

**UNITED STATES OF AMERICA
BEFORE THE
SECURITIES AND EXCHANGE COMMISSION**

**Securities Exchange Act of 1934
Release No. 56634 / October 10, 2007**

**Administrative Proceeding
File No. 3-12864**

In the Matter Of	:	ORDER INSTITUTING ADMINISTRATIVE
	:	AND CEASE-AND-DESIST PROCEEDINGS,
MORGAN STANLEY & CO.	:	MAKING FINDINGS, AND IMPOSING
INCORPORATED,	:	REMEDIAL SANCTIONS AND A CEASE-
	:	AND-DESIST ORDER PURSUANT TO
	:	SECTIONS 15(b), 15B(c) AND 21C OF THE
Respondent.	:	SECURITIES EXCHANGE ACT OF 1934
	:	
	:	

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 15(b), 15B(c) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Morgan Stanley & Co. Incorporated (“MS&Co”), on behalf of itself and as successor to Morgan Stanley DW Inc. (“MSDW” or “Respondent”).

II.

In anticipation of the institution of these proceedings, the Respondent has submitted an Offer of Settlement (“Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over it and over the subject matter of these proceedings, which are admitted, the Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Sections 15(b), 15B(c) and 21C of the Securities Exchange Act of 1934 (“Order”), as set forth below.

