

# Morgan Stanley

# Memorandum

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February 28, 2008

**To:** Employee Shareholders

**From:** John Mack

Morgan Stanley's 2008 annual meeting of shareholders will be held at 9:00 a.m. Eastern Daylight Time (EDT) on April 8th at our Global Wealth Management Group headquarters in Purchase, NY. As a shareholder, you will be able to vote on:

- electing our directors;
- ratifying the appointment of Deloitte & Touche LLP as independent auditor;
- amending and restating our Certificate of Incorporation to eliminate all supermajority voting requirements; and
- two shareholder proposals: (i) to adopt a policy that our shareholders vote annually on a non-binding advisory resolution to ratify the compensation of the named executive officers set forth in our proxy statement; and (ii) to prepare a report for shareholders that describes how our investment policies address or could address human rights issues.

Our Board of Directors recommends that shareholders vote **"FOR"** the director nominees, auditor ratification and the proposal to amend and restate the Certificate of Incorporation to eliminate all supermajority voting requirements and **"AGAINST"** the two shareholder proposals. The Board's rationale for these recommendations is set forth in our proxy statement. Detailed instructions for voting your shares are provided below.

Thank you for your continued support of and investment in Morgan Stanley.

To vote your shares held in the Firm's employee plans, click on \_\_\_\_\_. Alternatively, you may vote by touch-tone telephone. If you are located in the U.S., dial \_\_\_\_\_. If you are located outside the U.S., dial \_\_\_\_\_. When voting by telephone, enter the following 11-digit control number: "#####". Your vote regarding plan shares must be received by 11 p.m. EDT on April 3, 2008.

To vote through the website, use the same authentication you use to log into the Morgan Stanley systems (Note: Kerberos ID for ISG, Windows login ID for GWMG). For technical assistance, please contact your regular help desk.

**If you also hold shares in a brokerage account and/or in your own name, you will receive separate proxy card(s) to vote those shares.** To ensure that *all* of your shares are voted at the meeting, follow the instructions on each proxy card that you receive.

To view or print a copy of our proxy statement or annual report on Form 10-K, go to [www.morganstanley.com/proxydocuments08](http://www.morganstanley.com/proxydocuments08). To request a copy of any of these materials or a proxy card for your shares in employee plans, call \_\_\_\_\_.