

# Living Our Business Principles

*Morgan Stanley Code of Conduct*

Morgan Stanley's "World Wise Through Your Eyes" photo contest creatively involves individuals at the Firm in its World Wise advertising campaign. Approximately 1,000 photos illustrating interpretations of the World Wise concept were submitted during the contest for 2008. Ten notable submissions are highlighted in this Code of Conduct.

#### **INTEGRITY HOTLINE**

866-448-8434 (Global, outside of Europe)

866-940-6738 (Europe)

#### **INTEGRITY HOTLINE INFOPAGE**

24 hours a day, 7 days a week

Callers outside of the U.S. should dial their country's AT&T access code and wait for the tone before dialing the toll-free number.

# Living Our Business Principles

## *A Message from John Mack*



Every day, every one of us can live the principles that have made Morgan Stanley great. Our Code of Conduct describes how. It is not a rule book but an opportunity to fulfill our long tradition of doing “first class business in a first class way.” Now more than

ever, as a financial holding company, our conduct must be second to none.

Morgan Stanley’s mission is to provide our clients with the finest financial thinking, products and execution. This means setting the highest standards for behaviors that embody our business principles:

- *Lead with integrity*
  - Do the right thing
  - Respect others and appreciate diverse points of view
  - Make decisions based on merit
  - Be open and direct in telling people what you think
- *Put clients first*
  - Act in their best, long-term interests
  - Build trust while you build our franchise
- *Win in the marketplace*
  - Pursue excellence
  - Be agile and entrepreneurial
  - Embrace risk but manage it aggressively
  - Question convention and seek out creative solutions

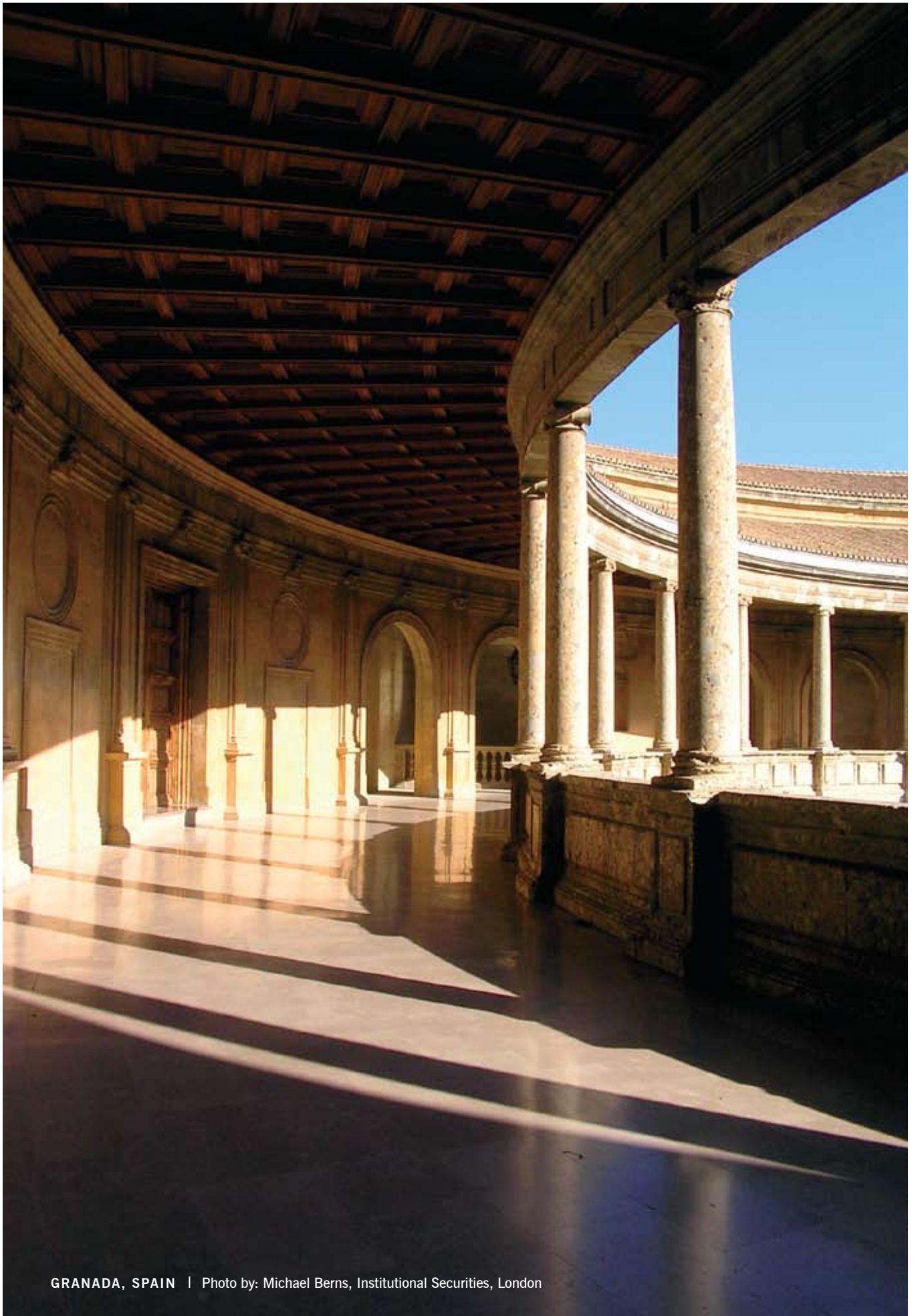
- *Think like an owner*
  - Take personal responsibility for our success
  - Make decisions and be accountable
  - Work as one firm, delivering all our resources to our clients
- *Keep your balance*
  - Enjoy a life outside of work
  - Be socially responsible
  - Never lose your sense of humor

The work of many throughout Morgan Stanley’s history and each one of us today has built Morgan Stanley’s reputation—our most valuable asset. Protecting and sustaining that reputation is an important part of your job. Take the time to read this Code carefully and consider what it says. If you have questions, or if you think your actions (or those of a colleague) may be putting us at risk, we depend on you to let us know.

Like you, I am proud to be part of a firm whose name stands for integrity and excellence. Thank you for doing your part.

A handwritten signature in black ink, appearing to read "John J. Mack". The signature is fluid and cursive.

John J. Mack  
Chairman and Chief Executive Officer



GRANADA, SPAIN | Photo by: Michael Berns, Institutional Securities, London

## QUICK REFERENCE GUIDE

# Common Questions and Where to Find the Answers

While all the topics addressed in our Code of Conduct are important, these issues historically have raised the most frequent questions from employees.

1. Raising concerns/reporting misconduct	<i>page 2</i>
2. Protecting our franchise	<i>page 6</i>
3. Conflicts of interest	<i>page 7</i>
4. Workplace dignity and respect	<i>page 4</i>
5. Protecting confidential information	<i>page 11</i>
6. “Inside information” and information barriers	<i>page 12</i>
7. Anti-money laundering	<i>page 17</i>
8. Political contributions, anti-corruption laws or other dealings with Government Officials	<i>page 14</i>
9. Employee trading	<i>page 9</i>
10. Outside business activities, directorships and private securities transactions	<i>page 8</i>
11. Gifts and entertainment	<i>page 8</i>
12. Safeguarding Morgan Stanley’s systems and property	<i>page 18</i>
13. Inquiries from regulators	<i>page 20</i>
14. Communications with the media or the public	<i>page 20</i>
15. Document retention	<i>page 18</i>

For more information, visit the Legal and Compliance Portal by typing “law,” “compliance” or “legal” into the search bar on *Morgan Stanley Today*.

<b>What the Code Means to You</b> .....	<b>2</b>	<b>We Follow Both the Letter and Spirit of Laws and Regulations</b> .....	<b>14</b>
<b>We Make Ethical Decisions</b> .....	<b>2</b>	Antitrust and Trade Regulation Laws .....	14
Making the Right Decisions .....	2	Tied Business Dealings .....	14
Raising Concerns and Reporting Misconduct .....	2	Anti-Bribery Statutes .....	14
Non-Retaliation Commitment .....	3	Political Contributions and Activities .....	17
Consequences of Violating the Code .....	3	Anti-Money Laundering Laws and Regulations .....	17
Supervisory Responsibilities .....	3	Economic Trade Sanctions and Embargo Programs .....	17
<b>We Treat Others with Dignity and Respect</b> .....	<b>4</b>	Antiboycott Laws .....	18
Fair Treatment .....	4	Maintain Accurate Books and Records .....	18
Fair Employment Practices and Diversity .....	4	<b>We Protect Our Interests</b> .....	<b>18</b>
Discrimination and Harassment .....	4	Authority to Act on Behalf of Morgan Stanley .....	18
<b>We Support Our Communities</b> .....	<b>4</b>	Authority to Retain Outside Legal Counsel .....	18
Corporate Social Responsibility .....	4	Intellectual Property .....	18
Commitment to Our Communities .....	4	Our Systems and Assets .....	18
Commitment to the Environment .....	4	<b>We Are Honest and Fair in Our Communications with the Public</b> .....	<b>19</b>
Human Rights .....	6	Disclosure to the Public .....	19
<b>We Protect Our Franchise and Manage Conflicts of Interest</b> .....	<b>6</b>	Internal Communications .....	19
Franchise Risk .....	6	Research .....	20
Conflicts of Interest .....	7	Communications with the Media .....	20
Related Party Business Dealings .....	7	<b>We Report Information and Cooperate with Requests Relating to Litigation, Investigations, Inquiries and Complaints</b> .....	<b>20</b>
Gifts and Entertainment .....	8	Notification .....	20
Personal Lending and Borrowing .....	8	Cooperation .....	22
Outside Activities, Private Securities Transactions and Directorships .....	8	Legal Holds .....	22
Employee Trading .....	9	Communications with Governmental, Regulatory and Administrative Authorities .....	22
<b>We Protect and Prevent the Misuse of Confidential and Inside Information</b> .....	<b>11</b>		
Confidential Information .....	11		
Prohibition on Trading on Inside Information .....	12		
Information Barriers .....	12		

## What the Code Means to You

This Code of Conduct is a statement of our commitment to integrity and high ethical standards in all that we do at Morgan Stanley. This Code defines the standards of conduct that we expect from all our employees to help us make the right decisions in the course of performing our jobs.

By following this Code and our other policies and procedures, by adhering to the letter and the spirit of applicable laws and regulations, and above all by applying sound judgment to your activities, you can demonstrate your commitment to Morgan Stanley's business principles:

- Lead with integrity
- Put clients first
- Win in the marketplace
- Think like an owner
- Keep your balance

Because no code can cover every legal or ethical question that arises in the workplace, many of the principles described in this Code are explained further in our policies and procedures and in the country supplements to the Code. This Code should be read together with any specific business unit, department and regional policies and procedures that apply to you. You are responsible for knowing and following those policies and procedures as well as this Code of Conduct. In addition, consultants, contractors and temporary workers are subject to the Morgan Stanley Standard of Conduct applicable in their location.

## We Make Ethical Decisions

### *Making the Right Decisions*

Our business principle “think like an owner” includes taking personal responsibility for our success, making decisions and being accountable. Situations in the workplace may arise where the proper course of action may not be clear, and it is helpful to consider some questions before you act, such as:

- Is my action legal?
- Is my action consistent with Morgan Stanley's business principles and the Code of Conduct?
- Could my action be perceived as inappropriate or unethical?
- Could my action damage my reputation or Morgan Stanley's franchise, or embarrass me or the Firm?
- How would my colleagues, family and friends view my behavior?
- How would my action look as a headline in tomorrow's newspaper?

When in doubt, stop and reflect. Use your best judgment to make the right decision or to seek guidance. If you are unclear about laws, regulations or policies that apply to your job, or if you are unsure about the legality or integrity of a particular course of action, seek guidance from your supervisor or the Legal and Compliance Division (“LCD”) before you act. If you ever feel pressured to act in a way that conflicts with the Code, speak with your supervisor, your Human Resources representative or LCD.

### *Raising Concerns and Reporting Misconduct*

It may seem easier to keep silent or to look the other way when faced with questionable conduct, but you must never ignore a legal or ethical issue that needs to be addressed. If you believe you may have violated the law, regulations or our policies, or if you observe or become aware of conduct—whether by another employee, a supervisor, client, consultant, agent, supplier or other third party—that may violate the law, regulations or our policies, or is otherwise improper, you must promptly contact any of the following:

- Your supervisor
- The appointed person under any applicable local disclosure/escalation procedure or policy
- Your Legal and Compliance Division representative
- Your Human Resources representative
- The Integrity Hotline

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## QUESTIONS AND ANSWERS

Throughout the Code, you will see questions and answers. These Q&As are intended to answer specific questions that commonly arise and to illustrate how particular policies apply in practice.



### The Integrity Hotline

If you believe your concern has not been appropriately resolved after contacting one of the above, or if you would prefer to report the concern through other channels, you may call the Integrity Hotline to report matters that do not involve your employment relationship or discrimination or harassment. Your concerns will be treated confidentially as appropriate and may be reported anonymously, if you wish. More information is available on the [\*Integrity Hotline/Reporting Misconduct InfoPage\*](#).

### Employee Relations or Discrimination or Harassment

If you have questions about your work environment, working relationships, compensation or performance management, speak with your supervisor or a Human Resources representative. For concerns about discrimination or harassment, refer to the reporting procedures in the [\*U.S. Non-Discrimination and Anti-Harassment Policy\*](#), [\*Dignity at Work Policy—Europe\*](#), [\*Asia Non-Discrimination and Anti-Harassment Policy\*](#), or applicable policy in your jurisdiction.

### Firm Management

If your concerns relate to the conduct of the Chief Executive Officer, any other senior executive or financial officer or a member of the Board of Directors, you also can report your concerns to the Chief Legal Officer or the Director of Internal Audit. As appropriate, they will notify the Board of Directors of the allegations. Concerns involving the Chief Legal Officer or the Director of Internal Audit should be reported to a member of the Board of Directors.

### Q. What if I have a concern that is not covered in the Code?

The Code of Conduct cannot possibly address every potential cause for concern that you may have. However, the principles, values and other guidance discussed in our Code can help you make the right decision. You are expected to act ethically even in the absence of a specific Firm policy. If you need more help, talk to your supervisor, LCD or your Human Resources representative.

### Non-Retaliation Commitment

Our continued success depends on the open communication of concerns by all employees without fear of retaliation. We prohibit retaliation for reports or complaints that are made in good faith regarding the misconduct of others.

### Consequences of Violating the Code

This Code forms part of the terms and conditions of your employment and governs your activities at Morgan Stanley. It also covers your obligations should you leave the Firm. You are required to acknowledge that you have read, understand and are in compliance with the Code. Failure to do so will not affect the applicability of this Code of Conduct or any of its provisions to you.

The Code is not a contract guaranteeing your employment for a specific duration or entitling you to any special privileges, rights or benefits. If you violate the Code or any other policy, you may be subject to the full range of disciplinary sanctions, including termination of your employment.

You will be held personally responsible for any improper or illegal acts you commit during your employment. You also could be held responsible for the action (or inaction) of others if you knew or should have known about their misconduct.

Your activities may also be reported to regulators, which could result in regulatory or criminal investigations. The penalties for regulatory and criminal violations can include significant fines, disqualification from serving in certain capacities, permanent bar from employment in the securities industry and imprisonment.

### Supervisory Responsibilities

If you are a supervisor, you are obligated to supervise your employees' activities for compliance with applicable laws, regulations and policies, and to take appropriate action when you have concerns. As a supervisor, you must ensure that our supervisory systems and procedures function as intended, identifying potential improvements and escalating issues, as appropriate.

In your role as supervisor, you are also responsible for stopping any misconduct and preventing its recurrence, in consultation with LCD or the Human Resources Department. Supervisors who do not take appropriate action may be held responsible for failure to supervise properly and may subject themselves and Morgan Stanley to supervisory-related regulatory charges, even if they have delegated their supervisory duties. Although supervisors may delegate certain supervisory functions to a qualified person, supervisors remain ultimately responsible for the delegated task and must confirm on a regular basis that the delegated duties are being performed adequately by the delegate.



**Q. If my supervisor asks me to do something that I think is wrong, what should I do?**

Never do anything that you believe is wrong. Express your concerns directly to your supervisor. If you are not able to do so, speak with another manager, contact LCD, your Human Resources representative or call the Integrity Hotline, where you may raise your concern anonymously, and confidentially as appropriate.

## We Treat Others with Dignity and Respect

### *Fair Treatment*

We are committed to dealing fairly with clients, the public, competitors, suppliers and one another. We must not take unfair advantage of anyone through manipulation, concealment, abuse of confidential information, misrepresentation of material facts or other unfair dealings or practice. Many countries have “fair lending” or “fair access” laws that prohibit discrimination against prospective or actual clients. Your actions must comply with the letter and spirit of these laws and regulations.

### *Fair Employment Practices and Diversity*

Our business principle “lead with integrity” means that we respect others, appreciate diverse points of view and make decisions based on merit. Consistent with that principle, we are committed to providing a professional work environment that promotes equal opportunity, dignity and respect. Our policy ensures equal employment opportunity without discrimination or harassment on the basis of race, color, religion, creed, age, sex, gender, gender identity, sexual orientation, national origin, citizenship, disability, marital and civil partnership and civil union status, pregnancy (including unlawful discrimination on the basis of a legally protected pregnancy or maternity leave), veteran status or any other characteristic protected by law.

We have a series of diversity initiatives to support an open and inclusive corporate culture, which we believe is fundamental to our role as a global leader. Our diverse workforce is one of our greatest strengths. Bringing together and supporting employees with different backgrounds, talents, perspectives, cultural identities and experiences help foster a dynamic business that produces innovative, first class solutions.

### *Discrimination and Harassment*

We expect that all relationships in the workplace will be businesslike and free of bias, harassment and violence. We prohibit and will not tolerate any form of discrimination or harassment. Such conduct is unacceptable in the workplace as well as in any work-related setting outside of the workplace. For concerns about discrimination or harassment, refer to the reporting procedures in the *U.S. Non-Discrimination and Anti-Harassment Policy*, *Dignity at Work Policy—Europe, Asia Non-Discrimination and Anti-Harassment Policy*, or applicable policy in your jurisdiction. These policies include mandatory procedures for reporting discrimination or harassment.

## We Support Our Communities

### *Corporate Social Responsibility*

Morgan Stanley is dedicated to making a positive contribution to society through our focus on the environment, our people, responsible business practices, community investment and strengthening the next generation of citizens. We were founded on the principle of doing first class business in a first class way, and believe that the way business is done matters. Our global commitment to responsible citizenship is a direct reflection of our business principles and enhances our ability to provide superior service to our clients, our employees and our communities.

### *Commitment to Our Communities*

Throughout our history, Morgan Stanley has demonstrated our commitment to strengthening and supporting our communities through employee, corporate and our Foundation giving. Morgan Stanley also is committed to community lending and development to meet our obligations under the Community Reinvestment Act. Our commitment means dedicating Firm resources, financial and intellectual, to the betterment of our global communities. We concentrate our efforts in our signature program in children’s health as well as through year-round projects to support education, the arts and other community needs. For more information, please see the *Community Affairs* website.

### *Commitment to the Environment*

Morgan Stanley recognizes that a healthy and sustainable environment is critically important to the global society, the economy, our business and our people. As such, we are committed to considering environmental issues in all aspects of our business, including how we evaluate companies, transactions and risk; how we collaborate with and educate our clients, financing partners and employees;





KYOTO, JAPAN | Photo by: Howard Smith, Global Wealth Management, California



how we conduct our own operations; and how we promote and develop new market opportunities. We are improving energy and resource use, lowering greenhouse gas emissions and implementing sustainability initiatives across our global portfolio, as well as seeking green certification for all new buildings. For more information about our commitment to the environment, please see the [\*Morgan Stanley Global Citizen—Environment\*](#) website.

### *Human Rights*

We support and respect the protection and advancement of human rights, and we are committed to being a responsible corporate citizen in all areas of the world in which we operate. With operations around the world, Morgan Stanley has the global footprint to help promote human rights in the countries where we conduct business. We endeavor to exercise this influence by conducting our business operations in ways that attempt to preserve, protect and promote the full range of human rights such as those described in the United Nations Universal Declaration of Human Rights.

Morgan Stanley complies with the laws and regulations of the countries in which we operate while simultaneously encouraging the promotion of human rights through our own policies, standards and practices. In addition, the charter of our Franchise Committee provides for the

review of potential transactions to assess, among other concerns, potential human rights issues that may warrant Morgan Stanley's further inquiry or require resolution before a potential transaction is consummated. For more information, please see our [\*Statement on Human Rights\*](#).

## **We Protect Our Franchise and Manage Conflicts of Interest**

### *Franchise Risk*

Our business principle “put clients first” means that we act in the best, long-term interest of our clients and build their trust while we build Morgan Stanley's franchise. Our reputation for integrity and excellence is essential to our success. The [\*Global Franchise Risk Policy\*](#) provides a framework for managing potential risks to Morgan Stanley's franchise. It also sets out examples of “red flag” situations that you must escalate, as appropriate. It is important that you consider the potential impact of your actions on Morgan Stanley's reputation and exercise sound judgment before executing or approving business. One irresponsible employee or one ill-advised or inappropriate transaction can diminish Morgan Stanley's and your reputation. For more information, please refer to the [\*Franchise Risk InfoPage\*](#).

KINGS CANYON NATIONAL PARK, CALIFORNIA | Photo by: Vladislav Dubikovsky, Institutional Securities, California



## Conflicts of Interest

Our conflicts of interest policies address business conduct and practices that give rise to actual or potential conflicts of interest. Our *Global Policy on the Identification and Management of Conflicts of Interest* describes the framework by which the Firm identifies and manages conflicts and the types of conflicts to which we should be alert.

### Potential Business Conflicts

Potential business conflicts can occur in a number of circumstances, including:

- Among different clients (for example, where two clients are interested in acquiring the same company); or
- Between clients and Morgan Stanley (for example, where Morgan Stanley has multiple roles with respect to a client and/or transaction, or where Morgan Stanley is offering or recommending products that may be less appropriate for a client because Morgan Stanley receives greater fees or compensation than for other products).

You are responsible for:

- Identifying and managing conflicts according to regulatory requirements and our policies; and
- Bringing conflicts or potential conflicts to the attention of your supervisor, Conflicts Management Officer in your business unit or region, or LCD.

In particular, if you become aware of a conflict of interest between Morgan Stanley and a client who is relying on our advice or services without disclosure of the conflict, promptly notify your supervisor or LCD. In addition, the *Firm Notification and Conflict Clearance Policy* identifies the activities that business units must notify or clear through the Firm Conflict File, which is a key process for identifying and monitoring ongoing and potential business activities across Morgan Stanley. If a conflict is not addressed by our existing policies or is potentially significant to an individual business unit, cross-divisionally or to Morgan Stanley as a whole, raise the issue promptly with your manager, relevant Conflicts Management Officer or LCD.

### Potential Personal Conflicts

Your day-to-day job responsibilities may raise conflicts of interest, such as:

- Compensation arrangements or incentives that could affect whether you recommend or offer a particular security or transaction to a client;
- Personal trading or outside business activities (for example, board memberships or directorships) or investments that could raise potential conflicts with a client or Morgan Stanley;

- Accepting special favors, gifts or entertainment as a result of your position with Morgan Stanley from any person or organization with which we have a current or potential business relationship; or
- Working for a competitor, client or supplier while employed here.

Avoid any investment, activity, interest or relationship outside Morgan Stanley that could impair your judgment or interfere or appear to interfere with your responsibilities on behalf of Morgan Stanley, our clients or our shareholders. Business opportunities that arise because of your position, or by using corporate property or information, belong to Morgan Stanley.

You must promptly disclose to your supervisor or LCD any investment, activity, interest or relationship (including those that involve family members) that could be expected to give rise to a conflict of interest or appearance of a conflict. As discussed in the *Outside Activities, Private Securities Transactions and Directorships* section below, before engaging in these activities, you are required to obtain approval using the *Outside Business Interest* (“OBI”) System.

### FOR MORE INFORMATION

For more information, please refer to the *Global Policy on the Identification and Management of Conflicts of Interest*.

## Related Party Business Dealings

Any business relationship or proposed business transaction Morgan Stanley may have with a company in which you or a related party has a direct or indirect interest or from which you or a related party may derive a benefit, or that employs a related party, may raise the appearance of a conflict of interest. You must notify your supervisor of any such relationship or transaction (for example, if you or a family member owns or controls property of significant value that Morgan Stanley is either purchasing or leasing).

**Q. I want to give a client a birthday present that costs more than the monetary limit in my location (for example, above \$100 in the U.S.). Is the gift permissible if I pay for it myself without seeking reimbursement from Morgan Stanley?**

No. Any gift to a client is subject to the gift policy; the monetary limit on gifts applies whether or not you seek reimbursement from the Firm.

## *Gifts and Entertainment*

Gifts and entertainment can foster goodwill in business relationships; however, concerns arise when they may compromise, or appear to compromise, the propriety of our business relationships or create an actual or potential conflict of interest. Therefore, you and your family may not accept or give gifts or special favors from or to any person or organization with which Morgan Stanley has a current or potential business relationship, unless the gifts are of nominal value (as defined in your location). Gifts and entertainment must be reasonable and appropriate. You may not give or receive a gift, or accept or provide entertainment, that:

- Is excessive in frequency, or so lavish in type or value as to seem improper or to create an inappropriate obligation or expectation on the part of the recipient or provider;
- Appears intended or designed to induce you, a client or a client representative to act in a manner inconsistent with the best interests of Morgan Stanley or the client; or
- May create the appearance that you are entering into a business transaction (for example, with a client or vendor) based on factors other than the merits of the product or service offered or the quality of the professionals involved.

Business entertainment should provide an opportunity for substantial interaction and enhance our overall relationship with clients. As such, you must be present with the client at an entertainment event, or else it is deemed a gift to the client and subject to the gift value limitations. Likewise, if you receive entertainment, the host or provider must attend in order for the entertainment not to be considered a gift to you and subject to the gift value limitations.

You may not sponsor or participate in business entertainment or work-related events that could reasonably result in an actual or apparent conflict of interest or that could embarrass you or the Firm. The cost and nature of business entertainment must be reasonable and consistent with the client relationship and our policies.

Giving gifts to or entertaining employees of government and public international organizations also may be restricted or prohibited. Please see the *Anti-Bribery Statutes* section for more information.

### **FOR MORE INFORMATION**

For more information, including the definition of nominal value in your region, please see the [\*Global Gifts, Entertainment and Charitable Giving Policy\*](#). In addition, please refer to your business unit or region-specific policy on the [LCD Portal](#) for any specific requirements, including reporting and approval procedures.

**Q. I purchased two tickets for a sporting event to spend time with my client. The client asked me if she may bring her spouse. Since the event is sold out, may I give both tickets to the client so her spouse can attend in my place?**

If you do not attend the event with the client, the tickets would be considered a gift, not business entertainment, and therefore acceptable only if the total actual cost of both tickets (regardless of face value) falls within the monetary limit on gifts applicable in your location.

## *Personal Lending and Borrowing*

You may not solicit or accept discount prices, more favorable loan terms, loan guarantees, investment opportunities or any other similar treatment or benefits that are offered to you because of your status as a Morgan Stanley employee, unless the terms are offered to a broad group of individuals in order to encourage sales of a product or service to those individuals (for example, an offer of discounted banking services to all Morgan Stanley employees at the same geographic location or to all tenants in an office building that is occupied in part by Morgan Stanley). You must not accept such benefits if the offer is, or appears to be, an attempt to obtain favorable treatment in dealings with Morgan Stanley.

In addition, Morgan Stanley may not extend credit to directors, executive officers or principal shareholders other than in certain limited circumstances. The rules governing extensions of credit in these circumstances (including those related to margin lending) are complex; please contact LCD for more information and in advance of any proposed extensions of credit.

## *Outside Activities, Private Securities Transactions and Directorships*

A conflict of interest may arise if you engage in an outside activity that may be inconsistent with Morgan Stanley's business interests. We must avoid situations that compromise our duties to Morgan Stanley or restrict the Firm's activities. Before engaging in any outside activity, you are required to obtain approval using the [Outside Business Interest \("OBI"\)](#) System. Outside activities include:

- **Outside business activities**—any activities where you are engaged in a non-Morgan Stanley business, regardless of whether or not you receive compensation, including:
  - Employment by another person or entity;
  - Receiving compensation from another person or entity for business activities, including a family business;



- Receiving fees for external work product, such as an article or speech;
  - Holding a position at the request of, or as part of your role with, Morgan Stanley;
  - Holding elected or appointed political office or consulting for another organization; or
  - Serving as a management official for a depository institution that is not affiliated with Morgan Stanley (generally not permitted). Please raise any questions about potential management interlocks with Compliance.
- **Private Securities Transactions**—passive and non-passive investments held by you, your spouse or domestic partner, such as investments in private placements, private investment partnerships and hedge funds that Morgan Stanley does not make widely available through our own programs.
  - **Directorships**—acting as a director of a publicly traded company or its affiliates (generally not permitted), or of private for-profit companies or not-for-profit, civic and charitable organizations.

### Q. May I make a personal investment in a non-Firm-sponsored hedge fund?

Yes. You must first obtain preapproval using the online [Outside Business Interest \("OBI"\) System](#). Personal securities investments such as an investment in a hedge fund, private partnership, private placement, privately held corporation or tax shelter program require preapproval.

#### FOR MORE INFORMATION

For more information, please refer to the [Outside Activities InfoPage](#).

### *Employee Trading*

Your personal trading must not result in legal, business and ethical conflicts or otherwise appear improper. You also are prohibited from engaging in personal trading on a scale or of a kind that could distract you from your business responsibilities. You are strongly encouraged to invest for the long term and discouraged from short-term, speculative trading.

You must not use confidential information when trading for your own or someone else's account. This includes using information regarding a pending transaction in a security by taking a favorable position for your own or someone else's account before that information is public. You also are prohibited from engaging in personal trades that mirror those that a client or desk has completed (such as piggybacking on client trades).



CHENNAI, INDIA | Photo by: Kim Kiser, Corporate Services, New York

### Employee Securities Accounts

You must disclose any Employee Securities Accounts other than those maintained at Morgan Stanley and will be asked periodically to verify that such disclosure is accurate and complete. An Employee Securities Account is any account: (i) that has brokerage capability, that is, can hold or execute transactions in equity, debt, foreign exchange, commodities or derivatives; and (ii) in which you, your spouse, domestic partner or minor child has an interest or has the power, directly or indirectly, to make or influence investment decisions.

Generally, you must maintain all Employee Securities Accounts at Morgan Stanley (consistent with local law), other than money market and open-end mutual fund accounts that cannot be used as brokerage accounts. Exceptions are rare and require the prior written approval of your designated manager and the Compliance Department. To seek an exception to open an outside account (or, if you are a new employee, to continue to hold an account outside of the Firm), you must request approval using the OBI System.

### Q. My spouse works for another financial services firm and is required to hold our joint brokerage accounts at her firm. What should I do?

You must disclose your joint brokerage accounts in the OBI System. Your supervisor and Compliance will determine whether to approve an exception to hold your accounts at your spouse's firm. If approved, duplicate brokerage statements and confirmations must be sent to Compliance and your designated manager for review.



OTTAWA, CANADA | Photo by: Sumit Gupta, Institutional Securities, Mumbai



### Specific Restrictions

Before trading, you should consider whether the potential transaction raises a conflict of interest, or the appearance of a conflict, with Morgan Stanley or our clients. In almost all circumstances, you may not trade for your Employee Securities Account in securities (or related derivatives) on the Restricted List (described in the section on *Information Barriers*).

You also must follow any policies applicable to your business unit, department or region that address, among other things:

- Preapproval requirements in certain divisions or for certain types of investments;
- Holding periods for investments purchased;
- Restrictions on maintaining certain types of accounts and trading certain products;
- Restrictions on investing in primary and secondary public offerings and on acquiring significant investments in public companies;
- Conditions on maintaining managed accounts and participating in dividend reinvestment plans; and
- Limitations on participating in investment clubs in which members pool their funds to make financial investments.

### Transactions in Morgan Stanley Securities

You may trade in Morgan Stanley securities only during designated window periods, which are published on *Morgan Stanley Today*. Morgan Stanley securities include all securities issued by Morgan Stanley, its subsidiaries and affiliates, including common stock, preferred stock and debt issues.

- For most employees, the window period for transactions in Morgan Stanley securities begins on the first business day following our earnings announcement, and ends on the last business day of each fiscal quarter.
- For employees who are Access Persons, the window period for transactions in Morgan Stanley securities begins on the first business day following our earnings announcement, and ends 20 business days later. Information on Access Persons is available on the *Employee Trading InfoPage*.

You are required to hold positions in Morgan Stanley securities for 30 calendar days, unless you are an Access Person, in which case you are required to hold the positions for six months. Investments in Morgan Stanley and Van Kampen Funds, wherever held, are subject to a 30-day minimum holding period. Please see the *Global Employee Trading Policy* for more information about holding periods.

You are not permitted to sell short or trade derivatives involving Morgan Stanley securities, except for certain *bona fide* hedging strategies.

Most employees are permitted to margin saleable Morgan Stanley securities and to buy and sell Morgan Stanley debt, subject to business unit, department or regional policies. Management Committee and Operating Committee members and the Controller must consult the *Employee Trading Policy for the Management Committee and the Operating Committee* for additional restrictions relating to Morgan Stanley securities.

### FOR MORE INFORMATION

For more information, please see the *Employee Trading InfoPage*.

## We Protect and Prevent the Misuse of Confidential and Inside Information

### Confidential Information

Confidential information is information, including proprietary information, that you create, develop, use or learn in the course of your employment with Morgan Stanley. It includes information that is not generally known to the public about Morgan Stanley, our affiliates, our employees, our clients or other parties with whom we and our affiliates have a relationship and who have an expectation of confidentiality. Examples include client names, trading activities, securities holdings, acquisition, divestiture and tender offer plans, and personal information relating to clients and employees (such as Social Security numbers). You must protect confidential information, regardless of its form or format, from the time of its creation or receipt until its authorized disposal, which means:

- Only accessing confidential information that you need and are authorized to see in order to perform your responsibilities on Morgan Stanley's behalf.
- Not displaying, reviewing or discussing confidential information in public places where you may be overheard or in the presence of outside vendors or other third parties.
- Communicating confidential information only to Morgan Stanley employees and authorized agents (such as attorneys or external auditors) who have a legitimate business reason to know the information and who have no responsibilities or duties that could lead to a conflict of interest.

You must comply with our policies and any written agreements between you and Morgan Stanley relating to confidential information, and follow any policies and preclearance procedures of your business unit, department or region that apply to the acceptance, proper use and handling of confidential information.

Be cautious before accepting confidential information from clients, counterparties or even from other areas within Morgan Stanley because doing so may preclude your area or the Firm from conducting certain business. Do not accept information that is not necessary for the client or counterparty to conduct its business with us.

Your obligation to protect our confidential information continues even after you leave the Firm, and you must return all such information in your possession or control upon your departure. In addition, you must not bring to Morgan Stanley any confidential information, whether documents or other tangible forms, relating to your prior employer's business. Unauthorized access, use or distribution of confidential information violates our policy and could be illegal.

**Q. I have just joined Morgan Stanley as a new employee. Can I bring with me to the Firm confidential proprietary information that I developed while working for my prior employer?**

No. Doing so would breach the Code, your obligations to your former employer, and also might violate the law. You must protect your past employer's confidential information just as Morgan Stanley employees are obliged to protect our confidential information. Similarly, if your employment at Morgan Stanley ends, you are prohibited from taking confidential information with you. If you have any questions about the status of any specific information you have, consult with LCD before using or disclosing it.

The iRespond team at Morgan Stanley is responsible for handling issues arising from situations where Morgan Stanley, employee or client information has been lost, stolen or acquired by an unauthorized party (for example, loss or theft of portable devices, misdirected e-mails or faxes). You are required to report any such incident promptly to the iRespond team. You are also responsible for ensuring that you are in compliance with Information Security standards applicable to your activities.

**Q. I left my BlackBerry on the train. What should I do?**

You should promptly report any lost or stolen equipment (such as BlackBerries, laptops, pagers, cell phones and data storage devices), or printed materials, any misdirected e-mails, or any internal websites containing questionable content to the Firm's Incident Response team (do so by typing "iRespond" into your Web browser).

#### FOR MORE INFORMATION

For more information, please see the Global Policy on Confidential Information, Inside Information and Information Barriers. If you have any questions about handling confidential information, consult with your supervisor or LCD. If you receive material nonpublic information or "inside information," please see Prohibition on Trading on Inside Information and Information Barriers below.

#### *Prohibition on Trading on Inside Information*

Inside information, or material nonpublic information, is a form of confidential information and includes all nonpublic information that may have a significant impact on the price of a security or other financial instrument, or that a reasonable investor would be likely to consider important in making an investment decision. In certain circumstances, the determination of whether nonpublic information is "inside information" may be complex. Consult with LCD if you are uncertain whether particular information is inside information.

You may never, under any circumstances, trade, encourage others to trade, or recommend securities or other financial instruments while in the possession of inside information.

#### FOR MORE INFORMATION

For more information, please see the Global Policy on Confidential Information, Inside Information and Information Barriers.

#### *Information Barriers*

We have established policies and procedures known as Information Barriers to prevent the misuse of inside information and to avoid both actual or apparent conflicts of interest. Information Barriers are designed to separate Private Side Employees, who routinely receive inside information in the course of their employment, from Public Side Employees, who routinely work in the public securities markets. Public Side Employees may then continue to engage in transactions even when Private Side Employees possess inside information about the related issuer or security.

**Private Side Employees** include employees in Investment Banking, Merchant Banking, Global Capital Markets and the Investment Banking Division side of certain joint ventures.

**Public Side Employees** include employees in Research, Sales, Trading, Global Wealth Management Group, the public side of Investment Management and the public side of certain joint ventures.



**Above the Wall Employees** include employees such as Firm Management or Legal and Compliance and certain other designated employees who do not require a wall crossing or Control Group notification to have access to Private Side information. Nevertheless, Private Side Employees should communicate nonpublic or inside information known to them with Above the Wall Employees only on a “need to know” basis.

Private Side and Above the Wall Employees may not communicate nonpublic or inside information known to them with Public Side Employees other than in accordance with the [Global Policy on Confidential Information, Inside Information and Information Barriers, Information Barriers Compliance Notice](#) and other regional or business unit policies. These policies set forth the limited circumstances and conditions under which Public Side Employees may communicate with Private Side and Above the Wall Employees (known as “crossing the wall”). These policies also include chaperoning or gatekeeping procedures for communications between Equity Research and Investment Banking employees.

Private Side and Above the Wall Employees must follow the procedures set forth in applicable wall-crossing policies *before* communicating inside information to a Public Side Employee. The Control Group in the Compliance Department will designate appropriate Public Side senior managers who may receive such information, if necessary, and will determine if restrictions apply to the activities of those involved.

In addition, you must follow the Information Barriers policies and preclearance procedures of your business unit, department or region. If you have questions about Information Barriers or your status as a Private Side, Public Side or Above the Wall Employee, consult the [Information Barriers Compliance Notice](#) or LCD.

### Q. Based on a conversation I had with my client, I may have been exposed to material nonpublic information. What should I do?

If you believe you have information that may be considered material nonpublic information, you may not trade, or advise others to trade, in the securities of the company or companies involved. You also should inform the Control Group in Compliance promptly. The Control Group will determine what action to take with respect to such information. Under no circumstances should you communicate this information to anyone other than the Control Group or trade (or recommend others to trade) on this information without prior permission.

### The Restricted List and the Watch List

We use a Restricted List to monitor Information Barriers and help ensure that certain regulatory requirements are met. An issuer may be added to the Restricted List for many reasons, including if the Firm:

- Is an announced underwriter or placement agent of the issuer’s securities;
- Is an advisor on an announced transaction involving the issuer; or
- Has a significant investment in the issuer.

Certain business units and departments also have special purpose Restricted Lists. The Restricted Lists (posted on our intranet) may not be distributed outside Morgan Stanley.

If an issuer is on a Restricted List, proprietary and employee trading, solicitation of client transactions and the distribution of research are generally limited or prohibited. In addition, when an issuer is placed on a Restricted List, our research on the issuer’s securities generally may not be republished or communicated to clients. You should consult the Control Group if you have questions, as the type and extent of the prohibitions vary depending upon the transaction and the nature of our involvement.

The Watch List, also maintained by the Control Group, identifies situations in which the Firm has received nonpublic information about a potential material event or transaction. The information on the Watch List is not public.

### Notifying the Control Group

You must promptly notify the Control Group if you believe you have received material nonpublic information. Private Side Employees have additional obligations to notify the Control Group of events during the course of a transaction, such as the engagement of the Firm, the announcement of a tender offer or the decision to set a closing date.

### FOR MORE INFORMATION

For more information about Information Barriers, the Restricted List and the Control Group, and for Control Group contact information, please see the [Information Barriers/Control Group InfoPage](#).

## We Follow Both the Letter and Spirit of Laws and Regulations

We are subject to the laws and regulations of many different countries, states and other jurisdictions. You are required to know and comply with all the laws and regulations applicable to you and your business. If you have any questions about laws and regulations applicable to you, please contact LCD.

### Q. Morgan Stanley recently became a financial holding company. What does this mean?

As a financial holding company (“FHC”), we are subject to comprehensive, consolidated supervision and regulation by the Federal Reserve, including capital and information reporting requirements. Morgan Stanley Bank, N.A. now is regulated by the Office of the Comptroller of the Currency. The U.S. Securities and Exchange Commission, U.K. Financial Services Authority, Hong Kong Securities and Futures Commission, Securities and Exchange Surveillance Commission in Japan and other regulators will continue to supervise Morgan Stanley’s subsidiaries that engage in securities activities. As a result of our FHC status and of evolving international financial regulatory standards, Morgan Stanley’s culture of integrity and risk controls will be even more important. In some areas, Morgan Stanley will need to enhance existing controls or introduce new controls. Your participation will be critical to making these controls work effectively.

- **Cross-Border Business.** If your business involves clients located outside the country where you are based, you may be subject to *both* the laws of the clients’ location and the laws of the country where you are based. In some cases, you also may be subject to the laws of a country of which you are a citizen or national even if you no longer reside there. Before you offer products to, visit, or otherwise solicit business from a client outside of your home jurisdiction, you must make sure that both you and Morgan Stanley have the necessary licenses to conduct business in the client’s location and that you understand the laws, regulations and policies applicable to your activities there. Raise any questions regarding cross-border business with LCD before undertaking the activity.
- **Exchanges and Self-Regulatory Organizations.** Morgan Stanley belongs to exchanges and self-regulatory organizations that issue and enforce rules governing trading and business conduct. Among other things, the rules of these organizations may cover trading and sales practices, margin and capital, and clearance and settlement requirements. You must be familiar with and abide by the rules applicable to your business.

- **Market Abuse.** Almost all jurisdictions have laws or regulations that prohibit market abuse or manipulative trading activities. Among other things, these laws and regulations prohibit the dissemination of false or misleading information and the use of information regarding a pending transaction in a security by taking a favorable position for clients, for Morgan Stanley and/or your personal account. Your business unit, department or region has policies and procedures to help ensure compliance with the market abuse and manipulation laws and regulations of each jurisdiction where we do business. Whether you are trading for a client, for Morgan Stanley or for your personal account, you must abide by these policies and procedures.
- **Licensing and Training.** Many jurisdictions require individuals who perform certain activities in the financial services industry to be licensed and to satisfy training and other requirements. You are personally responsible for making sure that you and any employees you supervise are properly licensed and qualified to conduct your or their activities. Contact your local Compliance Department registration group if you have questions about licensing and training requirements.

### *Antitrust and Trade Regulation Laws*

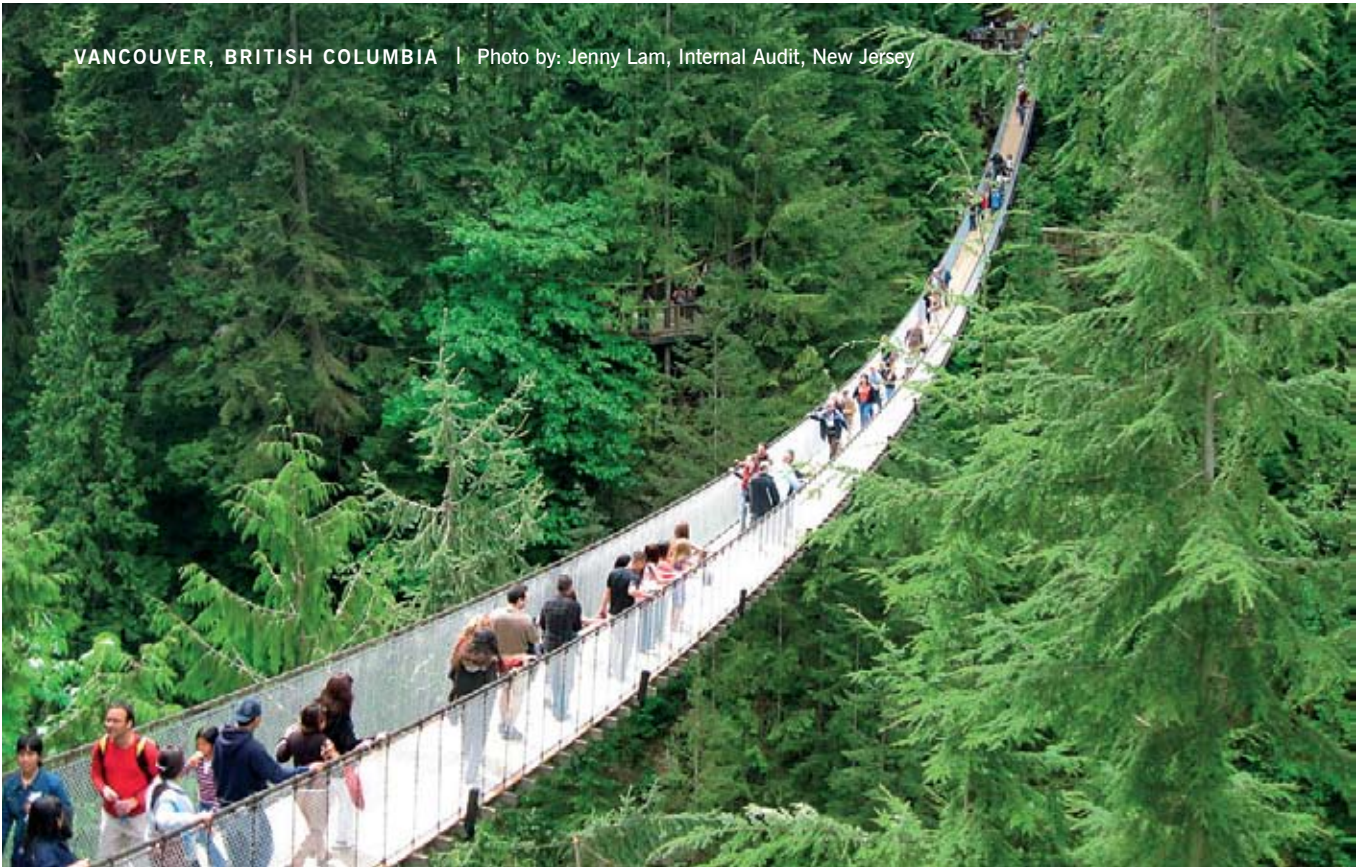
Antitrust and trade regulation laws are designed to ensure fair competition. A small number of joint activities in the securities industry (for example, underwriting syndicates) are legally permissible, but many others are not. Consult with LCD if you have questions about the application of antitrust or trade regulation laws to your business.

### *Tied Business Dealings*

Many jurisdictions have laws prohibiting “tying” arrangements, whereby clients are offered products or services on the condition that they (i) obtain or provide additional products or services or (ii) not obtain products or services from a competitor. You should consult LCD for advice regarding any potential arrangements that may be viewed as involving tying.

### *Anti-Bribery Statutes*

We expect our employees to maintain the highest ethical standards of business conduct and prohibit all forms of bribery. In particular, we prohibit offering, promising, giving, or authorizing others to give anything of value, either directly or indirectly, to a Government Official in order to gain an unfair business advantage, such as obtaining or retaining business. The term “Government Official” is broadly defined and includes (i) officials and employees; (ii) agents, advisors or consultants; and (iii) other individuals acting in an official capacity on behalf of:



- Governments and governmental agencies and instrumentalities;
- Companies or organizations that are partially or wholly owned or controlled by governments or governmental agencies (notwithstanding that the company may be publicly listed); or
- Political parties and political candidates.

In addition, many government agencies have their own rules governing the acceptance of gifts, travel and entertainment. For example, in the United States, federal, state, local and municipal laws and regulations may limit or prohibit acceptance of gifts and entertainment by Government Officials.

You must obtain preclearance from your supervisor and your regional Anti-Corruption Group representative before giving gifts, entertaining or providing anything of value to a Government Official. You also must obtain preclearance before inviting Government Officials to events we sponsor.

Before retaining or conducting business with a business partner, including a co-investor, agent, consultant, joint venture partner or other business intermediary who may interact with Government Officials, you must conduct due diligence through Morgan Stanley Corporate Security and seek preclearance from your regional Anti-Corruption representative. Employees retaining such agents are

responsible for monitoring any expenses incurred by the agents and overseeing the agents' ongoing compliance with our [\*Global Anti-Bribery Policy\*](#).

**Q. I conduct business in countries where many of the companies are owned or appear to be controlled by the state. Are the employees I deal with at these companies Government Officials with respect to whom certain restrictions apply?**

The term "Government Official" is defined broadly. You should assume that all employees of state-owned or controlled companies, and their agents, are Government Officials. Whether an entity is controlled by the state depends on various factors such as the amount of subscribed capital held by the government, the number or nature of the voting shares held by the government and government representation in management positions. You must speak with your supervisor or contact your regional Anti-Corruption representative regarding what is permissible when interacting with such persons.

#### **FOR MORE INFORMATION**

For more information, please see the [\*Anti-Corruption/FCPA InfoPage\*](#) or contact your regional Anti-Corruption Group representative.





## *Political Contributions and Activities*

You are permitted to pursue legitimate political activities and to make political contributions to the extent permitted under U.S. law. However, you are prohibited from making contributions to U.S. state or local officials or candidates for state or local office if those contributions are intended to influence the award or retention of municipal finance business or any other business.

You are required to preclear any political contribution and solicitation activity on behalf of a U.S. federal, state, local or U.S. territorial political candidate, official, party committee, organization or ballot measure committee using the Political Contribution Tracking System. You may not use Morgan Stanley resources or those of our Political Action Committee for any political event or political contribution without prior clearance from the Government Relations Department. You will not be reimbursed for political contributions that you make. Violations of this policy can impair our ability to do business in certain jurisdictions.

We do business with many governments around the world. To avoid conflicts or the appearance of conflicts, you should consult with LCD before making political contributions to public officials or candidates for public office outside the United States. Some jurisdictions may not permit political contributions by foreign companies or persons. Please refer to the [Global Anti-Bribery Policy](#) for more information.

### **Q. Am I required to obtain preclearance each time before making a political contribution to a U.S. candidate?**

Yes. You must preclear each political contribution to, or participation in any political solicitation activity on behalf of, a U.S. federal, state, local or U.S. territorial political candidate, official, party committee or organization. However, contributions to Morgan Stanley's Political Action Committee do not require preclearance.

#### **FOR MORE INFORMATION**

For more information, including answers to frequently asked questions, please see the [U.S. Political Contributions InfoPage](#).

## *Anti-Money Laundering Laws and Regulations*

We prohibit you from participating in or facilitating money laundering and describe your responsibilities in protecting Morgan Stanley from those engaged in these activities. You must:

- Know your anti-money laundering responsibilities by participating as required in Morgan Stanley's ongoing employee anti-money laundering training;

- Know your clients and obtain all client identification information required by laws, regulations and our policies;
- Be alert to activities that could constitute money laundering or involve proceeds derived from unlawful activity; and
- Promptly report any unusual or potentially suspicious activity about clients, the source of their funds, or their transactions, to your supervisor or your Anti-Money Laundering ("AML") Group representative. You also can call the [AML Information Line](#) or the Integrity Hotline.

Any involvement in money laundering activity—even if unintentional—could result in civil and criminal penalties against you and the Firm.

### **Q. In what ways can Morgan Stanley be a target for money laundering?**

It is a common misconception that money laundering only involves cash transactions—in fact, money laundering involves other types of financial transactions as well. Morgan Stanley's global footprint and the range of services we provide to clients put us at risk of being victimized by those attempting to disguise their trades or fund movements as seemingly legitimate activity.

#### **FOR MORE INFORMATION**

For more information, please see the [Anti-Money Laundering InfoPage](#) or contact your AML Group representative or the [AML Information Line](#).

## *Economic Trade Sanctions and Embargo Programs*

Morgan Stanley is subject to restrictions on trade and other economic activity with designated governments, individuals (such as suspected terrorists and narcotics traffickers) and entities, as well as with individuals and entities that are located in, or are nationals or agents of, particular countries.

You are prohibited from opening an account, creating a party ID, establishing or continuing a relationship, or engaging in any direct or indirect transactions or dealing with such designated government, individual or entity. Important information regarding sanctions and embargo programs, such as those administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), is available on the [Economic Sanctions/OFAC InfoPage](#). If you have specific questions about sanctions programs in your jurisdiction or their application to a proposed account or transaction, contact your AML Group representative or call the [AML Information Line](#).



## *Antiboycott Laws*

You must comply with U.S. antiboycott laws that prohibit participation, including a request that others participate, in a boycott unless sanctioned by the U.S. government. You must refuse to do business or furnish information in furtherance of, or otherwise participate in, a non-U.S. boycott. U.S. regulations also require us to report a non-U.S. boycott request. Violation of antiboycott laws may result in criminal, civil and regulatory penalties. If you receive a request to supply information or otherwise take action in furtherance of a non-U.S. boycott, you must promptly contact LCD. Additional information regarding compliance with U.S. antiboycott laws is available on the [\*Antiboycott InfoPage\*](#).

## *Maintain Accurate Books and Records*

We are required to maintain accurate books and records of our business activities consistent with legal requirements and business needs. You should be familiar with any recordkeeping procedures that apply to your business function, and ensure that any records you produce are accurate, truthful and organized, and can be located and retrieved when needed or requested. When no longer required for legal or business purposes, records should be disposed of according to our policies and procedures.

In particular, senior financial officers must ensure that financial information included in our books and records is correct and complete in all material respects.

### **FOR MORE INFORMATION**

For more information about general recordkeeping, please refer to the [\*Information Lifecycle Management/Recordkeeping InfoPage\*](#) or the [\*Global Records and Information Management Policy\*](#). Consult your business unit, department or regional recordkeeping policies for guidance on specific records that you are required to retain.

## **We Protect Our Interests**

### *Authority to Act on Behalf of Morgan Stanley*

You may not commit Morgan Stanley to any obligations unless you have the authority to do so.

### *Authority to Retain Outside Legal Counsel*

Professionals in LCD have the authority to engage outside counsel. Certain professionals in the Tax Department and in business units, in consultation with LCD, have the authority to engage outside counsel directly. You must follow the procedures in our Outside Counsel Policy when retaining counsel on Morgan Stanley's behalf. For more information, please see the [\*Outside Counsel Relationships InfoPage\*](#).

## *Intellectual Property*

Morgan Stanley generally owns all rights to any intellectual property created by you during the term of your employment. You must understand and comply with your [\*Responsibilities with Respect to Intellectual Property\*](#). Your acknowledgement of the Code also encompasses your acknowledgement of the [\*Proprietary Rights Supplement\*](#) to the Code, the terms of which are contractually enforceable between you and Morgan Stanley.

## *Our Systems and Assets*

You should use Morgan Stanley's systems and assets, including telephones, computer networks, e-mail, instant messaging and remote access capabilities, only for Morgan Stanley business and reasonable personal use. You may use only approved messaging systems to conduct Morgan Stanley business. Do not access systems or locations that are not reasonably related to your job responsibilities. You must report any suspected misuse or theft of our assets.

### **Electronic Facilities**

When preparing electronic communications for internal or external distribution, you must:

- Communicate in a manner that is consistent with Morgan Stanley's and your business unit's general standards for communications with the public, and ensure that the tone and content of your electronic communications are consistent with our standards of professionalism and integrity;
- Treat all electronic communications as written (not oral) communications, and avoid colorful, cavalier, colloquial or shorthand language that might be misread or misconstrued, or that might convey an unintended message;
- Never send, store, view, post or forward unlawful, offensive, hostile, discriminatory, harassing, threatening, defamatory, fraudulent or other inappropriate materials, jokes or messages;
- Not use external e-mail accounts (for example, AOL, Gmail, Hotmail), instant messaging services or SMS (text) messaging services to conduct Morgan Stanley business unless they are provided by or approved by the Firm; and
- Not disclose your passwords to anyone, whether inside or outside Morgan Stanley. If you are required to share your password with the Helpdesk, Floor Support staff or through a business unit-specific process, you must change your password once the task is completed.

### Monitoring Communications

All information transmitted using our electronic communications systems is the property of Morgan Stanley. Authorized persons at Morgan Stanley, including supervisors, have access to all electronic files, including Internet usage records and e-mail, for example, to monitor compliance with our policies, regulatory requirements and information/data security protocols, subject to applicable law, and may:

- Monitor and review all written and electronic communications that you send or receive at work or while using our systems, including e-mail, instant messages, voicemail, third-party systems, envelopes, packages or messages marked “Personal and Confidential;” and
- Record and monitor conversations on our voice communications systems. Generally, the Firm records telephone conversations when required by law or regulation or when there is a demonstrable business need for such recording. Please refer to specific regional and local policies for further guidance.

In addition, Morgan Stanley retains all electronic communications, regardless of whether they have been deleted from your computer or wireless device. Such communications may be disclosed in legal or regulatory proceedings.

### FOR MORE INFORMATION

For more information, please see the [\*Internet and Electronic Communication Usage Policy\*](#) and other [\*Information Security\*](#) policies, as well as the [\*Use of E-Mail in the Workplace Compliance Notice\*](#).

## We Are Honest and Fair in Our Communications with the Public

### *Disclosure to the Public*

We have a legal responsibility to provide accurate and complete information to the investing public. If you are involved in the preparation of materials for dissemination to the public, you must ensure that the information is accurate and complete.

In particular, our senior financial and executive officers must promote accurate, complete, fair, timely and understandable disclosure in our public communications, including documents that we submit to our regulators.

Consult your business unit, department or regional policy for standards that apply to oral and written communications with the public, as well as the circumstances under which communications must be reviewed by supervisors and others. If you become aware of an inaccurate or misleading statement in a public communication, you must promptly report it to your supervisor or LCD.

### *Internal Communications*

Morgan Stanley is committed to keeping you informed about a wide range of matters affecting our business. These communications may involve issues ranging from organizational changes to new policies and recommended best practices. These communications are for internal use only and are subject to the restrictions regarding



confidential information outlined in this Code. You should not send them outside Morgan Stanley unless you have received clear direction from your supervisor or Firm Management that doing so is permissible. If you have any questions about handling internal communications, consult with your supervisor or LCD.

### *Research*

We are committed to producing fair and objective research. You are prohibited from directly or indirectly seeking to influence the contents of a research report or the activities of Research personnel for purposes of obtaining or retaining Investment Banking or other Firm business. Consult the *Global Policy on Confidential Information, Inside Information and Information Barriers* and the *Global Research Settlement Policies and Procedures* for further information.

### *Communications with the Media*

We value Morgan Stanley's relationship with the media and maintain regular, ongoing contact with key media around the world. We also have a legal responsibility to communicate accurate information in all material respects. Accordingly, all communication with the media or the public must be truthful, accurate and complete. Our Media Policy covers statements in any media (for example, television, radio, conferences where media will be present, Internet and other electronic-based media), letters to the editor, bylined articles and comments to journalists and videographers about specific matters that relate to the Firm's businesses and/or overall trends in the marketplace. You may not respond to media inquiries or initiate contact with the media, unless specifically authorized, without first consulting Corporate Communications. Employees in the Global Wealth Management Group and research analysts also must seek approval from their supervisor and LCD. Please refer to the *Media Policy* for details.

## **We Report Information and Cooperate with Requests Relating to Litigation, Investigations, Inquiries and Complaints**

### *Notification*

You must promptly notify your direct supervisor and LCD if you:

- Are arrested, charged, indicted, or otherwise become the subject of a criminal matter, including if you enter a plea or are convicted of or settle the matter (excluding minor traffic violations);
- Become involved in any regulatory investigation or proceeding;
- Plan to file a lawsuit or make any voluntary regulatory filing in connection with a Firm-related matter or business;
- Become involved in any civil litigation or arbitration (excluding personal claims or family law matters that do not relate to Morgan Stanley's businesses);
- Receive a subpoena, inquiry or request from a governmental, regulatory or administrative agency, or a claimant, plaintiff or outside attorney, that involves or has the potential to involve Morgan Stanley; or
- Receive any customer complaint, whether made orally or in writing.

You must not take any action concerning the above matters without first contacting your supervisor and LCD. If you are a registered person, you may have additional reporting obligations, which are outlined in your business unit, department or regional policies. Please refer to the *Compliance Notice: Events Requiring Updates to Form U4 and Other Regulatory Filing Amendments* for more information about the reporting obligations of persons registered in the U.S.

### **Q. What should I do if a regulator or outside lawyer contacts me about a potential litigation or regulatory matter?**

As a general matter, you should promptly refer all inquiries and communications regarding actual or potential litigation or regulatory matters to Legal and Compliance.

# Morgan Stanley's Business Principles:

## *Lead with integrity*

- Do the right thing
- Respect others and appreciate diverse points of view
- Make decisions based on merit
- Be open and direct in telling people what you think

## *Put clients first*

- Act in their best, long-term interests
- Build trust while you build our franchise

## *Win in the marketplace*

- Pursue excellence
- Be agile and entrepreneurial
- Embrace risk but manage it aggressively
- Question convention and seek out creative solutions

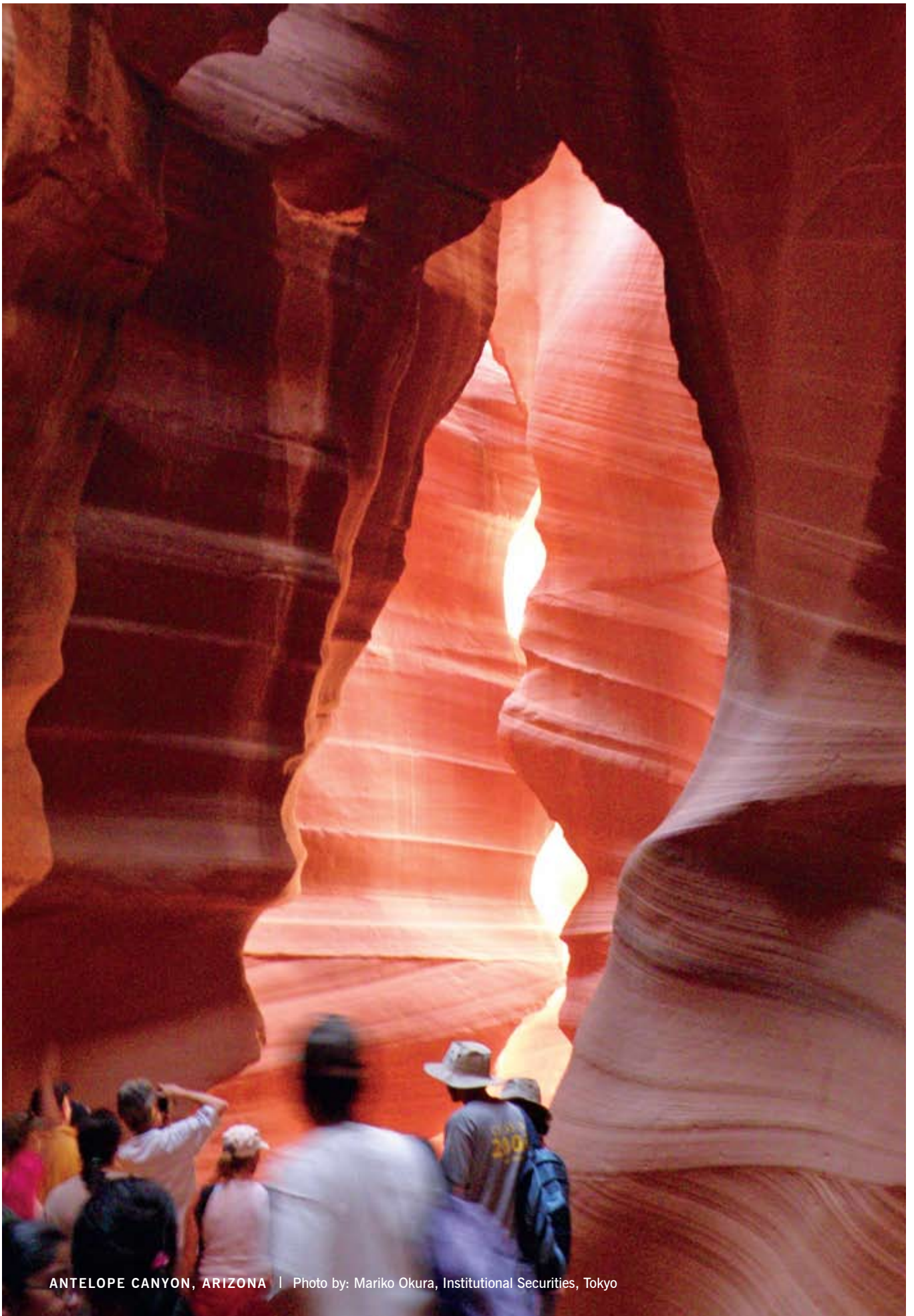
## *Think like an owner*

- Take personal responsibility for our success
- Make decisions and be accountable
- Work as one firm, delivering all our resources to our clients

## *Keep your balance*

- Enjoy a life outside of work
- Be socially responsible
- Never lose your sense of humor





ANTELOPE CANYON, ARIZONA | Photo by: Mariko Okura, Institutional Securities, Tokyo

## *Cooperation*

Morgan Stanley maintains a candid, cooperative and proactive relationship with its regulators, including through direct communications by senior executives with key regulators. This includes appropriately communicating significant corporate developments and actions to relevant regulators.

During a litigation, an internal investigation, or a governmental, regulatory or administrative inquiry or examination involving Morgan Stanley, we may ask you to provide information (including documents, statements or testimony) or to meet with the Firm, our outside counsel, auditors or governmental, regulatory or administrative authorities. You must cooperate fully and provide truthful and complete information in connection with any such request. We may provide information about you to these authorities or in response to subpoenas or other civil discovery requests.

## *Legal Holds*

Morgan Stanley and its employees are required to preserve information, documents and other materials, whether in physical or electronic form, in connection with litigation, investigations and regulatory and administrative proceedings. Those obligations may also arise in connection with such matters that have not yet been commenced.

LCD will notify the appropriate personnel promptly when Morgan Stanley is obligated to preserve information. Similarly, if you become aware of any potential or threatened litigation, investigation or regulatory or administrative proceeding, you must immediately contact LCD. You must take all necessary steps to comply with any notices from LCD regarding the preservation of information, documents or materials in connection with

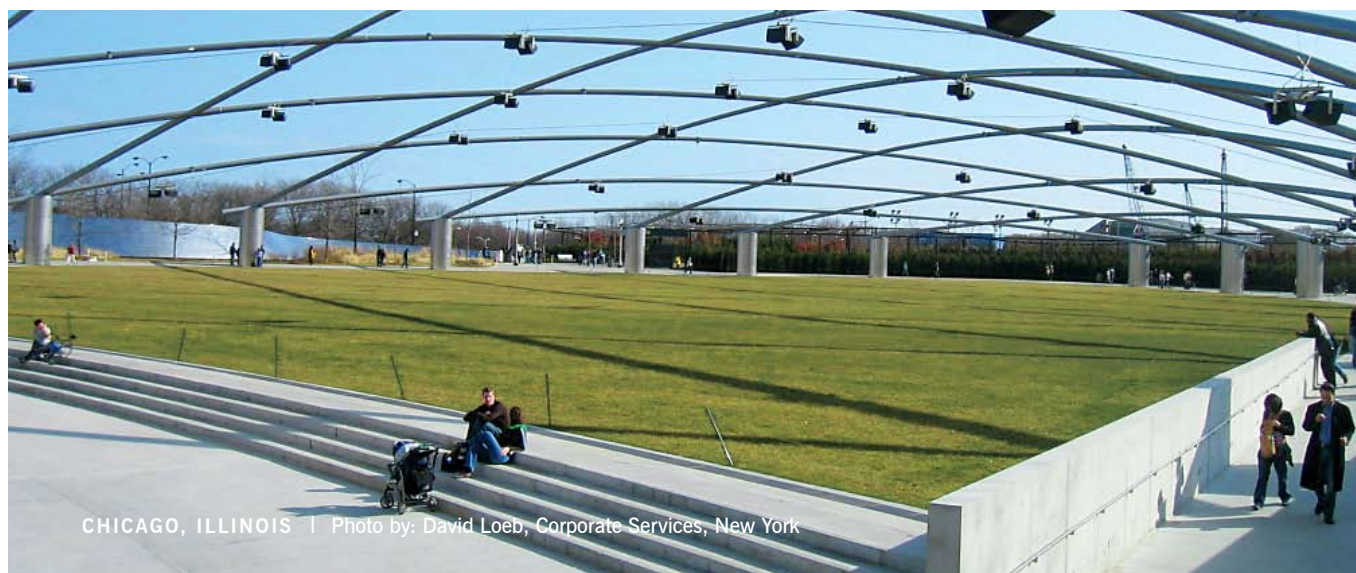
litigation, investigations, or regulatory or administrative proceedings. Failure to comply with an obligation to preserve such information may expose Morgan Stanley, and you personally, to civil and criminal sanctions.

## *Communications with Governmental, Regulatory and Administrative Authorities*

LCD supervises contacts with governmental, regulatory and administrative authorities, as well as attorneys for private litigants, regarding subpoenas, investigations, inquiries and requests. Do not initiate any such contacts without coordinating with LCD, and if you are contacted directly, promptly notify LCD.

The Government Relations Department supervises other contacts with governmental and legislative officials. You must obtain prior approval from the Government Relations Department before contacting any legislative official (for example, a Member of the U.S. Congress, U.K. or EU parliament, or equivalent state, provincial or local official, and related personal or committee staff) on Morgan Stanley's behalf or related to our businesses. Please contact the Morgan Stanley Government Relations Department for more information.

You may communicate lawfully with any governmental or regulatory body or official in the U.S. (i) regarding a possible violation of any fair employment practices law or (ii) in accordance with any other law giving you a right to make lawful communications concerning possible violations of law, as long as such communications are not on Morgan Stanley's behalf. You have the right to communicate lawfully with these organizations or officials directly concerning such matters. Please see the section on *Raising Concerns and Reporting Misconduct* for more information.



CHICAGO, ILLINOIS | Photo by: David Loeb, Corporate Services, New York

## For More Information

Please refer to the [\*Code of Conduct InfoPage\*](#) and the [LCD Portal](#) for more information about the Code and our policies. You can access the [LCD Portal](#) by typing “law,” “compliance” or “legal” into the search bar on [\*Morgan Stanley Today\*](#).

Please contact your supervisor or your Compliance Department contact if you have any questions about the Code of Conduct. Compliance Department contacts worldwide are listed on the [LCD Portal](#).

### **INTEGRITY HOTLINE**

866-448-8434 (Global, outside of Europe)

866-940-6738 (Europe)

### **INTEGRITY HOTLINE INFOPAGE**

24 hours a day, 7 days a week

Callers outside of the U.S. should dial their country's AT&T access code and wait for the tone before dialing the toll-free number.

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WORLD WISE

[www.morganstanley.com](http://www.morganstanley.com)

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