

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 68299 / November 27, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-12631

In the Matter of

Morgan Stanley & Co.
Incorporated,

Respondent.

**ORDER AUTHORIZING THE TRANSFER
OF REMAINING FUNDS AND ANY
FUTURE FUNDS RETURNED TO THE
DISGORGEMENT FUND TO THE UNITED
STATES TREASURY, TERMINATING THE
DISGORGEMENT FUND, AND
DISCHARGING THE PLAN
ADMINISTRATOR**

On May 9, 2007, the U.S. Securities and Exchange Commission (“Commission”) issued an 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) and 21C of the Securities Exchange Act of 1934 (“Order”) against Morgan Stanley & Company Incorporated (“MS & Co.”). Exchange Act Release No. 55726 (May 9, 2007). Pursuant to the Order, MS & Co. paid \$5,949,222 in disgorgement and \$507,978 in prejudgment interest for a total payment of \$6,457,200 (“Disgorgement Fund”). The Order also required MS & Co. to pay a civil money penalty of \$1.5 million to the United States Treasury.

On August 25, 2009, the Commission issued an Order Approving Plan of Distribution. Exchange Act Release No. 60568 (August 25, 2009). The Commission subsequently issued three orders directing the disbursement of \$3,933,737.70. The first Order Directing Disbursement of Disgorgement Fund was issued on May 24, 2010, authorizing the disbursement of \$2,891,887.33. Exchange Act Release No. 62162 (May 24, 2010). The second Order Directing Disbursement of Disgorgement Fund was issued on November 30, 2010, authorizing the disbursement of \$457,821.82. Exchange Act Release No. 63399 (November 30, 2010). The third Order Directing Disbursement of Disgorgement Fund was issued on March 11, 2011, authorizing the disbursement of \$584,028.55. Exchange Act Release No. 64078 (March 11, 2011).

The final payments were issued on or about August 31, 2011, and the distribution has been completed. The Plan Administrator submitted a final accounting of the Disgorgement Fund pursuant to Rule 1105(f) of the Commission’s Rules on Fair Fund and Disgorgement Plans. The

final accounting was approved by the Commission. After all disbursements have been made and all liabilities have been satisfied pursuant to the plan, \$3,838,484.53 remains.

Accordingly, IT IS ORDERED that:

1. The \$3,838,484.53 remaining balance in the Disgorgement Fund and any future funds returned to the Disgorgement Fund shall be transferred to the United States Treasury;
2. The Disgorgement Fund is terminated; and
3. The Plan Administrator, Rust Consulting, Inc., is discharged.

By the Commission.

Elizabeth M. Murphy
Secretary