

MORGAN STANLEY
Form 4
January 06, 2005

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
PURCELL PHILIP J

(Last) (First) (Middle)

MORGAN STANLEY, 1585
BROADWAY

(Street)

NEW YORK, NY 10036

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
MORGAN STANLEY [MWD]

3. Date of Earliest Transaction
(Month/Day/Year)
01/04/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman of the Board and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---|--|---|-------|
| | | | Code | V | Amount | (A) or (D) | | | | Price |
| Common Stock | 12/23/2004 | | G ⁽¹⁾ | V | 357,400 | D | \$ 0 | 3,140,244 | D | |
| Common Stock | 12/23/2004 | | G | V | 27,422 | D | \$ 0 | 3,112,822 | D | |
| Common Stock | 01/03/2005 | | G | V | 10,853 | D | \$ 0 | 3,101,969 | D | |
| Common Stock | 01/04/2005 | | F | | 113,417 | D | \$ 55.44 | 2,988,552 | D | |
| Common Stock | 01/04/2005 | | M | | 157,796 | A | \$ 29.56 | 3,146,348 | D | |

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| | | | | | | | | | | |
|--------------|------------|--|------------------|---|---------|--------|------|---------------------------|---|---|
| Common Stock | | | | | | 15,304 | I | By 401(k) Plan/ESOP Trust | | |
| Common Stock | 12/30/2004 | | G ⁽²⁾ | V | 451 | D | \$ 0 | 5,245 | I | By Child |
| Common Stock | 01/03/2005 | | G | V | 647 | A | \$ 0 | 5,892 | I | By Child |
| Common Stock | 12/23/2004 | | G | V | 357,400 | A | \$ 0 | 357,400 | I | By Family Limited Liability Co |
| Common Stock | 12/30/2004 | | G | V | 3,608 | A | \$ 0 | 361,008 ⁽³⁾ | I | By Family Limited Liability Co ⁽³⁾ |
| Common Stock | 12/30/2004 | | G ⁽⁴⁾ | V | 451 | D | \$ 0 | 44,911 | I | By Spouse |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------------|---|---------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount |
| Restoration Option (Right to Buy) | \$ 29.56 | 01/04/2005 | | M | 157,796 | 12/31/1997 | 01/19/2005 | Common Stock | 157,796 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|------------------------------------|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| PURCELL PHILIP J MORGAN STANLEY | X | | Chairman of the Board and CEO | |

1585 BROADWAY
NEW YORK, NY 10036

Signatures

Charlene R. Herzer,
Attorney-In-Fact

01/06/2005

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The Reporting Person contributed shares of common stock ("Shares") as part of an estate planning transaction to a family limited liability company ("LLC") in exchange for the managing and non-voting interests in the LLC.
- (2) The Reporting Person's non-emancipated child contributed Shares to the LLC in exchange for a proportionate amount of voting interests in the LLC.

Members of the LLC include the Reporting Person, his spouse, his non-emancipated child and his economically emancipated children. 2,706 Shares were contributed to the LLC by the Reporting Person's economically emancipated children in exchange for a proportionate amount of voting interests in the LLC. As manager of the LLC, the Reporting Person may be deemed to beneficially own Shares that are contributed to the LLC by the Reporting Person and his immediate family members sharing the same household. The Reporting Person disclaims ownership of Shares held by the LLC except to the extent of his pecuniary interest therein.
- (4) The Reporting Person's spouse contributed Shares to the LLC in exchange for a proportionate amount of voting interests in the LLC .

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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