

STOCK EXCHANGE			
Regulatory Information Circular			
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**Subject: Morgan Stanley BRIDGES**

**Information on the Notes**

ISE today began trading Morgan Stanley BRoad InDex Guarded Equity-Linked Securities (“BRIDGES”) based upon the value of the common stock of Fifteen Aerospace and Defense Companies. 1,260,000 shares of the new seven-year BRIDGES were issued at \$10 principal amount, with a maturity date of October 30, 2009.

As more fully set forth in the Issuer’s Registration Statement (#333-83616), and Prospectus Supplement, the BRIDGES are medium term debt securities of Morgan Stanley, which are being offered at an original price of 100% of the principal amount (\$10) and will not bear any periodic payments of interest. BRIDGES will not be redeemable by the holder or callable by the Issuer prior to maturity. At maturity, each Unit will entitle the holder to receive the greater of (i) \$10 per BRIDGES and (ii) the final average basket value.

The final average basket value will be equal to the arithmetic average of the Basket Values on each of the Determination Dates as calculated by the calculation agent on the last determination date.

The Basket Value equals the sum of the products of the closing price and the exchange ratio for each basket stock, as determined on any date by the calculation agent.

The determination dates are October 30, 2004, October 30, 2005, October 30, 2006, October 30, 2007, October 30, 2008, and October 26, 2009, in each case subject to adjustment in the event of certain market disruption events. At maturity, holders will receive no less than the principal amount of the BRIDGES securities.

**The Basket Stocks (Index Symbol: DFW)**

The basket is a portfolio of fifteen aerospace and defense industry common stocks. The issuers of the basket stocks are a selection of companies engaged in the aerospace and defense industry, which represent a range of market capitalizations within these industries. The basket stocks have been weighted within the basket to give the greatest weight to the largest market capitalization companies.

<i>Ticker Symbol</i>	<i>Proportion of Initial Basket Value</i>	<i>Exchange Ratio</i>	<i>Initial Stock Price</i>	<i>Initial Value per Stock</i>
ATK	3.75%	.006026032	\$62.23	\$0.375
BA	10.00%	.031897927	\$31.35	\$1.000
EASI	3.75%	.007878151	\$47.60	\$0.375
ERJ	3.75%	.028089888	\$13.35	\$0.375
FLIR	3.75%	.012389322	\$30.27	\$0.375
GD	10.00%	.012817226	\$78.02	\$1.000
GR	3.75%	.021379704	\$17.54	\$0.375
HON	10.00%	.051020408	\$19.60	\$1.000
IIT	3.75%	.006273001	\$59.78	\$0.375
LLL	3.75%	.008074935	\$46.44	\$0.375
LMT	10.00%	.016425756	\$60.88	\$1.000
NOC	10.00%	.008717636	\$114.71	\$1.000
RIN	10.00%	.036873156	\$27.12	\$1.000
UDI	3.75%	.017353077	\$21.61	\$0.375
UTX	10.00%	.019175455	\$52.15	\$1.000

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

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

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

DFB will be quoted and trade as an equity issue in round lots of 100, and will trade "flat" without accrued interest.

Trading in the shares on ISE is on a UTP basis and is subject to ISE equity trading rules. The shares will trade from 9:00 a.m. until 4:00 p.m. Eastern Time. Equity Electronic Access Members ("Equity EAMs") trading the shares during the Pre-Market Session are exposed to the risk of the lack of the calculation or dissemination of underlying index value or intraday indicative value ("IIV"). For certain derivative securities products, an updated underlying index value or IIV may not be calculated or publicly disseminated in the Pre-Market hours. Since the underlying index value and IIV are not calculated or widely disseminated during Pre-Market hours, an investor who is unable to calculate implied values for certain derivative securities products during Pre-Market hours may be at a disadvantage to market professionals.

Equity EAMs also should review NASD Notice to Members 03-71 for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in

connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

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

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

<b>Ticker</b>	<b>Fund Name</b>	<b>CUSIP Number</b>
	Morgan Stanley BRoad InDex	
DFB	Guarded Equity-Linked Securities ("BRIDGES") based upon the value of the common stock of Fifteen Aerospace and Defense Companies	617 44Y 24 9