

MORGAN STANLEY INCOME SECURITIES INC
Form DEF 14A
November 05, 2007

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

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934 (AMENDMENT NO.)

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-2.

Morgan

Stanley Income Securities Inc. (Name of Registrant as Specified In Its Charter) Morgan Stanley Municipal Income
Opportunities Trust (Name of Person(s) Filing Proxy Statement, if other than Registrant)
Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-12.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

MORGAN STANLEY INCOME SECURITIES INC.
MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST

NOTICE OF ANNUAL MEETINGS OF SHAREHOLDERS
to be held DECEMBER 12, 2007

Annual Meetings of Shareholders (“Meeting(s)”) of Morgan Stanley Income Securities Inc., a corporation organized under the laws of Maryland, and Morgan Stanley Municipal Income Opportunities Trust, an unincorporated business trust organized under the laws of the Commonwealth of Massachusetts (individually, a “Fund” and, collectively, the “Funds”), will be held jointly in Conference Room 3A, 522 Fifth Avenue, New York, New York 10036, on December 12, 2007 at 9:00 a.m., New York City time, for the following purposes:

1. For Morgan Stanley Income Securities Inc., to elect ten Directors to serve until the year 2008 Annual Meeting, and for Morgan Stanley Municipal Income Opportunities Trust, to elect three Trustees to serve until the year 2010 Annual Meeting, or in each case, until their successors shall have been elected and qualified.
2. To transact such other business as may properly come before the Meetings or any adjournments thereof.

Shareholders of record of each Fund as of the close of business on October 12, 2007 are entitled to notice of and to vote at that Fund’s Meeting. If you cannot be present in person, management would greatly appreciate your filling in, signing and returning the enclosed proxy promptly in the envelope provided for that purpose. Alternatively, if you are eligible to vote telephonically by touchtone telephone or electronically on the Internet (as discussed in the enclosed Joint Proxy Statement) you may do so in lieu of attending the Meeting in person.

In the event that holders of a majority of a Fund’s shares issued and outstanding and entitled to vote (a “Quorum”) are not present at the Meeting in person or by proxy, or the vote required to approve or reject any proposal is not obtained at the Meeting of any Fund, the persons named as proxies may propose one or more adjournments of the Meeting to permit further solicitation of proxies. Any such adjournment will require the affirmative vote of the holders of a majority of the applicable Fund’s shares present in person or by proxy at the Meeting. The persons named as proxies will vote in favor of such adjournment those proxies which have been received by the date of the Meetings.

Mary E. Mullin

Secretary
November 5, 2007
New York, New York

IMPORTANT

You can help avoid the necessity and expense of sending follow-up letters to ensure a Quorum by promptly returning the enclosed Proxy. If you are unable to be present in person, please fill in, sign and return the enclosed Proxy in order that the necessary Quorum may be represented at the Meetings. The enclosed envelope requires no postage if mailed in the United States. Certain shareholders will be able to vote telephonically by touchtone telephone or electronically on the Internet by following instructions contained on their proxy cards or on the enclosed Voting Information Card.

MORGAN STANLEY INCOME SECURITIES INC.
MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST
522 Fifth Avenue, New York, New York 10036

JOINT PROXY STATEMENT

Annual Meetings of Shareholders
December 12, 2007

This Joint Proxy Statement is furnished in connection with the solicitation of proxies by the Boards of Trustees/Directors (the "Board(s)") of Morgan Stanley Income Securities Inc. ("ICB") and Morgan Stanley Municipal Income Opportunities Trust ("OIA") (individually, a "Fund" and, collectively, the "Funds") for use at the Annual Meetings of Shareholders of the Funds to be held jointly on December 12, 2007 (the "Meeting(s)"), and at any adjournments thereof. The first mailing of this Proxy Statement is expected to be made on or about November 6, 2007.

If the enclosed form of proxy is properly executed and returned in time to be voted at the Meetings, the proxies named therein will vote the shares of beneficial interest with respect to ICB and common stock with respect to OIA ("Shares") represented by the proxy in accordance with the instructions marked thereon. Unmarked proxies submitted by shareholders of a Fund ("Shareholders") will be voted for each of the nominees for election as Trustee/Director to be elected by Shareholders of that Fund set forth in the attached Notice of Annual Meetings of Shareholders. A proxy may be revoked at any time prior to its exercise by any of the following: written notice of revocation to the Secretary of the Funds, execution and delivery of a later dated proxy to the Secretary of the Funds (whether by mail or, as discussed below, by touchtone telephone or the Internet) (if returned and received in time to be voted), or attendance and voting at the Meetings. Attendance at the Meetings will not in and of itself revoke a proxy.

Shareholders of record of each Fund as of the close of business on October 12, 2007, the record date for the determination of Shareholders entitled to notice of and to vote at the Meetings (the "Record Date"), are entitled to one vote for each share held and a fractional vote for a fractional share. On the Record Date, there were outstanding 9,411,405 shares of common stock of ICB and 19,685,044 shares of beneficial interest of OIA outstanding, all with \$0.01 par value. No person was known to own as much as 5% of the outstanding Shares of any of the Funds on that date. The percentage ownership of Shares of each Fund changes from time to time depending on purchases and sales by Shareholders and the total number of Shares outstanding.

The cost of soliciting proxies for the Meeting of each Fund, consisting principally of printing and mailing expenses, will be borne by each respective Fund. The solicitation of proxies will be by mail, which may be supplemented by solicitation by mail, telephone or otherwise through Trustees/Directors, officers of the Funds, or officers and regular employees of Morgan Stanley Investment Advisors Inc. ("Morgan Stanley Investment Advisors" or the "Investment Adviser"), Morgan Stanley Trust ("Transfer Agent"), Morgan Stanley Services Company Inc. ("Morgan Stanley Services" or the "Administrator") and/or Morgan Stanley & Co. Incorporated ("Morgan Stanley & Co."), without special compensation therefor. In addition, each Fund may employ Computershare Fund Services, Inc. ("Computershare") to make telephone calls to Shareholders to remind them to vote. Each Fund may also employ Computershare as proxy solicitor if it appears that the required number of votes to achieve a Quorum will not be received.

Effective September 28, 2007, the transfer agent services previously provided to the Funds by Morgan Stanley Trust were assumed by Computershare Trust Company, N.A. (the "Transfer Agent").

Shareholders will be able to vote their shares by touchtone telephone or by Internet by following the instructions on the proxy card or on the Voting Instruction Card accompanying this Joint Proxy Statement. To vote by touchtone telephone or by Internet, Shareholders can access the website or call the toll-free number listed on the proxy card or noted in the enclosed voting instructions. To vote by touchtone telephone or by Internet, Shareholders will need the number that appears on the proxy card in the shaded box.

In certain instances, the Transfer Agent and/or Computershare, if retained, may call Shareholders to ask if they would be willing to have their votes recorded by telephone. The telephone voting procedure is designed to authenticate Shareholders' identities, to allow Shareholders to authorize the voting of their shares in accordance with their instructions and to confirm that their instructions have been recorded properly. No recommendation will be made as to how a Shareholder should vote on any proposal other than to refer to the recommendations of the Board. The Funds have been advised by counsel that these procedures are consistent with the requirements of applicable law. Shareholders voting by telephone in this manner will be asked for identifying information and will be given an opportunity to authorize proxies to vote their shares in accordance with their instructions. To ensure that the Shareholders' instructions have been recorded correctly they will receive a confirmation of their instructions in the mail. A special toll-free number set forth in the confirmation will be available in case the information contained in the confirmation is incorrect. Although a Shareholder's vote may be taken by telephone, each Shareholder will receive a copy of this Joint Proxy Statement and may vote by mail using the enclosed proxy card or by touchtone telephone or the Internet as set forth above. The last proxy vote received in time to be voted, whether by proxy card, touchtone telephone or Internet, will be the vote that is counted and will revoke all previous votes by the Shareholder. In the event that Computershare is retained as proxy solicitor, Computershare will be paid a project management fee as well as telephone solicitation expenses incurred for reminder calls, outbound telephone voting, confirmation of telephone votes, inbound telephone contact, obtaining Shareholders' telephone numbers, and providing additional materials upon Shareholder request, at an estimated cost of \$2,000, which will be borne by each respective Fund.

This Joint Proxy Statement is being used in order to reduce the preparation, printing, handling and postage expenses that would result from the use of a separate proxy statement for each Fund and, because Shareholders may own shares of more than one Fund, to potentially avoid burdening Shareholders with more than one proxy statement. Shares of a Fund are entitled to one vote each at the respective Fund's Meeting. To the extent information relating to common ownership is available to the Funds, a Shareholder that owns record shares in two or more of the Funds will receive a package containing a Joint Proxy Statement and proxy cards for the Funds in which such Shareholder is a record owner. If the information relating to common ownership is not available to the Funds, a Shareholder that beneficially owns shares in two or more Funds may receive two or more packages each containing a Joint Proxy Statement and a proxy card for each Fund in which such Shareholder is a beneficial owner. If the proposed election of Trustees/Directors is approved by Shareholders of one Fund and disapproved by Shareholders of other Funds, the proposal will be implemented for the Fund that approved the proposal and will not be implemented for any Fund that did not approve the proposal. Thus, it is essential that Shareholders complete, date, sign and return each enclosed proxy card or vote by touchtone telephone or Internet as indicated in each Fund's proxy card.

Only one copy of this Joint Proxy Statement will be delivered to multiple Shareholders sharing an address unless we have received contrary instructions from one or more of the Shareholders. Upon written or oral request, we will deliver a separate copy of this Joint Proxy Statement to a Shareholder at

a shared address to which a single copy of this Joint Proxy Statement was delivered. Should any Shareholder wish to receive a separate proxy statement or should Shareholders sharing an address wish to receive a single proxy statement in the future, please contact (888) 421-4015 (toll-free).

ELECTION OF TRUSTEES/DIRECTORS FOR EACH FUND

The number of Trustees/Directors of each Fund has been fixed by the Trustees/Directors, pursuant to each Fund's Articles of Incorporation or Declaration of Trust, at ten. There are presently ten Trustees/Directors for each Fund. At the Meetings, the following nominees are to be elected to each Fund's Board of Trustees/Directors to serve for the following terms, in accordance with each Fund's Articles of Incorporation or Declaration of Trust, as set forth below:

	ICB	OIA	Until the
year 2008 Annual Meeting			
Frank L. Bowman			
Michael Bozic			
Kathleen A. Dennis			
James F. Higgins			
Manuel H. Johnson			
Joseph J. Kearns			
Michael F. Klein			
Michael E. Nugent			
W. Allen Reed			
Fergus Reid			Until the year 2010 Annual Meeting
Michael F. Klein			
Michael E. Nugent			
W. Allen Reed			

Nine of the current ten Trustees/Directors (Frank L. Bowman, Michael Bozic, Kathleen A. Dennis, Manuel H. Johnson, Joseph J. Kearns, Michael F. Klein, Michael E. Nugent, W. Allen Reed and Fergus Reid) are "Independent Trustees" or "Independent Directors," that is, Trustees or Directors who are not "interested persons" of the Funds, as that term is defined in the Investment Company Act of 1940, as amended (the "1940 Act"). The other current Trustee/Director, James F. Higgins, is an "Interested Trustee/Director," that is, a Trustee/Director who is an "interested person" (as that term is defined in the 1940 Act) of the Funds and Morgan Stanley Investment Advisors and thus, is not an Independent Trustee or Independent Director. The nominees for election as Trustee or Director have been proposed by the Trustees or Directors now serving, or, in the case of the nominees for positions as Independent Trustee or Independent Director, by the Independent Trustees or Independent Directors now serving.

The nominees of the Boards of Trustees/Directors for election as Trustee/Director of each Fund are listed below. It is the intention of the persons named in the enclosed form of proxy, unless instructed by proxy to withhold authority to vote for the nominees, to vote all validly executed proxies for the election of these nominees: for ICB—Frank L. Bowman, Michael Bozic, Kathleen A. Dennis, James F. Higgins, Manuel H. Johnson, Joseph J. Kearns, Michael F. Klein, Michael E. Nugent, W. Allen Reed and Fergus Reid and for OIA—Michael F. Klein, Michael E. Nugent, and W. Allen Reed. Should any of the nominees become unable or unwilling to accept nomination or election, the persons named in the proxy will exercise their voting power in favor of such person or persons as the Boards may recommend or, in the case of an Independent Trustee/Director nominee, as the Independent Trustees/Directors of each Fund may recommend. All of the nominees have consented to being named in this Joint Proxy Statement and to serve if elected.

The Funds know of no reason why any of the said nominees would be unable or unwilling

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to accept nomination or election. With respect to each Fund, the election of the nominees listed above requires the approval of a majority of the Shares of the Fund represented and entitled to vote at the Meeting.

Pursuant to the provisions of the Articles of Incorporation of ICB, the terms of office of each Director will expire each year. Therefore, all of the Directors of the Fund, if elected, will serve until the year 2008 Annual Meeting of ICB, or until their successors shall have been elected and qualified.

Pursuant to the provisions of the Declaration of Trust of OIA, as amended, the Trustees are divided into three separate classes, each class having a term of three years. The term of office of one of each of the three classes will expire each year.

The Board of OIA previously determined that any nominee for election as Trustee for the Fund will stand for election as Trustee and serve as Trustee in one of the three classes of Trustees as follows: Class I—Messrs. Bowman, Bozic and Higgins; Class II—Ms. Dennis and Messrs. Johnson, Kearns and Reid; and Class III—Messrs. Klein, Nugent and Reed. Each nominee will, if elected, serve a term of up to approximately three years running for the period assigned to that class and terminating at the date of the Annual Meeting of Shareholders so designated by the Boards, or any adjournments thereof. As a consequence of this method of election, the replacement of a majority of the Board could be delayed for up to two years. In accordance with the above, three Trustees in Class III are standing for election at this Meeting and will, if elected, serve until the Annual Meetings as set forth above or until their successors shall have been elected and qualified.

The current Trustees/Directors of the Funds also serve as trustees/directors for certain of the funds advised by the Investment Adviser (the “Retail Funds”) and certain of the funds advised by Morgan Stanley Investment Management Inc. and Morgan Stanley AIP GP LP (the “Institutional Funds”). The table below sets forth the following information as of December 31, 2006, unless otherwise noted, regarding the nominees for election as Trustee/Director, and each of the other Trustees/Directors (both the Independent Trustees/Directors and the Interested Trustee/Director) as well as the executive officers of the Funds, and each of their age, address, term of office and length of time served, their principal business occupations during the past five years, the number of portfolios in the Fund Complex (defined below) overseen by each Trustee/Director or nominee Trustee/Director, and other directorships, if any, held by the Trustees/Directors. The Fund Complex includes all open-end and closed-end funds (including all of their portfolios) advised by the Investment Adviser and any funds that have an investment adviser that is an affiliated person of the Investment Adviser (including, but not limited to, Morgan Stanley Investment Management Inc.).

INDEPENDENT TRUSTEES/DIRECTORS:

Name, Age and Address of Independent Trustee/Director	Position(s) Held with Registrant	Length of Time Served* During Past 5 Years	Principal Occupation(s) Number of Portfolios in Fund Complex Overseen by Independent Trustee/Director	Other Directorships Held by Independent Trustee/Director
Frank L. Bowman (62) c/o Kramer Levin Naftalis & Frankel LLP Counsel to the Independent Trustees 1177 Avenue of the Americas New York, NY 10036	Nominee/ Trustee/ Director	Since August 2006	President and Chief Executive Officer, Nuclear Energy Institute (policy organization) (since February 2005); Director or Trustee of various Retail Funds and Institutional Funds (since August 2006); Chairperson of the Insurance Sub-Committee of the Valuation, Insurance and Compliance Committee (since February 2007); formerly, variously, Admiral in the U.S. Navy, Director of Naval Nuclear Propulsion Program and Deputy Administrator—Naval Reactors in the National Nuclear Security Administration at the U.S. Department of Energy (1996-2004). Honorary Knight Commander of the Most Excellent Order of the British Empire.	171 Director of the National Energy Foundation, the U.S. Energy Association, the American Council for Capital Formation and the Armed Services YMCA of the USA.
Michael Bozic (66) c/o Kramer Levin Naftalis & Frankel LLP Counsel to the Independent Trustees 1177 Avenue of the Americas New York, NY 10036	Nominee/ Trustee/ Director	Since April 1994	Private investor; Chairperson of the Valuation, Insurance and Compliance Committee (since October 2006); Director or Trustee of the Retail Funds (since April 1994) and the Institutional Funds (since July 2003); formerly, Chairperson of the Insurance Committee (July 2006-September 2006); Vice Chairman of Kmart Corporation (December 1998-October 2000), Chairman and Chief Executive Officer of Levitz Furniture Corporation (November 1995-November 1998) and President and Chief Executive Officer of Hills Department Stores (May 1991-July 1995); variously Chairman, Chief Executive Officer, President and Chief Operating Officer (1987-1991) of the Sears Merchandise Group of Sears, Roebuck & Co.	173 Director of various business organizations.

* This is the earliest date the Trustee/Director began serving the Retail Funds or Institutional Funds. Each Trustee/Director serves an indefinite term, until his or her successor is elected.

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Name, Age and Address	Position(s)
of Independent Trustee/Director Held with Registrant Length of Time Served* Principal Occupation(s) During Past 5 Years Number of Portfolios in Fund Complex Overseen by Independent Trustee/Director Other Directorships Held	
by Independent Trustee/Director Kathleen A. Dennis (54) c/o Kramer Levin Naftalis & Frankel LLP Counsel to the Independent Trustees 1177 Avenue of the Americas New York, NY 10036 Nominee/ Trustee/ Director Since August 2006 President, Cedarwood Associates (mutual fund consulting) (since July 2006); Chairperson of the Money Market and Alternatives Sub-Committee of the Investment Committee (since October 2006) and Director or Trustee of various Retail Funds and Institutional Funds (since August 2006); formerly, Senior Managing Director of Victory Capital Management (1993-2006). 171 None. Dr. Manuel H. Johnson (58) c/o Johnson Smick Group Inc. 888 16th Street, NW Suite 740 Washington, D.C. 20006 Nominee/ Trustee/ Director Since July 1991 Senior Partner, Johnson Smick International, Inc. (consulting firm); Chairperson of the Investment Committee (since October 2006) and Director or Trustee of the Retail Funds (since July 1991) and the Institutional Funds (since July 2003); Co-Chairman and a founder of the Group of Seven Council (G7C), (international economic commission); formerly, Chairperson of the Audit Committee (July 1991-September 2006); Vice Chairman of the Board of Governors of the Federal Reserve System and Assistant Secretary of the U.S. Treasury. 173 Director of NVR, Inc. (home construction); Director of Evergreen Energy. Joseph J. Kearns (65) c/o Kearns & Associates LLC PMB754 23852 Pacific Coast Highway Malibu, CA 90265 Nominee/ Trustee/ Director Since August 1994 President, Kearns & Associates LLC (investment consulting); Chairperson of the Audit Committee (since October 2006) and Director or Trustee of the Retail Funds (since July 2003) and the Institutional Funds (since August 1994); formerly, Deputy Chairperson of the Audit Committee (July 2003-September 2006) and Chairperson of	

the Audit Committee of the Institutional Funds (October 2001-July 2003); CFO of the J. Paul Getty Trust. 174
Director of Electro Rent
Corporation (equipment
leasing), The Ford Family
Foundation and the UCLA
Foundation.

* This is
the earliest date the Trustee/Director began serving the Retail Funds or Institutional Funds. Each Trustee/Director
serves an indefinite term, until his or her successor is elected.

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Name, Age and Address	Position(s)
<p>Held with Registrant Length of Time Served* Principal Occupation(s) During Past 5 Years Number of Portfolios in Fund Complex Overseen by Independent Trustee/Director Other Directorships Held</p>	<p>by Independent Trustee/Director Michael F. Klein (48) c/o Kramer Levin Naftalis & Frankel LLP Counsel to the Independent Trustees 1177 Avenue of the Americas New York, NY 10036 Nominee/ Trustee/ Director Since August 2006 Managing Director, Aetos Capital, LLC (since March 2000) and Co-President, Aetos Alternatives Management, LLC (since January 2004); Chairperson of the Fixed-Income Sub-Committee of the Investment Committee (since October 2006) and Director or Trustee of various Retail Funds and Institutional Funds (since August 2006); formerly, Managing Director, Morgan Stanley & Co. Inc. and Morgan Stanley Dean Witter Investment Management, President, Morgan Stanley Institutional Funds (June 1998-March 2000) and Principal, Morgan Stanley & Co. Inc. and Morgan Stanley Dean Witter Investment Management (August 1997-December 1999). 171 Director of certain investment funds managed or sponsored by Aetos Capital, LLC. Director of Sanitized AG and Sanitized Marketing AG (specialty chemicals) Michael E. Nugent (71) c/o Triumph Capital, L.P. 445 Park Avenue New York, NY 10022 Chairperson of the Board and Nominee/ Trustee/ Director Chairperson of the Board since July 2006 and Trustee since July 1991 General Partner, Triumph Capital, L.P., (private investment partnership); Chairperson of the Boards of the Retail Funds and Institutional Funds (since July 2006); Director or Trustee of the Retail Funds (since July 1991) and the Institutional Funds (since July 2001); formerly, Chairperson of the Insurance Committee (until July 2006); Vice President, Bankers Trust Company and BT Capital Corporation (1984-1988). 173 None. W. Allen Reed (60) c/o Kramer Levin Naftalis & Frankel LLP Counsel to the Independent Trustees 1177 Avenue of the Americas New York, NY 10036 Nominee/ Trustee/</p>

Director Since

August 2006 Chairperson of the Equity Sub-Committee of the Investment Committee (since October 2006) and Director or Trustee of various Retail Funds and Institutional Funds (since August 2006); formerly, President and CEO of General Motors Asset Management; Chairman and Chief Executive Officer of the GM Trust Bank and Corporate Vice President of General Motors Corporation (July 1994-December 2005). 171

Director of GMAC (financial services), GMAC Insurance and Temple-Inland Industries (packaging, banking and forest products); Director of Legg Mason, Inc. and Director of the Auburn University Foundation. Fergus Reid (75)

c/o Lumelite Plastics Corporation

85 Charles Colman Blvd. Pawling, NY 12564 Nominee/

Trustee/

Director Since

June 1992 Chairman of Lumelite Plastics Corporation; Chairperson of the Governance Committee and Director or Trustee of the Retail Funds (since July 2003) and the Institutional Funds (since June 1992). 174 Trustee and Director of

certain investment companies in the JPMorgan Funds complex managed by J.P. Morgan Investment Management Inc.

* This is the earliest date the Trustee/Director began serving the Retail Funds or Institutional Funds. Each Trustee/Director serves an indefinite term, until his or her successor is elected.

Interested Trustee/Director and Executive Officers. The Trustee/Director who is affiliated with the Investment Adviser or affiliates of the Investment Adviser (as set forth below) and executive officers of the Trust, their age, address, term of office and length of time served, their principal business occupations during the past five years, the number of portfolios in the Fund Complex overseen by the Interested Trustee/Director (as of December 31, 2006) and the other directorships, if any, held by the Interested Trustee/Director, are shown below.

INTERESTED TRUSTEE/DIRECTOR:

Name, Age and Address of Interested Trustee/Director	Position(s)
Held with Registrant	Length of Time
Served**	Principal Occupation(s)
During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Interested Trustee/Director
Other Directorships Held by Interested Trustee/Director	James F. Higgins (59) c/o Morgan Stanley Trust Harborside Financial Center Plaza Two Jersey City, NJ 07311 Nominee/ Trustee/ Director
Since June 2000	Director or Trustee of the Retail Funds (since June 2000) and the Institutional Funds (since July 2003); Senior Advisor of Morgan Stanley (since August 2000). 173 Director of AXA Financial, Inc. and The Equitable Life Assurance Society of the United States (financial services).

** This is

the earliest date the Trustee/Director began serving the Retail Funds or Institutional Funds. Each Trustee/Director serves an indefinite term, until his or her successor is elected.

EXECUTIVE OFFICERS:

Age and Address of Executive Officer	Position(s)	Name,
Held with		

Registrant Length of
Time

Served*** Principal Occupation(s) During Past 5 Years Ronald E. Robison (68)

522 Fifth Avenue

New York, NY 10036 President and Principal Executive Officer President since September 2005 and Principal Executive Officer since May 2003 President (since September 2005) and Principal Executive Officer (since May 2003) of funds in the Fund Complex; President (since September 2005) and Principal Executive Officer (since May 2003) of the Van Kampen Funds; Managing Director, Director and/or Officer of the Investment Adviser and various entities affiliated with the Investment Adviser; Director of Morgan Stanley SICAV (since May 2004). Formerly, Executive Vice President (July 2003 to September 2005) of funds in the Fund Complex and the Van Kampen Funds; President and Director of the Institutional Funds (March 2001 to July 2003); Chief Administrative Officer of the Investment Adviser; Chief Administrative Officer of Morgan Stanley Services Company Inc. J. David Germany (53)
Morgan Stanley Investment Management Limited

20 Bank Street

Canary Wharf

London, England E14 4D Vice President Since

February 2006 Managing Director and (since December 2005) Chief Investment Officer – Global Fixed Income of Morgan Stanley Investment Management; Managing Director and Director of Morgan Stanley Investment Management Limited; Vice President of the Retail Funds and Institutional Funds (since February 2006). Dennis F. Shea (54)

522 Fifth Avenue

New York, NY 10036 Vice President Since

February 2006 Managing Director and (since February 2006) Chief Investment Officer – Global Equity of Morgan Stanley Investment Management; Vice President of the Retail Funds and Institutional Funds (since February 2006). Formerly, Managing Director and Director of Global Equity Research at Morgan Stanley.

*** This is the earliest date the Officer began serving the Retail Funds or Institutional Funds. Each Officer serves an indefinite term, until his or her successor is elected.

Name,

Age and Address of
Executive Officer Position(s)

Held with

Registrant Length of

Time

Served*** Principal Occupation(s) During Past 5 Years Amy R. Doberman (45)

522 Fifth Avenue

New York, NY 10036 Vice President Since July 2004 Managing Director and General Counsel, U.S. Investment Management of Morgan Stanley Investment Management (since July 2004); Vice President of the Retail Funds and Institutional Funds (since July 2004); Vice President of the Van Kampen Funds (since August 2004); Secretary (since February 2006) and Managing Director (since July 2004) of the Investment Adviser and various entities affiliated with the Investment Adviser. Formerly, Managing Director and General Counsel – Americas, UBS Global Asset Management (July 2000 to July 2004). Carsten Otto (43)

522 Fifth Avenue

New York, NY 10036 Chief

Compliance

Officer

Since October 2004 Managing Director and Global Director of Compliance for Morgan Stanley Investment Management (since April 2007); Managing Director and Chief Compliance Officer of Morgan Stanley Investment Management. Formerly, U.S. Director of Compliance (October 2004-April 2007) and Assistant Secretary and Assistant General Counsel of the Retail Funds. Stefanie V. Chang Yu (40)

522 Fifth Avenue

New York, NY 10036 Vice President Since

December 1997 Executive Director of the Investment Adviser and various entities affiliated with the Investment Adviser; Vice President of the Retail Funds (since July 2002) and the Institutional Funds (since December 1997). Formerly, Secretary of various entities affiliated with the Investment Adviser. Francis J. Smith (42)

Formerly, Secretary of various entities affiliated with the Investment Adviser. Francis J. Smith (42)

c/o Morgan Stanley Trust

Harborside Financial Center

Plaza Two

Jersey City, NJ 07311 Treasurer and Chief Financial Officer Treasurer since July 2003 and Chief Financial Officer since September 2002 Executive Director of the Investment Adviser and various entities affiliated with the Investment Adviser; Treasurer and Chief Financial Officer of the Retail Funds (since July 2003). Formerly, Vice President of the Retail Funds (September 2002 to July 2003). Mary E. Mullin (40)

Formerly, Vice President of the Retail Funds (September 2002 to July 2003). Mary E. Mullin (40)

522 Fifth Avenue

New York, NY 10036 Secretary Since June 1999 Executive Director of the Investment Adviser and various entities affiliated with the Investment Adviser; Secretary of the Retail Funds (since July 2003) and the Institutional Funds (since June 1999).

*** This

is the earliest date the Officer began serving the Retail Funds or Institutional Funds. Each Officer serves an indefinite term, until his or her successor is elected.

For each Trustee/Director, the dollar range of equity securities beneficially owned by the Trustees/Directors in the Funds and in the Family of Investment Companies (Family of Investment Companies includes all of the registered investment companies advised by the Investment Adviser, Morgan Stanley Investment Management Inc. and Morgan Stanley AIP GP LP) as of December 31, 2006, is shown below.

of Trustee/Director	Dollar Range of Equity Securities in the Funds	Name
(As of December 31, 2006) Aggregate Dollar Range of Equity Securities in		
All Registered Investment Companies Overseen		
by Trustee/Director in Family of Investment		
Companies (As of December 31, 2006) Independent:		
Frank L. Bowman(1)	None \$50,001 – \$100,000	Michael
Bozic	None over \$100,000	Kathleen A. Dennis
Kathleen A. Dennis	None over \$100,000	Manuel H. Johnson
Manuel H. Johnson	None over \$100,000	Joseph J. Kearns(1)
Joseph J. Kearns(1)	None over \$100,000	Michael F. Klein
Michael F. Klein	None over \$100,000	Michael E. Nugent
Michael E. Nugent	None over \$100,000	W. Allen Reed
W. Allen Reed	None \$10,001 – \$50,000	Fergus Reid(1)
Fergus Reid(1)	None over \$100,000	