

Morgan Stanley FTSE™ Simple Growth Plan

Plan Overview

The "Plan" is a five and a half year investment which is designed to provide investors with the full return of their capital plus participation in the growth of the FTSE™ 100 Index over the five and a half year term of the product.

Key Dates

Launch Date:	15th September 2003
PEP / ISA Transfers Deadline:	17th October 2003
Closing Date:	31st October 2003

Key Terms

Investment Term:	5.5 Years
Underlying:	FTSE™ 100 Index ("the Index")
Return at maturity:	Return of initial investment, plus 0.9 times the growth of the Index from the Initial Index Level to the Final Index Level
Initial Index Level:	The official closing level of the FTSE™ 100 Index on 18th November 2003
Final Index Level:	The arithmetic average of the twelve monthly official closing levels of the FTSE™ 100 Index from June 2008 to May 2009 (twelve observations in total)

General Information

Commission:	3%
Plan Manager:	Morgan Stanley & Co. International Limited ("MSIL")
Plan Assets:	Preference Shares, issued by a Guernsey investment company, which are listed on the Irish Stock Exchange
Minimum Investment:	£3,000
Maximum Investment:	£1,000,000
Maximum Deal Size:	£25,000,000
Investments:	Open for ISA/PEPs, pension plans including SIPPs and SSASs as well as direct investments

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Key Benefits

- A simple structure which is easy to understand
- Designed to give full capital protection at maturity
- At maturity 0.9 times the growth of the Index from the Initial Index Level to the Final Index Level
- Tax free returns for ISA/PEP investments
- Growth returns will benefit from 15% taper relief at maturity
- Investors can use their annual capital gains allowance to reduce their tax liability
- Investors receive interest at Base Rate less 0.50% on subscription amounts from investment date until Plan start date

Key Risks

- The investment company will use the net proceeds to invest in assets issued by, and in contracts entered into with MSIL and/or, financial institutions rated A or better by Standard and Poor's. Investors will have credit risk to these financial institutions.
- The Plan is intended as a medium term investment. Plan returns only apply if the investment is held until maturity.
- If investors seek to realise their investment before maturity, they may receive less than their initial investment
- The levels and basis of taxation and relief from taxation can change at any time

Further Information

You can obtain further information on the Morgan Stanley FTSE™ Simple Growth Plan from one of the following. Literature will be available on or about the Launch Date.

- 1. Internet:** Log on to our IFA web-site at www.morganstanley.com/drma where you can download pdf's and/or order literature for the Plan
- 2. Phone:** Call our fulfillment house on **01403 264 265** to order hard copies of Plan literature
- 3. Fax:** Fill out the fax-back form below and fax it to us on **01403 248 808**

Name:	Telephone:
Email:	Company name:
Address:	Post code:
	No. of IFA packs to order:

For additional information on how Morgan Stanley can assist you going forward please contact us:

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