



| EDGA & EDGX STOCK EXCHANGES     |               |            |                 |
|---------------------------------|---------------|------------|-----------------|
| Regulatory Information Circular |               |            |                 |
| Circular Number:                | 2010-493      | Contact:   | Jeff Rosenstock |
| Date:                           | July 16, 2010 | Telephone: | (201) 942-8295  |

**Subject: Morgan Stanley, Capital Protected Notes based on the value of the Dow Jones Industrial Average**

**Information on the Notes**

Morgan Stanley, Capital Protected Notes based on the value of the Dow Jones Industrial Average. The new securities were issued at a price of \$10.00 with a maturity date of March 30, 2011.

As more fully set forth in the Issuer's Prospectus and Prospectus Supplement (SEC Registration #333-106789), the aforementioned security is principal protected but will not bear any interest.

At maturity, investors will receive cash equal to the principal amount plus a supplemental redemption amount, if any, based on the performance of the Dow Jones Industrial Average.

If at maturity, the final index value is greater than the initial index value, investors will receive the principal amount plus a supplemental redemption amount equal to the product of \$10 (principal amount) times the percentage increase, if any, by which the final index value exceeds the initial index value times the participation rate of 80%. If the final index value is less than or equal to the initial index value, investors will only receive the principal amount of \$10 and will not receive any supplemental redemption amount.

Since all payments, which may be due to holders of DPP, are the sole responsibility of the Issuer, it is the credit of Morgan Stanley that stands behind DPP.

There can be no assurances as to how the Capital Protected Notes will trade in the secondary market or whether such market will be liquid or illiquid. Securities with characteristics similar to the Capital Protected Notes are unique securities, and there is currently no secondary market for the Capital Protected Notes. The market value for the Capital Protected Notes will be affected by a number of factors including, but not limited to, the volatility of the Dow Jones Industrial Average, market interest and yield of companies listed in the Dow Jones Industrial Average and the time remaining to the maturity of the Capital Protected Notes.

Information concerning taxation may be found in the Prospectus.

The Trustee for this security is JP Morgan Chase Bank.

Trading in the shares on EDGA and EDGX Exchanges (the “Exchanges”) is on a UTP basis and is subject to the Exchanges equity trading rules. The shares will trade from 8:00 a.m. until 8:00 p.m. Eastern Time. Members trading the shares during the Extended Market Sessions (Pre-opening and Post-closing sessions) 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 Extended Market hours. Since the underlying index value and IIV are not calculated or widely disseminated during Extended Market hours, an investor who is unable to calculate implied values for certain derivative securities products during Extended Market hours may be at a disadvantage to market professionals.

Members 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 Bulletin is not a statutory Prospectus. Members should consult the Trust’s Registration Statement, SAI, Prospectus and the Fund’s website for relevant information.**

## Appendix A

| <b>Ticker</b> | <b>Fund Name</b>   | <b>Cusip</b> |
|---------------|--|--------------|
| DPP           | Morgan Stanley, Capital Protected Notes based on the value of the Dow Jones Industrial Average | 61746S539    |