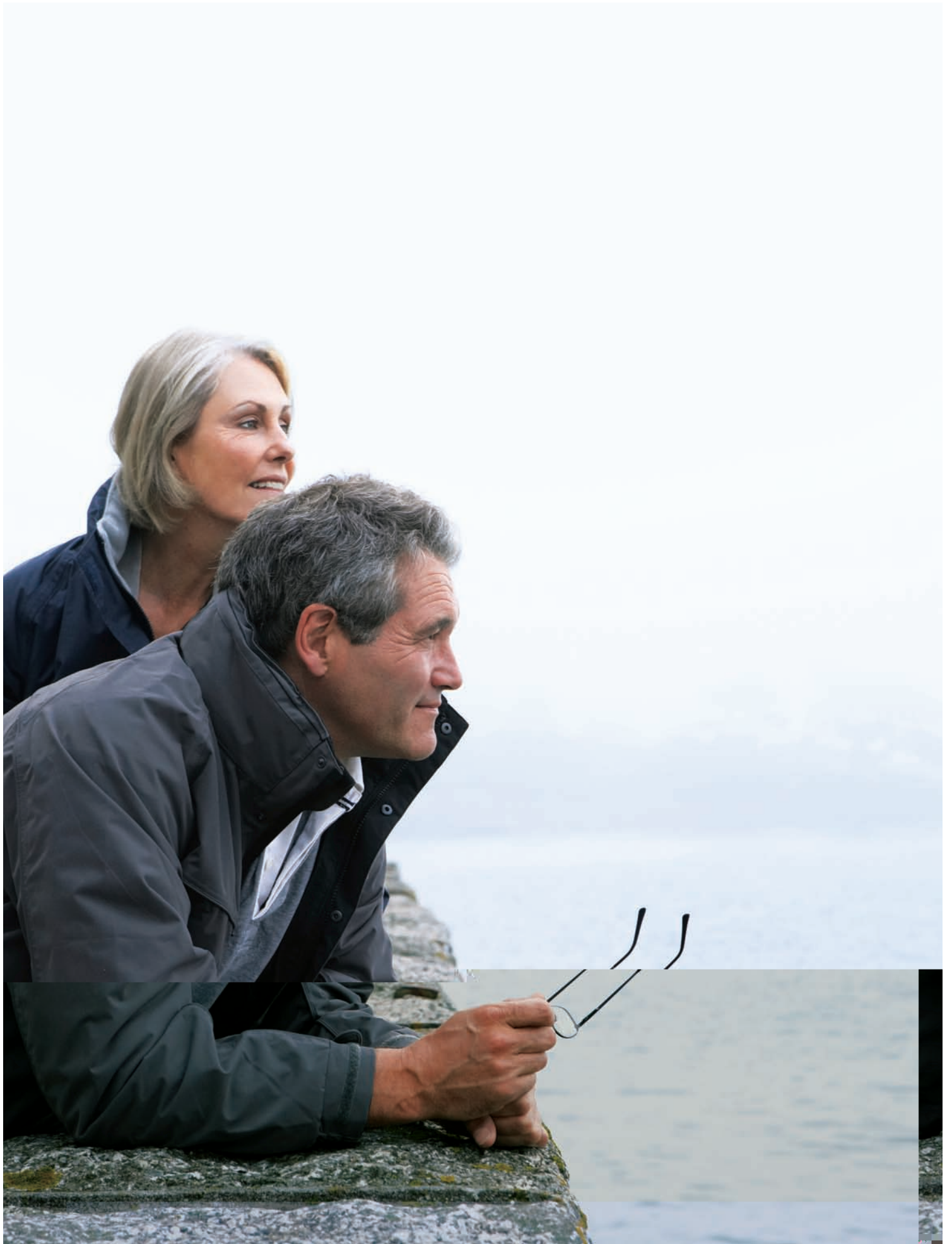


Morgan Stanley

Plan for Your Future.
Make It Happen.

*Morgan Stanley can help you
achieve your financial goals.*





What Are Your Hopes and Dreams?

Regardless of what stage of life you're currently in—moving ahead in your career, enjoying retirement or somewhere in between—your Morgan Stanley Financial Advisor can help you achieve your financial goals.

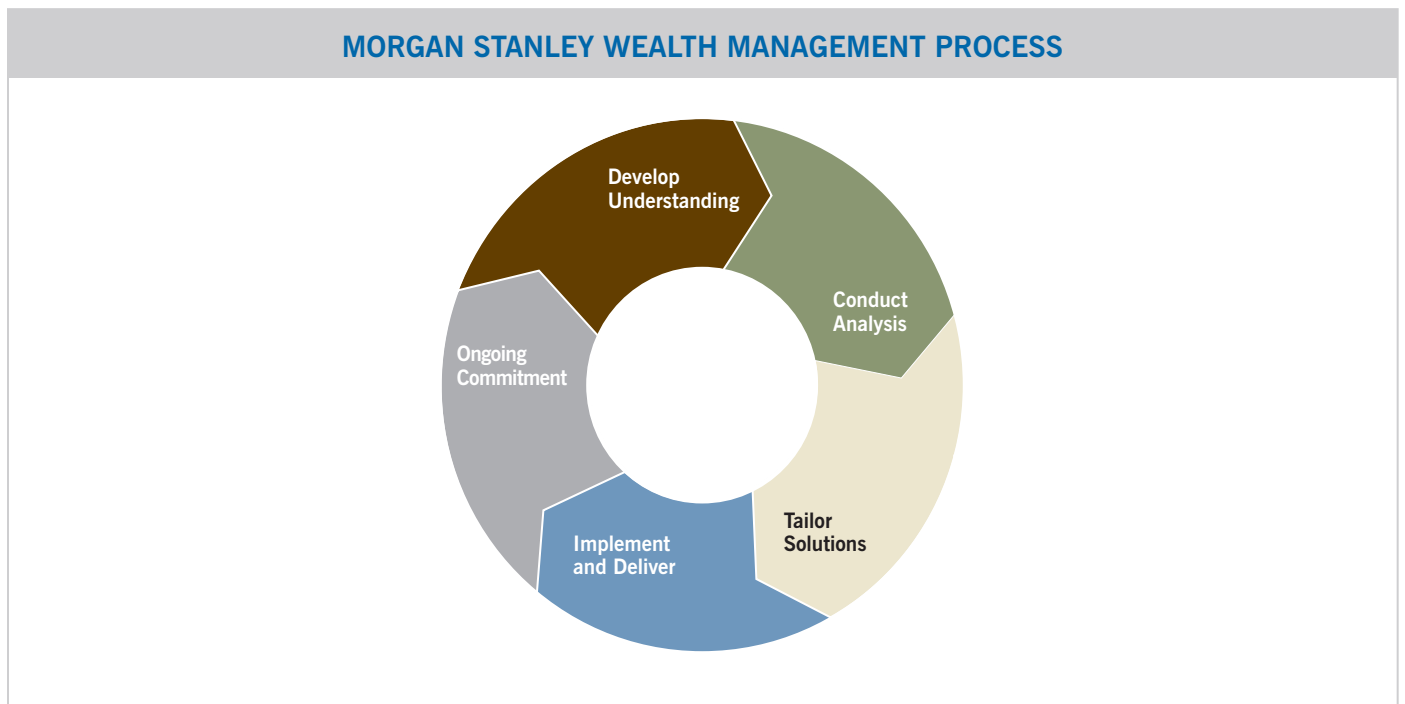
Providing a combination of relevant experience and insightful knowledge about your aspirations and circumstances, your Financial Advisor is backed by the extensive resources and intellectual capital of Morgan Stanley.

Do you want to purchase a vacation home, fund your children's or grandchildren's education, spend your retirement as you've dreamed—or all of the above? Working together, you and your Financial Advisor can create a personalized wealth management strategy that can help you prepare for a successful financial future.

Defining and Achieving Your Goals

Morgan Stanley's personalized wealth management process is designed to provide a road map to your financial future. Drawing on the experience and resources of your Morgan Stanley Financial Advisor, this process can help you visualize the financial future you want for yourself and your family—and outlines the steps to achieve it.

- **Develop understanding.** The process begins with an in-depth conversation with your Financial Advisor to help you clarify your financial goals as well as your investment preferences and risk tolerance.
- **Conduct analysis.** Your Financial Advisor can analyze your current and future financial situation and address potential shortfalls as well as the impact of unexpected life events.
- **Tailor solutions.** Your Financial Advisor can create a customized strategy to help you achieve your objectives.
- **Implement and deliver.** Your Financial Advisor can offer you a broad array of products and services to help you carry out your strategy.
- **Ongoing commitment.** Your Financial Advisor can monitor your progress in light of changing market conditions—or changes in your circumstances—and can recommend adjustments to help keep you on track.



Creating a Road Map for Your Future

Your Financial Advisor has access to two innovative tools that can help you map your future and translate your financial goals into reality—**LifeViewSM** and **LifeView PlusSM** (powered by MoneyGuideProTM).

By incorporating LifeView or LifeView Plus into your wealth management process, your Financial Advisor can help you visualize your financial goals within the context of your investment strategy. LifeView and LifeView Plus support the first two steps of the Morgan Stanley wealth management process, enabling your Financial Advisor to understand your investment goals and analyze your needs.

LifeView is a financial goal analysis tool that enables your Financial Advisor to help you identify ways to achieve your financial goals—such as investing for retirement, major purchases and education funding.

LifeView Plus is a financial planning tool that creates an advisory relationship with respect to the preparation of your

financial plan. It includes the same features as LifeView, as well as goal protection (life, disability and long-term care insurance) and the capability to introduce and analyze different estate planning strategies.

Your Financial Advisor can work with you to:

- **Help you define your goals**, such as retirement, saving for your children's or grandchildren's education, or planning for important events and major purchases
- **Frame your current financial situation**, including your net worth, income, investments and asset allocation
- **Create a customized strategy** that is designed to help you achieve and protect your financial goals



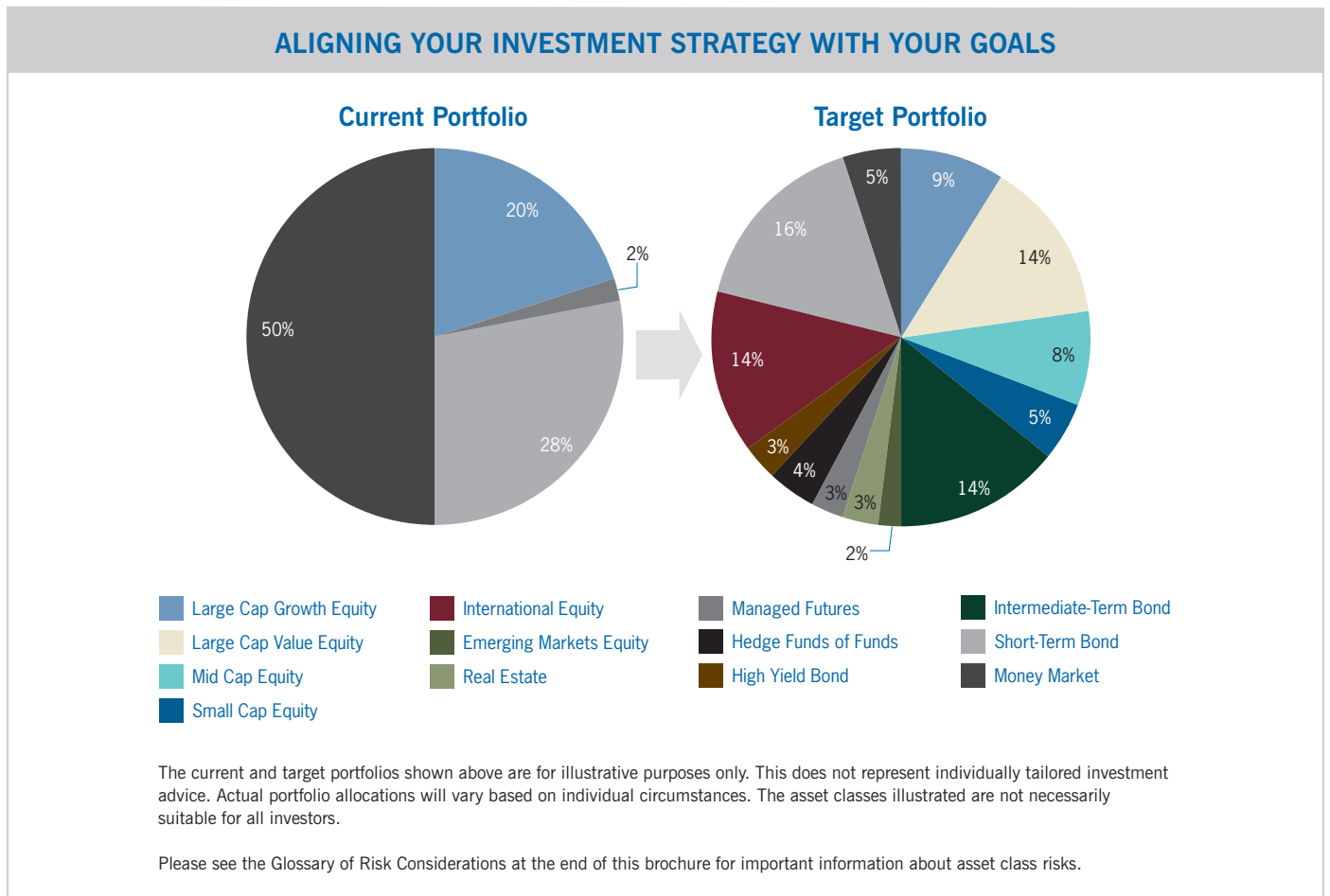
Investing to Achieve Your Dreams

Achieving the right balance of stocks, bonds and cash—and then choosing suitable investments within those categories—is key to managing your portfolio wisely. In fact, research shows that the way your assets are allocated can be more important in determining your portfolio’s performance than the individual securities you own.*

Although there are no guarantees in investing, the use of a diversified investment strategy that reflects your time frame, resources, objectives and risk tolerance may increase your chances of meeting your financial objectives.

Working with you, your Financial Advisor can:

- Develop an appropriate asset allocation based on your risk tolerance, goals and objectives
- Factor in the tax implications of any specific allocation changes



*Source: Gary P. Brinson, Brian D. Singer and Gilbert L. Beebower, "Determinants of Portfolio Performance II: An Update," *Financial Analyst Journal* 47.3, May-June 1991

Retirement Planning Is More Crucial Than Ever

Retirement issues are a major source of concern in the U.S. today. Longer life expectancies mean that your retirement may last nearly as long as your working career, and rising health care costs may make your retirement increasingly more expensive. Meanwhile, the uncertain future of Social Security and changes in corporate retirement plans are leaving individuals largely responsible for their own saving and investment decisions.

To help you achieve your retirement goals, your Financial Advisor can:

- Help you visualize what retirement means to you, whether it's time to travel, start a business, go back to school, spend more time with your family—or fulfill another goal
- Analyze and quantify your retirement needs, factoring in your current and projected income and assets as well as other goals and priorities that you may have
- Uncover potential shortfalls in your retirement plan and show you ways to address them
- Create an action plan for achieving the retirement lifestyle you desire

How Will You Help the Next Generation Fund Their Education?

While the cost of living is rising fast, the cost of college is rising even faster—as much as twice the rate of general inflation. Indeed, College Board data suggest that tuition and related expenses will likely continue to rise by 6% a year for the foreseeable future. That means for your children or grandchildren, a year of undergraduate study at a private institution is likely to exceed \$100,000 by 2026.*

The good news is that, because of the power of compounding, even relatively small contributions to a college savings plan can add up quickly. Thus, the earlier you begin saving for college, the better. Your Financial Advisor can create a detailed analysis of your current saving and investment strategy and the projected cost of education at the time your children reach college age.

Your Financial Advisor can then assess how well your current saving and investing strategy is working and, if appropriate, discuss alternatives for meeting college funding goals, such as:

- Increasing annual saving and investing
- Reallocating investments earmarked for education
- Investing in 529 Plans, custodial accounts or trusts

*Source: College Board Study, October 2007

Protecting Your Goals

The proper insurance coverage can provide an important means of protecting your financial goals. Using the risk protection analyses feature of LifeView Plus, your Financial Advisor can assess your current coverage and identify any gaps that may need to be addressed.

An important feature of insurance is that it can be a goal-protecting strategy—so that your children or grandchildren can go to college, your family can maintain a comfortable lifestyle, or so your assets are protected from the costs associated with long-term health care.

The specific type of insurance you require depends on your objectives and needs.

For example, as a result of the LifeView Plus analysis, your Financial Advisor may recommend specific amounts of one or more of these types of insurance:

- Long-term health care insurance
- Life insurance
- Disability insurance



Preserving Your Assets for Your Heirs

Estate planning is one of the most complex—and overlooked—areas of wealth management. It is also one of the most critical, helping you to create a meaningful and lasting legacy.

A well-crafted estate plan can help:

- Arrange for the efficient distribution of your assets
- See that your philanthropic wishes are carried out
- Maximize the amount of assets left to heirs

Using LifeView Plus, your Financial Advisor's analysis will quantify both the current value of your estate and its potential value in the future. You'll be able to see how your estate might be distributed—to taxes, charities and your heirs—under your current situation. You'll also see how modifications may provide a more satisfactory outcome.

Depending on your specific needs, various estate planning strategies might include:

- Retitling your assets
- Removing assets from your estate through an annual gifting program
- Utilizing life insurance as a wealth replacement vehicle

Morgan Stanley and its Financial Advisors do not provide tax or legal advice. Individuals should consult their personal tax advisor or attorney for matters involving taxation and tax planning and their attorney for matters involving personal trusts and estate planning.



A Wealth Management Strategy as Individual as You

The Morgan Stanley wealth management process begins with you, your investment objectives and your financial goals. LifeView and LifeView Plus enable your Financial Advisor to take a holistic approach to wealth management, offering the flexibility and power needed to create a customized strategy that can address your unique needs.

Because both tools are modular, you and your Financial Advisor can decide which components best fit your particular situation and objectives. Based on this conversation, your Financial Advisor can tailor a wealth management strategy as unique and individual as you are.

Leveraging the extensive resources of Morgan Stanley, your Financial Advisor can help you take charge of your financial future and achieve your financial goals.

Contact your Morgan Stanley Financial Advisor today to get started.

GLOSSARY OF RISK CONSIDERATIONS

Fixed Income—Investing in fixed income securities involves interest rate risk, credit risk and inflation risk. Interest rate risk is the possibility that bond prices will decrease because of an interest rate increase. When interest rates rise, bond prices and the values of fixed income securities generally fall. Credit risk is the risk that a company will not be able to pay its debts, including the interest on its bonds. Inflation risk is the possibility that the interest paid on an investment in bonds will be lower than the inflation rate, decreasing purchasing power.

Hedge Funds of Funds—Hedge funds and many funds of funds are private investment vehicles restricted to certain qualified private and institutional investors. They are often speculative and include a high degree of risk. Investors can lose all or a substantial amount of their investment. They may be highly illiquid, can engage in leverage and other speculative practices that may increase volatility and the risk of loss, and may be subject to large investment minimums and initial lockups. They involve complex tax structures, tax-inefficient investing and delays in distributing important tax information. Categorically, hedge funds and funds of funds have higher fees and expenses than traditional investments, and such fees and expenses can lower the returns achieved by investors. Funds of funds have an additional layer of fees over and above hedge fund fees that will offset returns.

High Yield—High-yield fixed income securities, also known as “junk bonds,” are considered speculative, involve greater risk of default and tend to be more volatile than investment-grade fixed income securities.

International Equity/Emerging Markets—Foreign investing involves certain risks not typically associated with investments in domestic corporations and obligations issued by the U.S. government, such as currency fluctuations and controls, restrictions on

foreign investments, less governmental supervision and regulation, less liquidity, and the potential for market volatility and political instability. In addition, the securities markets of many of the emerging markets are substantially smaller, less developed, less liquid and more volatile than the securities of the U.S. and other more developed countries.

Managed Futures—Managed futures are commodity pools managed by professional commodity trading advisors (“CTAs”), who typically trade futures, interbank currency forwards, options on futures and forwards. Managed futures investments are speculative, involve a high degree of risk, use significant leverage, are generally illiquid, have substantial charges, subject investors to conflicts of interest and are suitable only for the risk-capital portion of an investor’s portfolio.

Money Market Funds—An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund generally seeks to preserve the value of an investment at \$1.00 per share, it is possible to lose money investing in the fund.

Real Estate and REITS—Real estate investments are subject to special risks, including interest rate and property value fluctuations as well as risks related to general and local conditions. Investing in REITs also involves credit and interest rate risk.

Small/Mid Cap Equity—Stocks of medium-sized companies entail special risks, such as limited product lines, markets and financial resources, and greater market volatility than securities of larger, more established companies.

Stocks—Investing in stock securities involves volatility risk, market risk, business risk and industry risk.

A LifeView Financial Goal Analysis or LifeView Plus Financial Plan is based on the methodology, estimates and assumptions, as described in your report, as well as personal data provided by you. It should be considered a working document that can assist you with your objectives. Morgan Stanley makes no guarantees as to future results or that an individual's investment objectives will be achieved. The responsibility for implementing, monitoring and adjusting your goal analysis or financial plan rests with you. After your Financial Advisor delivers your report to you, if you so desire, your Financial Advisor can help you implement any part that you choose; however, you are not obligated to work with your Financial Advisor or Morgan Stanley.

Important information about your relationship with your Financial Advisor and Morgan Stanley when using LifeView or LifeView Plus. When your Financial Advisor prepares a LifeView Financial Goal Analysis, he or she will be acting in a *brokerage* capacity. When your Financial Advisor prepares a LifeView Plus Financial Plan, he or she will be acting in an *investment advisory* capacity with respect to the preparation of your LifeView Plus Financial Plan. To understand the differences between brokerage and advisory relationships, you should consult your Financial Advisor, or review our *Understanding Your Relationship with Morgan Stanley* brochure available at www.morganstanleyindividual.com.

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