## SCHEDULE OF PAYMENTS ON CORPORATE BOND TRACERS UNITS

The table below sets forth the anticipated Distribution Dates for the Corporate Bond TRACERS Units and the anticipated distribution per Corporate Bond TRACERS Unit on each Distribution Date. The schedule of payments will be amended upon the early redemption, repayment or Mandatory Liquidation of any Underlying Security. A revised schedule of payments will be filed with the SEC by the Trustee on Form 8-K and will be available from your Morgan Stanley financial advisor upon request and the Trustee will provide notice of the change to holders of the Corporate Bond TRACERS.

As of May 25, 2012, the Unit Principal Balance of a Corporate Bond TRACERS Unit is \$840, the Moody's rating for the Corporate Bond TRACERS Units is Baal and the S\&P rating for the Corporate Bond TRACERS Units is BBB-. There will not be any scheduled payment of principal until the Distribution Date following July 1, 2012, the earliest date upon which any of the Underlying Securities mature.

The amounts set forth under "Scheduled Trust Payments of Interest" below reflect the deduction for expenses of an amount equal to $0.063 \%$ of the Unit Principal Balance from each scheduled monthly payment from the Payment Counterparty to the Trust as described under "Description of Corporate Bond TRACERS Units-Expenses" in the prospectus supplement.

| Distribution Date ${ }^{1}$ | Scheduled Trust <br> Payments of Interest | Effective Rate of Interest ${ }^{2}$ | Scheduled Payments of Principal | Unit Principal Balance ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: |
| Monthly on the 25th of each month beginning October 27, 2003 to and including November 25, 2006 | \$4.350 | 5.220\% | - | \$1,000 |
| December 26, 2006 | \$4.350 | 5.220\% | \$40 | \$1,000 |
| January 25, 2007 to and including September 26, 2011 | \$4.186 | 5.233\% | - | \$960 |
| October 25, 2011 | \$4.186 | 5.233\% | \$40 | \$960 |
| November 25, 2011 to and including December 25, 2011 | \$3.949 | 5.150\% | - | \$920 |
| January 25, 2012 | \$3.949 | 5.150\% | \$40 | \$920 |
| February 27, 2012 to and including March 25, 2012 | \$3.736 | 5.095\% |  | \$880 |
| April 25, 2012 | \$3.736 | 5.095\% | \$40 | \$880 |
| May 25, 2012 | \$3.736 | 5.095\% |  | \$840 |
| June 25, 2012 | \$3.545 | 5.064\% |  | \$840 |
| July 25, 2012 | \$3.545 | 5.064\% | \$40 | \$840 |
| August 25, 2012 | \$3.362 | 5.042\% | - | \$800 |
| September 25, 2012 | \$3.362 | 5.042\% | \$120 | \$800 |
| October 25, 2012 | \$2.768 | 4.884\% | \$120 | \$680 |
| November 25, 2012 | \$2.266 | 4.856\% | - | \$560 |
| December 26, 2012 | \$2.266 | 4.856\% | \$120 | \$560 |
| January 25, 2013 | \$1.722 | 4.696\% | \$120 | \$440 |
| February 25, 2013 | \$1.208 | 4.529\% | \$160 | \$320 |

[^0]| March 25, 2013 | $\$ 0.575$ | $4.312 \%$ | $\$ 40$ | $\$ 160$ |
| :---: | :---: | :---: | :---: | :---: |
| April 25, 2013 | $\$ 0.424$ | $4.243 \%$ | - | $\$ 120$ |
| May 28, 2013 | $\$ 0.424$ | $4.243 \%$ | $\$ 80$ | $\$ 120$ |
| June 25, 2013 | $\$ 0.154$ | $4.627 \%$ | - | $\$ 40$ |
| July 25, 2013 | $\$ 0.154$ | $4.627 \%$ | $\$ 40$ | $\$ 40$ |


[^0]:    ${ }^{1}$ If any Distribution Date is not a Business Day, the payment will be made on the next succeeding Business Day.
    ${ }^{2}$ The October 27, 2003 Interest Payment will accrue from and including the Settlement Date to but excluding October 27, 2003. The Effective Rate of Interest presented for each period is based on the applicable Unit Principal Balance and not on the issue price of the Corporate Bond TRACERS Units.
    ${ }^{3}$ The Unit Principal Balance is reduced following each scheduled payment of principal.

