

Morgan Stanley

MORGAN STANLEY S.V., S.A.U
CUSTOMER CARE SERVICE
REGULATIONS

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CHAPTER I - GENERAL PROVISIONS

1. APPLICABLE RULES

These Regulations are governed by the 44/2002 Financial System (Reform) Act of 22 November, by the laws applicable to the entities affected by these Regulations, by the Commissioners for the Defence of Financial Services Customers Regulations, enacted by Royal Decree 303/2004 of 20 February, and by Order ECO/734/2004, of 11 March on customer care services and departments at financial firms.

CHAPTER II – ORGANISATIONAL STRUCTURE

2. SCOPE OF THESE REGULATIONS

These Regulations apply to Morgan Stanley S.V. S.A.U. (hereinafter, “Morgan Stanley”).

Morgan Stanley must deal with and resolve, pursuant to applicable laws and these Regulations, any complaints/claims submitted to it by its customers concerning their legally recognised interests and rights.

For these purposes Morgan Stanley operates a Customer Care Service also and indistinctly referred to as Client Service on its corporate web site.

3. THE CUSTOMER CARE SERVICE

The Customer Care Service (“CCS”) is responsible for dealing with and resolving any complaints/claims submitted to it under these Regulations. The CCS is also responsible for encouraging compliance with transparency and customer protection laws and with financial good practices and customs.

The function of the CCS is to deal with and resolve any complaints/claims submitted by Morgan Stanley’s customers in Spain concerning their legally recognised interests and rights arising from contract, transparency and customer protection laws, financial good practices and customs and equity.

The CCS shall operate under the principles of celerity, security, effectiveness, coordination with Morgan Stanley’s departments and regulatory authorities, and by the principles of autonomy and independence from the rest of Morgan Stanley’s departments and business areas.

The CCS is managed by the Compliance Department, which is also responsible for investigating, ruling and responding customer claims/complaints.

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The CCS is headed by the Compliance Department manager, whose appointment has to be approved by Morgan Stanley's Board of Directors. The appointment of the CCS' manager shall be notified to the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) ("CNMV").

The individual appointed as CCS manager shall meet the following requirements:

- the appointee shall be a highly-regarded individual, with proven experience in the securities market and with an irreproachable reputation.
- The CCS Manager is a hierarchically independent employee who shall report directly to the company's Managing Directors.

Individuals who carry on any duties at the sales or operational departments of Morgan Stanley shall be ineligible to be appointed as CCS managers.

The CCS Manager shall report to Morgan Stanley's Managing Directors in Spain all matters related to the activity of the CCS. This is to ensure the independence of the CCS and to avoid any conflicts of interest.

The office of CCS Manager shall be indefinite and inherent to the post of Compliance Manager. The CCS Manager shall step down from office when he (she) is no longer the Manager of the Compliance Department. The CCS Manager may be removed at any time by the Board of Directors where an incompatibility cause occurs or where he (or she) no longer meets the necessary requirements to carry on his (her) duties.

4. INFORMATION DUTIES

Morgan Stanley's corporate web site shall inform customers about the following:

- The availability of a CCS.
- Claims may be submitted by ordinary post or via E-mail to the following E-mail address: clientservice_spain@morganstanley.com
- Claims must be dealt with and resolved no later than two months after the date of their submission.
- Customers who have not obtained a response within the 2-month deadline or who disagree with the CCS's resolution may refer the matter to the CNMV's Investor Care Bureau. However, customers must submit their claim to the CCS in the first place.
- These Regulations shall be available to Spanish customers on Morgan Stanley's web site.
- Finally, Morgan Stanley's web site shall contain references to the rules and regulations on transparency and the protection of financial services customers.

CHAPTER III – SUBMISSION OF COMPLAINTS AND CLAIMS

5. METHOD OF SUBMISSION. DEADLINE

Claims/complaints shall be submitted by using an adequate method that allows the printing of documents and to keep copies thereof. Claims/complaints may be submitted by ordinary post to the registered office of Morgan Stanley, S.V., S.A.U. or via E-mail to the following address:

E-mail: clientservice_spain@morganstanley.com

Claims/complaints must be submitted no later than two years from the date on which the customer became aware of the facts leading to the claim/complaint.

Claims/complaints must be submitted to the CCS.

Customers may submit and the CCS shall handle any claims/complaints be free of charge.

6. PARTICULARS TO BE INCLUDED IN CLAIMS/COMPLAINTS

- The customer's full name, Tax Identification Code, registered address, the attorneys' Id. Cards numbers and particulars of the deeds of power of attorney. Particulars of the customer's registration at the Commercial Registry should also be attached.
- The reasons for the complaint/claim, indicating clearly the issues over which the customer expects the CCS to rule.
- The Department/ Service where the events leading to the claim/complaint occurred.
- A statement by the claimant/complainant whereby, to the best of his (her) knowledge, there are no ongoing administrative, arbitration or court proceedings concerning the subject matter of the claim/complaint.
- Claims/complaints should be dated and signed.
- In addition to the foregoing documents, the claimant/complainant should provide any documents in his (her) possession supporting the claim/complaint.

Attached to these Regulations (Schedule I) is a claim/complaint form that customers may wish to use.

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7. ADMISSION TO GIVE CLAIMS/COMPLAINTS THEIR PROPER COURSE

Upon receipt by Morgan Stanley and unless the matter is resolved in favour of the customer by the relevant Department, the claim/complaint shall be referred to the CCS. The CCS shall give the claim/complaint its proper course and issue the appropriate ruling.

Claims/complaints received by other departments shall be promptly forwarded to the CCS as a matter of urgency. The office or department must stamp the date of receipt on the claim/complaint.

Claims/complaints submitted to Morgan Stanley shall be dated on receipt. The CCS shall rule on the claim/complaint no later than two months from the date of receipt. An acknowledgement of receipt shall be sent to the customer indicating the date of receipt by the CCS for the purposes of counting the deadline for resolution of the claim/complaint.

If the claim/complaint is found to give insufficient particulars of the claimant/complainant's identity or if the facts on which the claim/complaint is based may not be established, the signatory will be required to provide the missing particulars no later than ten calendar days. The claimant/complainant shall be warned that if he (she) fails to provide any missing particular the claim/complaint shall be dismissed and that no further action will be taken.

The time used by the claimant/complainant to amend his (her) claim/complaint as required by the preceding paragraph shall not count towards the two-month deadline provided in these Regulations.

Each of Morgan Stanley's departments must provide the CCS promptly any documents requested by it in connection with its duties.

8. REFUSAL TO GIVE CLAIMS/COMPLAINTS THEIR PROPER COURSE

The CCS may refuse to give claims/complaints their proper course only on the basis of the following grounds:

a.- Where the claimant/complainant fails to give essential information that it becomes impossible to provide at a later stage. This includes those instances in which the claimant/complainant fails to specify the merits of his (her) claim.

b.- Where the purported claim/complaint concerns any claims, appeals or actions that fall within the powers of administrative, arbitral or judicial authorities, or where the claim/complaint is yet to be resolved by such administrative, arbitral or judicial authorities.

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c.- Where the facts and the merits relied upon or the request made in the claim/complaint do not concern specific operations or do not meet the requirements laid down in section 3 (paragraph 2), of these Regulations.

d.- Where the claim/complaint is a reopening of previously resolved claims/complaints submitted by the same customer in connection with the same facts.

e.- Where the claim/complaint is filed after the two-year deadline set forth in these Regulations.

If the CCS becomes aware that there are ongoing administrative, arbitral, or court proceedings over the same claim/complaint, the claim/complaint shall not be given its proper course.

Where the CCS refuses to give the claim/complaint its proper course on the basis of any of the aforesaid grounds, it shall notify the claimant/complainant in writing the reasons of its refusal allowing the claimant/complainant ten calendar days to file any allegations. If the CCS still refuses to give the claim/complaint its proper course, it shall notify the claimant/complainant its resolution, which shall be final.

CHAPTER IV – HANDLING OF CLAIMS/COMPLAINTS

9. HANDLING

While the case is being reviewed the CCS may request from the claimant/complainant and/or from any of Morgan Stanley's departments any information, clarifications, reports or evidence it thinks fit for issuing its resolution.

If, whilst the claim/complaint is being processed, the claimant/complainant should commence any administrative proceedings or start legal action concerning the subject matter of the claim/complaint the case shall be closed and no further action will be taken.

10. ACCEPTANCE AND WAIVER

Acceptance of the claim/complaint by Morgan Stanley shall result in the case being closed.

The claimant/complainant may waive the claim/complaint at any time, which shall result in the immediate termination of the proceedings.

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11. RESOLUTION AND SERVICE

The claim/complaint shall be resolved no later than two months following the date of its submission to the CCS.

The ruling must be duly grounded on contractual clauses, on current transparency and customer protection laws, and on financial good practices and customs. The ruling shall state clearly its findings on each of the requests made. Where the ruling disregards the rationale of previous resolutions rendered in similar cases, the CCS must state its reasons for doing so.

The resolution shall be notified to the claimant/complainant no later than 10 calendar days from the date on which it was rendered. Notice of the resolution shall be given in writing or by using IT or electronic methods, as the claimant/complainant may have expressly indicated. Such IT or electronic methods must be suitable to read, print and preserve documents and meet the requirements laid down on the 59/2003 E-signature Act, of 19 December. Failing an express indication by the claimant/complainant, the resolution shall be notified by using the same method chosen to submit the claim/complaint.

12. ANNUAL REPORT

Within the first quarter of every calendar year, the CCS shall submit to Morgan Stanley's Board of Directors a report on the activities conducted throughout the preceding year. This report shall contain the following:

- a.- A statistical summary of claims handled, giving the number of claims/complaints handled, number of claims/complaints admitted, grounds for refusal to give claims/complaints their proper course, issues raised, sums involved.
- b.- A summary of the rulings passed, indicating which ones the CCS found for/against the claimant/complainant.
- c.- General principles set out in the ruling.
- d.- Recommendations or suggestions aimed at improving the fulfilment of the purposes informing the CCS activity.

A summary of this report shall be attached to Morgan Stanley's annual report.

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SCHEDULE I – CLAIM/COMPLAINT MODEL

For the attention of Morgan Stanley's Customer Care Service in Spain.

Dear Sir/Madam,

I am submitting you this document to record my claim/complaint asking you to resolve it in accordance with the Customer Care Service Regulations.

Claimant/complainant's full name, Tax Id. Code, registration particulars, attorney's Id. Card, position, and particulars of his (her) power of attorney.

Reasons for your claim/complaint, indicating clearly any issues on which you expect a ruling:

Department or service where the events leading to the claim/complaint occurred:

To the best of my knowledge, the subject matter of the claim is not being dealt with in administrative, arbitration or judicial proceedings.

I enclose the following documents in support of my claim/complaint:

Place, date and signature: