



STOCK EXCHANGE			
Regulatory Information Circular			
<b>Circular number:</b>	2008-348	<b>Contact:</b>	Russ Davidson
<b>Date:</b>	October 17, 2008	<b>Telephone:</b>	(646) 805-1857

**Subject: Morgan Stanley SPARQS**

**Information on the Notes**

Morgan Stanley (the “Issuer”) has issued 10% Stock Participation Accreting Redemption Quarterly-pay Securities (“SPARQS”) mandatorily exchangeable for common stock of AT&T Inc. (“AT&T”). The SPARQS were priced at \$19.015 each and mature on April 20, 2009.

The SPARQS will pay 10% coupon per annum, payable quarterly beginning July 20, 2008. If not previously called by the Issuer, investors will receive 0.50 shares of AT&T common stock per SPARQS at maturity. SPARQS are not principal protected.

Beginning October 20, 2008, the Issuer may call all of the SPARQS for a cash call price that, together with coupons paid from the issue date through the call date, gives the SPARQS a yield to call of 19% of the original issue price.

Investors in SPARQS will not be entitled to any rights with respect to AT&T until such time as the Issuer shall deliver AT&T shares to investors in the SPARQS, if applicable.

It is expected that the market value of the SPARQS will depend substantially on the value of AT&T and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of AT&T stock, the time remaining to maturity, the dividend yield of AT&T stock, and the credit ratings of the Issuer.

Investors should note that AT&T is not involved in the subject offering and has no obligation with respect to these securities whatsoever, including any obligations with respect to the principal amount to be paid at maturity, or to take the needs of the Issuer or holders of SPARQS into consideration. Any dividends or distributions to the underlying common stock will not be paid to holders of SPARQS.

The Trustee for the securities is The Bank of New York.

Trading in the shares on ISE is on a UTP basis and is subject to ISE equity trading rules. The shares will trade from 9:00 a.m. until 4:00 p.m. Eastern Time. Equity Electronic Access Members (“Equity EAMs”) trading the shares during the Pre-Market Session are exposed to the risk of the lack of the calculation or dissemination of underlying index

value or intraday indicative value ("IIV"). For certain derivative securities products, an updated underlying index value or IIV may not be calculated or publicly disseminated in the Pre-Market hours. Since the underlying index value and IIV are not calculated or widely disseminated during Pre-Market hours, an investor who is unable to calculate implied values for certain derivative securities products during Pre-Market hours may be at a disadvantage to market professionals.

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

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

**Appendix A**  
**Exchange-Traded Fund Symbol CUSIP Number**

<b>Ticker</b>	<b>Fund Name</b>	<b>CUSIP Number</b>
TQK	Morgan Stanley 10% Stock Participation Accreting Redemption Quarterly-pay Securities Mandatorily Exchangeable for Common Stock of AT&T Inc.	61747W232