

COMPANY NO. 2068221



MORGAN STANLEY SECURITIES LIMITED

(the "Company")

WRITTEN MEMBERS' RESOLUTIONS

In accordance with section 381A of the Companies Act 1985, we, being all the members of the Company who at the date hereof are entitled to attend and vote at a general meeting of the Company, **DECLARE** that the resolutions set out below shall have effect as if passed by the Company in general meeting and accordingly **WE RESOLVE THAT:**

1. the authorised share capital of the Company be increased from £10,000,000 to £410,000,000 by the creation of 400,000,000 non-cumulative Preference Shares of £1.00 each, having the rights set out in the Term Sheet attached to this resolution.
2. the articles of association be altered as follows:
 - (i) by substituting for the existing article 2. the following new article 2.:

"2. (A) The share capital of the Company is divided into 10,000,000 Ordinary Shares of £1 each and 400,000,000 non-cumulative Preference Shares of £1.00 each (the "**Preference Shares**").

(B) Dividends may be paid in any currency and shall be apportioned and paid proportionately to the amounts paid up on the shares in issue, such paid up amounts having been expressed, where appropriate, in the currency of the dividend to be paid, at the Foreign Exchange rate, as quoted on Morgan Stanley's General Ledger Foreign Exchange Inquiry Screen (or as determined by such other method as the Directors may approve), prevailing at the close of business on the business day immediately prior to the day on which the dividend is expected to be paid.

(C) The rights attaching to the Preference Shares are as follows:

 - (i) If the Directors declare any dividend on any class of shares in respect of any financial year after the financial year ended on 30 November 2005, the holders of the Preference Shares shall be entitled to receive a non-cumulative dividend in priority to the holders of any other class of share held on the dividend record date (the "**Preference Dividend**"). The dividend record date shall be determined by the Directors.

- (ii) The Directors may declare a dividend on the Preference Shares independently of a declaration of a dividend on any other class of share.
- (iii) No dividends may be paid on any other class of the Company's shares until the Preference Dividend is paid in full.
- (iv) The Directors may declare a Preference Dividend of less than the full amount calculated in accordance with article 2.(C)(vi) below.
- (v) The Directors may declare one Preference Dividend relating to any one financial year at any time either during that financial year or in the next financial year.
- (vi) The payment of the Preference Dividend is as follows:
 - (a) To be paid out of the profits of the Company available for distribution at the time the Directors declare a dividend payment (adjusted as necessary in respect of any fluctuation in the Company's distributable reserves between the dividend declaration date and the dividend payment date).
 - (b) At the rate of 12 month UK£ LIBOR on the preceding December 1 (or if such day is not a Business Day, the next following Business Day) plus 1.25% less 30% of the resulting sum for a period of one year in respect of the paid up portion of each Preference Share held.
 - (c) No interest shall accrue in the period between the declaration of the dividend and payment date.
 - (d) The Preference Dividend may be paid in such instalments and at such intervals as the Directors may decide.
- (vii) In article 2.(C)(vi)(b) above:

UK£ LIBOR is the offered rate for twelve month sterling deposits which appears on the display designated as page ISDA on the Reuters Monitor Money Rate Service or such other page as may replace the ISDA page on that system for the purpose of displaying London interbank offered rates of leading banks at or about 11.00 am.

(viii) On a distribution of assets of the Company among its members on a winding-up or other return of capital, the holders of the Preference Shares shall be entitled, in priority to any holder of any other class of shares, to receive an amount equal to the aggregate of the capital paid up (or credited as paid up) on each Preference Share.

(ix) The holders of Preference Shares shall be entitled to receive notice of and to attend any general meeting of the Company. The number of votes exercisable in respect of each Preference Share shall be calculated as follows:

(a) The Preference Shares in issue shall carry such number of votes (the "**Preference Share Votes**") in aggregate as represent one-tenth of the total voting rights of all the members of the Company having at that time a right to vote at general meetings of the Company.

(b) Partly paid up Preference Shares shall not be entitled to any voting rights but may receive dividends.

(c) The Preference Share votes in respect of each Preference Shareholder shall be calculated as follows:

$$\frac{\text{Total Preference Shares held}}{\text{Total Preference Shares in Issue}} \times 10 = \begin{array}{l} \text{Percentage} \\ \text{of Total} \\ \text{Votes} \\ \text{exercisable*} \end{array}$$

(*rounded up to the nearest whole percentage point)"

AND Morgan Stanley UK Group, as holder of all of the issued £ Ordinary Shares (with the exception of one £ Ordinary Share held as bare nominee by MSL Incorporated on behalf of Morgan Stanley UK Group), hereby sanctions each and every variation, modification or abrogation of the rights respectively attached to each class of shares.

AND MSL Incorporated, holding one £ Ordinary Share as bare nominee on behalf of Morgan Stanley UK Group hereby sanctions each and every variation,

modification or abrogation of the rights respectively attached to the £ Ordinary Shares.

For and on behalf of **Morgan Stanley UK Group**



Director

Date: 9/11/05

For and on behalf of **MSL Incorporated**

Director

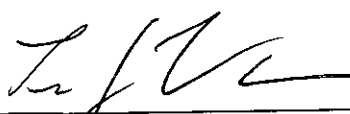
Date: _____

For and on behalf of Morgan Stanley UK Group

Director

Date: _____

For and on behalf of MSL Incorporated



Lora J. Tenenbaum
Assistant Secretary

Date: 9 Nov 05

Morgan Stanley Securities Limited
Non-Cumulative Preference Shares
("Preference Shares")
Terms

- Issuing Party: Morgan Stanley Securities Limited ("the Company")
- Investing Party: Morgan Stanley Dean Witter Trustee Limited
- Investment Date: 9 November 2005
- Par Amount: £1.00 per share
- Premium (if any): None
- Shares Issued: 147 million
- Rights: See below
- Dividends :
- (i) Dividends shall be non-cumulative;
 - (ii) If the Directors declare any dividend on any class of shares in respect of any financial year after the financial year ended on 30 November 2005, the holders of the Preference Shares shall be entitled to receive a dividend in priority to the holders of any other class of share held on the dividend record date (the "Preference Dividend"). The dividend record date shall be determined by the Directors;
 - (iii) The Directors may declare a dividend on the Preference Shares independently of a declaration of a dividend on any other class of share;
 - (iv) No dividends may be paid on any other class of the Company's shares until the Preference Dividend is paid in full;
 - (v) The Directors may declare a Preference Dividend of less than the full amount calculated in accordance with (vii) below;
 - (vi) The Directors may declare one Preference Dividend relating to any one financial year at any time either during that financial year or in the next financial year; and
 - (vii) Payment of the Preference dividends
 - a. To be paid out of the profits of the Company available for distribution at the time the Directors declare a dividend payment (adjusted as necessary in respect of any fluctuation in the Company's distributable reserves between the dividend

declaration date and the dividend payment date)

- b. At the rate of 12 month UK£ LIBOR on the preceding December 1 (or if such day is not a Business Day, the next following Business Day) plus 1.25% less 30% of the resulting sum for a period of one year in respect of the paid up portion of each Preference Share held
- c. No interest shall accrue in the period between the declaration of the dividend and payment date
- d. The Preference dividend may be paid in such instalments and at such intervals as the Directors may decide.

Definitions: UK£ LIBOR is the offered rate for twelve month sterling deposits which appears on the display designated as page ISDA on the Reuters Monitor Money Rate Service or such other page as may replace the ISDA page on that system for the purpose of displaying London interbank offered rates of leading banks at or about 11.00 am.

Return of Capital: On a distribution of assets of the Company among its members on a winding-up or other return of capital, the holders of the Preference Shares shall be entitled, in priority to any holder of any other class of shares, to receive an amount equal to the aggregate of the capital paid up (or credited as paid up) on each Preference Share.

Voting Rights: The holders of Preference Shares shall be entitled to receive notice of and to attend any general meeting of the Company. The number of votes exercisable in respect of each Preference Share shall be calculated as follows:

- (a) The Preference Shares in issue shall carry such number of votes (the *Preference Share Votes*) in aggregate as represent one-tenth of the total voting rights of all the members of the Company having at that time a right to vote at general meetings of the Company.
- (b) Partly paid up Preference Shares shall not be entitled to any voting rights but may receive dividends.
- (c) The Preference Share votes in respect of each Preference Shareholder shall be calculated as follows:

$$\frac{\text{Total Preference Shares held}}{\text{Total Preference Shares in Issue}} \times 10 = \text{Percentage of Total Votes exercisable (rounded up to the nearest whole percentage point)}$$