



Press Release

For Immediate Release

April 5, 2006

Shareholders Ask for Policy on Executive Severance at Morgan Stanley Amalgamated Bank LongView Proposal Passes at Annual Meeting

New York, NY— Investors voted in favor of a proposal by Amalgamated Bank's LongView Collective Investment Fund at the April 4, 2006 annual meeting of Morgan Stanley (NYSE: MS). The proposal, which won 55% of the votes cast, urged the board of directors to seek shareholder approval for executive severance agreements that provide at least three times an executive's base pay plus bonus.

In 2005, Morgan Stanley entered into agreements with then-Chairman and CEO Philip Purcell and Co-President of 3 ½ months Stephen Crawford, under which they would receive severance packages valued at \$44 million and \$32 million, respectively. Both executives then left the company.

Mr. Purcell's retirement bonus was part of a \$113 million pay-out upon his departure. In addition to base salary, executive severance plans, or "golden parachutes," may include lump sum payment of bonuses; payment of long-term incentive awards; immediate vesting and lapse of restrictions on restricted stock; the right to exercise outstanding options; and continuing coverage under the company's benefit plans.

"Morgan Stanley's 2005 executive severance payouts came at a high cost to shareholders and in our opinion reflected poorly on decision-making by the board," said Julie Gozan, Director of Corporate Governance for Amalgamated Bank. "Despite new leadership at the firm, we believe a policy is needed to ensure future best practices and allow for shareholder oversight of any very large golden parachutes."

In 2005, proposals seeking to limit or provide oversight for very large executive golden parachutes received, on average, a majority of shareholder votes cast on the issue. Over 30 golden parachute proposals have been filed at various companies in 2006. "We hope Morgan Stanley's directors carefully consider this vote by its shareholders and chooses to implement our proposal, which we believe would encourage restraint when the company negotiates awards in the future," said Gozan.

Amalgamated Bank's LongView Funds hold over 519,000 shares of Morgan Stanley.

Founded in 1923, Amalgamated Bank invests workers' retirement savings through its LongView Funds. With \$10 billion in assets under management, LongView works to enhance shareholder value through corporate governance reforms at portfolio companies. Amalgamated Bank is available online at www.AmalgamatedBank.com.

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