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FORMER MORGAN STANLEY EMPLOYEE AND HUSBAND
PLEAD GUILTY TO INSIDER TRADING CHARGES

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that RANDI COLLOTTA, an attorney and former employee of Morgan Stanley & Co., and her husband, CHRISTOPHER COLLOTTA, also an attorney, pleaded guilty earlier today in Manhattan federal court to conspiracy and securities fraud charges in connection with an insider trading scheme in which they provided material, nonpublic information regarding certain public companies' planned merger and acquisition activities to another individual, MARC JURMAN, so that JURMAN could execute profitable securities transactions. RANDI and CHRISTOPHER COLLOTTA pleaded guilty before United States District Judge VICTOR MARRERO. According to the Indictment and superseding Informations filed in this case, as well as the guilty plea proceedings:

At the times relevant to this case, RANDI COLLOTTA was an employee in the global compliance division of Morgan Stanley. Among other services, Morgan Stanley provides financial and investment banking advice and services to Morgan Stanley clients in connection with potential and actual mergers and acquisitions. In the course of that work, Morgan Stanley personnel, including RANDI COLLOTTA, had access to material nonpublic information, including information concerning the transactions (the "Morgan Stanley Deals") listed below:

MORGAN STANLEY CLIENT	ACQUIRER	ANNOUNCEMENT	DATE OF PUBLIC ANNOUNCEMENT
Argosy Gaming Co. ("Argosy")	Penn National Gaming, Inc. ("Penn National")	Penn National to acquire Argosy	November 3, 2004

MORGAN STANLEY CLIENT	ACQUIRER	ANNOUNCEMENT	DATE OF PUBLIC ANNOUNCEMENT
Macromedia, Inc. ("Macromedia")	Adobe Systems, Inc. ("Adobe")	Adobe to acquire Macromedia	April 18, 2005
Catellus Development Corporation ("Catellus")	ProLogis	ProLogis to acquire Catellus	June 6, 2005
PacifiCare Health Systems, Inc. ("PacifiCare")	UnitedHealth Group	UnitedHealth Group to acquire PacifiCare	July 6, 2005

In violation of her duties to Morgan Stanley and its clients, RANDI COLLOTTA provided nonpublic information regarding certain public companies' planned merger and acquisition activities (the "Morgan Stanley Inside Information"), including information concerning the Morgan Stanley Deals, to her husband, CHRISTOPHER COLLOTTA, and another individual, MARC JURMAN. JURMAN traded on this inside information and passed the information to others, who also traded on the inside information.

RANDI COLLOTTA and CHRISTOPHER COLLOTTA each pleaded guilty to one count of conspiracy to commit securities fraud and one count of securities fraud. Each faces a maximum term of 25 years' imprisonment. Judge MARRERO scheduled sentencing for September 7, 2007 at 3 p.m.

RANDI COLLOTTA, 30, and CHRISTOPHER COLLOTTA, 34, both reside in Bayport, New York.

In addition to the COLLOTTAS, three other individuals - MARC JURMAN, ERIK FRANKLIN and ROBERT BABCOCK -- have pleaded guilty to criminal charges arising from trading on the Morgan Stanley Inside Information that RANDI COLLOTTA had misappropriated. (Another individual, KEN OKADA, has been charged with insider trading in connection with this scheme; charges against OKADA are pending. OKADA is presumed innocent unless and until proven guilty of any of those charges.)

Assistant United States Attorney ANDREW FISH is in charge of the prosecutions.

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