notes to the Financial Statements	9-32
	(7)	Additional information	33
19. Annual Report for the year ended 30 November 2008	(1)	Independent Auditors' Report	21-22
	(2)	Income Statement	3
	(3)	Balance Sheet	4
	(4)	Cash Flow Statement	6
	(5)	Notes to the Financial Statements	7-20

Any statement contained in this Registration Document or any documents incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this Registration Document to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement.

Any information or documents incorporated by reference into the documents listed above do not form part of this Registration Document.

Each of Morgan Stanley, MSI plc, MSBV and Morgan Stanley Jersey, will at its registered office and at the specified offices of the Paying Agents, make available for inspection during normal business hours and free of charge, upon oral or written request, a copy of this Registration Document (or any document incorporated by reference in this Registration Document). Written or oral requests for inspection of such documents should be directed to the specified office of any Paying Agent.

DESCRIPTION OF MORGAN STANLEY

1. INFORMATION ABOUT MORGAN STANLEY

History and development of Morgan Stanley

Legal name, place of registration and registration number, date of incorporation

Morgan Stanley was originally incorporated for an unlimited term under the laws of the State of Delaware on 1 October 1981 under registered number 0923632, and its predecessor companies date back to 1924. On 31 May 1997, Morgan Stanley Group, Inc. was merged with and into Dean Witter Discover & Co. ("**Dean Witter Discover**") in a merger of equals. At that time, Dean Witter Discover changed its corporate name to Morgan Stanley, Dean Witter, Discover & Co. ("**MSDWD**"). On 24 March 1998, MSDWD changed its corporate name to Morgan Stanley Dean Witter & Co, and to Morgan Stanley on 20 June 2002.

Registered office

Morgan Stanley has its registered office at The Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, U.S.A., and its principal executive offices at 1585 Broadway, New York, NY 10036, U.S.A., telephone number +1 (212) 761 4000.

Legal and commercial name of Morgan Stanley

As at the date of this Registration Document, Morgan Stanley's legal and commercial name is "Morgan Stanley".

Supervision and Regulation

As a major financial services firm, Morgan Stanley is subject to extensive regulation by U.S. federal and state regulatory agencies and securities exchanges and by regulators and exchanges in each of the major markets where it operates. Moreover, in response to the financial crisis, legislators and regulators, both in the U.S. and worldwide, are currently considering a wide range of proposals that, if enacted, could result in major changes to the way Morgan Stanley is regulated and conducts its business.

Regulatory Outlook

It is likely that the year 2010 and subsequent years will see material changes in the way that major financial institutions are regulated both in the U.S. and worldwide. The reforms being discussed include several that contemplate comprehensive restructuring of the regulation of the financial services industry. Enactment of such measures likely would lead to stricter regulation of financial institutions generally, and heightened prudential requirements for systemically important firms in particular. Such measures could include taxation of financial transactions, liabilities and employee compensation as well as reforms of the OTC derivatives markets, such as mandated exchange trading and clearing, position limits, margin, capital and registration requirements. Other changes under discussion in the U.S. legislative arena include: breaking up firms that are considered "too big to fail" or mandating certain barriers between their activities in order to allow for an orderly resolution of failing financial institutions; curtailing the ability of firms that own FDIC insured institutions also to engage in private equity, hedge fund and proprietary trading activities; requiring firms to maintain plans for their dissolution; requiring the financial industry to pay into a fund designed to help unwind failing firms; providing regulators with new means of limiting activities of financial firms; regulating compensation in the financial services industry; enhancing corporate governance, especially regarding risk management; and creating a new agency, the "Consumer Financial Protection Agency," to protect U.S. consumers who buy financial products.

Reforms are being discussed concurrently in Washington, London, the European Union ("**EU**") and other major market centers in which Morgan Stanley operates, and attempts are being made internationally to

coordinate the principles behind such changes through the G-20's expanded mandate for the Financial Stability Board and through the Basel Committee on Banking Supervision ("**Basel Committee**"), the International Association of Securities Commissioners and others. Among the internationally coordinated reforms are recent measures and proposals by the Basel Committee to raise the quality of capital, increase capital requirements for securitizations, trading book exposure and counterparty credit risk exposure, and introduce globally a leverage ratio, capital conservation measures and liquidity coverage requirements, among other measures. In both the EU and the U.S., moreover, changes to the institutional framework for financial regulation are being discussed or are underway.

Many of the market reforms, if enacted, may materially affect Morgan Stanley's business, financial condition, results of operations and cash flows for a particular future period. In particular, if systemic regulation were enacted, Morgan Stanley would likely be designated as a systemically important firm, and the consequences of systemic regulation, including a potential requirement for additional higher quality capital and liquidity and decreased leverage, could materially impact Morgan Stanley's business.

A substantial number of the financial reforms currently discussed in the U.S. and globally may become law, though it is difficult to predict which will become law, how such reforms will be implemented or the exact impact they will have on Morgan Stanley's business, financial condition, results of operations and cash flows for a particular future period. As most changes, if adopted, will require regulatory implementation, the full impact of these changes will not be known until a later stage.

Financial Holding Company

Since September 2008, Morgan Stanley has operated as a financial holding company under the Bank Holding Company Act (the "**BHC Act**").

In addition to the Fed's consolidated supervision, certain of Morgan Stanley's subsidiaries are regulated directly by other regulators based upon the activities of those subsidiaries.

U.S. Banking Institutions. Morgan Stanley Bank, N.A. ("**MSBNA**"), primarily a wholesale commercial bank, offers consumer lending and commercial lending services in addition to deposit products. As an FDIC-insured national bank, MSBNA is subject to supervision and regulation by the OCC.

Morgan Stanley Trust is a wholly owned subsidiary that conducts, through a subsidiary, certain mortgage lending activities primarily for customers of its affiliate retail broker Morgan Stanley Smith Barney LLC. Morgan Stanley Trust also conducts certain transfer agency, sub-accounting and other activities. It is an FDIC-insured federal savings bank whose activities are subject to comprehensive regulation and periodic examination by the Office of Thrift Supervision.

Morgan Stanley Trust National Association, a wholly owned subsidiary, is a non-depository national bank whose activities are limited to fiduciary and custody activities, primarily personal trust and prime brokerage custody services. It is subject to comprehensive regulation and periodic examination by the OCC. Morgan Stanley Trust National Association is not FDIC-insured.

Scope of Permitted Activities. As a financial holding company, Morgan Stanley is able to engage in any activity that is financial in nature or incidental to a financial activity. Unless otherwise required by the Fed, Morgan Stanley is permitted to commence any new financial activity, or acquire a company engaged in any financial activity, as long as it provides after-the-fact notice of such new activity or investment to the Fed. Morgan Stanley must obtain the prior approval of the Fed before acquiring more than 5% of any class of voting stock of a U.S. depository institution or bank holding company or commencing any activity that is complementary to a financial activity. Under some reform proposals, any non-banking acquisition of more than \$25 billion in assets would require prior Fed approval, and regulators would be given new means to limit activities.

Morgan Stanley believes that most of the activities it conducted before becoming a financial holding company remain permissible. In addition, the BHC Act gives Morgan Stanley two years after becoming a

financial holding company to conform its existing non-financial activities and investments to the requirements of the BHC Act with the possibility of three one-year extensions for a total grace period of up to five years. The BHC Act also grandfathers any "activities related to the trading, sale or investment in commodities and underlying physical properties", provided that Morgan Stanley conducted any of such activities as of 30 September 1997 and provided that certain other conditions that are within Morgan Stanley's reasonable control are satisfied. In addition, the BHC Act permits the Fed to determine by regulation or order that certain activities are complementary to a financial activity and do not pose a risk to safety and soundness.

It is possible that certain of Morgan Stanley's existing activities will not be deemed to be permissible financial activities, or incidental or complementary to such activities or otherwise grandfathered. If so, Morgan Stanley may be required to divest them before the end of the original two-year or subsequent one-year grace periods discussed above. Morgan Stanley does not believe that any such required divestment will have a material adverse impact on its financial condition or results of operations.

Consolidated Supervision. As a financial holding company, Morgan Stanley is subject to the comprehensive, consolidated supervision and regulation of the Fed. This means that Morgan Stanley is, among other things, subject to the Fed's risk-based and leverage capital requirements and information reporting requirements for bank holding companies. The Fed has the authority to conduct on-site examinations of Morgan Stanley and any of its affiliates, subject to coordinating with any state or federal functional regulator of any particular affiliate.

In order to maintain Morgan Stanley's status as a financial holding company, its depository institution subsidiaries must remain well capitalized and well managed. Reform proposals would also base such financial holding company status on maintaining a well capitalized and well managed standard at the Morgan Stanley holding company level. If designated a systemically important firm, Morgan Stanley would be required, pursuant to such reform proposals, to remain well capitalized and well managed at all times. Under current regulations implemented by the Fed, if any depository institution controlled by a financial holding company no longer meets certain capital or management standards, the Fed may impose corrective capital and/or managerial requirements on the parent financial holding company and place limitations on its ability to make acquisitions or otherwise conduct the broader financial activities permissible for financial holding companies. In addition, as a last resort if the deficiencies persist, the Fed may order a financial holding company to cease the conduct of or to divest those businesses engaged in activities other than those permissible for bank holding companies that are not financial holding companies. The regulations also provide that if any depository institution controlled by a financial holding company fails to maintain a satisfactory rating under the Community Reinvestment Act of 1977, the Fed must prohibit the financial holding company and its subsidiaries from engaging in any additional activities other than those permissible for bank holding companies that are not financial holding companies.

Capital Standards. The Basel Committee and the Fed are rethinking the scope, strength and nature of the capital requirements that should apply to global financial institutions like Morgan Stanley.

The Basel Committee has opened a broad-based consultation on capital, liquidity and leverage ratios that is expected to be complete by the end of 2010, with implementation for most measures by the end of 2012, and in some cases earlier. The results of this consultation, in the form eventually implemented into U.S. law by the Fed and other U.S. banking regulators, are expected, among other aspects, to increase requirements as to the quality of capital, with greater emphasis on common stock as the predominant form of capital, to enhance capital requirements for trading book exposures, securitizations and counterparty credit risk exposure, to institute capital conservation measures and liquidity coverage requirements, and to implement on a more global basis the leverage ratio concept, a version of which is currently applied only by U.S. regulators. The exact scope and scale of these capital changes are currently not known. Even under current standards, the Fed generally requires Morgan Stanley and its peer financial holding companies to maintain risk-based and leverage capital ratios substantially in excess of mandated

minimum levels, depending upon general economic conditions and their particular condition, risk profile and growth plans.

Current U.S. risk-based capital and leverage guidelines require Morgan Stanley's capital-to-assets ratios to meet certain minimum standards. Under the guidelines, banking organizations are required to maintain a total capital ratio (total capital to risk-weighted assets) of at least 10% and a Tier 1 capital ratio of at least 6% in order to qualify as well capitalized and for the holding company parent to be able to qualify as a financial holding company.

Morgan Stanley currently calculates its capital ratios and risk-weighted assets in accordance with the capital adequacy standards for financial holding companies adopted by the Fed, which are based upon a framework described in the "International Convergence of Capital Measurement and Capital Standards," July 1988, as amended, also referred to as "**Basel I**". U.S. banking regulators are in the process of incorporating the Basel II Accord into the existing risk-based capital requirements and Morgan Stanley is working with its regulators accordingly to transition to these requirements.

The federal banking regulators also have established minimum leverage ratio guidelines. The Tier 1 leverage ratio is defined as Tier 1 capital divided by adjusted average total book assets (which reflects adjustments for disallowed goodwill, certain intangible assets and deferred tax assets). The adjusted average total assets are derived using weekly balances for each quarter. The minimum leverage ratio is 3% for bank holding companies that are considered "strong" under Fed guidelines or which have implemented the Fed's risk-based capital measure for market risk. Other bank holding companies must have a minimum leverage ratio of 4%.

Reform proposals affecting the scope, coverage, or calculation of capital, and increases in the amount of capital, including more restrictive leverage ratios, capital conservation measures and liquidity coverage requirements could adversely affect Morgan Stanley's ability to generate return on capital, to pay dividends, or could require Morgan Stanley to reduce business levels or to raise capital, including in ways that may adversely impact its shareholders or creditors.

Dividends. In addition to certain dividend restrictions that apply by law to certain of Morgan Stanley's subsidiaries, the OCC, the Fed and the FDIC have authority to prohibit or to limit the payment of dividends by the banking organizations they supervise, including Morgan Stanley, Morgan Stanley Bank, N.A. and other Morgan Stanley depository institution subsidiaries, if, in the banking regulator's opinion, payment of a dividend would constitute an unsafe or unsound practice in light of the financial condition of the banking organization. It is Fed policy that bank holding companies should generally pay dividends on common stock only out of income available from the past year, and only if prospective earnings retention is consistent with the organization's expected future needs and financial condition. It is also Fed policy that bank holding companies should not maintain dividend levels that undermine the company's ability to be a source of strength to its banking subsidiaries.

Prompt Corrective Action. The Federal Deposit Insurance Corporation Improvement Act of 1991 provides a framework for regulation of depository institutions and their affiliates, including parent holding companies, by their federal banking regulators. Among other things, it requires the relevant federal banking regulator to take "prompt corrective action" with respect to a depository institution if that institution does not meet certain capital adequacy standards. Current regulations generally apply only to insured banks and thrifts such as Morgan Stanley Bank, N.A. or Morgan Stanley Trust, and not to their parent holding companies, such as Morgan Stanley. The Fed is, however, subject to limitations, authorized to take appropriate action at the holding company level. All pending proposals in the U.S. would broaden the Fed's or appropriate regulator's ability to take prompt corrective action against a systemically important financial institution.

Transactions with Affiliates. Morgan Stanley's domestic subsidiary banks are subject to Sections 23A and 23B of the Federal Reserve Act, which impose restrictions on any extensions of credit to, purchase of

assets from, and certain other transactions with, any affiliates. These restrictions include limits on the total amount of credit exposure that they may have to any one affiliate and to all affiliates, as well as collateral requirements, and they require all such transactions to be made on market terms.

FDIC Regulation. An FDIC-insured depository institution is generally liable for any loss incurred or expected to be incurred by the FDIC in connection with the failure of an insured depository institution under common control by the same bank holding company. As FDIC-insured depository institutions, Morgan Stanley Bank, N.A. and Morgan Stanley Trust are exposed to each other's losses. In addition, both institutions are exposed to changes in the cost of FDIC insurance. In 2009, the FDIC levied a special assessment of 5% on each insured depository institution's assets, minus its Tier 1 capital, capped at 10% of its domestic deposits. In addition, the FDIC required insured institutions to prepay their estimated quarterly risk-based assessments for the fourth quarter of 2009 and for all of 2010, 2011 and 2012. The FDIC also adopted a uniform three-basis point increase in assessment rates effective on 1 January 2011. All measures were part of an effort to rebuild the Deposit Insurance Fund. In addition, by participating in the FDIC's Temporary Liquidity Guarantee Program, Morgan Stanley Bank, N.A. and Morgan Stanley Trust have temporarily become subject to an additional assessment on deposits in excess of \$250,000 in certain transaction accounts. Some of the pending legislative proposals would further increase Morgan Stanley's FDIC assessments, which, if enacted, may materially affect Morgan Stanley's financial condition, results of operations and cash flows for a particular future period.

Anti-Money Laundering. Morgan Stanley's Anti-Money Laundering ("**AML**") program is coordinated on an enterprise-wide basis. In the U.S., for example, the Bank Secrecy Act, as amended by the USA PATRIOT Act of 2001 (the "**BSA/USA PATRIOT Act**"), imposes significant obligations on financial institutions to detect and deter money laundering and terrorist financing activity, including requiring banks, bank holding company subsidiaries, broker-dealers, future commission merchants, and mutual funds to identify and verify customers that maintain accounts. The BSA/USA PATRIOT Act also mandates that financial institutions have policies, procedures and internal processes in place to monitor and report suspicious activity to appropriate law enforcement or regulatory authorities. Financial institutions subject to the BSA/USA PATRIOT Act also must designate a BSA/AML compliance officer, provide employees with training on money laundering prevention, and undergo an annual, independent audit to assess the effectiveness of its AML program. Outside the U.S., applicable laws, rules and regulations similarly subject designated types of financial institutions to AML program requirements. Morgan Stanley has implemented policies, procedures and internal controls that are designed to comply with AML program requirements. Morgan Stanley has also implemented policies, procedures, and internal controls that are designed to comply with the regulations and economic sanctions programs administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"), which enforces economic and trade sanctions against targeted foreign countries, entities and individuals based on U.S. foreign policy and national security goals, and other multi-national organizations and governmental agencies worldwide.

Anti-Corruption. Morgan Stanley is subject to the U.S. Foreign Corrupt Practices Act ("**FCPA**"), which prohibits offering, promising, giving, or authorizing others to give anything of value, directly or indirectly, to a non-U.S. government official in order to obtain or retain business or otherwise secure a business advantage. Morgan Stanley is also subject to applicable anti-corruption laws in the jurisdictions in which it operates. Morgan Stanley has implemented policies, procedures, and internal controls that are designed to comply with the FCPA and other applicable anti-corruption laws, rules, and regulations in the jurisdictions in which it operates.

Protection of Client Information. Many aspects of Morgan Stanley's business are subject to legal requirements concerning the use and protection of certain customer information, including those adopted pursuant to the Gramm-Leach-Bliley Act and the Fair and Accurate Credit Transactions Act of 2003 in the U.S., the European Union Data Protection Directive in the EU and various laws in Asia, including the Japanese Personal Information (Protection) Law, the Hong Kong Personal Data (Protection) Ordinance and the Australian Privacy Act. Morgan Stanley has adopted measures designed to comply with these and related applicable requirements in all relevant jurisdictions.

Research. Both U.S. and non-U.S. regulators continue to focus on research conflicts of interest. Research-related regulations have been implemented in many jurisdictions. New and revised requirements resulting from these regulations and the global research settlement with U.S. federal and state regulators (to which Morgan Stanley is a party) have necessitated the development or enhancement of corresponding policies and procedures.

Recent Events

Mitsubishi UFJ Financial Group, Inc. ("MUFG"). On 1 May 2010, Morgan Stanley and MUFG closed the previously announced transaction to form a joint venture in Japan of their respective investment banking and securities businesses. MUFG and Morgan Stanley have integrated their respective Japanese securities companies by forming two joint venture companies. MUFG contributed the wholesale and retail securities businesses conducted in Japan by its subsidiary Mitsubishi UFJ Securities Co., Ltd. into one of the joint venture entities named Mitsubishi UFJ Morgan Stanley Securities, Co., Ltd. ("MUMSS"). Morgan Stanley contributed the investment banking operations conducted in Japan by its subsidiary, Morgan Stanley Japan Securities Co., Ltd. ("MSJS"), into MUMSS and contributed the sales and trading and capital markets business conducted in Japan by MSJS into a second joint venture entity called Morgan Stanley MUFG Securities, Co., Ltd. ("MSMS" and, together with MUMSS, the "**Joint Venture**"). Following the respective contributions to the Joint Venture and a cash payment of 26 billion yen from MUFG to the Company at closing of the transaction (subject to certain post-closing cash adjustments), the Company owns a 40% economic interest in the Joint Venture and MUFG owns a 60% economic interest in the Joint Venture. The Company holds a 40% voting interest and MUFG holds a 60% voting interest in MUMSS, while the Company holds a 51% voting interest and MUFG holds a 49% voting interest in MSMS.

2. OVERVIEW OF THE ACTIVITIES

Principal Activities

Morgan Stanley is a global financial services firm that maintains significant market positions in each of its business segments — Institutional Securities, Global Wealth Management Group and Asset Management. A summary of the activities of each of the segments is as follows:

Institutional Securities includes capital raising; financial advisory services, including advice on mergers and acquisitions, restructurings, real estate and project finance; corporate lending; sales, trading, financing and market-making activities in equity and fixed income securities and related products, including foreign exchange and commodities; and investment activities.

Global Wealth Management Group, which includes Morgan Stanley's 51% interest in Morgan Stanley Smith Barney Holdings LLC, provides brokerage and investment advisory services to individual investors and small-to-medium sized businesses and institutions covering various investment alternatives; financial and wealth planning services; annuity and other insurance products; credit and other lending products; cash management services; retirement services; and trust and fiduciary services.

Asset Management provides global asset management products and services in equity, fixed income, alternative investments, which includes hedge funds and funds of funds, and merchant banking, which includes real estate, private equity and infrastructure, to institutional and retail clients through proprietary and third-party distribution channels. Asset Management also engages in investment activities.

Discontinued Operations

Retail Asset Management Business. On 19 October 2009, as part of a restructuring of its Asset Management business segment, Morgan Stanley entered into a definitive agreement (the "**Agreement**") to sell substantially all of Retail Asset Management, including Van Kampen Investments, Inc. ("**Van Kampen**") to Invesco Ltd ("**Invesco**"). This transaction allows Morgan Stanley's Asset Management

business segment to focus on its institutional client base, including corporations, pension plans, large intermediaries, foundations and endowments, sovereign wealth funds and central banks, among others.

On 28 May 2010, Morgan Stanley and Invesco entered into a letter agreement (the "**Amendment**") amending the Agreement. The Amendment provided that the consideration payable to Morgan Stanley by Invesco in connection with the transactions contemplated by the Agreement would be U.S.\$800 million in cash and approximately 30.9 million shares of Invesco preferred stock and common stock whereas the Agreement originally provided for consideration consisting of U.S.\$500 million in cash and approximately 44.1 million shares of Invesco preferred and common stock.

On 1 June 2010, Morgan Stanley completed the transactions contemplated by the Agreement and the Amendment for the consideration provided for in the Amendment. Morgan Stanley's equity interest in Invesco as a result of this sale consists of common and preferred shares representing in the aggregate approximately 7.1% of Invesco's outstanding equity. Further details relating to the Agreement and the Amendment are contained in the Current Report on Form 8-K dated 28 May 2010.

MSCI Inc. ("MSCI"). In May 2009, Morgan Stanley divested all of its remaining ownership interest in MSCI. The results of MSCI are reported as discontinued operations for all periods presented. The results of MSCI were formerly included within the Institutional Securities business segment.

Crescent. Discontinued operations in 2009, fiscal 2008 and the one month ended 31 December 2008 include operating results and gains (losses) related to the disposition of Crescent, a former real estate subsidiary of Morgan Stanley. Morgan Stanley completed the disposition of Crescent in the fourth quarter of 2009, whereby Morgan Stanley transferred its ownership interest in Crescent to Crescent's primary creditor in exchange for full release of liability on the related loans. The results of Crescent were formerly included in the Asset Management business segment.

3. ORGANIZATIONAL STRUCTURE

Principal Markets

Morgan Stanley is a global financial services firm that, through its subsidiaries and affiliates, provides its products and services to a large and diversified group of clients and customers, including corporations, governments, financial institutions and individuals. Morgan Stanley was originally incorporated under the laws of the State of Delaware in 1981, and its predecessor companies date back to 1924. Morgan Stanley is a financial holding company regulated by the Board of Governors of the Fed under the BCH Act. Morgan Stanley conducts its business from its headquarters in and around New York City, its regional offices and branches throughout the U.S. and its principal offices in London, Tokyo, Hong Kong and other world financial centers. At December 31, 2009, Morgan Stanley had 61,388 employees worldwide (worldwide employees includes headcount related to the Morgan Stanley Smith Barney joint venture).

Morgan Stanley's significant U.S. and international subsidiaries include Morgan Stanley & Co. Incorporated, Morgan Stanley Smith Barney LLC, Morgan Stanley & Co. International plc, Morgan Stanley Japan Securities Co., Ltd., Morgan Stanley Bank, N.A. and Morgan Stanley Investment Advisors Inc.

Structure of the Group

For information relating to the structure of the Morgan Stanley Group and for the Subsidiaries List see the section entitled "Subsidiaries of Morgan Stanley" set out in Annex I. Investors can find updated information relating to the structure of the Morgan Stanley Group and the Subsidiaries List on <http://www.morganstanley.com/about/ir/index.html>.

4. TREND INFORMATION

Save as disclosed in (i) the information contained in the section entitled "Legal Proceedings" on pages 27 to 29 of the Annual Report of Morgan Stanley on Form 10-K for the fiscal year ended 31 December 2009, (ii) the information contained in the section entitled "Item 8.01 - Other Events" on pages 2 and 3 of the Current Report on Form 8-K dated 30 March 2010 and (iii) the information contained in the section entitled "Part II – Other Information – Legal Proceedings" on page 128 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2010, there has been no material adverse change in the prospects of Morgan Stanley since 31 December 2009.

5. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Board of directors

The directors of Morgan Stanley as of the date of this Registration Document, their offices, if any, within Morgan Stanley, and their principal outside activity, if any, are listed below. The business address of each director is 1585 Broadway, New York, NY 10036, U.S.A.

Name	Function within Morgan Stanley	Principal Outside Activity
John J. Mack	Chairman of the Board	John J. Mack does not perform other relevant managerial activities outside Morgan Stanley.
James P. Gorman	Director, President and Chief Executive Officer	Chairman of Morgan Stanley Smith Barney LLC.
Roy J. Bostock	Director	Member of the board of directors of Delta Airlines Inc. and Yahoo! Inc.
Erskine B. Bowles	Director	Director of Cousins Properties Incorporated. Senior advisor of Carousel Capital LLC, a private investment firm, President of the University of North Carolina. Co-Chair of the National Commission of Fiscal Responsibility and Reform.
Howard J. Davies	Director	Director of the London School of Economics and Political Science.
James H. Hance, Jr.	Director	Senior Advisor at The Carlyle Group, a global private equity firm. Director of Cousins Property Incorporated, Duke Energy Corporation, Rayonier Corporation and Sprint Nextel Corporation (Non-Executive Chairman).
Nobuyuki Hirano	Director	Managing Officer of MUFG, Deputy President of The Bank of

Name	Function within Morgan Stanley	Principal Outside Activity
		Tokyo-Mitsubishi UFJ, Ltd.
C. Robert Kidder	Director	Director of Merck & Co. Inc. and Chrysler Group LLC (Non-Executive Chairmen). Chairman & CEO of 3 Stone Advisors LLC.
Donald T. Nicolaisen	Director	Director of MGIC Investment Corporation, Verizon Communications Inc, and Zurich Financial Services.
Hutham S. Olayan	Director	President, Chief Executive Officer and Director of Olayan America Corporation.
O. Griffith Sexton	Director	Adjunct Professor of Finance at Columbia Business School. Visiting Lecturer of Princeton University. Director of Investor AB.
Laura D. Tyson	Director	Professor, Walter A. Haas School of Business, University of California at Berkeley. S.K. and Angela Chan Professor of Global Management. Director of Eastman Kodak Company, AT&T, Inc. and CB Richard Ellis Group.

There are no existing or potential conflicts of interest between any duties owed to Morgan Stanley by its directors or by the members of its principal committees and the private interests and/or other external duties owed by these individuals.

Morgan Stanley's subsidiaries may extend credit in the ordinary course of business to certain of their directors, officers and members of their immediate families. These extensions of credit may be in connection with margin loans, mortgage loans, credit card transactions, revolving lines of credit and other extensions of credit by Morgan Stanley's subsidiaries. The extensions of credit are made on substantially the same terms and conditions, including interest rates and collateral requirements, as those prevailing at the time for comparable transactions with other persons and do not involve more than the normal risk of collectability or present other unfavorable features.

Dealings with Major Shareholders

BlackRock, Inc. ("**Blackrock**"), FMR LLC ("**FMR**"), MUFG and State Street Bank and Trust Company ("**State Street**") beneficially own 5% or more of the outstanding shares of Morgan Stanley common stock as reported under the section "Major Shareholders" herein. On 13 October 2008, Morgan Stanley issued to MUFG 7,839,209 shares of Series B Non-Cumulative Non-Voting Perpetual Convertible Preferred Stock and 1,160,791 shares of Series C Non-Cumulative Non-Voting Perpetual Preferred Stock for an aggregate purchase price of \$9 billion as part of a global strategic alliance between MUFG and Morgan Stanley.

During 2009, Morgan Stanley issued common stock of approximately \$6.9 billion in two registered public offerings. MUFG elected to participate in both offerings and in one of the offerings funded its purchase of 29,375,000 shares of Morgan Stanley's common stock (for an aggregate purchase price of \$705 million) with the proceeds of Morgan Stanley's repurchase of 640,909 shares of the Series C Preferred Stock.

On 1 May 2010, Morgan Stanley and MUFG closed the previously announced transaction to form a joint venture in Japan of their respective investment banking and securities businesses. See "*Recent Events*" above for further information.

During fiscal 2009, Morgan Stanley engaged in transactions in the ordinary course of business with each of Blackrock, FMR, MUFG and State Street and certain of their respective affiliates. Such transactions were on substantially the same terms as those prevailing at the time for comparable transactions with unrelated third parties. Morgan Stanley may also engage in transactions, including entering into financial services transactions (e.g., trading in securities, commodities or derivatives) with, and perform investment banking, financial advisory, brokerage, investment management and other services for, entities for which Morgan Stanley's directors and members of their immediate families serve as executive officers, and may make loans or commitments to extend loans to such entities. The transactions are conducted, services are performed, and loans and commitments are made in the ordinary course of business and on substantially the same terms and conditions, including interest rate and collateral, that prevail at the time for comparable transactions with other persons. The loans and commitments do not involve more than the normal risk of collectability or present other unfavourable features.

6. BOARD PRACTICES

Morgan Stanley considers itself to be in compliance with all United States laws relating to corporate governance that are applicable to it.

The Board meets regularly and directors receive information between meetings about the activities of committees and developments in Morgan Stanley's business. All directors have full and timely access to all relevant information and may take independent professional advice if necessary.

The Board's standing committees include the following:

Committee	Current Members	Primary Responsibilities
Audit	<p>Donald T. Nicolaisen (Chair)</p> <p>Howard J. Davies</p> <p>James H. Hance, Jr.</p> <p>O. Griffith Sexton</p>	<p>Oversees the integrity of Morgan Stanley's consolidated financial statements, system of internal controls, risk management and compliance with legal and regulatory requirements.</p> <p>Selects, determines the compensation of, evaluates and, when appropriate, replaces the independent auditor, and pre-approves audit and permitted non-audit services.</p> <p>Oversees the qualifications and independence of the independent auditor and performance of Morgan Stanley's internal and independent auditors.</p> <p>After review, recommends to the Board the acceptance and inclusion of the annual audited consolidated financial statements in Morgan Stanley's Annual Report on Form 10-K.</p>
Compensation, Management, Development and Succession ("CMDS")	<p>Erskine B. Bowles (Chair)</p> <p>C. Robert Kidder</p> <p>Donald T. Nicolaisen</p> <p>Hutham S. Olayan</p>	<p>Annually reviews and approves the corporate goals and objectives relevant to the compensation of the Chairman and CEO and evaluates his performance in light of these goals and objectives.</p> <p>Determines the compensation of Morgan Stanley's executive officers and such other officers as deemed appropriate.</p> <p>Administers Morgan Stanley's equity-based compensation plans.</p> <p>Oversees plans for management development and succession.</p> <p>Reviews and discusses the Compensation Discussion and Analysis with management and recommends to the Board its inclusion in the proxy statement.</p>

Committee	Current Members	Primary Responsibilities
Nominating and Governance	<p>Laura D. Tyson (Chair)</p> <p>Roy J. Bostock</p> <p>C. Robert Kidder</p>	<p>Identifies and recommends candidates for election to the Board.</p> <p>Recommends committee structure and membership.</p> <p>Establishes procedures for its oversight of the evaluation of the Board.</p> <p>Recommends director compensation and benefits.</p> <p>Reviews annually Morgan Stanley's corporate governance policies.</p> <p>Reviews and approves related person transactions in accordance with Morgan Stanley's Related Person Transaction Policy.</p>
Risk Committee	<p>Howard J. Davies (Chair)</p> <p>Roy J. Bostock</p> <p>James H. Hance, Jr.</p> <p>Nobuyuki Hirano</p>	<p>Oversees Morgan Stanley's risk governance structure.</p> <p>Oversees risk management and risk assessment guidelines and policies regarding market, credit, liquidity and funding risk.</p> <p>Oversees risk tolerance, including risk tolerance levels and capital targets and limits.</p> <p>Oversees the performance of the Chief Risk Officer.</p>

7. MAJOR SHAREHOLDERS

The following table contains information regarding the only persons Morgan Stanley knows of that beneficially own more than 5% of its common stock.

<u>Name and Address</u>	Shares of Common Stock Beneficially Owned	
	<u>Number</u>	<u>Percent</u>
Mitsubishi UFJ Financial Group, Inc. ⁽¹⁾ 7-1, Marunouchi 2-chome Chiyoda-ku, Tokyo 100-8330, Japan	357,017,088	20.9%
State Street Bank and Trust Company (State Street) ⁽²⁾ 225 Franklin Street, Boston, MA 02110	150,349,759	11.1%
FMR LLC ⁽³⁾ 82 Devonshire Street, Boston, MA 02109	89,568,077	6.589%
BlackRock, Inc. (BlackRock) ⁽⁴⁾ 40 East 52 nd Street New York, NY 10022	73,558,367	5.41%

(1) Based on the number of outstanding shares of common stock of Morgan Stanley as of 31 January 2010 (as reported in the December 2009 Form 10-K) and MUFG's beneficial ownership (as reported in a Schedule 13D Information Statement on 23 October 2008, as amended on 30 October 2008, 22 May 2009, 11 June 2009 and 1 April 2010) of 357,017,088 shares of common stock consisting of (1) 310,464,033 shares of common stock, assuming conversion of 7,839,209 shares of Series B Preferred Stock issued to MUFG on 13 October 2008, based on an initial conversion rate of 39.604 shares of common stock for each share of preferred stock representing an initial conversion rate of \$25.25 per share of common stock; (2) 29,375,000 shares of common stock in connection with Morgan Stanley's registered public offering announced on 7 May 2009; and (3) 17,178,055 shares of common stock in connection with Morgan Stanley's registered public offering announced on 2 June 2009. This information assumes that MUFG has not disposed of any shares of common stock that it purchased in the Morgan Stanley's registered public offerings during 2009. In addition, this information does not include 16,207,331 shares of common stock held by certain affiliates of MUFG as of 23 March 2010 in a fiduciary capacity as the trustee of trust accounts or as the manager of investment funds, other investment vehicles and managed accounts; MUFG has disclaimed beneficial ownership of such shares.

(2) Based on a review of the Schedule 13G Information Statement filed on 12 February 2010 by State Street, acting in various fiduciary and other capacities. The Schedule 13G discloses that State Street had shared voting power as to 150,051,005 shares and shared dispositive power as to 150,349,759 shares; that 99,424,373 of the 135,472,888 shares beneficially owned by State Street Bank and Trust Company, a subsidiary of State Street, are held as trustee and investment manager on behalf of the Trust; and that State Street disclaimed beneficial ownership of all shares reported in the Schedule 13G. The Schedule 13G discloses that the percentage of ownership reported therein was based upon the shares of common stock reported as issued and outstanding in Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended 30 September 2009.

(3) Based on a review of the Schedule 13G Information Statement filed on 16 February 2010 by FMR LLC, Edward C. Johnson 3d and Fidelity Management & Research Company (Fidelity), a wholly owned subsidiary of FMR LLC. Certain of the shares listed above are beneficially owned

by FMR LLC subsidiaries and related entities. The Schedule 13G discloses that members of the Johnson family may be deemed to form a controlling group with respect to FMR LLC and that FMR LLC, Edward C. Johnson 3d and Fidelity, and their respective affiliates, have had sole voting power as to 12,654,279 shares and sole dispositive power as to 89,568,077 shares.

- (4) Based on a review of the Schedule 13G Information Statement filed on 29 January 2010 by BlackRock. The Schedule 13G discloses that BlackRock completed its acquisition of Barclays Global Investors, NA and certain of its affiliates as of 1 December 2009 and that substantially all of such entities are now included as subsidiaries of BlackRock for purposes of the Schedule 13G. The Schedule 13G discloses that as of 31 December 2009, BlackRock had sole dispositive and sole voting power with respect to all beneficially owned shares reported therein.

8. LEGAL PROCEEDINGS

In addition to the matters described below, in the normal course of business, Morgan Stanley has been named, from time to time, as a defendant in various legal actions, including arbitrations, class actions and other litigation, arising in connection with its activities as a global diversified financial services institution. Certain of the actual or threatened legal actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. In some cases, the issuers that would otherwise be the primary defendants in such cases are bankrupt or in financial distress.

Morgan Stanley is also involved, from time to time, in other reviews, investigations and proceedings (both formal and informal) by governmental and self-regulatory agencies regarding Morgan Stanley's business including, among other matters, accounting and operational matters, certain of which may result in adverse judgments, settlements, fines, penalties, injunctions or other relief.

Morgan Stanley contests liability and/or the amount of damages as appropriate in each pending matter. In view of the inherent difficulty of predicting the outcome of such matters, particularly in cases where claimants seek substantial or indeterminate damages or where investigations and proceedings are in the early stages, Morgan Stanley cannot predict with certainty the loss or range of loss, if any, related to such matters, how or if such matters will be resolved, when they will ultimately be resolved, or what the eventual settlement, fine, penalty or other relief, if any, might be. Subject to the foregoing, Morgan Stanley believes, based on current knowledge and after consultation with counsel, that the outcome of such pending matters will not have a material adverse effect on the consolidated financial condition of Morgan Stanley, although the outcome of such matters could be material to Morgan Stanley's operating results and cash flows for a particular future period depending on, among other things, the level of Morgan Stanley's revenues or income for such period.

The following is a summary of item 3 entitled "Legal Proceedings" from Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended 31 December 2009 and from Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2010.

Residential Mortgage-Related Matters.

Regulatory and Governmental Matters. Morgan Stanley is responding to subpoenas and requests for information from certain regulatory and governmental entities concerning the origination, purchase, securitization and servicing of subprime and non-subprime residential mortgages and related issues including collateralized debt obligations and credit default swaps backed by or referencing mortgage pass through certificates.

Class Actions. Beginning in December 2007, several purported class action complaints were filed in the U.S. District Court for the Southern District of New York (the "SDNY") asserting claims on behalf of participants in Morgan Stanley's 401(k) plan and employee stock ownership plan against Morgan Stanley and other parties, including certain present and former directors and officers, under the Employee Retirement Income Security Act of 1974 ("ERISA"). In February 2008, these actions were consolidated in a single proceeding, which is styled *In re Morgan Stanley ERISA Litigation*. The consolidated

complaint relates in large part to Morgan Stanley's subprime and other mortgage related losses, but also includes allegations regarding Morgan Stanley's disclosures, internal controls, accounting and other matters. The consolidated complaint alleges, among other things, that Morgan Stanley's stock was not a prudent investment and that risks associated with its stock and its financial condition were not adequately disclosed. On 9 December 2009, the court denied defendants' motion to dismiss the consolidated complaint.

On 12 February 2008, a plaintiff filed a purported class action, which was amended on 24 November 2008, naming Morgan Stanley and certain present and former senior executives as defendants and asserting claims for violations of the securities laws. The amended complaint, which is styled *Joel Stratte-McClure, et al. v. Morgan Stanley, et al.*, is currently pending in the SDNY. Subject to certain exclusions, the amended complaint purports to assert claims on behalf of a purported class of persons and entities who purchased shares of Morgan Stanley's common stock during the period 20 June 2007 to 19 December 2007 and who suffered damages as a result of such purchases. The allegations in the amended complaint relate in large part to Morgan Stanley's subprime and other mortgage related losses, but also include allegations regarding Morgan Stanley's disclosures, internal controls, accounting and other matters. On 27 April 2009, Morgan Stanley filed a motion to dismiss the amended complaint.

On 7 May 2009, Morgan Stanley was named as a defendant in a purported class action lawsuit brought under Sections 11 and 12 of the Securities Act of 1933, as amended (the "**Securities Act**"), alleging, among other things, that the registration statements and offering documents related to the offerings of approximately \$17 billion of mortgage pass through certificates in 2006 and 2007 contained false and misleading information concerning the pools of residential loans that backed these securitizations. The plaintiffs are seeking, among other relief, class certification, unspecified compensatory and rescissory damages, costs, interest and fees. This case, which was consolidated with an earlier lawsuit and is currently styled *In re Morgan Stanley Mortgage Pass-Through Certificate Litig*, is pending in the SDNY. On 15 September 2009, the lead plaintiff filed a consolidated amended complaint which defendants have moved to dismiss.

Beginning in 2007, Morgan Stanley was named as a defendant in several putative class action lawsuits brought under Sections 11 and 12 of the Securities Act, related to its role as a member of the syndicates that underwrote offerings of securities and mortgage pass through certificates for certain non-Morgan Stanley related entities that have been exposed to subprime and other mortgage-related losses. The plaintiffs in these actions allege, among other things, that the registration statements and offering documents for the offerings at issue contained various material misstatements or omissions related to the extent to which the issuers were exposed to subprime and other mortgage-related risks and other matters and seek various forms of relief including class certification, unspecified compensatory and rescissory damages, costs, interest and fees. Morgan Stanley's exposure to potential losses in these cases may be impacted by various factors including, among other things, the financial condition of the entities that issued the securities and mortgage pass through certificates at issue, the principal amount of the offerings underwritten by Morgan Stanley, the financial condition of co-defendants and the willingness and ability of the issuers to indemnify the underwriter defendants. Some of these cases relate to issuers that have filed for bankruptcy, including *In Re Washington Mutual, Inc. Securities Litigation*, *In re: Lehman Brothers Equity/Debt Securities Litigation* and *In re IndyMac Mortgage-Backed Securities Litigation*. *In Re Washington Mutual, Inc. Securities Litigation* is pending in the United States District Court for the Western District of Washington and relates to several offerings of debt and equity securities issued by Washington Mutual, Inc. during 2006 and 2007. Morgan Stanley underwrote approximately \$1.6 billion of the principal amount of the offerings at issue. On 27 October 2009, the court granted in part and denied in part defendants' motion to dismiss the amended complaint. *In re: Lehman Brothers Equity/Debt Securities Litigation* relates to several offerings of debt and equity securities issued by Lehman Brothers Holdings Inc. during 2007 and 2008. Morgan Stanley underwrote over \$200 million of the principal amount of the offerings at issue. On 17 March 2010, the SDNY denied without prejudice the underwriter defendants' motion to dismiss the complaint and granted plaintiffs leave to file an amended complaint, which they filed on 23 April 2010. *In re IndyMac Mortgage-Backed Securities Litigation* is pending in the SDNY and relates to the offerings of mortgage pass through certificates issued by seven trusts sponsored by affiliates of IndyMac Bancorp during 2006 and 2007. Morgan Stanley underwrote over \$2.4

billion of the principal amount of the offerings at issue. Morgan Stanley and other defendants have moved to dismiss these claims.

Shareholder Derivative Matter. A shareholder derivative lawsuit was filed in the SDNY during November 2007 asserting claims related in large part to losses caused by certain subprime-related trading positions and related matters. The complaint in that lawsuit, which is styled *Steve Staehr, Derivatively on Behalf of Morgan Stanley v. John J. Mack, et al.*, was served on Morgan Stanley on 15 February 2008. On 16 July 2008, the plaintiff filed an amended complaint, which defendants have moved to dismiss. The complaint seeks, among other relief, unspecified compensatory damages, restitution, and institution of certain corporate governance reforms.

Auction Rate Securities Matters

On 27 August 2008, a shareholder derivative complaint, which was styled *Louisiana Municipal Police Employees Retirement System v. Mack, et al.*, was filed in the SDNY. On 12 September 2008, a second complaint, which was styled *Thomas v. Mack, et al.*, was filed in the SDNY. The complaints were substantially similar and named as defendants the members of Morgan Stanley's Board of Directors as well as certain current and former officers. Morgan Stanley, on whose behalf the suits were purportedly brought, is named as a nominal defendant in each action. The complaints raised claims of breach of fiduciary duty, abuse of control, gross mismanagement, and violation of Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934, as amended, related to Morgan Stanley's sale of auction rate securities ("ARS") over the period from 20 June 2007 to the present. Among other things, the complaints alleged that, over the relevant period, Morgan Stanley's public filings and statements were materially false and misleading in that they failed to disclose the illiquid nature of its ARS inventories and that Morgan Stanley's practices in the sale of ARS exposed it to significant liability for settlements and judgments. The complaints also alleged that during the relevant period certain defendants sold Morgan Stanley's stock while in possession of material non-public information. The complaints sought, among other things, unspecified compensatory damages, restitution from the defendants with respect to compensation, benefits and profits obtained, and the institution of certain reforms to Morgan Stanley's internal control functions. On 24 November 2008, the SDNY ordered the consolidation of the two actions. On 2 February 2009, plaintiffs filed a consolidated amended complaint, styled as *In re Morgan Stanley & Co. Inc. Auction Rate Securities Derivative Litigation*. On 23 June 2009, the SDNY granted defendants' motion to dismiss the consolidated complaint for failure by plaintiffs to make a pre-litigation demand on Morgan Stanley's Board of Directors. In addition, the SDNY set a schedule for plaintiffs to make such a demand, for the Board of Directors to respond thereto, and for further proceedings before the SDNY, which may include a motion for leave to file an amended complaint. On 20 April 2010, Morgan Stanley's Board of Directors resolved to reject, in its entirety, the demand made upon it by letter from the plaintiffs' counsel and thereafter advised plaintiffs' counsel of the same.

Executive Compensation-Related Matter

A shareholder derivative lawsuit was filed in the Supreme Court of the State of New York, County of New York, on 11 February 2010 asserting claims for waste, breach of the duty of loyalty and unjust enrichment related to Morgan Stanley's executive compensation for the fiscal years ended 30 November 2006 and 2007 and the calendar year ended 31 December 2009. The complaint, which is styled *Security and Fire Professionals of America Retirement Fund, et al. v. John J. Mack, et al.*, names as defendants Morgan Stanley's Board of Directors and certain present and former officers and directors. Morgan Stanley, on whose behalf the lawsuit is purportedly being brought, is named as a nominal defendant. The complaint alleges, among other things, that the total amount of the executive compensation paid for these years was disproportionately large in relation to Morgan Stanley's performance. The complaint seeks, among other relief, unspecified compensatory damages, restitution and disgorgement of compensation, benefits and profits, and institution of certain corporate governance reforms. On 16 April 2010, the defendants filed motions to dismiss the action.

China Matter

As disclosed in February 2009, Morgan Stanley uncovered actions initiated by an employee based in China in an overseas real estate subsidiary that appear to have violated the Foreign Corrupt Practices Act. Morgan Stanley terminated the employee, reported the activity to appropriate authorities and is cooperating with investigations by the United States Department of Justice and the SEC.

Save as disclosed in the paragraphs beginning with "Residential Mortgage Related Matters" in item 3 entitled "Legal Proceedings" from Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended 31 December 2009 and in the paragraphs beginning with "Residential Mortgage Related Matters" in item 1 entitled "Legal Proceedings" from Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2010, there are no, nor have there been, any governmental, legal or arbitration proceedings involving Morgan Stanley (including any such proceedings which are pending or threatened of which Morgan Stanley is aware) during the 12-month period before the date of this Registration Document which may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley or the Morgan Stanley Group (as defined below).

9. ADDITIONAL INFORMATION

Auditors

The auditors of Morgan Stanley for the periods 1 December 2007 to 30 November 2008 and 1 January 2009 to 31 December 2009 and the one month ended 31 December 2008 were Deloitte & Touche LLP, Two World Financial Center, New York, New York 10281, USA, an independent registered public accounting firm (the "**Auditors**").

The Auditors have audited the consolidated financial statements of Morgan Stanley as of 31 December 2009 and 2008, and the consolidated statements of income, comprehensive income, cash flows and changes in total equity for the calendar year ended 31 December 2009, the one month ended 31 December 2008, the fiscal years ended 30 November 2008 and 2007 and have issued reports thereon dated 26 February 2010. Such report expresses an unqualified opinion and includes explanatory paragraphs, concerning (a) the adoption by Morgan Stanley, effective 1 January 2009, of Financial Accounting Standards Board ("**FASB**") accounting guidance that addresses (i) non-controlling interests in consolidated financial statements (ii) the computation of Earnings per share under the two-class method for share-based payment transactions that are participating securities and (iii) accounting for uncertainties in income taxes; such consolidated financial statements and reports are included in this 2009 Annual Report on Form 10-K and (b) the changing by Morgan Stanley of its fiscal year end from 30 November to 31 December.

The Auditors have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Morgan Stanley's internal control over financial reporting as of 31 December 2009, based on the criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and their report dated 26 February 2010, expresses an unqualified opinion on Morgan Stanley's internal control over financial reporting. Based on their audits, the Auditors expressed their opinion that such financial statements, when consolidated in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

The Auditors are registered with the Public Company Accounting Oversight Board (United States).

Change in Fiscal Year End

On 16 December 2008, the Board of Directors of Morgan Stanley approved a change in Morgan Stanley's fiscal year end from 30 November to 31 December of each year. This change to the calendar year reporting cycle began 1 January 2009. As a result of the change, Morgan Stanley had a one-month

transition period in December 2008. The audited results for the one-month period ended 31 December 2008 are included in Morgan Stanley's Annual Report on Form 10-K for the fiscal year ending 31 December 2009.

Significant changes in the financial position of Morgan Stanley

Save as disclosed in (i) the information contained in the section entitled "Item 8.01 - Other Events" in the Current Report on Form 8-K dated 30 March 2010 and (ii) the information contained in the sections entitled "Item 1.01-Entry into a Material Definitive Agreement" and "Item 8.01 – Other Events" in the Current Report on Form 8-K dated 28 May 2010, there has been no significant change in the financial or trading position of the Morgan Stanley Group from the date of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2010.

Share capital

The authorised share capital of Morgan Stanley at 31 December 2009 comprised 3,500,000,000 ordinary shares of nominal value U.S. \$0.01 and 30,000,000 preferred stock of nominal value U.S. \$0.01.

The issued, non-assessable and fully paid up share capital of Morgan Stanley at 31 December 2009 comprised 1,487,850,163 ordinary shares of nominal value U.S. \$0.01.

Certificate of Incorporation

Morgan Stanley's objects and purposes are set out in Article III of its Certificate of Incorporation and enable it to engage in any lawful act or activity for which corporations may be organized and incorporated under the General Corporation Law of the State of Delaware.

Selected Financial Information

Economic Capital

Morgan Stanley's economic capital framework estimates the amount of equity capital required to support the businesses over a wide range of market environments while simultaneously satisfying regulatory, rating agency and investor requirements. The framework continued to evolve over time in response to changes in the business and regulatory environment and to incorporate enhancements in modelling techniques.

Economic capital is assigned to each business segment and sub-allocated to product lines. Each business segment is capitalized as if it were an independent operating entity. This process is intended to align equity capital with the risks in each business in order to allow senior management to evaluate returns on a risk-adjusted basis (such as return on equity and shareholder value added).

Economic capital is based on regulatory capital plus additional capital for stress losses. Morgan Stanley assesses stress loss capital across various dimensions of market, credit, business and operational risks. Economic capital requirements are met by regulatory Tier 1 capital. The difference between Morgan Stanley's Tier 1 capital and aggregate economic capital requirements denotes Morgan Stanley's unallocated capital position.

Morgan Stanley uses economic capital to allocate Tier 1 capital and common equity to its business segments. The following table presents Morgan Stanley's allocated average Tier 1 capital ("**economic capital**") and average common equity for the year ended 31 December 2009 ("**2009**") and the fiscal year ended 30 November 2008 ("**fiscal 2008**"):

	2009		fiscal 2008	
	Average Tier 1 capital	Average common equity	Average Tier 1 capital	Average common equity
	<i>(dollars in billions)</i>			
Institutional Securities	\$23.6	\$18.1	\$25.8	\$22.9
Global Wealth Management Group	2.7	4.6	1.7	1.5
Asset Management	2.5	2.2	3.0	3.0
Unallocated capital	18.3	8.1	6.6	4.9
Total from continuing operations	47.1	33.0	37.1	32.3
Discontinued operations	0.7	1.1	0.8	1.3
Total	\$47.8	\$34.1	\$37.9	\$33.6

Overview of Fiscal 2009 Financial Results Compared with fiscal 2008

Morgan Stanley recorded net income applicable to Morgan Stanley of \$1,346 million in 2009, a 21% decrease from \$1,707 million in fiscal 2008. Comparisons of the 2009 results with fiscal 2008 were impacted by seven months' results of MSSB, which closed on 31 May 2009.

Net revenues (total revenues less interest expense) increased 6% to \$23,358 million in 2009. Net revenues included losses of approximately \$5,510 million in 2009 related to the tightening of Morgan Stanley's credit spreads on certain long-term and short-term borrowings accounted for at fair value compared with gains of \$5,594 million in fiscal 2008 related to the widening of Morgan Stanley's credit spreads on such borrowings. Net interest revenues were \$990 million in 2009 as compared with \$3,367 million in fiscal 2008. The decrease in 2009 was primarily due to a lower interest rate environment coupled with a lower average mix of interest-earning assets and interest-bearing liabilities, including lower client balances in Morgan Stanley's prime brokerage business. Net revenues in 2009 also included a gain of \$319 million related to the sale of undivided participating interests in a portion of Morgan Stanley's claims against a derivative counterparty that filed for bankruptcy protection. Non-interest expenses increased 7% to \$22,501 million in 2009, primarily due to higher compensation costs, partly offset by lower non-compensation costs. Compensation and benefits expense increased 21%, primarily reflecting the consolidation of MSSB. Non-compensation expenses decreased 11%, primarily due to Morgan Stanley's initiatives to reduce costs, lower levels of business activity and non-cash charges of \$725 million related to the impairment of goodwill and intangible assets in fiscal 2008, partially offset by additional operating costs and integration costs related to MSSB. Results included in discontinued operations for 2009 reflected the pre-tax net gain of \$625 million related to the sale of Morgan Stanley's remaining ownership interest in MSCI and the disposition of Crescent (see Note 23 to the consolidated financial statements included in Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2009). Diluted EPS were \$(0.77) in 2009 compared with \$1.39 in fiscal 2008. Diluted EPS from continuing operations were \$(0.93) in 2009 compared with \$0.88 in fiscal 2008. Due to Morgan Stanley's repurchase of its Series D Fixed Rate Cumulative Perpetual Preferred Stock ("**Series D Preferred Stock**"), Morgan Stanley incurred a negative adjustment of \$850 million in its calculation of basic and diluted EPS (reduction to earnings (losses) applicable to Morgan Stanley's common shareholders) for 2009 due to the accelerated amortization of the issuance discount on the Series D Preferred Stock.

Morgan Stanley's effective income tax rate from continuing operations was a benefit of 39% in 2009. Morgan Stanley recognized a tax benefit of \$331 million in 2009, resulting from the cost of anticipated repatriation of non-U.S. earnings at lower than previously estimated tax rates. Excluding this benefit, the

annual effective tax rate in 2009 would have been a benefit of 1%. The annual effective tax rate in 2009 is reflective of the geographic mix of earnings and includes tax benefits associated with the anticipated use of domestic tax credits and the utilization of state net operating losses.

The results for fiscal 2008 included a pre-tax gain of \$687 million related to the sale of MSWM S.V., the Spanish onshore mass affluent wealth management business (see Note 17 to the consolidated financial statements included in Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2009).

Morgan Stanley's effective income tax rate from continuing operations was a benefit of 2% in fiscal 2008. The annual effective tax rate in fiscal 2008 is reflective of the geographic mix of earnings and includes tax benefits associated with domestic tax credits and tax-exempt income and tax charges associated with non-deductible goodwill impairment charges.

Overview of the one month ended 31 December 2008 Financial Results

Morgan Stanley recorded a net loss of \$1,288 million in the one month ended 31 December 2008 compared with net income of \$626 million in the one month ended 31 December 2007. Net revenues (total revenues less interest expense) decreased to \$(968) million, primarily due to sales and trading losses in the Institutional Securities business segment. Non-interest expenses decreased 47% to \$1,059 million, primarily due to lower compensation costs. Compensation and benefits expense decreased 59%, primarily reflecting lower incentive-based compensation accruals due to lower net revenues in the Institutional Securities business segment. Diluted earnings (loss) per share in the one month ended December 31, 2008 were \$(1.62) compared with \$0.57 in the one month ended December 31, 2007.

Morgan Stanley's effective tax rate from continuing operations was 36% in the one month ended 31 December 2008.

10. RELEVANT AGREEMENTS

There is no relevant agreement, entered into by Morgan Stanley outside the scope of its business, likely to determine for the members of the group obligations or rights that may have a significant impact on Morgan Stanley's ability to fulfil the obligation under the financial instruments to be issued towards the relevant holders.

11. INFORMATION GIVEN BY THIRD PARTIES, EXPERTS' VALUATIONS AND DECLARATION OF INTERESTS

This Registration Document does not contain any information given by third parties, experts' valuation or declaration of interests other than the reports of the auditors. For further details see section "Auditors" above.

SELECTED FINANCIAL INFORMATION OF MORGAN STANLEY

This section contains income statement data on Morgan Stanley for the year ended 31 December 2009, fiscal years ended 30 November 2008 and 2007, and the one month period ended 31 December 2008 and balance sheet data as of 31 December 2009 and 31 December 2008 that have been derived from the audited financial statements included in Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2009.

Selected financial information of Morgan Stanley relating to the year ended 31 December 2009, fiscal years ended 30 November 2008 and 2007, and the one month ended 31 December 2008 taken from the Annual Report on Form 10-K for the year ended on 31 December 2009

Morgan Stanley
Consolidated Statements of Financial Condition
(dollars in millions, except share data)

	31 December 2009	31 December 2008
Assets		
Cash and due from banks	\$ 6,988	\$ 13,354
Interest bearing deposits with banks	25,003	65,316
Cash deposited with clearing organizations or segregated under federal and other regulations or requirements	23,712	24,039
Financial instruments owned, at fair value (\$101 billion in 2009 and \$73 billion in 2008 were pledged to various parties):		
U.S. government and agency securities	62,215	28,012
Other sovereign government obligations	25,445	21,084
Corporate and other debt.....	90,454	87,294
Corporate equities	57,968	42,321
Derivative and other contracts	49,081	89,418
Investments	9,286	10,385
Physical commodities	5,329	2,126
Total financial instruments owned, at fair value	299,778	280,640
Securities received as collateral, at fair value.....	13,656	5,231
Federal funds sold and securities purchased under agreements to resell	143,208	122,709
Securities borrowed	167,501	88,052
Receivables:		
Customers	27,594	29,265
Brokers, dealers and clearing organizations	5,719	6,250
Other loans.....	7,259	6,547
Fees, interest and other	11,164	7,258
Other investments.....	3,752	3,709
Premises, equipment and software costs (net of accumulated depreciation of \$3,734 in 2009 and \$3,073 in 2008)	7,067	5,095
Goodwill.....	7,162	2,256
Intangible assets (net of accumulated amortization of \$275 in 2009 and \$208 in 2008) (includes \$137 and \$184 at fair value in 2009 and 2008, respectively).....	5,054	906
Other assets	16,845	16,137
Total assets	\$ 771,462	\$ 676,764

Morgan Stanley
Consolidated Statements of Financial Condition (Continued)
(dollars in millions, except share data)

	31 December 2009	30 December 2008
Liabilities and Equity		
Commercial paper and other short-term borrowings (includes \$791 and \$1,246 at fair value in 2009 and 2008, respectively).....	\$ 2,378	\$ 10,102
Deposits (includes \$4,967 and \$9,993 at fair value in 2009 and 2008, respectively).....	62,215	51,355
Financial instruments sold, not yet purchased, at fair value:		
U.S. government and agency securities	20,503	11,902
Other sovereign government obligations	18,244	9,511
Corporate and other debt.....	7,826	9,927
Corporate equities	22,601	16,840
Derivative and other contracts	38,209	68,554
Physical commodities	-	33
Total financial instruments sold, not yet purchased, at fair value	107,383	116,767
Obligation to return securities received as collateral, at fair value	13,656	5,231
Securities sold under agreements to repurchase	159,401	92,213
Securities loaned	26,246	14,580
Other secured financings, at fair value	8,102	12,539
Payables:		
Customers	117,058	123,617
Brokers, dealers and clearing organizations.....	5,423	1,585
Interest and dividends	2,597	3,305
Other liabilities and accrued expenses	20,849	16,179
Long-term borrowings (includes \$37,610 and \$30,766 at fair value in 2009 and 2008, respectively)	193,374	179,835
	718,682	627,308
Commitments and contingencies		
Equity		
Morgan Stanley shareholders' equity:		
Preferred stock	9,597	19,168
Common stock, \$0.01 par value;		
Shares authorized: 3,500,000,000 in 2009 and 2008;		
Shares issued: 1,487,850,163 in 2009 and 1,211,701,552 in 2008;		
Shares outstanding: 1,360,595,214 in 2009 and 1,074,497,565 in 2008	15	12
Paid-in capital	8,619	459
Retained earnings.....	35,056	36,154
Employee stock trust.....	4,064	4,312
Accumulated other comprehensive loss	(560)	(420)
Common stock held in treasury, at cost, \$0.01 par value; 127,254,949 shares in 2009 and 137,203,987 shares in 2008.....	(6,039)	(6,620)
Common stock issued to employee trust.....	(4,064)	(4,312)
Total Morgan Stanley shareholders' equity	46,688	48,753
Non-controlling interests.....	6,092	703
Total equity	52,780	49,456
Total liabilities and equity	\$ 771,462	\$ 676,764

Morgan Stanley
Consolidated Statements of Income
(dollars in millions, except share data)

	2009	Fiscal 2008	Fiscal 2007	One Month Ended 31 December 2008
Revenues:				
Investment banking.....	\$ 5,019	\$ 4,057	\$ 6,316	\$ 196
Principal transactions:				
Trading	7,447	5,472	3,208	(1,743)
Investments	(1,054)	(3,925)	3,247	(207)
Commissions	4,234	4,449	4,659	214
Asset management, distribution and administration fees	5,884	4,839	5,486	292
Other	838	3,852	776	107
Total non-interest revenues	<u>22,368</u>	<u>18,744</u>	<u>23,692</u>	<u>(1,141)</u>
Interest and dividends	7,702	39,679	60,069	1,297
Interest expense	6,712	36,312	57,283	1,124
Net interest.....	990	3,367	2,786	173
Net revenues	<u>23,358</u>	<u>22,111</u>	<u>26,478</u>	<u>(968)</u>
Non-interest expenses:				
Compensation and benefits	14,438	11,887	16,122	585
Occupancy and equipment	1,551	1,332	1,112	123
Brokerage, clearing and exchange fees	1,190	1,483	1,493	91
Information processing and communications.....	1,372	1,194	1,155	95
Marketing and business development	503	719	752	34
Professional services.....	1,603	1,715	2,039	109
Other.....	1,844	2,644	1,029	22
Total non-interest expenses.....	<u>22,501</u>	<u>20,974</u>	<u>23,702</u>	<u>1,059</u>
Income (loss) from continuing operations before income taxes.....	857	1,137	2,776	(2,027)
(Benefit from) provision for income taxes	(336)	(21)	576	(732)
Income (loss) from continuing operations	<u>1,193</u>	<u>1,158</u>	<u>2,200</u>	<u>(1,295)</u>
Discontinued operations:				
Gain from discontinued operations	160	1,121	1,682	18
(Benefit from) Provision for income taxes	(53)	501	633	8
Net gain from discontinued operations	<u>213</u>	<u>620</u>	<u>1,049</u>	<u>10</u>
Net income (Loss)	<u>\$ 1,406</u>	<u>\$ 1,778</u>	<u>\$ 3,249</u>	<u>\$ (1,285)</u>
Net income applicable to non-controlling interests.....	60	71	40	3
Net income (loss) applicable to Morgan Stanley	<u>\$ 1,346</u>	<u>\$ 1,707</u>	<u>\$ 3,209</u>	<u>\$ (1,288)</u>
(Loss) earnings applicable to Morgan Stanley common shareholders.....	<u>\$ (907)</u>	<u>\$ 1,495</u>	<u>\$ 2,976</u>	<u>\$ (1,624)</u>
Amounts applicable to Morgan Stanley:				
Income (loss) from continuing operations	<u>\$ 1,149</u>	<u>\$ 1,125</u>	<u>\$ 2,162</u>	<u>\$ (1,295)</u>
Net gain from discontinued operations	<u>197</u>	<u>582</u>	<u>1,047</u>	<u>7</u>
Net income (loss) applicable to Morgan Stanley	<u>\$ 1,346</u>	<u>\$ 1,707</u>	<u>\$ 3,209</u>	<u>\$ (1,288)</u>
(Loss) earnings per basic common share:				
(Loss) income from continuing operations	<u>\$ (0.93)</u>	<u>\$ 0.92</u>	<u>\$ 1.98</u>	<u>\$ (1.63)</u>
Net gain from discontinued operations	<u>0.16</u>	<u>0.53</u>	<u>0.99</u>	<u>0.01</u>
(Loss) earnings per basic common share	<u>\$ (0.77)</u>	<u>\$ 1.45</u>	<u>\$ 2.97</u>	<u>\$ (1.62)</u>
(Loss) earnings per diluted common share:				
Income (loss) from continuing operations	<u>\$ (0.93)</u>	<u>\$ 0.88</u>	<u>\$ 1.94</u>	<u>\$ (1.63)</u>
Net gain from discontinued operations	<u>0.16</u>	<u>0.51</u>	<u>0.96</u>	<u>0.01</u>
(Loss) earnings per diluted common share.....	<u>\$ (0.77)</u>	<u>\$ 1.39</u>	<u>\$ 2.90</u>	<u>\$ (1.62)</u>
Average common shares outstanding:				
Basic.....	<u>1,185,414,871</u>	<u>1,028,180,275</u>	<u>1,001,878,651</u>	<u>1,002,058,928</u>
Diluted.....	<u>1,185,414,871</u>	<u>1,073,496,349</u>	<u>1,024,836,645</u>	<u>1,002,058,928</u>

Morgan Stanley
Consolidated Statements of Comprehensive Income
(dollars in millions)

	2009	Fiscal 2008	Fiscal 2007	One Month Ended 31 December 2008
Net income (loss)	\$ 1,406	\$ 1,778	\$ 3,249	\$ (1,285)
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments ⁽¹⁾	112	(270)	187	(96)
Net change in cash flow hedges ⁽²⁾	13	16	19	2
Minimum pension liability adjustment ⁽³⁾	—	—	(40)	—
Net (loss) gain related to pension and postretirement adjustments ⁽⁴⁾ ...	(305)	203	—	(200)
Prior service credit related to pension and postretirement adjustments ⁽⁵⁾	10	—	—	—
Amortization of net loss related to pension and postretirement benefits ⁽⁶⁾	28	19	—	—
Amortization of prior service credit related to pension and postretirement benefits ⁽⁷⁾	(6)	(6)	—	(1)
Comprehensive income (loss)	\$ 1,258	\$ 1,740	\$ 3,415	\$ (1,580)
Net income applicable to non- controlling interests	60	71	40	3
Other comprehensive (loss) income applicable to non-controlling interests	(8)	(110)	122	—
Comprehensive income (loss) applicable to Morgan Stanley	\$ 1,206	\$ 1,779	\$ 3,253	\$ (1,583)

⁽¹⁾ Amounts are net of (benefit from) provision for income taxes of \$(335) million, \$388 million, \$(132) million and \$(52) million for 2009, fiscal 2008, fiscal 2007 and the one month ended 31 December 2008, respectively.

⁽²⁾ Amounts are net of provision for income taxes of \$8 million, \$11 million, \$10 million and \$1 million for 2009, fiscal 2008, fiscal 2007 and the one month ended 31 December 2008 respectively.

⁽³⁾ Amounts are net of income tax benefits of \$(16) million for fiscal 2007.

⁽⁴⁾ Amount is net of (benefit from) provision for income taxes of \$(179) million, \$138 million and \$(132) million for 2009, fiscal 2008 and the one month ended 31 December 2008, respectively.

⁽⁵⁾ Amount is net of provision for income taxes of \$6 million.

⁽⁶⁾ Amount is net of provision for income taxes of \$16 million and \$13 million for 2009 and fiscal 2008, respectively.

⁽⁷⁾ Amount is net of income tax benefits of \$(4) million for 2009 and fiscal 2008, respectively.

DESCRIPTION OF MORGAN STANLEY & CO. INTERNATIONAL PLC

1. INFORMATION ABOUT MORGAN STANLEY & CO. INTERNATIONAL PLC

History and Development of Morgan Stanley & Co. International plc

Legal name, place of registration and registration number, date of incorporation

MSI plc was incorporated in England and Wales with registered number 2068222 on 28 October 1986. MSI plc was incorporated as a company limited by shares under the Companies Act 1985 and operates under the Companies Act 2006. MSI plc was re-registered as a public limited company on 13 April 2007.

Registered office

MSI plc's registered office is at 25 Cabot Square, Canary Wharf, London E14 4QA and the telephone number of its registered office is +44 20 7425 8000.

Legal and commercial name of Morgan Stanley & Co. International plc

MSI plc's legal and commercial name is Morgan Stanley & Co. International plc.

Recent Events

No recent event particular to MSI plc has occurred which is to a material extent relevant to the evaluation of its solvency.

2. OVERVIEW OF THE ACTIVITIES

MSI plc's principal objects, as set out in its memorandum of association, are, inter alia, to acquire, hold, dispose of, subscribe for, issue, underwrite, place, manage assets belonging to others which include, advise on, enter into contracts or transactions in relation to or involving and in any other way deal with or arrange dealings with or perform any service or function in relation to shares, stocks, debentures, loans, bonds, certificates of deposit and other instruments creating or acknowledging indebtedness, government, public or other securities, warrants, certificates representing securities or other obligations, units in collective investment schemes, options, futures, contracts for differences or other investments or obligations, interest rates, currencies, precious metals or other commodities, any index, any right to, any right conferred by or any interest or any obligation in relation to any of the foregoing and any other financial instrument or product of any nature whatsoever and any financial instrument or product deriving from or in any other way relating to any of the foregoing, including any rate swap transaction, basis swap, forward rate transaction, commodity or commodity index swap or option, equity or equity index swap or option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit swap or credit derivative transaction, repurchase agreement, reverse repurchase agreement, futures or forward contract transaction, securities lending or borrowing transaction and any other transaction similar to the foregoing, (including any option with respect to any of the foregoing), any combination of the foregoing, any other financial instrument or product of any nature whatsoever approved by the directors and any transaction which may seem to be convenient for hedging any of, or any combination of, the foregoing.

Business of Morgan Stanley & Co. International plc

The principal activity of MSI plc is the provision of a wide range of financial and securities services which includes capital raising; financial advisory services, including advice on mergers and acquisitions, restructurings, real estate and project finance; sales, trading, financing and market-making activities in equity and fixed income securities and related products, including foreign exchange, commodities and research.

MSI plc provides its products and services to corporations, governments and financial institutions. MSI plc operates globally with a particular focus in Europe. It operates branches in Korea, France, Greece, the Netherlands, New Zealand, Switzerland, the Dubai International Financial Centre and the Qatar Financial Centre.

All aspects of MSI plc's businesses are highly competitive and MSI plc expects them to remain so. MSI plc competes in Europe and globally for clients, market share and human talent in all aspects of its business segments. MSI plc's competitive position depends on its reputation, the quality of its products, services and advice. MSI plc's ability to sustain or improve its competitive position also depends substantially on its ability to continue to attract and retain qualified employees while managing compensation and other costs.

3. ORGANIZATIONAL STRUCTURE

MSI plc's ultimate UK parent undertaking is Morgan Stanley International Limited and MSI plc's ultimate parent undertaking and controlling entity is Morgan Stanley, which, together with MSI plc and Morgan Stanley's other consolidated subsidiaries, form the Morgan Stanley Group (the "**Morgan Stanley Group**").

MSI plc is owned directly by Morgan Stanley UK Group (90% holding) and Morgan Stanley Services (UK) Limited (10% holding).

MSI plc forms part of a group of companies including MSI plc and all of its subsidiary and associated undertakings (the "**MSIP Group**"). The consolidated accounts set out in the Appendix hereto are the MSIP Group accounts and for the purposes of those accounts, MSI plc is the parent company of such Group.

There are substantial inter-relationships between MSI plc and Morgan Stanley as well as other companies in the Morgan Stanley Group, including the provision of funding, capital, services and logistical support to or by MSI plc, as well as common or shared business or operational platforms or systems, including employees. As a consequence of such inter-relationships, and of the participation of both MSI plc and other Morgan Stanley Group companies in the global financial services sector, factors which could affect the business and condition of Morgan Stanley or other companies in the Morgan Stanley Group may also affect the business and condition of MSI plc. Any such effect could be direct, for example, where economic or market factors directly affect the markets in which MSI plc and other companies in the Morgan Stanley Group operate, or indirect, for example where any factor affects the ability of other companies in the Morgan Stanley Group to provide services or funding or capital to MSI plc or, directly or indirectly, to place business with MSI plc. Similarly, any development affecting the reputation or standing of Morgan Stanley or other companies in the Morgan Stanley Group may have an indirect effect on MSI plc. Such inter-relationships should therefore be taken into account in any assessment of MSI plc.

Please see "Description of Morgan Stanley" for information on the Morgan Stanley Group.

4. MANAGEMENT OF MORGAN STANLEY & CO. INTERNATIONAL PLC

Directors of MSI plc

<i>Name</i>	<i>Principal outside activity</i>
Colin Bryce	Director of Morgan Stanley International Limited, Morgan Stanley Commodities Trading (China) Limited, Morgan Stanley Capital Group Limited, Morgan Stanley Securities Limited, Chairman of Morgan Stanley Bank International Limited and Member of the Supervisory Board of Morgan Stanley Bank AG
Walid Chamamah	Chairman of Morgan Stanley International Limited and Director of OOO Morgan Stanley Bank
Alexander Classen	Director of Morgan Stanley International Limited, Bank Morgan Stanley AG, Morgan Stanley Saudi Arabia, Morgan Stanley Private Wealth Management Limited, Morgan Stanley Smith Barney Holdings (UK) Limited and Morgan Stanley Spanish Holdings SL
Gary Lynch	Director of Morgan Stanley International Limited, OOO Morgan Stanley Bank and Member of the Supervisory Board of Morgan Stanley Bank AG
David Nicol	Director of Euroclear PLC, Euroclear SA/NV, Securities and Investment Institute, Morgan Stanley Spanish Holdings SL, Morgan Stanley International Limited, Morgan Stanley UK Group, Morgan Stanley UK Limited and OOO Morgan Stanley Bank, Member of the Supervisory Board of Morgan Stanley Bank AG and Chairman of Morgan Stanley Pension Trustee Limited
Franck Petitgas	Director of Morgan Stanley International Limited, Morgan Stanley & Co. Limited and OOO Morgan Stanley Bank and Member of the Supervisory Board of Morgan Stanley Bank AG
Domenico Siniscalco	Vice-Chairman of Morgan Stanley International Limited and Director of Morgan Stanley Bank International Limited and The Grosvenor Group Limited, London
Clare Woodman	Director of Morgan Stanley International Limited, LLC City Mortgage Bank, Morgan Stanley Saudi Arabia, Morgan Stanley Smith Barney Holdings (UK) Limited and OOO Morgan Stanley Bank

The business address of the directors is 25 Cabot Square, Canary Wharf, London E14 4QA.

Each of the directors of MSI plc is employed within the Morgan Stanley Group of companies. Subject to any interests they may have as Morgan Stanley Group employees, MSI plc does not believe that there are conflicts of interest between any duties to MSI plc of the directors and their private interest and/or other duties.

5. BOARD PRACTICES

Morgan Stanley International Limited ("MSI") established an audit committee (the "**Audit Committee**") in September 2003. The current remit of the Audit Committee is to assist the Board of MSI in monitoring: (i) the integrity of the financial statements of MSI and certain of its subsidiaries regulated by the United Kingdom Financial Services Authority, namely: MSI plc, Morgan Stanley Securities Limited, Morgan Stanley & Co. Limited and Morgan Stanley Investment Management Limited, (ii) the systems of internal controls of these entities, (iii) compliance with legal and regulatory requirements, (iv) the qualifications and independence of Morgan Stanley's external auditors, (v) the performance of Morgan Stanley's internal and external auditors, and (vi) the efficacy of Morgan Stanley's policies and structures for conflict management in Europe. The Audit Committee reports to the Board of MSI on a quarterly basis. The Audit Committee comprises Colette Bowe, Colin Fisher, Judith Eden, David Nicol, Edward Ocampo, Sir Adam Ridley, Jonathan Roberts, Jon Saxe, Dirk Stephenek, Clare Woodman and Christopher Beatty. Colette Bowe, Colin Fisher and Sir Adam Ridley are not officers or employees of Morgan Stanley Group and are independent members of the Audit Committee. The Audit Committee is appointed by the Board of Directors of MSI.

MSI plc complies with the corporate governance requirements as required by the corporate laws of the United Kingdom.

6. MAJOR SHAREHOLDERS

Major Shareholders

MSI plc's share capital is owned as follows:

Share Class	Shareholder	Shares Held (% of Class)
GBP Ordinary Shares	Morgan Stanley UK Group	17,615,106 (99%)
GBP Ordinary Shares	Morgan Stanley Group (Europe)	1 (0.000006%)
USD Ordinary Shares	Morgan Stanley UK Group	2,998,332,648 (100%)
USD Class B Non-Cumulative Preference Shares	Morgan Stanley UK Group	785,772,500 (100%)
USD Class C Non-Cumulative Preference Shares	Morgan Stanley Services (UK) Limited	50,000,000 (100%)
GBP Ordinary P Share	Morgan Stanley UK Group	1 (100%)

7. LEGAL PROCEEDINGS

In addition to the matters described below, in the normal course of business, MSI plc has been named, from time to time, as a defendant in various legal actions, including arbitrations, class actions and other litigation, arising in connection with its activities as a financial services institution. Certain of the actual or threatened legal actions include claims for substantial compensatory and/or punitive damages or claims

for indeterminate amounts of damages. In some cases, the issuers that would otherwise be the primary defendants in such cases are bankrupt or in financial distress.

MSI plc is also involved, from time to time, in other reviews, investigations and proceedings (both formal and informal) by governmental and self-regulatory agencies regarding MSI plc's business including, among other matters, accounting and operational matters, certain of which may result in adverse judgments, settlements, fines, penalties, injunctions or other relief.

MSI plc contests liability and/or the amount of damages as appropriate in each pending matter. In view of the inherent difficulty of predicting the outcome of such matters, particularly in cases where claimants seek substantial or indeterminate damages or where investigations and proceedings are in the early stages, MSI plc cannot predict with certainty the loss or range of loss, if any, related to such matters, how or if such matters will be resolved, when they will ultimately be resolved, or what the eventual settlement, fine, penalty or other relief, if any, might be. Subject to the foregoing, MSI plc believes, based on current knowledge and after consultation with counsel, that the outcome of such pending matters will not have a material adverse effect on the consolidated financial condition of the MSIP Group, although the outcome of such matters could be material to the MSIP Group's operating results and cash flows for a particular future period depending on, among other things, the level of the MSIP Group's revenues or income for such period.

Structured Investment Vehicle Complaint

MSI plc has been named as a defendant in a purported class action complaint pending in the United States Southern District of New York related to its role as arranger and placement agent for a structured investment vehicle known as the Cheyne SIV. The complaint is being brought by purchasers of Commercial Paper, Medium Term Notes and Mezzanine Capital Notes ("Rated Notes") issued by the SIV between October 2004 and October 2007. The complaint alleges common law fraud against MSI plc and other defendants based on the allegedly risky and poor quality of the assets held by the SIV, which included subprime related bonds. Plaintiffs allege that MSI plc knew or should have known that the credit ratings associated with the Rated Notes were inaccurate or misleading and seek various forms of relief including class certification, unspecified compensatory and recessionary damages, costs, interest and fees. A motion to certify the action as a class action is pending.

Save as disclosed above, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which MSI plc is aware) which may have or have had during the last twelve months a significant effect on the financial position or profitability of the MSIP Group.

8. ADDITIONAL INFORMATION

Auditors

MSI plc's report and accounts for the financial year ended 31 December 2009 and the thirteen-month financial period ended 31 December 2008 respectively have been audited by Deloitte LLP (formerly Deloitte & Touche LLP) of 2 New Street Square, London EC4A 3BZ who are a firm of registered auditors and a member firm of the Institute of Chartered Accountants in England and Wales for institute by-laws purposes.

Significant Changes in the financial or trading position of MSI plc

There has been no significant change in the financial or trading position of the MSIP Group since 31 December 2009 (the date of the latest consolidated report and accounts of MSI plc).

Material Adverse Change

There has been no material adverse change in the prospects of MSI plc since 31 December 2009 (the date of the latest consolidated report and accounts of MSI plc).

In the global financial markets and the global economy, regulators have increased their focus on the regulation of the financial services industry. Proposals for legislation that could substantially intensify the regulation of the financial services industry are expected to be introduced around the world. Substantial regulatory and legislative initiatives are possible in the months and years ahead. Any such action could have a materially adverse effect on MSI plc's business, financial condition and results of operations. As a global financial institution, to the extent that different regulatory regimes impose inconsistent or iterative requirements on the conduct of its business, MSI plc faces complexity and additional costs in its compliance efforts.

Capital Structure

MSI plc has the following authorised share classes:

- (i) £107,615,106 divided into 107,615,106 ordinary shares of £1 par value each of which 17,615,106 shares have been issued and are fully paid (the "**GBP Ordinary Shares**"). Each GBP Ordinary Share is entitled to one vote.
- (ii) U.S.\$3,998,332,648 divided into 3,998,332,648 ordinary shares of U.S.\$1 par value each of which 2,998,332,648 shares have been issued and are fully paid (the "**USD Ordinary Shares**"). Each USD Ordinary Share is entitled to one vote.
- (iii) U.S.\$1,400,000,000 divided into 1,400,000,000 class B non-cumulative preference shares of U.S.\$1 par value each of which 785,772,500 have been issued and are fully paid (the "**USD Class B Non-Cumulative Preference Shares**"). The holders of the Class B Non-Cumulative Preference Share are not entitled to vote at any Shareholders meeting of MSI plc.
- (iv) U.S.\$5,000,000,000 divided into 5,000,000,000 class C non-cumulative preference shares of U.S.\$1 par value each of which 50,000,000 have been issued and are fully paid (the "**USD Class C Non-Cumulative Preference Shares**"). The holders of the Class C Non-Cumulative Preference Share are entitled to vote at Shareholders meetings of MSI plc in accordance with the terms set out in the articles of association.
- (v) £1 Ordinary P Share of £1 par value of which 1 share has been issued and is fully paid (the "**P Share**"). The holder of the P Share is not entitled to vote at any Shareholders' meeting of MSI plc.

Selected Financial Information of Morgan Stanley & Co. International plc

The following tables set out the consolidated income statements and balance sheet information relating to MSI plc in accordance with International Financial Reporting Standards ("IFRS"). Such information is derived from the audited reports and accounts of MSI plc as at 31 December 2009. The comparative figures reflected in the financial statements are for a thirteen-month period to 31 December 2008 and therefore are not entirely comparable with amounts shown for the current period.

The financial information presented below should be read in conjunction with such reports and accounts and the notes thereto.

Morgan Stanley & Co. International plc
CONSOLIDATED INCOME STATEMENT
Year ended 31 December 2009

	Year ended 31 December 2009	1 December 2007 to 31 December 2008
	<i>\$millions</i>	<i>\$millions</i>
Net gains on financial instruments classified as held for trading	3,833	2,960
Net gains on financial instruments designated at fair value through profit or loss	57	1,319
Net gains on available-for-sale financial assets	16	1,215
Interest income	4,181	18,530
Interest expense	(4,403)	(20,572)
Other income	239	434
Other expense	(3,326)	(3,935)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES	<u>597</u>	<u>(49)</u>
Share of joint venture	-	(25)
Gain on disposal of subsidiary	-	41
PROFIT/ (LOSS) BEFORE INCOME TAX	<u>597</u>	<u>(33)</u>
Income tax (expense)/ credit	(472)	62
PROFIT FOR THE YEAR/ PERIOD	<u><u>125</u></u>	<u><u>29</u></u>
Attributable to:		
Equity holders of MSI plc	120	26
Minority interest	5	3
PROFIT FOR THE YEAR/ PERIOD	<u><u>125</u></u>	<u><u>29</u></u>

Morgan Stanley & Co. International plc
CONSOLIDATED BALANCE SHEET
As at 31 December 2009

	31 December 2009	31 December 2008
	<i>\$millions</i>	<i>\$millions</i>
ASSETS		
Loans and receivables:		
Cash at bank	13,580	19,988
Securities borrowed	25,394	30,790
Reverse repurchase agreements	83,331	57,235
Trade receivables	51,642	51,532
Other receivables	16,184	10,154
	<hr/>	<hr/>
	190,131	169,699
Financial assets held for trading (approximately \$54,185 million (2008: \$46,862 million) were pledged to various parties)	244,073	285,657
Financial assets designated at fair value through profit or loss	1,907	1,395
Available-for-sale financial assets	43	87
Current tax	558	460
Deferred tax assets	47	173
Prepayments and accrued income	19	134
Associates and joint ventures	16	11
Property, plant and equipment	7	21
	<hr/>	<hr/>
TOTAL ASSETS	436,801	457,637
LIABILITIES AND EQUITY		
Financial liabilities at amortised cost:		
Bank loans and overdrafts	126	451
Securities loaned	44,306	45,786
Repurchase agreements	65,766	51,463
Trade payables	64,557	55,245
Other payables	33,748	35,190
Subordinated loans	8,550	12,950
Preference shares	786	786
	<hr/>	<hr/>
	217,839	201,871
Financial liabilities held for trading	203,555	240,204
Financial liabilities designated at fair value through profit or loss	7,879	5,878
Provisions	22	29
Current tax	381	116
Deferred tax liabilities	7	9
Accruals and deferred income	297	1,390
Retirement benefit obligations	4	2
	<hr/>	<hr/>
TOTAL LIABILITIES	429,984	449,499
EQUITY ATTRIBUTABLE TO SHAREHOLDERS		
Share capital	3,078	4,328
Share premium account	513	513
Other reserves	1,337	132
Retained earnings	1,815	3,098
	<hr/>	<hr/>
	6,743	8,071
Minority interest	74	67
	<hr/>	<hr/>
TOTAL EQUITY	6,817	8,138
	<hr/>	<hr/>
TOTAL LIABILITIES AND EQUITY	436,801	457,637

DESCRIPTION OF MORGAN STANLEY (JERSEY) LIMITED

1. INFORMATION ABOUT MORGAN STANLEY (JERSEY) LIMITED

History and Development of Morgan Stanley (Jersey) Limited

Morgan Stanley (Jersey) Limited ("**Morgan Stanley Jersey**") was incorporated in St. Helier, Jersey, Channel Islands (registration number 35857) as a company with unlimited duration on 24 September 1986. It has its registered office at 22 Grenville Street, St. Helier, Jersey JE4 8PX, Channel Islands, telephone number +44 (0)1534 609000.

Legislation

Morgan Stanley Jersey is subject to the Companies (Jersey) Law 1991, as amended.

2. OVERVIEW OF THE ACTIVITIES

Principal Activities

Morgan Stanley Jersey's business primarily consists of the issuance of financial instruments and the hedging of obligations arising pursuant to such issuances.

Principal Markets

Morgan Stanley Jersey conducts its business from Jersey. All material assets of Morgan Stanley Jersey are obligations of (or securities issued by) one or more companies in the Morgan Stanley Group. Morgan Stanley Jersey does not undertake such business on a competitive basis, however as a member of the Morgan Stanley Group it is indirectly affected by some of the competitive pressures that apply to Morgan Stanley. See "Morgan Stanley" above for further details.

3. ORGANIZATIONAL STRUCTURE

Morgan Stanley Jersey has no subsidiaries and is wholly owned by Morgan Stanley.

4. MANAGEMENT OF MORGAN STANLEY JERSEY

The directors of Morgan Stanley Jersey are H. Herrmann and R.D.C. Jackson-Proes. The business address of the directors is 22 Grenville Street, St. Helier, Jersey JE4 8PX, Channel Islands. The directors of Morgan Stanley Jersey and principal outside activities as at the date hereof are:

<i>Name</i>	<i>Principal Outside Activity</i>
H. Herrmann	Executive Director, Morgan Stanley
R.D.C. Jackson-Proes	Executive Director, Morgan Stanley

There are no existing or potential conflicts of interest between any duties owed to Morgan Stanley Jersey by its management (as described above) and the private interests and/or other external duties owed by these individuals.

The secretary of Morgan Stanley Jersey is State Street Secretaries (Jersey) Limited of 22 Grenville Street, St. Helier, Jersey JE4 8PX, Channel Islands.

Morgan Stanley Jersey has no employees.

5. BOARD PRACTICES

Morgan Stanley Jersey considers itself to be in compliance with all Jersey laws relating to corporate governance that are applicable to it.

As of the date of this Registration Document, Morgan Stanley Jersey does not have an audit committee.

6. MAJOR SHAREHOLDERS

Morgan Stanley Jersey is wholly owned by Morgan Stanley. Morgan Stanley Jersey is not aware of any control measures with respect to such shareholder control. All decisions to issue securities are taken by the Board and Morgan Stanley Jersey earns a spread from all its issues of securities.

7. LITIGATION

There are no, nor have there been, any governmental, legal or arbitration proceedings involving Morgan Stanley Jersey (including any such proceedings which are pending or threatened of which Morgan Stanley Jersey is aware) during the 12-month period before the date of this Registration Document which may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley Jersey.

8. ADDITIONAL INFORMATION

Auditors

Morgan Stanley Jersey's auditors are Deloitte LLP, Chartered Accountants and Registered Auditors.

Trend Information

Morgan Stanley Jersey intends to continue issuing securities and entering hedges in respect of such issues of securities.

There has been no significant change in the financial or trading position, nor any material adverse change in the prospects of, Morgan Stanley Jersey since 31 December 2009.

Share Capital

At 31 December 2009, the authorised share capital of Morgan Stanley Jersey comprised an unlimited number of shares of no par value designated as ordinary shares, an unlimited number of shares of no par value designated as nominal shares and an unlimited number of shares of no par value designated as unclassified shares available for issue as separate classes of preference shares.

Memorandum and Articles of Association

Morgan Stanley Jersey's objects and purposes are not specified in any document and are therefore unlimited.

Selected Financial Information

The profit or loss before tax for the thirteen month period ended 31 December 2008 and the financial year ended 31 December 2009 was nil and nil respectively. The current assets of Morgan Stanley Jersey have fallen from U.S.\$ 5,273,799,000 in 2008 to U.S.\$ 876,848,000 in 2009 with total liabilities falling from U.S.\$ 5,273,343,000 in 2008 to U.S.\$ 876,392,000 in 2009.

DESCRIPTION OF MORGAN STANLEY B.V.

1. INFORMATION ABOUT MORGAN STANLEY B.V.

History and Development

Morgan Stanley B.V. was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands on 6 September 2001 for an unlimited duration. MSBV is registered at the commercial register of the Chamber of Commerce and Industries (*Kamer van Koophandel*) for Amsterdam under number 34161590. It has its corporate seat at Amsterdam, The Netherlands and its offices are located at Locatellikade 1, 1076 AZ Amsterdam, The Netherlands. Its telephone number is +31 20 57 55 600.

Legislation

MSBV is incorporated under, and subject to, the laws of The Netherlands.

2. OVERVIEW OF THE ACTIVITIES

Principal Activities

MSBV's principal activity is the issuance of financial instruments and the hedging of the obligations arising pursuant to such issuances.

Principal Markets

MSBV conducts its business from The Netherlands. All material assets of MSBV are obligations of (or securities issued by) one or more Morgan Stanley group companies. MSBV does not undertake such business on a competitive basis, however as a member of the Morgan Stanley group it is indirectly affected by some of the competitive pressures that apply to Morgan Stanley. See "Description of Morgan Stanley" above for further details.

3. ORGANIZATIONAL STRUCTURE

MSBV has no subsidiaries. It is ultimately controlled by Morgan Stanley.

4. MANAGEMENT OF MSBV

The current directors of MSBV, their offices, if any, within MSBV, and their principal outside activity, if any, are listed below. The business address of each director is Locatellikade 1, 1076 AZ Amsterdam, The Netherlands.

<i>Name</i>	<i>Title</i>	<i>Principal Outside Activity</i>
J.Y. Bahurel	Director	Managing Director, Morgan Stanley
H. Herrmann	Director	Executive Director, Morgan Stanley
A.J.S. Crawford	Director	Executive Director, Morgan Stanley
J. A. Solan	Director	Executive Director, Morgan Stanley

<i>Name</i>	<i>Title</i>	<i>Principal Outside Activity</i>
TMF Management B.V.	Director	Dutch corporate service provider

Directors of TMF Management B.V.

M.C. van der Sluijs-Plantz	Director	Employee of TMF Nederland B.V.
J.R. de Vos van Steenwijk	Director	Employee of TMF Nederland B.V.
T.J. Van Rijn	Director	Employee of TMF Nederland B.V.
R.W. de Koning	Director	Employee of TMF Nederland B.V.

MSBV is not aware of any existing or potential conflicts of interest between any duties owed to MSBV by its management (as described above) and the private interests and/or other external duties owed by these individuals.

5. BOARD PRACTICE

MSBV considers itself to be in compliance with all Dutch laws relating to corporate governance that are applicable to it.

As of the date of this Registration Document, MSBV does not have an audit committee. The accounts of MSBV are approved by the Board of MSBV.

6. MAJOR SHAREHOLDERS

MSBV is ultimately controlled by Morgan Stanley. MSBV is not aware of any control measures with respect to such shareholder control. All decisions to issue securities are taken by the Board and MSBV earns a spread on all its issues of securities.

7. LITIGATION

There are no, nor have there been, any governmental, legal or arbitration proceedings involving MSBV (including any such proceedings which are pending or threatened of which MSBV is aware) during the 12-month period before the date of this Registration Document, involving MSBV which may have, or have had in the recent past, a significant effect on the financial position or profitability of MSBV.

8. ADDITIONAL INFORMATION

Auditors

Deloitte Accountants B.V., independent auditors and certified public accountants of Orlyplein 10, 1040 HC Amsterdam, The Netherlands have audited the financial statements of MSBV for the years ended 30 November 2008 and 31 December 2009 and an unqualified opinion has been reported thereon.

This document does not contain any other information that has been audited by Deloitte Accountants B.V.

The financial information in respect of MSBV has been prepared in accordance with IFRS for the years ended 30 November 2008 and 31 December 2009.

Trend Information

MSBV intends to continue issuing securities and entering hedges in respect of such issues of securities. There has been no significant change in the financial or trading position, nor any material adverse change in the prospects, of MSBV since 31 December 2009.

Share Capital

The authorised share capital of MSBV comprises 400,000 ordinary shares of nominal value EUR 100.

The issued, allotted and fully paid up share capital of MSBV comprises 150,180 ordinary shares of nominal value EUR100.

Articles of Association

MSBV's objects and purposes are set out in Article 3 of its Articles of Association and enable it to issue, sell, purchase, transfer and accept warrants, derivatives, certificates, debt securities, equity securities and/or similar securities or instruments and to enter into hedging arrangements in connection with such securities and instruments. Furthermore its objects are to finance businesses and companies, to borrow, to lend and to raise funds as well as to enter into agreements in connection with the aforementioned, to render guarantees, to bind the company and to pledge its assets for obligations of the companies and enterprises with which it forms a group and on behalf of third parties and to trade in currencies, securities and items of property in general. As well as everything pertaining to the foregoing, relating thereto or conducive thereto all in the widest sense of the word.

The articles of association were last amended on 5 January 2009 whereby the financial year-end was amended from 30 November to 31 December. The last financial year ran from 1 December 2008 to 31 December 2009 (13 month period).

Selected Financial Information

The net revenue for the financial years ended December 2009 and November 2008 was EUR 1,294,000 and EUR 5,170,000 respectively, representing issuance fees received on the issuance of financial instruments less guarantee fees payable. The profit or loss before tax for the financial years ended 2009 and 2008 was a profit of EUR 2,045,000 and EUR 6,237,000 respectively.

The current assets of MSBV increased from EUR 2,153,167,000 in 2008 to EUR 2,900,852,000 in 2009 with total liabilities increasing from EUR 2,128,151,000 in 2008 to EUR 2,874,297,000 in 2009.

ANNEX I

SUBSIDIARIES OF MORGAN STANLEY

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Morgan Stanley	Delaware
Bayfine DE LLC	Delaware
Bayview Holding Ltd.	Cayman Islands
Bayfine Cayman Ltd.	Cayman Islands
Bayfine DE Inc.	Delaware
Bayfine UK	United Kingdom
Belmondo LLC	Delaware
Cauca LLC	Delaware
Corporate Equipment Supplies, Inc.	Delaware
Cournot Holdings Inc.	Delaware
Cournot Capital Inc.	Delaware
Dean Witter Capital Corporation	Delaware
Dean Witter Realty Inc.	Delaware
Dean Witter Holding Corporation	Delaware
Civic Center Leasing Corporation	Delaware
Dean Witter Leasing Corporation	Delaware
Dean Witter Realty Credit Corporation	Delaware
Dean Witter Realty Fourth Income Properties Inc.	Delaware
Dean Witter Realty Growth Properties Inc.	Delaware
Dean Witter Realty Income Properties I Inc.	Delaware
Dean Witter Realty Income Properties II Inc.	Delaware
Dean Witter Realty Income Properties III Inc.	Delaware
Dean Witter Realty Yield Plus Inc.	Delaware
Dean Witter Realty Yield Plus II Inc.	Delaware
Realty Management Service Inc.	Delaware
Dean Witter Reynolds Venture Equities Inc.	Delaware
Early Adopter Fund Manager Inc.	Delaware
Fuegos LLC	Delaware
Fundlogic (Jersey) Limited	Jersey, Channel Is.
FV-I, Inc.	Delaware
GSS III Funding, Inc.	Delaware
GSS III Funding Partner, Inc.	Delaware
Global Special Situations III Funding L.P. *	Delaware
ISG Alternative Investments Inc.	Delaware
Japan Core Funding, Inc.	Delaware
Jolter Investments Inc.	Delaware
Morgan Rundle Inc.	Delaware
MR Ventures Inc.	Delaware
Morgan Stanley & Co. Incorporated	Delaware
Corporate Services Support Corp.	Delaware
Dean Witter Reynolds Insurance Agency (Ohio) Inc.	Ohio
Dean Witter Reynolds Insurance Agency (Oklahoma) Inc.	Oklahoma

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Dean Witter Reynolds Insurance Agency (Texas) Inc.	Texas
Dean Witter Reynolds Insurance Services, Inc. (Puerto Rico)	Puerto Rico
Graystone Wealth Management Services LLC	Delaware
Luxco 45 Sarl	Luxembourg
Morgan Stanley Dean Witter Insurance Services (Arizona) Inc.	Arizona
Morgan Stanley Insurance Services Inc.	Delaware
Morgan Stanley Flexible Agreements Inc.	Delaware
Morgan Stanley Kew Limited	Cayman Islands
MS Alpha Holdings LLC	Delaware
Morgan Stanley JV Holdings LLC *	Delaware
Morgan Stanley Smith Barney Holdings LLC *	Delaware
AST StockPlan LLC	Delaware
Consulting Group Advisory Services LLC	Delaware
Demeter Management LLC	Delaware
Morgan Stanley GWM Feeder Strategies LLC	Delaware
Morgan Stanley HedgePremier GP LLC	Delaware
Morgan Stanley Smith Barney Australia Pty Limited	Western Australia, Australia
Bow Lane Nominees Pty. Ltd.	Victoria, Australia
Bowyang Nominees Pty Limited	New South Wales, Australia
Skeet Nominees Pty Limited	Victoria, Australia
Morgan Stanley Smith Barney FA Notes Holdings LLC	Delaware
Morgan Stanley Smith Barney Financing LLC	Delaware
Morgan Stanley Smith Barney Holdings (UK) Limited	United Kingdom
Morgan Stanley Private Wealth Management Limited	United Kingdom
Quilter Holdings Limited	United Kingdom
Quilter & Co. Limited	United Kingdom
C.I.P.M. Nominees Limited *	Jersey, Channel Is.
Coastal Nominees (International) Limited	United Kingdom
Coastal Nominees Limited	United Kingdom
Commercial Trust Co. Ltd. *	Jersey, Channel Is.
Hawkshead Trust Nominees Limited	United Kingdom
Pembroke Quilter (Ireland) Nominees Limited	Ireland
QGCI Nominees Limited *	Jersey, Channel Is.
Quilpep Nominees Limited	United Kingdom
Quilter Fund Management Ltd.	United Kingdom
Quilter Nominees Limited	United Kingdom
Morgan Stanley Smith Barney LLC	Delaware
Morgan Stanley Smith Barney Insurance Services LLC	Delaware
Morgan Stanley Smith Barney Payco LLC	Delaware
SBHU Life Agency Inc.	Delaware
Morgan Stanley Smith Barney Private Management II LLC	Delaware
Morgan Stanley Smith Barney Private Management LLC	Delaware
Morgan Stanley Smith Barney Venture Services LLC	Delaware
Morgan Stanley Swiss Holdings GmbH	Switzerland

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Bank Morgan Stanley AG	Switzerland
MS Securities Services Inc.	Delaware
Prime Dealer Services Corp.	Delaware
V2 Holdings (USA), Inc.	Delaware
E Musica Entertainment Group Inc. *	Delaware
Gee Street Records, Inc.	Delaware
V2 Records, Inc.	Delaware
V2 Publishing (Holdings) Limited	United Kingdom
V2 Music Publishing (Holdings) Limited	United Kingdom
V2 Music Publishing Limited	United Kingdom
Morgan Stanley ABS Capital I Inc.	Delaware
Morgan Stanley ABS Capital II Inc.	Delaware
Morgan Stanley Altabridge Ltd.	Cayman Islands
Morgan Stanley Amalthea UK Limited	United Kingdom
Morgan Stanley Amanu LLC	Delaware
Makatea JV Inc.	Delaware
Morgan Stanley Moorea Inc. *	Delaware
Morgan Stanley Pinaki Limited	Cayman Islands
Morgan Stanley Raraka Limited	Cayman Islands
Morgan Stanley Tepoto Limited	Cayman Islands
Morgan Stanley Asset Funding Inc.	Delaware
Morgan Stanley Becketts LLC	Delaware
Morgan Stanley Copse LLC	Delaware
Morgan Stanley Chapel LLC	Delaware
Woodcote Capital S.a.r.l.	Luxembourg
Morgan Stanley Gerrards Limited	United Kingdom
Morgan Stanley Atlas, Inc.	Delaware
Morgan Stanley Barents LLC	Delaware
Morgan Stanley Biscay LLC	Delaware
Morgan Stanley Alpha Investments LLP *	United Kingdom
Morgan Stanley Epsilon Investments Limited	United Kingdom
Morgan Stanley Plymouth Limited	Cayman Islands
Morgan Stanley Viking LLC	Delaware
Morgan Stanley Fastnet LLC	Delaware
Morgan Stanley Humber LLC	Delaware
Fitzroy Partnership *	Delaware
Morgan Stanley Kite LLC	Delaware
Morgan Stanley Swallow Limited	United Kingdom
Hampshire Trading B.V. *	The Netherlands
Morgan Stanley Semaine Sarl	Luxembourg
Ras Dashen Cayman Ltd.	Cayman Island
Morgan Stanley Firecrest LLC	Delaware
Morgan Stanley Plover Limited	United Kingdom
Fyled Energy Limited	United Kingdom
Fyled Limited Partnership	United Kingdom

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Morgan Stanley Foxton Limited Partnership	United Kingdom
Morgan Stanley Sandpiper Limited	United Kingdom
Sand Lake Limited Partnership	United Kingdom
Morgan Stanley Starling Limited	United Kingdom
Morgan Stanley Puffin LLC	Delaware
Morgan Stanley Boscastle Holding Limited	Cayman Islands
Morgan Stanley Cornerways Cayman Limited	Cayman Islands
Morgan Stanley Monmouth UK	United Kingdom
Morgan Stanley Capital I Inc.	Delaware
Morgan Stanley Capital Group Inc.	Delaware
Cayman Energy Ltd.	Cayman Islands
Ghent Energy Limited	Cayman Islands
Heidmar Group Inc.	Delaware
Houston Bayport Energy LLC	Delaware
MGM International Group LLC	Delaware
Morgan Stanley Capital Group Czech Republic s.r.o.	Czech Republic
Morgan Stanley Capital Group (España), S.L.	Spain
Morgan Stanley Clean Development, LLC	Delaware
Morgan Stanley Capital Group Energy Europe Limited	United Kingdom
Morgan Stanley Renewables Development I (Cayman) Limited	Cayman Islands
Morgan Stanley Commodities Investment Limited	Cayman Islands
Morgan Stanley Commodity Opportunities Fund LLC	Delaware
Morgan Stanley Energy Development Corp.	Delaware
Morgan Stanley Capital Group Cyprus Limited *	Cyprus
Morgan Stanley Petroleum Development, LLC	Delaware
Wellbore Capital, LLC *	Delaware
MS TELA LLC	Delaware
MSDW Power Development Corp.	Delaware
Cogeneracion Prat S.A.	Spain
Minnewit B.V.	The Netherlands
MS Coal Trading Corp.	Delaware
MS Solar Holdings Inc.	Delaware
Solar Access CA, LLC	Delaware
MS Solar Solutions Corp.	Delaware
Naniwa Energy LLC	Delaware
Naniwa Terminal LLC	Delaware
Van Twillwer B.V.	The Netherlands
Power Contract Finance, L.L.C.	Delaware
Power Contract Financing II, Inc.	Delaware
Power Contract Financing II, L.L.C.	Delaware
South Eastern Electric Development Corporation	Delaware
South Eastern Generating Corporation	Delaware
TransMontaigne Inc.	Delaware
Olco Petroleum Group Inc.	Quebec
Canterm Canadian Terminals Inc.	Quebec

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
TransMontaigne Product Services Inc.	Delaware
TransMontaigne Holdings Inc.	Delaware
TransMontaigne GP L.L.C.	Delaware
Utility Contract Funding II, L.L.C.	Delaware
Morgan Stanley Capital Management, LLC	Delaware
Morgan Stanley Domestic Holdings, Inc.	Delaware
Morgan Stanley Bank, N.A.	Federal Charter
Morgan Stanley Capital Partners III, Inc.	Delaware
Morgan Stanley Capital REIT Inc.	Delaware
Saxon Advance Receivables Company, Inc.	Delaware
Morgan Stanley Capital REIT IV, Inc.	Delaware
Morgan Stanley Capital Services Inc.	Delaware
MS Avondale 1 B.V.	The Netherlands
MS Avondale 2 B.V.	The Netherlands
Morgan Stanley Capital Trust III	Delaware
Morgan Stanley Capital Trust IV	Delaware
Morgan Stanley Capital Trust V	Delaware
Morgan Stanley Collateralized Financing Inc.	Delaware
Morgan Stanley Commercial Financial Services, Inc.	Delaware
Morgan Stanley Commercial Mortgage Capital, Inc.	Delaware
Morgan Stanley Content Corporation	Delaware
Morgan Stanley Darica Funding, LLC	Delaware
Ascension Loan Vehicle, LLC	Delaware
Morgan Stanley Dean Witter Equity Funding, Inc.	Delaware
Morgan Stanley Dean Witter International Incorporated	Delaware
Dean Witter Reynolds GmbH	Germany
Dean Witter Reynolds International, Inc.	Panama
Morgan Stanley (DWRBBS) Limited	United Kingdom
Morgan Stanley Derivative Products Inc.	Delaware
Morgan Stanley Distributors Inc.	Delaware
Morgan Stanley Domestic Leasing Inc.	Delaware
Morgan Stanley Durango LLC	Delaware
Morgan Stanley Afdera Cayman Limited	Cayman Islands
Morgan Stanley Amba Alagi LLC *	Delaware
Morgan Stanley Ambasel LLC *	Delaware
Morgan Stanley Elan LLC	Delaware
Cimarron Investments LLC	Delaware
Riva Investments LLC	Delaware
Morgan Stanley Emerging Markets Inc.	Delaware
Always Limited	Cayman Islands
Inter Capital Alliance Company Limited *	Thailand
Inter Capital Alliance Holding Limited *	Thailand
MS China 1 Limited	Cayman Islands
DAH Limited	Cayman Islands
Dare Limited	Cayman Islands

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
MS China 2 Limited	Cayman Islands
MS China 3 Limited	Cayman Islands
MS China 4 Limited	Cayman Islands
MS China 5 Limited	Cayman Islands
MSGHYLADD *	Ireland
MSJI 2 LLC	Delaware
MSJI LLC	Delaware
Philippine Asset Investment (SPV - AMC) Inc.	The Philippines
Morgan Stanley Equity Services Inc.	Delaware
Morgan Stanley Europa LLC	Delaware
Morgan Stanley Callisto Cayman Ltd.	Cayman Islands
Morgan Stanley Elara Cayman Ltd.	Cayman Islands
Morgan Stanley Eurydome Cayman Ltd.	Cayman Islands
Morgan Stanley Luxembourg Holdings Sarl	Luxembourg
Morgan Stanley Europe Reinsurance S.A.	Luxembourg
Morgan Stanley Luxembourg Reinsurance S.A. *	Luxembourg
Morgan Stanley Metis (Gibraltar) Limited	Gibraltar
Morgan Stanley Ganymede Luxembourg Sarl	Luxembourg
Morgan Stanley Ananke Luxembourg Sarl	Luxembourg
Morgan Stanley Carme Luxembourg Sarl	Luxembourg
Morgan Stanley Himalia Cayman Limited	Cayman Islands
Morgan Stanley Sinope Cayman Limited	Cayman Islands
Morgan Stanley Adrastea Netherlands B.V.	The Netherlands
Morgan Stanley IO Cayman Limited	Cayman Islands
Morgan Stanley Iocaste Cayman Limited	Cayman Islands
Morgan Stanley Pasiphae Netherlands B.V.	Cayman Islands
Morgan Stanley Leda Cayman Ltd.	Cayman Islands
Morgan Stanley Stoneyside Cayman Limited	Cayman Islands
Morgan Stanley White Horse UK	United Kingdom
Morgan Stanley Financial Products Inc.	Delaware
Morgan Stanley Fund Services Inc.	Delaware
Morgan Stanley Fund Services (Bermuda) Ltd.	Bermuda
Morgan Stanley Fund Services (Cayman) Ltd.	Cayman Islands
Morgan Stanley Fund Services (Ireland) Limited	Ireland
Morgan Stanley Fund Services (UK) Limited	United Kingdom
Morgan Stanley Fund Services USA LLC	Delaware
Morgan Stanley Galway LLC	Delaware
Morgan Stanley Global Emerging Markets, Inc.	Delaware
Morgan Stanley Global Funding Trust	Delaware
Morgan Stanley Global Strategies Management Holdings, Inc.	Delaware
Morgan Stanley Global Strategies Management LLC	Delaware
Morgan Stanley Hedging Co. Ltd. *	Cayman Islands
Morgan Stanley International Holdings Inc. *	Delaware
Arno Limited	Cayman Islands
European Principal Assets Limited	United Kingdom

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Credito Fondario e Industriale - Fonspa SpA	Italy
Limited Liability Company City Mortgage Bank	Russian Federation
Psylon Holding Limited	Cyprus
Limited Liability Company Rinocenter *	Russian Federation
Volmar Holdings Limited	Cyprus
Fosbury Investments Cooperatieve U.A.	The Netherlands
ITALSEC S.r.l.	Italy
Morgan Stanley AB	Sweden
Morgan Stanley Advantage Services Private Limited *	India
Morgan Stanley Asia Holdings I Inc.	Delaware
Morgan Stanley Asia Holdings II Inc.	Delaware
Morgan Stanley Asia Holdings III Inc.	Delaware
Morgan Stanley Asia Holdings IV Inc.	Delaware
Morgan Stanley Asia Holdings VI Inc.	Delaware
Morgan Stanley Asia Pacific (Holdings) Limited *	Cayman Islands
Morgan Stanley (Hong Kong) Holdings Limited	Hong Kong
Morgan Stanley Asia International Limited	Cayman Islands
Morgan Stanley Asia Regional (Holdings) IV Limited	Cayman Islands
Morgan Stanley Hong Kong 1238 Limited *	Hong Kong
Morgan Stanley Asia Securities Products LLC	Cayman Islands
Morgan Stanley Asia Limited	Hong Kong
Morgan Stanley Asia Products Limited	Cayman Islands
Morgan Stanley Asia (Taiwan) Ltd.	Republic of China
Morgan Stanley Hong Kong Futures Limited	Hong Kong
Morgan Stanley Hong Kong Securities Limited	Hong Kong
Morgan Stanley Hong Kong 1239 Limited	Hong Kong
Morgan Stanley Information Technology (Shanghai) Limited	People's Rep. of China
Morgan Stanley Services Limited	Australia
MSDW-JL Holdings I Limited	Cayman Islands
Morgan Stanley Bosphorus Limited	Cayman Islands
Morgan Stanley Canmore Limited	Cayman Islands
Morgan Stanley Caledonia Limited	Cayman Islands
Morgan Stanley Japan (Holdings) Ltd.	Cayman Islands
City Forum Capital Limited	Cayman Islands
Morgan Stanley Asia Regional (Holdings) III Limited	Cayman Islands
Morgan Stanley (Singapore) Holdings Pte. Ltd.	Singapore
Morgan Stanley Asia (Singapore) Pte.	Singapore
Morgan Stanley Asia (Singapore) Securities Pte Ltd	Singapore
Morgan Stanley Capital Group (Singapore) Pte.	Singapore
Morgan Stanley Investment Management Company	Singapore
Morgan Stanley Labuan Investment Bank Limited	Labuan/Malaysia
Morgan Stanley Singapore Pte. Ltd.	Singapore
Morgan Stanley Dean Witter Japan Group, Ltd.	Cayman Islands
MSDW-JL Holdings II Limited *	Cayman Islands
Morgan Stanley Products Limited	Cayman Islands

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
MS Capital Cayman Ltd.	Cayman Islands
MS Remora Ltd.	Cayman Islands
MSJL Holdings 4682 Limited	Cayman Islands
MS CYM Preferred Ltd.	Cayman Islands
MSJS Preferred YK	Japan
MSJL Holdings Limited	Cayman Islands
Morgan Stanley Japan Holdings Co., Ltd. *	Japan
Hybrid Capital K.K.	Japan
TM, Limited	Japan
Hybrid Capital Second K.K.	Japan
Jipang Mortgage Finance Co., Ltd.	Japan
Morgan Stanley Asset & Investment Trust Management Co., Limited	Japan
Morgan Stanley Japan Business Group Co., Ltd.	Japan
Morgan Stanley Japan Group Co., Ltd.	Japan
Morgan Stanley Japan Securities Co., Ltd.	Japan
Morgan Stanley Capital K.K. *	Japan
K.K. MST Investment Management *	Japan
Morgan Stanley Tokyo Properties K.K.	Japan
MS Real Estate Advisors Co., Ltd.	Japan
Panorama Hospitality, K.K.	Japan
MSDW Birkdale Limited	Cayman Islands
MSDW Muirfield Limited	Cayman Islands
MSDW Lytham Limited	Cayman Islands
Swilken Limited	Cayman Islands
Morgan Stanley Asia Pacific Services Limited	United Kingdom
Morgan Stanley Asset Management S.A.	Luxembourg
Morgan Stanley Australia Finance Limited	Australia
Morgan Stanley (Australia) Real Estate Holdings Pty Limited	Australia
Morgan Stanley (Australia) Servco Pty Limited	Australia
Morgan Stanley International Real Estate Limited	Australia
Morgan Stanley Bank AG	Germany
Morgan Stanley B.V.	The Netherlands
Morgan Stanley Canada Limited	Canada
Morgan Stanley Capital (Luxembourg) S.A. *	Luxembourg
Morgan Stanley Capital, S.A. de C.V., SOFOM, E.N.R. *	Mexico
Morgan Stanley Cayman Holdings I Limited	Cayman Islands
Morgan Stanley Commodities Trading Cayman Holdings Limited	Cayman Islands
Morgan Stanley Commodities Trading Hong Kong Holdings Limited	Hong Kong
Morgan Stanley Commodities Trading (China) Limited	People's Rep. of China
MS Gamma Holdings LLC	Delaware
Cabot 37 Limited *	United Kingdom

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Cabot 34 Limited	United Kingdom
Cabot 35 Limited	United Kingdom
Morgan Stanley Hong Kong Limited	Hong Kong
Morgan Stanley Hong Kong Nominees Limited	Hong Kong
Morgan Stanley Hungary Analytics Limited	Hungary
Morgan Stanley International Limited	United Kingdom
Morgan Stanley Group (Europe) *	United Kingdom
Advantage Home Loans Limited	United Kingdom
Bayfine UK Products *	United Kingdom
Morgan Stanley Angel Limited	Cayman Islands
Suffolk Trading B.V.	The Netherlands
V2 Music (Holdings) Limited *	United Kingdom
Morgan Stanley Leitrim Sarl *	Luxembourg
Morgan Stanley Kerry Limited	Cayman Islands
Morgan Stanley Richmond Limited	Gibraltar
Morgan Stanley Bank International Limited *	United Kingdom
Morgan Stanley Bank International (China) Limited	People's Rep. of China
Morgan Stanley Capital Group Limited	United Kingdom
Morgan Stanley (Europe) Limited	United Kingdom
Morgan Stanley Gala Limited *	Jersey, Channel Is.
Morgan Stanley Finance plc *	United Kingdom
Morgan Stanley Caballa Limited	United Kingdom
Morgan Stanley Gastoro Investments Limited	United Kingdom
Morgan Stanley Pintado Investments Limited	United Kingdom
Woburn IV Cooperatieve U.A.	The Netherlands
Woburn V Cooperatieve U.A.	The Netherlands
Morgan Stanley Corporate Holdings Limited	United Kingdom
MSDW Corporate Investments I Limited	Jersey, Channel Is.
MSDW Corporate Investments II Limited	Jersey, Channel Is.
Sunningdale Cooperatieve UA	The Netherlands
Wentworth Cooperatieve U.A.	The Netherlands
Woburn Cooperatieve UA	The Netherlands
Morgan Stanley Investments (UK) Limited	United Kingdom
Morgan Stanley Investment Management Limited *	United Kingdom
Morgan Stanley Investment Management (ACD) Limited	United Kingdom
Morgan Stanley JY Holdings Limited	United Kingdom
Morgan Stanley JY Limited	United Kingdom
Morgan Stanley Property Management (UK) Limited	United Kingdom
Morgan Stanley Services (UK) Limited	United Kingdom
Morgan Stanley (Structured Products) Jersey Limited	Jersey, Channel Is.
Morgan Stanley UK Group	United Kingdom
Morgan Stanley & Co. International plc *	United Kingdom
Cabot 38 Limited	United Kingdom
Morgan Stanley Derivative Products (Singapore)	Singapore

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Pte. Ltd.	
Morgan Stanley Equity Trading (Singapore) Pte. Ltd.	Singapore
Morgan Stanley Derivative Products (Spain) S.L.	Spain
Morgan Stanley Humboldt Investments Limited	United Kingdom
Clearcreek, S.L.	Spain
Morgan Stanley Langton Limited	United Kingdom
Morgan Stanley Longcross Limited	United Kingdom
Morgan Stanley Derivative Products (Netherlands) B.V.	The Netherlands
Drake II Investments Limited	Cayman Islands
Morgan Stanley Maple Limited	United Kingdom
Morgan Stanley Bridel S.a.r.l.	Luxembourg
Morgan Stanley Strategic Investments Limited	United Kingdom
Morgan Stanley Lyle Investments Limited	United Kingdom
Morgan Stanley Dover Investments Limited	United Kingdom
Morgan Stanley Fisher Investments Limited	United Kingdom
Ashwood Cooperatieve U.A.	The Netherlands
Badalona Investments I Limited	Cayman Islands
Badalona Investments II Limited	Cayman Islands
Badalona Investments III Limited	Cayman Islands
Badalona Investments IV Limited	Cayman Islands
Morgan Stanley Lundy Investments Limited	United Kingdom
Wadway 1 Cooperatieve U.A.	The Netherlands
Wadway2 Cooperatieve U.A.	The Netherlands
Sabadell Investments I Limited	Cayman Islands
Sabadell Investments II Limited	Cayman Islands
Sabadell Investments III Limited	Cayman Islands
Sabadell Investments IV Limited	Cayman Islands
Woburn VI Cooperatieve U.A.	The Netherlands
Morgan Stanley Elz GmbH	Germany
Morgan Stanley Saar GmbH	Germany
Morgan Stanley Equity Finance (Denmark) ApS	Denmark
Morgan Stanley Equity Financing Services (Sweden) AB	Sweden
Morgan Stanley (France) SAS	France
Morgan Stanley Havel GmbH	Germany
Morgan Stanley Dill GmbH	Germany
Morgan Stanley Main GmbH	Germany
Morgan Stanley Isar GmbH	Germany
Morgan Stanley Mosel GmbH	Germany
Morgan Stanley Kochi Limited	Cayman Islands
Camomile Liffey Investments (UK) Limited	Cayman Islands
Morgan Stanley Durham Investments Limited	United Kingdom

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Honeybourne Holdings Limited *	Gibraltar
Morgan Stanley Devon Investments Limited	United Kingdom
Morgan Stanley Cumbria Investments *	United Kingdom
Morgan Stanley Berkshire Investments Limited	Jersey, Channel Is.
Morgan Stanley Cheshire Investments Limited	Jersey, Channel Is.
Morgan Stanley Dorset Investments Limited *	United Kingdom
Kerala Investments Limited	Cayman Islands
Morgan Stanley Cork Limited	Cayman Islands
Morgan Stanley Malabar Limited	Cayman Islands
Morgan Stanley Creedy Limited	Cayman Islands
Morgan Stanley Brunton Sarl *	Luxembourg
Morgan Stanley Putney Limited	Gibraltar
Morgan Stanley Hoxne Limited	Gibraltar
Morgan Stanley Lowman Limited	Cayman Islands
Morgan Stanley Mildenhall S.a.r.l.	Luxembourg
Morgan Stanley Byzantine S.a.r.l.	Luxembourg
Morgan Stanley Rosetta Investments S.a.r.l.*	Luxembourg
Morgan Stanley Finchley Limited	Gibraltar
Morgan Stanley Rasam Limited *	Cayman Islands
Morgan Stanley Vindolanda Equity S.a.r.l.	Luxembourg
Morgan Stanley Shannon Limited	Cayman Islands
Morgan Stanley Adur Limited	Cayman Islands
Morgan Stanley Shoreditch Limited *	Cayman Islands
Morgan Stanley Mandarin Limited	United Kingdom
Morgan Stanley Harlequin Investments Limited	United Kingdom
Morgan Stanley Pintail Investments Limited *	United Kingdom
Bonaire Cooperatieve U.A.	The Netherlands
Metsys Cooperatieve U.A.	The Netherlands
Orangewood Cooperatieve U.A.	The Netherlands
Saenredam Cooperatieve U.A.	The Netherlands
Saldanha Cooperatieve U.A.	The Netherlands
Tamboer Cooperatieve U.A.	The Netherlands
Morgan Stanley Neudorf S.a.r.l.	Luxembourg
Morgan Stanley Piccadilly Limited	Cayman Islands
Morgan Stanley Rhein SARL	Luxembourg
Morgan Stanley Clausen Sarl	Luxembourg
Morgan Stanley Eich Sarl	Luxembourg

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Morgan Stanley Rivelino Investments Limited	United Kingdom
Morgan Stanley Dolor Limited	Cayman Islands
Morgan Stanley Gerson Limited	Cayman Islands
Morgan Stanley Tostao Limited	Cayman Islands
Morgan Stanley Silvermere Limited *	United Kingdom
Morgan Stanley Bowline Limited *	United Kingdom
Morgan Stanley Penberthy Limited *	United Kingdom
Archimedes Investments Cooperatieve U.A.	The Netherlands
Hanger Straight Limited	Cayman Islands
Terrassa I Investments Limited	Cayman Islands
Terrassa II Investments Limited	Cayman Islands
Terrassa III Investments Limited	Cayman Islands
Terrassa IV Investments Limited	Cayman Islands
Morgan Stanley Shanklin Limited	Cayman Islands
Morgan Stanley Northcote Investments Limited	United Kingdom
Bermont Cooperatieve U.A.	The Netherlands
Borderwijk Cooperatieve U.A.	The Netherlands
Morgan Stanley Norton Investments Limited	United Kingdom
Morgan Stanley Victoria Limited	Cayman Islands
Shavano Cooperatieve U.A.	The Netherlands
Morgan Stanley Hampstead Limited*	Cayman Islands
Morgan Stanley Yarmouth Limited	Cayman Islands
Morgan Stanley Taiwan Limited *	Republic of China
Morgan Stanley Waterloo Limited *	Cayman Islands
Moor Lane Investments Limited	Jersey, Channel Is.
MSDW Portrush Limited *	Cayman Islands
Morgan Stanley Propus Limited	Gibraltar
Morgan Stanley Batherm Limited	Cayman Islands
Morgan Stanley Ursa SARL	Luxembourg
Morgan Stanley Hercules SARL	Luxembourg
Morgan Stanley Lyra SARL*	Luxembourg
Morgan Stanley Temple Limited	Gibraltar
Newburgh Investments Limited	United Kingdom
Morgan Stanley Turnberry Limited	United Kingdom
Morgan Stanley Medway Limited	United Kingdom
Morgan Stanley Cadzand II Limited	Cayman Islands
Morgan Stanley Ock Limited	Cayman Islands
Morgan Stanley Weaver Sarl	Luxembourg
Morgan Stanley Cadzand III Limited*	Cayman Islands
Morgan Stanley Knightsbridge Limited	Cayman Islands

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Morgan Stanley Oostburg B.V.	The Netherlands
Morgan Stanley Oostburg and Partners S.e.c.s.*	Luxembourg
Ramey Sarl	Luxembourg
Morgan Stanley Mallard Investments Limited*	United Kingdom
Carysforth Investments Limited	Cayman Islands
Haddington Investments Limited	Cayman Islands
Morgan Stanley Millbrae Investments B.V.*	The Netherlands
Morgan Stanley Montgomerie Investments Limited	United Kingdom
Morgan Stanley Cadzand Limited	United Kingdom
Morgan Stanley Malin Investments Limited	United Kingdom
Woburn III Cooperatieve U.A.	The Netherlands
Morgan Stanley Raleigh Investments Limited*	United Kingdom
Morgan Stanley Langtree Investments B.V.	The Netherlands
Drake Investments Limited *	Cayman Islands
Norwegian Energy Limited *	England & Wales
Morgan Stanley & Co. Limited *	United Kingdom
East Sussex Financing Limited	Jersey, Channel Is.
Cottenden Financing Unlimited	Jersey, Channel Is.
Morgan Stanley Securities Limited	United Kingdom
Morstan Nominees Limited	United Kingdom
Morgan Stanley UK Limited	United Kingdom
Morgan Stanley Pension Trustee Limited	United Kingdom
Morgan Stanley Trustee Limited	United Kingdom
Morgan Stanley Wertpapiere GmbH	Germany
OOO Morgan Stanley Bank	Russian Federation
Morgan Stanley Strategic Funding Limited *	United Kingdom
MS Leasing UK Limited (In Members' Voluntary Liquidation)	United Kingdom
Morgan Stanley Finance (C.I.) Limited	Jersey, Channel Is.
MSDW Fixed Income Limited	Jersey, Channel Is.
Morgan Stanley Jubilee Investments Limited	United Kingdom
Augusta Cooperatieve U.A.	The Netherlands
Morgan Stanley Eden Investments Limited	United Kingdom
Willow Capital Limited	Jersey, Channel Is.
Morgan Stanley Investment Management (Australia) Pty Limited	Australia
Morgan Stanley Investment Management (Korea) Limited	Republic of Korea
Morgan Stanley Investments (Mauritius) Limited	Mauritius

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Morgan Stanley (Israel) Ltd.	Israel
Morgan Stanley Japan Limited	Cayman Islands
Morgan Stanley Latin America Incorporated	Delaware
Banco Morgan Stanley S.A. *	Brazil
Morgan Stanley Administradora de Carteiras S.A. *	Brazil
Morgan Stanley C.T.V.M. S.A. *	Brazil
Morgan Stanley Dean Witter do Brasil Ltda. *	Brazil
Morgan Stanley Uruguay Ltda. *	Uruguay
Morgan Stanley Mauritius Company Limited	Mauritius
Alanoushka Finlease and Investments Private Limited *	India
Morgan Stanley Asia Regional (Holdings) II LLC	Cayman Islands
Morgan Stanley India Capital Private Limited *	India
Morgan Stanley India Primary Dealer Private Limited *	India
Morgan Stanley India Securities Private Limited *	India
Morgan Stanley India Company Private Limited *	India
Morgan Stanley India Financial Services Private Limited *	India
Morgan Stanley India Services Private Limited *	India
Morgan Stanley Investment Management Private Limited *	India
MSIM Global Support and Technology Services Private Limited *	India
Morgan Stanley Menkul Degerler A.S. *	Turkey
Morgan Stanley México, Casa de Bolsa, S.A. de C.V. *	Mexico
Morgan Stanley (Thailand) Limited *	Thailand
Morgan Stanley San Donato SARL *	Luxembourg
Morgan Stanley Syrah Two Limited *	Cayman Islands
Morgan Stanley Donegan Limited	Cayman Islands
Morgan Stanley Middle East Inc.	Delaware
Morgan Stanley Saudi Arabia *	Saudi Arabia
Morgan Stanley Mortgage Servicing Limited	United Kingdom
Prime Commercial Mortgage Servicing GmbH	Germany
Morgan Stanley Pacific Services Limited	United Kingdom
Morgan Stanley Poggio Secco Limited	Cayman Islands
Alpino Investments Limited *	Cayman Islands
Morgan Stanley Clare SARL	Luxembourg
Morgan Stanley Private Equity Management Korea, Ltd.	Republic of Korea
Morgan Stanley Real Estate Investment GmbH	Germany
Morgan Stanley SGR (Società di Gestione del Risparmio) SpA *	Italy
Morgan Stanley Spanish Holdings S.L.U.	Spain
Morgan Stanley SV, SAU	Spain

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Morgan Stanley Structured Products (Cayman) I Limited	Cayman Islands
Morgan Stanley Pacific Limited	Hong Kong
Morgan Stanley Investment Consultancy (Beijing) Company Limited	People's Rep. of China
Morgan Stanley Trading Beteiligungs-GmbH	Germany
Morgan Stanley Ukraine LLC *	Ukraine
MS Equity Financing Services (Luxembourg) S.à.r.l.	Luxembourg
MS Italy (Holdings) Inc.	Delaware
MSAM/Kokusai (Cayman Islands), Inc.	Cayman Islands
MSAM/Kokusai II (Cayman Islands), Inc.	Cayman Islands
MSDW Finance (Netherlands) BV	The Netherlands
MSDW Investment Holdings (US) Inc.	Delaware
Morgan Stanley UK Trader	United Kingdom
Morgan Stanley Corporate Trader *	United Kingdom
Morgan Stanley Financial Trader	United Kingdom
Morgan Stanley Equity Trader *	United Kingdom
Morgan Stanley Weser GmbH	Germany
MSDW Investments (Cayman) Limited	Cayman Islands
MSDW Investment Holdings (UK) Ltd.	United Kingdom
Cabot 1 Limited	United Kingdom
Applied Risc Technologies Limited	United Kingdom
Cornwall Financing UK Limited	Jersey, Channel Is.
Morgan Stanley Cornwall Investments UK Limited *	Jersey, Channel Is.
Morgan Stanley Investment Holdings Jersey Limited	Jersey, Channel Is.
Lancashire Trading B.V.	The Netherlands
Norfolk Trading B.V.	The Netherlands
Wiltshire Trading B.V.	The Netherlands
Morgan Stanley Funding Limited	Jersey, Channel Is.
Yorkshire Trading B.V.	The Netherlands
MSL Incorporated	Delaware
Morgan Stanley SPV I (Cayman Islands) LLC *	Cayman Islands
Farlington Company *	Ireland
Providence DE LLC	Delaware
Providence Canada Co.	Canada
Providence Cayman Investments Limited *	Cayman Islands
Providence DE Investments Co.	Delaware
PT Morgan Stanley Asia Indonesia *	Indonesia
PT Morgan Stanley Indonesia *	Indonesia
Morgan Stanley International Incorporated *	Delaware
Morgan Stanley South Africa (Pty) Limited	South Africa
Morgan Stanley Asia Holdings V Inc.	Delaware
Morgan Stanley (Australia) Holdings Pty Limited	Australia
Morgan Stanley Australia Limited	Australia

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Morgan Stanley (Australia) Securities Holdings Pty Limited	Australia
Morgan Stanley Australia Securities Limited	Australia
Morgan Stanley Australia Securities (Nominee) Pty Limited	Australia
Morgan Stanley Capital Holdings *	United Kingdom
Morgan Stanley Dean Witter Financial Holdings, LLC *	Delaware
Morgan Stanley Hong Kong Finance Limited *	Hong Kong
Morgan Stanley UK Capital Limited	United Kingdom
Morgan Stanley Dean Witter HK RAV IV, LLC	Delaware
The HK RAV IV Trust *	Hong Kong
Morgan Stanley International Finance SA *	Luxembourg
Morgan Stanley International Insurance Ltd.	Bermuda
MSIL Captive Insurance, Inc.	Arizona
Morgan Stanley SerCo Solutions Pty Limited	Australia
Morgan Stanley SPV II (Cayman Islands) LLC	Cayman Islands
MSDWIH Limited	Cayman Islands
Cabot 2 Limited	United Kingdom
MS Cabot Inc.	Delaware
Morgan Stanley Investment Advisors Inc.	Delaware
Morgan Stanley Services Company Inc.	Delaware
Morgan Stanley Investment Management Inc.	Delaware
Morgan Stanley AIP Funding Inc.	Delaware
Morgan Stanley Alternative Investments Inc.	Delaware
GTB Capital Partners GP LP *	Delaware
Morgan Stanley AIP (Cayman) GP Ltd.	Cayman Islands
Morgan Stanley Select Investment Strategies Ltd.	Cayman Islands
Morgan Stanley AIP Falconer 2008 GP LP *	Delaware
Morgan Stanley AIP GP LP	Delaware
Morgan Stanley Alternative Investment Partners LP	Delaware
Morgan Stanley Comprehensive Alternatives Fund I LP	Delaware
Morgan Stanley EPMF I GP LP *	Delaware
Morgan Stanley GDOF GP LP *	Delaware
Morgan Stanley PMF III GP LP *	Delaware
Morgan Stanley SCRSIC Strategic Partnership Fund GP Inc.	Delaware
Morgan Stanley Distribution, Inc.	Pennsylvania
Morgan Stanley (Jersey) Limited	Jersey, Channel Is.
Morgan Stanley Leveraged Equity Fund II, Inc.	Delaware
Morgan Stanley Private Equity Asia (Cayman) Limited	Cayman Islands

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Morgan Stanley Private Equity Asia Limited *	Hong Kong
Morgan Stanley Private Equity Advisory (Beijing) Limited	Beijing, PRC
Morgan Stanley Leveraged Equity Holdings Inc.	Delaware
Morgan Stanley Life Holding Incorporated	Delaware
Longevity Insurance Company	Texas
Morgan Stanley Malbec LLC	Delaware
Morgan Stanley ML Acquisition Inc.	Delaware
Morgan Stanley Mortgage Capital Holdings LLC	New York
Morgan Stanley Capital REIT II Inc.	Delaware
Morgan Stanley Capital REIT III Inc.	Delaware
Morgan Stanley Dean Witter Asset Capital Inc.	Delaware
Morgan Stanley Residential Mortgage Inc.	Delaware
MSSHG I Ltd.	Cayman Islands
Saxon Capital, Inc.	Maryland
Saxon Capital Holdings, Inc.	Delaware
SCI Services, Inc.	Virginia
Saxon Mortgage, Inc.	Virginia
Saxon Holding, Inc.	Delaware
TRS Securities and Certificates, Inc.	Maryland
Saxon Mortgage Services, Inc.	Texas
Saxon Funding Management LLC	Delaware
Morgan Stanley Securitized Assets LLC	Delaware
Saxon Asset Securities Company	Virginia
Morgan Stanley Municipal Funding Inc.	Delaware
Morgan Stanley Municipal Management, Inc.	Delaware
Morgan Stanley Overseas Finance Ltd.	Cayman Islands
Morgan Stanley Overseas Services (Jersey) Limited	Jersey, Channel Is.
Morgan Stanley Preferred Strategies Inc.	Delaware
Morgan Stanley Principal Funding, Inc.	Delaware
Morgan Stanley (Hungary) Financial Services Limited Liability Company *	Hungary
MSXL Asia Pacific Limited	Cayman Islands
MSXL China Ltd.	Cayman Islands
SPV Columbus S.r.L. *	Italy
Morgan Stanley Principal Strategies, Inc.	Delaware
Morgan Stanley Private Equity Asia, Inc.	Delaware
Morgan Stanley Real Estate Advisor, Inc.	Delaware
MSREA Holdings, Inc.	Delaware
MS Multifamily Investment Platform, Inc.	Delaware
MSREA Holdings, LLC	Delaware
MSREA LL Holdings, LLC	Delaware
Morgan Stanley Real Estate Funding II, Inc.	Delaware
Morgan Stanley Real Estate Funding II, L.P. *	Delaware
MS Moon Holdings LLC	Delaware
DBFLA Services LLC	Delaware

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Morgan Stanley Real Estate F Funding, Inc.	Delaware
Morgan Stanley Real Estate F Funding Partner, Inc.	Delaware
Morgan Stanley Real Estate F International Funding, L.P. *	Delaware
Morgan Stanley Real Estate Investment Management Inc.	Delaware
Morgan Stanley Real Estate Fund, Inc.	Delaware
MSREF I, L.L.C.	Delaware
Morgan Stanley Real Estate Investment Management II, Inc.	Delaware
MSREF II-CO, L.L.C.	Delaware
Morgan Stanley Realty Incorporated	Delaware
BH-MS Realty Inc.	Delaware
BH-MS Leasing Inc.	Delaware
Brooks Harvey & Co., Inc.	Delaware
Dean Witter Global Realty Inc.	Delaware
Japan Realty Finance Company II	Cayman Islands
Lombard Servicing Inc.	Japan
Morgan Stanley Properties, Inc.	Delaware
Morgan Stanley Capital (Real Estate) Pte. Ltd.	Singapore
Morgan Stanley Properties Corso Venezia S.r.l. *	Italy
Morgan Stanley Properties France SAS	France
Morgan Stanley Properties Germany GmbH	Germany
Morgan Stanley Properties Hong Kong Limited	Hong Kong
Morgan Stanley Capital Ltd. *	Republic of Korea
MSK Management II, Ltd. *	Republic of Korea
Morgan Stanley Properties (Mauritius) India	Mauritius
Morgan Stanley Properties India Real Estate Management Private Limited	India
MSP China Holdings Limited	Cayman Islands
Morgan Stanley Properties Advisory Corp. Limited	Cayman Islands
Beijing Kaili Asset Servicing Co., Ltd. *	People's Rep. of China
Morgan Stanley Properties (China) Co. Ltd.	People's Rep. of China
MSDI Investment Services *	People's Rep. of China
Panorama Hospitality Global, Inc.	Delaware
Panorama Hospitality Limited	United Kingdom
MS Japan REIT Holding KK	Japan
MS Japan Strategic Core Acquisition KK	Japan
Tokyo Realty Investment Company II	Cayman Islands
Morgan Stanley Reinsurance Ltd.	Bermuda
Morgan Stanley Renewables Inc.	Delaware
Morgan Stanley Biomass LLC	Delaware
Morgan Stanley BrightSource LLC	Delaware
Morgan Stanley Geothermal LLC	Delaware
Morgan Stanley Renewable Development Fund LLC	Delaware
Third Planet Windpower, LLC *	Delaware

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Morgan Stanley Wind LLC	Delaware
MS Greenrock LLC	Delaware
Carson Solar I, LLC	Delaware
MS Solar I LLC	Delaware
MF Mesa Lane, LLC	Delaware
MS SolarCity LLC	Delaware
Solar Star California III LLC	Delaware
Solar Star California V LLC	Delaware
Solar Star California VI LLC	Delaware
Solar Star California IX LLC	Delaware
Solar Star WMT I, LLC	Delaware
Morgan Stanley Risk Services LLC	Delaware
Morgan Stanley SECAP Funding, LLC	Delaware
Morgan Stanley Secured Financing LLC	Delaware
Morgan Stanley Securities, Inc.	Delaware
MS Equity Products (Luxembourg) S.à.r.l	Luxembourg
Morgan Stanley Foreign Complex Trust *	Delaware
Morgan Stanley Securitization Funding Inc.	Delaware
Morgan Stanley Senior Funding, Inc.	Delaware
Inversiones Sudamerica Uno Ltda *	Republic of Chile
Morgan Stanley European Event Driven Finance, Inc.	Delaware
Morgan Stanley European Funding, Inc.	Delaware
Morgan Stanley European Leveraged Products Inc.	Delaware
Morgan Stanley European Transaction Finance, Inc.	Delaware
Morgan Stanley MSSF LLC	Delaware
Morgan Stanley Senior Funding (Capital), Inc.	Delaware
Morgan Stanley Senior Funding (Nova Scotia) Co.	Canada
MSSFG (SPV-AMC) Inc *	The Philippines
Tenedora Dalia, S.A. de C.V., SOFOM, E.N.R. *	Mexico
Morgan Stanley Services Canada Holding Corp.	Delaware
Morgan Stanley Services Canada Corp.	Nova Scotia
Morgan Stanley Services Inc.	Delaware
Morgan Stanley Special Situations Group Inc.	Delaware
Morgan Stanley Stingray LLC	Delaware
Morgan Stanley Syrah One Limited	Cayman Islands
Morgan Stanley Barbera One Limited	Cayman Islands
Morgan Stanley Grenache One Limited	Cayman Islands
Morgan Stanley Grenache Three Limited	Cayman Islands
Morgan Stanley Grenache Two Limited	Cayman Islands
Morgan Stanley Technical Services Inc.	Delaware
Morgan Stanley Technical Services MB/VC Inc.	Delaware
Morgan Stanley Tindur LLC *	Delaware
Morgan Stanley Arete Limited	Cayman Islands
Morgan Stanley Hubbard Inc. *	Delaware
Drumlin JV Inc.	Delaware

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Morgan Stanley Immarsuak LLC	Delaware
Morgan Stanley Hatteras I LLC *	Delaware
Morgan Stanley Pennine LLC *	Delaware
Morgan Stanley Scaffell Limited	Cayman Islands
Morgan Stanley Snowdon Inc. *	Delaware
Hamar JV Inc.	Delaware
Morgan Stanley Torridon LLC	Delaware
Morgan Stanley Hatteras II LLC *	Delaware
Morgan Stanley Tower, LLC	Delaware
MS Financing Inc.	Delaware
Broadway 522 Fifth JV LLC *	Delaware
G.H.Y. Capital II B.V.	The Netherlands
Morgan Stanley 1585 Broadway LLC	Delaware
Morgan Stanley 750 Building Corp.	Delaware
G.H.Y. Capital B.V.	The Netherlands
MS Beta Holdings LLC	Delaware
Morgan Stanley CS Aviation Holdings, LLC	Delaware
MSDW LTCP, L.L.C.	Delaware
MS Harrison LLC	Delaware
Morgan Stanley Trust	Federal Charter
Morgan Stanley Credit Corporation	Delaware
Morgan Stanley Credit Corporation of Iowa	Iowa
Morgan Stanley Credit Corporation of Minnesota	Minnesota
Morgan Stanley Credit Corporation of Pennsylvania	Pennsylvania
Morgan Stanley Credit Corporation of Tennessee	Tennessee
NOVUS Financial Corporation of Washington	Washington
NOVUS Receivables Financing Inc.	Delaware
Morgan Stanley Trust National Association	Federal Charter
Morgan Stanley Venture Capital III, Inc.	Delaware
Morstan Development Company, Inc.	Delaware
MS 10020, Inc.	Delaware
MS Debt Opportunities Corp.	Delaware
MS Hawk I LLC	Delaware
MS Holdings Incorporated	Delaware
ARS FIHF GP Inc.	Delaware
ARS GMEMN GP Inc.	Delaware
Morgan Stanley ARS Funding Inc.	Delaware
Morgan Stanley Hedge Fund Partners Cayman Ltd	Cayman Islands
Morgan Stanley Hedge Fund Partners GP LP *	Delaware
Morgan Stanley HFP Investment Inc.	Delaware
Morgan Stanley Hedge Fund Partners LP *	Delaware
Morgan Stanley IMDCP Funding, LLC	Delaware
Morgan Stanley Infrastructure Inc.	Delaware
Morgan Stanley Infrastructure GP LP *	Delaware
Morgan Stanley Offshore Infrastructure GP, Ltd.	Cayman Island

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
Morgan Stanley Infrastructure Holdings Inc.	Delaware
Morgan Stanley Merchant Banking Insurance Holdings, LLC	Delaware
Morgan Stanley Merchant Banking Insurance Company	Vermont
Morgan Stanley Private Equity Asia III, Inc.	Delaware
Morgan Stanley Private Equity Asia III, L.L.C.	Delaware
MSPEA SLP III, L.L.C.	Delaware
Morgan Stanley Real Estate Securities Global Best Ideas GP Inc.	Delaware
MS Alternatives Funding, Inc.	Delaware
MS Alternatives Funding Partner, Inc.	Delaware
Morgan Stanley Capital Partners V Funding LP *	Delaware
MS Infrastructure I Funding LP *	Delaware
MS Alternatives Holding C Inc.	Delaware
MS Alternatives Holding C (Cayman) Ltd.	Cayman Islands
MS Alternatives Holding D Inc.	Delaware
MS Alternatives Holding E Inc.	Delaware
MS ARS Holding A Inc.	Delaware
MS ARS Holding B Inc.	Delaware
MS Capital Partners Adviser Inc.	Delaware
MS Fixed Income Group Management Inc.	Delaware
MSCP V GP, Inc.	Delaware
MS Capital Partners V GP LP *	Cayman Islands
MS Capital Partners V LP *	Delaware
MS Credit Partners GP Inc.	Delaware
MS Credit Partners GP L.P. *	Delaware
MS Credit Partners Holdings Inc.	Delaware
MSGFI Management Inc.	Delaware
Private Investment Partners Inc.	Delaware
Private Investment Partners GP Inc.	Delaware
TAM Investment Holdings, Inc.	Delaware
FrontPoint Partners LLC	Delaware
Brookville Horizons Fund GP, LLC	Delaware
Brookville Onshore Horizons Fund I GP, LLC	Delaware
FPP Healthcare Fund 2X GP, LLC	Delaware
FrontPoint Asian Event Driven Fund GP, LLC	Delaware
FrontPoint Asia Pacific GP, LLC	Delaware
FrontPoint BCO GP, LLC	Delaware
FrontPoint Brookville Loan Fund GP, LLC	Delaware
FrontPoint Consumer and Industrials Fund GP, LLC	Delaware
FrontPoint Copia Energy Horizons Fund GP, LLC *	Delaware
FrontPoint Currency Fund GP, LLC	Delaware
FrontPoint Enhanced Alpha Fund I GP, LLC	Delaware

Entity Name Indentations indicate control. * Has one or more minority shareholders.	Jurisdiction of Incorporation or Formation
FrontPoint Enhanced Index Fund U.S. Equity Series GP, LLC	Delaware
FrontPoint Enhanced TIPS GP, LLC	Delaware
FrontPoint Euroasia Opportunity Fund GP, LLC	Delaware
FrontPoint European Fund GP, LLC	Delaware
FrontPoint Financial Horizons Fund GP, LLC	Delaware
FrontPoint Financial Services Fund GP, LLC	Delaware
FrontPoint Global Emerging Markets Fund GP, LLC	Delaware
FrontPoint Global Enhanced Inflation Linked Bond Index Fund GP, LLC	Delaware
FrontPoint Global Equity Portfolio Fund GP, LLC	Delaware
FrontPoint Greater China Fund GP, LLC	Delaware
FrontPoint Healthcare Centennial Fund GP, LLC	Delaware
FrontPoint Healthcare Fund GP, LLC	Delaware
FrontPoint Healthcare Horizons Fund GP, LLC	Delaware
FrontPoint Healthcare Long Horizons Fund GP, LLC	Delaware
FrontPoint Japan Fund 2X GP, LLC	Delaware
FrontPoint Japan Fund GP, LLC	Delaware
FrontPoint Japan Small/Mid Cap Fund GP, LLC	Delaware
FrontPoint JEMN GP, LLC	Delaware
FrontPoint Leveraged Multi-Strategy Fund GP, LLC	Delaware
FrontPoint Management (Hong Kong), Ltd.	Cayman Islands
FrontPoint Management Inc.	Delaware
FrontPoint Management Japan Limited	Cayman Islands
FrontPoint Management (Singapore) Pte. Ltd.	Singapore
FrontPoint Management (UK) LLP	United Kingdom
FrontPoint Michigan Strategic Partnership Fund GP, LLC	Delaware
FrontPoint Multi-Strategy Fund GP, LLC	Delaware
FrontPoint Partners Trading Fund GP, LLC	Delaware
FrontPoint Quantitative Macro Fund GP, LLC	Delaware
FrontPoint RCL Equity Long/Short Fund GP, LLC	Delaware
FrontPoint Relative Value Opportunities Fund GP, LLC	Delaware
FrontPoint Service Company (UK) Limited	United Kingdom
FrontPoint Service Company (UK) No 2 Limited	United Kingdom
FrontPoint Strategic Alpha Manager, LLC	Delaware
FrontPoint Strategic Credit Fund GP, LLC	Delaware
FrontPoint Technology Fund GP, LLC	Delaware
FrontPoint Universal GP, LLC	Delaware
FrontPoint Utility and Energy Fund GP, LLC *	Delaware
FrontPoint Volatility Opportunities Fund GP, LLC	Delaware
Stadia Capital GP, LLC	Delaware
MS Lion LLC	Delaware

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Morgan Stanley Beta Investments Limited	United Kingdom
Morgan Stanley Bucine Limited	United Kingdom
Morgan Stanley Cooper Limited	United Kingdom
Morgan Stanley Gamma Investments *	United Kingdom
Morgan Stanley Portland Investments Limited	United Kingdom
MS Leopard Inc. *	Delaware
MS Lynx Ltd.	Cayman Islands
Puma JV LLC	Delaware
MS Tiger Ltd.	Cayman Islands
Oncilla LLC *	Delaware
MS Low Income Housing Corporation	Delaware
Conchita I LLC	Delaware
Esox LLC	Delaware
Guanaco I LLC	Delaware
Mombacho I LLC	Delaware
MS Guaranteed Tax Credit Fund XVI, LLC	Delaware
MS Guaranteed Tax Credit Fund XXIII, LLC	Delaware
Morgan Stanley Georgia Tax Credit Fund III, LLC	Delaware
Morgan Stanley New Markets, Inc.	Delaware
MS New Markets I LLC *	Delaware
MS New Markets II LLC	Delaware
MS New Markets III LLC	Delaware
MS New Markets IV LLC	Delaware
MS New Markets V LLC	Delaware
MS New Markets VI LLC	Delaware
MS New Markets VII LLC	Delaware
MS New Markets VIII LLC	Delaware
MS New Markets IX LLC	Delaware
MS New Markets X LLC	Delaware
MS CTH MHP II LLC	Delaware
MS CTH SLP Operating LLC	Delaware
MS CTH Special General Partner II LLC	Delaware
MS LIHTC FCG LLC	Delaware
MS LIHTC FCG Fund I LLC *	Delaware
MS LIHTC FCG Fund II LLC *	Delaware
MS LIHTC FCG II LLC	Delaware
Paquia LLC	Delaware
Pietra I LLC	Delaware
Pietra II LLC	Delaware
Pietra III LLC	Delaware
Pinol I LLC	Delaware
Pinol II LLC	Delaware
Pinol III LLC	Delaware
Pinol IV LLC	Delaware
Wiwili IV LLC	Delaware

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Pinol V LLC	Delaware
BMC NAB Trust Investment Fund LLC	Delaware
HIGC Investment Fund LLC	Delaware
PSFG Funding LLC	Delaware
Trova I LLC	Delaware
Trova II LLC	Delaware
Trova III LLC	Delaware
Trova IV LLC	Delaware
Viento LLC	Delaware
Viento II LLC	Delaware
Viento III LLC	Delaware
Viento IV LLC	Delaware
Viento V LLC	Delaware
Viento VI LLC	Delaware
Viento VII LLC	Delaware
Viento VIII LLC	Delaware
Viento IX LLC	Delaware
Viento X LLC	Delaware
Viento XI LLC	Delaware
Viento XII LLC	Delaware
Viento XIII LLC	Delaware
Viento XIV LLC	Delaware
Wiwili I LLC	Delaware
Wiwili II LLC	Delaware
Wiwili III LLC	Delaware
Wiwili V LLC	Delaware
SHCO 7 S.a.r.l.	Luxembourg
SHCO 8 S.a.r.l.	Luxembourg
SHCO 9 S.a.r.l.	Luxembourg
Vicuna IV LLC	Delaware
Morgan Stanley Spad Investments Limited	Luxembourg
Morgan Stanley Morane Investments Limited	Luxembourg
Morgan Stanley Curtiss Investments Limited	Luxembourg
Wiwili VI LLC	Delaware
MS Low Income Housing II Corporation	Delaware
Morgan Stanley Kashi LLC	Delaware
MS LIHTC FCG INT LLC	Delaware
MS Taishan Inc.	Delaware
Vicuna I LLC	Delaware
Vicuna II LLC	Delaware
Vicuna III LLC	Delaware
Warepool 1A LLC	Delaware
Warepool 2A LLC	Delaware
Warepool 3A LLC	Delaware
Warepool 4A LLC	Delaware

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Warepool 5A LLC	Delaware
Warepool 6A LLC	Delaware
Warepool 7A LLC	Delaware
Warepool 8A LLC	Delaware
Warepool 9A LLC	Delaware
MS Low Income Housing III Corporation	Delaware
Warepool SLP LLC	Delaware
MS Pegau LLC	Delaware
Millport Holdings LLC	Delaware
Millport I LLC	Delaware
Elderslie Holdings Limited	Delaware
Elderslie Limited	Cayman Islands
Esporta Holdings Limited	Cayman Islands
Esporta Limited	Cayman Islands
Littlehill (US) LLC	Delaware
Ravelston LLC	Delaware
MS Beaucastel LLC	Delaware
Rhone Robles LLC	Delaware
MS Real Estate Mezzanine Advisor, Inc.	Delaware
MS Revel EFS LLC	Delaware
D&Z Limited	Cayman Islands
MS Structured Asset Corp.	Delaware
MS Synfuels, Inc.	Delaware
MS Rosebank LLC	Delaware
Morgan Stanley Strand Limited	Cayman Islands
Cornelia Limited *	Cayman Islands
Clifton Limited	Cayman Islands
Lamis Sarl	Luxembourg
Lesley Sarl	Luxembourg
Lindley Sarl	Luxembourg
Linksfeld Sarl	Luxembourg
Seapoint Investments (Proprietary) Limited	South Africa
MS Douglasdale Limited	Cayman Islands
Bondi Limited	Cayman Islands
MS Melville LLC *	Delaware
MS Dainfern LLC*	Delaware
MS Greenside LLC	Delaware
MS Houghton LLC	Delaware
Sandhurst Partnership *	Delaware
MS Sandhurst FX LLC	Delaware
Morgan Stanley Prosen Limited	Delaware
Morgan Stanley Limpopo LLC *	Delaware
Morgan Stanley Breede Inc.	Delaware
Morgan Stanley Lomati LLC	Delaware
Morgan Stanley Vaal LLC	Delaware

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Clova Investments LP *	Delaware
MS Technology Holdings, Inc.	Delaware
MS Venture Capital Holding Inc.	Delaware
MSAM Holdings II, Inc.	Delaware
Van Kampen Investments Inc.	Delaware
Van Kampen Advisors Inc.	Delaware
Van Kampen Asset Management	Delaware
Van Kampen Exchange Corp.	California
Van Kampen Funds Inc.	Delaware
Van Kampen Investor Services Inc.	Delaware
MSBF Inc.	Delaware
MSCP III Holdings, Inc.	Delaware
Morgan Stanley Proprietary Trading Co. (Cayman) Limited	Cayman Islands
MSDW Capital Partners IV, Inc.	Delaware
MSDW Carnoustie LLC	Delaware
MSDW Gleneagles Limited	Cayman Islands
Marchmont Capital, Inc.	Delaware
MSDW CPIV Holdings, Inc.	Delaware
MSDW Credit Products Inc.	Delaware
Morgan Stanley Credit Products Ltd.	Cayman Islands
MSDW EFS Holdings Inc.	Delaware
MSDW Emerging Equity, Inc.	Delaware
MSDW Fixed Income Ventures Inc.	Delaware
Morgan Stanley Principal Investments, Inc.	Delaware
JHP Holdings, LLC *	Delaware
JHP Pharmaceuticals, LLC	Delaware
MHC Co-Invest Genpar	Cayman Islands
MHC Co-Invest, LP	Cayman Islands
Morgan Stanley Principal Investments Asia LLC	Delaware
Morgan Stanley Mayak Limited	Cayman Islands
MS China 6 Limited	Cayman Islands
MS China 7 Limited	Cayman Islands
MS China 8 Limited	Cayman Islands
MS China 16 Limited	Cayman Islands
MSPI Mauritius 1 Limited	Mauritius
Morgan Stanley Principal Investments Europe LLC	Delaware
Morgan Stanley Principal Investments Netherlands BV	The Netherlands
Morgan Stanley Principal Investments North America LLC	Delaware
MS China 9 Limited	Cayman Islands
MS China 10 Limited	Cayman Islands
MS China 11 Limited	Cayman Islands
MS China 12 Limited	Cayman Islands
MSPI Hong Kong I Limited	Hong Kong
Stadium Capital Financing Group, LLC *	Delaware
Morgan Stanley BrokerTec Holdings Inc.	Delaware

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Morgan Stanley Strategic Investments, Inc.	Delaware
Eaux Vives Water Bottling Corp.	Canada
Morgan Stanley Bahamas Investments, LLC	Delaware
MSDW International Employee Services LLC	Delaware
MSDW Nederland B.V.	The Netherlands
MSDW Oak, LLC	Delaware
Maple JV, LLC *	Delaware
Sycamore II, Inc.	Delaware
Maple Finance, Inc.	Delaware
MSDW Birch (Cayman) Limited	Cayman Islands
MSDW Offshore Equity Services Inc.	Delaware
Fundlogic Holdings Inc.	Delaware
Fundlogic SAS	France
Morgan Stanley Alzette S.a.r.l.	Luxembourg
Morgan Stanley New Hampshire LLC	Delaware
Morgan Stanley Deshka LLC	Delaware
Morgan Stanley Barnard LLC	Delaware
Morgan Stanley Chandra LLC	Delaware
Morgan Stanley Keck LLC	Delaware
Morgan Stanley Mayall LLC	Delaware
Morgan Stanley Equity Financing Services Ireland Limited	Ireland
Morgan Stanley Equity Holdings (Ireland)	Ireland
Morgan Stanley Equity Trading (DIFC) Limited	DIFC
Morgan Stanley Equity Trading GP Limited	Jersey, Channel Is.
Morgan Stanley Luxembourg Equity Holdings S.a.r.l.	Luxembourg
Morgan Stanley Bramley Limited	United Kingdom
Morgan Stanley Corporate Holdings (Ireland)	Ireland
Morgan Stanley Derivative Products (Luxembourg) Sarl	Luxembourg
Morgan Stanley Finance (Gibraltar) Limited	Gibraltar
Morgan Stanley Luxembourg Equity Trading (Jersey) LP *	Jersey, Channel Is.
Morgan Stanley Equity Finance (Malta) Limited *	Malta
Morgan Stanley Grund Sàrl	Luxembourg
Morgan Stanley Derivative Products (Portugal), Unipessoal Lda	Portugal
Morgan Stanley Euro Financing (Ireland) Limited *	Ireland
Morgan Stanley Warta GmbH	Germany
Morgan Stanley Kadarka Limited	Cayman Islands
Morgan Stanley (NSW) Pty Limited	Victoria, Australia
Morgan Stanley Somerset Limited	United Kingdom
Morgan Stanley Moselle S.a.r.l.	Luxembourg
Morgan Stanley Equity Trading LP	Jersey, Channel Is.
Morgan Stanley Wiltz S.a.r.l.	Luxembourg
Morgan Stanley Heythorp Investments	Ireland
Morgan Stanley Equity Holdings (Netherlands) B.V.	Netherlands

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Morgan Stanley Equity Investments (UK) Limited *	Cayman Islands
Morgan Stanley GFD Hedge Holdings Limited *	Cayman Islands
Morgan Stanley GFD Hedge Holdings II Limited	Cayman Islands
Morgan Stanley GFD Proprietary Holdings Limited	Cayman Islands
MSDW Equity Finance Services I (Cayman) Ltd.	Cayman Islands
.MSDW Offshore Equity Services (Korea) Inc.	Delaware
MSDW OIP Investors, Inc.	Delaware
MSDW PE/VC Holdings, Inc.	Delaware
MSDW Real Estate Special Situations II, Inc.	Delaware
MSDW Real Estate Special Situations II-A Dutch Manager, B.V.	The Netherlands
MSDW Real Estate Special Situations II-B Dutch Manager, B.V.	The Netherlands
MSDW Real Estate Special Situations II-C Dutch Manager, B.V.	The Netherlands
MSDW Real Estate Special Situations II Holdings, L.L.C.	Delaware
MSDW Real Estate Special Situations II Manager, L.L.C.	Delaware
MSDW Real Estate Special Situations II-A Manager, L.L.C.	Delaware
MSDW Real Estate Special Situations II-B Manager, L.L.C.	Delaware
MSDW Real Estate Special Situations II-C Manager, L.L.C.	Delaware
MSDW Real Estate Special Situations II Partner, L.L.C.	Delaware
MSRESS II GP Co-Investment Ltd.	Cayman Islands
MSDW Strategic Ventures Inc.	Delaware
MSDW Synfuels III, Inc.	Delaware
MSDW Venture Partners IV, Inc.	Delaware
MSDW VP IV Holdings, Inc.	Delaware
MSEOF, Inc.	Delaware
MSEOF Management, LLC	Delaware
MSEOF Manager SARL	Luxembourg
MSGEM Holdings, Inc.	Delaware
MSIT Holdings, Inc.	Delaware
MSPEA Holdings, Inc.	Delaware
MSREA Guaranty, Inc.	Delaware
MSRE Mezzanine, Inc.	Delaware
MSRE Mezzanine, LLC	Delaware
MSRE Mezzanine-GP, LLC	Delaware
MSREF II, Inc.	Delaware
MSREF II, L.L.C.	Delaware
MSREF III, Inc.	Delaware
MSREF III, L.L.C. *	Delaware
MSREF IV, Inc.	Delaware
MSREF IV, L.L.C.	Delaware

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MSREF IV Domestic-GP, L.L.C.	Delaware
MSREF IV Domestic-LP, L.L.C.	Delaware
MSREF IV International-GP, L.L.C.	Delaware
MSREF IV International-LP, L.L.C.	Delaware
MSREF V Funding, Inc.	Delaware
MSREF V Funding Partner, Inc.	Delaware
MSREF V International Funding, L.P. *	Delaware
MSREF V, Inc.	Delaware
MSREF V, L.L.C.	Delaware
MSREF V U.S.-GP, L.L.C.	Delaware
Morgan Stanley Real Estate Fund V U.S., L.P. *	Delaware
MSP Real Estate Fund V, L.P. *	Delaware
MSREF V U.S.-LP, L.L.C.	Delaware
MSREF V International-GP, L.L.C.	Delaware
Morgan Stanley Real Estate Investors V U.S., L.P. *	Delaware
MSREF V International-LP, L.L.C.	Delaware
MSREF Real Estate Advisor, Inc.	Delaware
MSREF VI, Inc.	Delaware
MSREF VI International-LP, L.L.C.	Delaware
MSREF VI, L.L.C.	Delaware
MSREF VI International-GP, L.L.C.	Delaware
Morgan Stanley Real Estate Fund VI International - T, L.P. *	Delaware
Morgan Stanley Real Estate Fund VI International - TE, L.P. *	Delaware
Morgan Stanley Real Estate Investors VI International, L.P. *	Delaware
MSREF VII, Inc.	Delaware
MSREF VII Global (Cayman), L.L.C.*	Delaware
MSREF VII Global (Cayman), Ltd.	Cayman Islands
MSREF VII Global-GP Holding (Cayman), L.L.C.	Delaware
MSREF VII Global (Cayman), L.P.*	Cayman Islands
MSREF VII Global-GP (Cayman), L.P.*	Cayman Islands
MSREF VII Global, L.L.C.*	Delaware
MSREF VII Global, L.P. *	Canada
MSREF VII Global-GP, L.P.*	Canada
MSREF VII Global-LP, L.L.C.	Delaware
MSREF VII Global (U.S.), L.L.C.*	Delaware
MSREF VII Global-GP (U.S.), L.L.C.	Delaware
MSREI Holding, Inc.	Delaware
MSRESS III, Inc.	Delaware
MSRESS III Manager, L.L.C.	Delaware
Morgan Stanley Real Estate Special Situations III-GP, L.L.C.	Delaware
MSREI Post Co-Investment GP, L.L.C. *	Delaware
MSRESS III Monroe GP, L.L.C.	Delaware

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MSRESS III Opportunities Fund—GP, L.L.C.	Delaware
Morgan Stanley Real Estate Special Situations III-LP, L.L.C.	Delaware
MSUH Holdings I, Inc.	Delaware
MSUH Holdings II, Inc.	Delaware
MS SP Urban Horizons, Inc.	Delaware
MS Urban Horizons, Inc.	Delaware
MSVP 2002 Holdings, Inc.	Delaware
MSVP 2002, Inc.	Delaware
MSYS Holdings Inc.	Delaware
Musum I LLC	Delaware
Musum II LLC	Delaware
Pettingell LLC	Delaware
PG Holdings, Inc.	Delaware
PG Holdings III, Inc.	Delaware
PG Investors II, Inc.	Delaware
PG Investors III, Inc.	Delaware
Pierpont Power, Inc.	New York
Providence DE Funding Co.	Delaware
Providence DE Holdings Co.	Delaware
Providence Cayman Holdings Limited	Cayman Islands
Shuksan LLC *	Delaware
Morgan Stanley Eder S.a.r.l.	Luxembourg
Strategic Investments I, Inc.	Delaware
MS Strategic (Mauritius) Limited	Mauritius
Strategic Investments II, Inc.	Delaware
Tooele Power, Inc.	Delaware
Ventura Holdings Inc.	Delaware
MS PA Gaming Holdings, Inc.	Delaware
Ventura Holdings NJ, Inc.	Delaware
Ventura AC LLC	New Jersey
Ventura Opportunities, LLC	Delaware
Zephyr (Cayman) Limited	Cayman Islands

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