

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

Securities Act of 1933
Release No. 8602 / August 12, 2005

Securities Exchange Act of 1934
Release No. 52245 / August 12, 2005

Administrative Proceeding
File No. 3-11335

In the Matter of :

MORGAN STANLEY DW, INC., :

Respondent. :

**NOTICE OF PROPOSED PLAN FOR
THE DISTRIBUTION OF A FAIR
FUND AND OPPORTUNITY FOR
COMMENT**

Notice is hereby given, pursuant to Rule 1103 of the Rules of Practice of the Securities and Exchange Commission (“Commission”), that Morgan Stanley DW, Inc. (“Morgan Stanley DW”), with the approval of its Independent Consultant, has filed with the Commission its proposed plan for the distribution of monies placed into a Fair Fund authorized by the Commission, pursuant to Section 308(a) of the Sarbanes Oxley Act of 2002 (“Distribution Plan”), in the matter of Morgan Stanley DW, Inc. The Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b) and 21C of the Securities Exchange Act of 1934 in this matter on November 17, 2003 (Securities Act of 1933 Release No. 8339, Securities Exchange Act Release No. 48789) (the “Order”).

OPPORTUNITY TO COMMENT

Pursuant to this Notice, all interested parties are advised that the Distribution Plan may be obtained by submitting a written request to Arthur S. Gabinet, District Administrator, Philadelphia District Office, United States Securities and Exchange Commission, 701 Market Street, Suite 2000, Philadelphia, PA 19106. Further, all persons desiring to comment on the Distribution Plan may submit their views, in writing, no later than September 12, 2005, to the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, N.E., Washington, D.C. 20549-8549.

THE PROPOSED PLAN OF DISTRIBUTION

The Distribution Plan generally provides for distribution to Morgan Stanley DW customers who purchased through Morgan Stanley DW shares of mutual funds that were part of two select programs, the Asset Retention Program or the Partners Program, during the period between January 1, 2000, and November 17, 2003 (“Eligible Investors”). In the Order, the Commission found that Morgan Stanley DW failed adequately to disclose certain material facts to the Eligible Investors in the offer and sale of mutual fund shares, thereby violating Section 17(a)(2) of the Securities Act of 1933 and Rule 10b-10 under the Securities Exchange Act of 1934. The proposed plan provides that each

Eligible Investor shall receive a proportionate share of the funds paid by Morgan Stanley DW comprised of \$25 million in disgorgement plus prejudgment interest (twenty-five million dollars) and \$25 million in civil penalties (twenty-five million dollars).

For the Commission, by its Secretary, pursuant to delegated authority.

Jonathan Katz
Secretary