

**LEVI & KORSINSKY, LLP ANNOUNCES A CLASS ACTION LAWSUIT AGAINST MORGAN STANLEY & CO., INC. FOR AUCTION RATE SECURITIES LOSSES – NYSE: MS**

NEW YORK, March 26, 2008 (Prime Newswire) - Levi & Korsinsky, LLP ([www.zlk.com](http://www.zlk.com)) announces that it has filed a class action lawsuit on behalf of persons who purchased auction rate securities from Morgan Stanley & Co., Inc. (NYSE: MS - News) between March 25, 2003 and February 13, 2008, inclusive (the “Class” or “Class Period”), and who continued to hold such securities as of February 13, 2008 to recover damages caused by Morgan Stanley & Co. Inc.’s (“Morgan Stanley”) for violation of the federal securities laws. A copy of the complaint is available at [www.zlk.com/morganstanleyars.html](http://www.zlk.com/morganstanleyars.html)

The class action, captioned *Miller v. Morgan Stanley & Co. Incorporated et al.*, 08-cv-3012, is pending in the United States District Court for the Southern District of New York.

The Complaint alleges that Morgan Stanley violated Sections 10(b) of the Securities Exchange Act of 1934 by deceiving investors about the investment characteristics of auction rate securities and the auction market in which these securities traded. Auction rate securities are either municipal or corporate debt securities or preferred stocks which pay interest at rates set at periodic “auctions.” Auction rate securities generally have long-term maturities or no maturity dates.

The Complaint alleges that, pursuant to uniform sales materials and top-down management directives, Morgan Stanley offered and sold auction rate securities to the public as highly liquid cash-management vehicles and as suitable alternatives to money market mutual funds. According to the Complaint, holders of auction rate securities sold by Morgan Stanley have been unable to liquidate their positions since the auction market for these securities has collapsed.

If you purchased or otherwise acquired auction rate securities from Morgan Stanley between March 25, 2003 and February 13, 2008, and continued to hold such securities as of February 13, 2008, you may, no later than June 2, 2008, request that the Court appoint you as lead plaintiff. A lead plaintiff is a representative party acting on behalf of other class members in directing the litigation. To be appointed lead plaintiff, the Court must decide that your claim is typical of the claims of other class members, and that you will adequately represent the class. Your ability to share in any recovery is not affected by the decision whether or not to serve as a lead plaintiff. You may retain Levi & Korsinsky, LLP, or other attorneys, to serve as your counsel in this action.

Any individuals who purchased Auction Rate Securities from Morgan Stanley may have legal rights to recover for any damages incurred. Information about auction rate securities is available at [www.auctionratehelp.com](http://www.auctionratehelp.com)

For further information concerning your legal rights, please contact Eduard Korsinsky, Esq. or Juan E. Monteverde, Esq. of Levi & Korsinsky, LLP at 212-363-7500 or via e-mail at [info@zlk.com](mailto:info@zlk.com)

Levi & Korsinsky, LLP has expertise in prosecuting investor securities litigation and extensive experience in actions involving financial fraud. Levi & Korsinsky, LLP represents investors throughout the nation, concentrating its practice in securities and shareholder litigation.

CONTACT: Levi & Korsinsky, LLP  
Eduard Korsinsky, Esq.  
Juan E. Monteverde, Esq.  
39 Broadway, Suite 1601  
New York, NY 10006  
Tel: (212) 363-7500  
Fax: (212) 363-7171  
Email: [info@zlk.com](mailto:info@zlk.com)  
Website: [www.zlk.com](http://www.zlk.com)