



# **FORM 8-K**

**TXU ELECTRIC DELIVERY TRANSITION BOND CO LLC - N/A**

**Filed: July 25, 2003 (period: July 25, 2003)**

Report of unscheduled material events or corporate changes.

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF  
THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED) - JULY 25, 2003

ONCOR ELECTRIC DELIVERY TRANSITION BOND COMPANY LLC  
(Exact name of registrant as specified in its charter)

DELAWARE  
(State or other jurisdiction of incorporation)

333-91935  
(Commission File Number)

75-2851358  
(I.R.S. Employer Identification No.)

ENERGY PLAZA, 1601 BRYAN STREET, SUITE 2-023,  
DALLAS, TEXAS 75201-3411 (Address of  
principal executive offices, including zip code)

REGISTRANTS' TELEPHONE NUMBER, INCLUDING AREA CODE - 214-812-5711

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ITEM 5. OTHER EVENTS AND REGULATION FD DISCLOSURE.

The Registrant registered transition bonds under the Securities Act of 1933 by a Registration Statement on Form S-3 (Registration File No. 333-91935) (the "Registration Statement"). The Securities and Exchange Commission declared this Registration Statement effective at 12 p.m. on July 2, 2003 (the "Effective Date"). The transition bonds are being offered pursuant to a Prospectus and related Prospectus Supplement (together, the "Prospectus") which will be filed with the Securities and Exchange Commission pursuant to Rule 424 under the Securities Act of 1933. This Current Report on Form 8-K discloses the use of a Preliminary Term Sheet and Computational Materials which have been provided after the Effective Date to prospective investors in connection with a proposed \$500,000,000 offering of transition bonds pursuant to the Registration Statement. This Preliminary Term Sheet and Computational Materials is filed as Exhibit 99 hereto.

The information contained in the Preliminary Term Sheet and Computational Materials is preliminary and may be superseded by the information contained in the final Prospectus and related Prospectus Supplement for the transition bonds and by any other information subsequently filed with the Securities and Exchange Commission.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

Exhibit No.	Description
(a)	Financial Statements of businesses acquired: Not applicable.
(b)	Pro forma financial information: Not applicable.
(c)	Exhibits:

Preliminary Term Sheet and Computational Materials for a proposed \$500,000,000 offering of transition bonds pursuant to the Registration Statement.

## SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ONCOR ELECTRIC DELIVERY TRANSITION BOND COMPANY LLC

By: /s/ Marc D. Moseley

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Marc D. Moseley  
Manager

Date: July 25, 2003

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## EXHIBIT INDEX

The following exhibit is filed herewith:

Exhibit No.

99

Preliminary Term Sheet and Computational Materials for a proposed \$500,000,000 offering of transition bonds pursuant to the Registration Statement.

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PRELIMINARY TERM SHEET  
AND COMPUTATIONAL MATERIALS

ONCOR ELECTRIC DELIVERY  
TRANSITION BOND COMPANY LLC,  
ISSUER

\$500,000,000  
TRANSITION BONDS, SERIES 2003-1

ONCOR ELECTRIC DELIVERY COMPANY, SERVICER

[ONCOR LOGO]  
[GRAPHIC] [OMITTED]

[MAP ONCOR SERVICE TERRITORY]  
[GRAPHIC] [OMITTED]

Morgan Stanley & Co. Incorporated  
Goldman, Sachs & Co.

Lehman Brothers Inc.  
Merrill Lynch & Co.

\$500,000,000  
ONCOR ELECTRIC DELIVERY TRANSITION BOND COMPANY LLC  
TRANSITION BONDS ("BONDS"), SERIES 2003-1

SUMMARY OF TERMS

TRANSACTION OVERVIEW

Oncor Electric Delivery Company ("Oncor") has established a bankruptcy-remote special purpose subsidiary company that will issue taxable debt securities secured by the right to receive revenues arising from transition charges from all retail electric customers in Oncor's service territory. This is in accordance with a financing order issued by the Public Utility Commission of Texas ("PUCT") on August 5, 2002 (the "Financing Order"), which became final and non-appealable on January 30, 2003. This transaction is part of the Texas Electric Utility Restructuring Act, which implemented competitive electric generation and retail markets in the State of Texas, and authorized Texas electric utilities to finance their generation-related regulatory assets and certain qualified costs. The proceeds of the Bonds will be paid to the parent company, Oncor, and will be used by Oncor to repurchase or retire its debt or equity.

ANTICIPATED BOND STRUCTURE

CLASS	SIZE (\$MM)	TRANCHE TYPE	EXPECTED RATINGS (MDY/S&P/FITCH)	FIXED/FLOATING	EXPECTED AVERAGE LIFE (YEARS)	PAYMENT WINDOW (YEARS)	PAYMENT WINDOW (MONTHS)	EXPECTED MATURITY	LEGAL MATURITY
[A-1]	[105]	Sequential	[Aaa/AAA/AAA]	[ ]	[2.00]	[3.0 yrs; (2/04-2/07)]	[37]	[2/07]	[2/09]
[A-2]	[124]	Sequential	[Aaa/AAA/AAA]	[ ]	[5.00]	[3.0 yrs; (2/07-2/10)]	[37]	[2/10]	[2/12]
[A-3]	[128]	Sequential	[Aaa/AAA/AAA]	[ ]	[8.00]	[3.0 yrs; (2/10-2/13)]	[37]	[2/13]	[2/15]
[A-4]	[143]	Sequential	[Aaa/AAA/AAA]	[ ]	[10.83]	[2.5 yrs; (2/13-8/15)]	[31]	[8/15]	[8/17]



mandated. In addition, there is an overcollateralization subaccount (building up to 0.5% of the initial principal balance of the Bonds), capital subaccount (0.5% of the Bonds' initial principal balance), and reserve subaccount to further support timely payment of principal and interest.

OPTIONAL REDEMPTION..... None. Only a 5% de minimus principal outstanding call ("cleanup call") after the last scheduled payment date of the Bonds.

TAX TREATMENT..... Fully taxable

TYPE OF OFFERING ..... SEC registered

EXCHANGE LISTING..... DTC, Clearstream and Euroclear

ERISA ELIGIBLE ..... Yes

EXPECTED SETTLEMENT..... [August [ ], 2003]

UNDERWRITERS..... Morgan Stanley & Co. Incorporated, Lehman Brothers Inc., Goldman, Sachs & Co. and Merrill Lynch & Co.

INDENTURE TRUSTEE..... The Bank of New York

Notes:

- (1) Cents per kilowatt hour.
- (2) Cents per kilowatt.

The information herein has been prepared solely for informational purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any trading strategy. No representation or warranty can be given with respect to the accuracy or completeness of the information herein, or that any future offer of securities, instruments or transactions will conform to the terms hereof. Please refer to the important information and qualifications on the last page hereof when reviewing this information.

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 ONCOR ELECTRIC DELIVERY JULY 25, 2003  
 TRANSITION BOND COMPANY LLC PRELIMINARY  
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[FLOATING RATE BENCHMARK]..... [6-month LIBOR, for floating rate tranches, if any]

[INTEREST RATE SWAPS]..... [For those classes of Bonds that are issued as floating rate securities, if any, the Issuer will enter into a corresponding Interest Rate Swap with a qualified swap counterparty.]

[The Interest Rate Swaps, if any, will be "balance guaranty", amortizing interest rate swaps. A separate Interest Rate Swap Agreement would apply to each such floating rate class. The characteristics of each Interest Rate Swap will correspond to the related floating rate class.]

[SWAP COUNTERPARTY, IF ANY, MINIMUM RATINGS (MOODY'S/S&P/FITCH)]..... [Moody's:  
 (1) Both short-term credit rating and long-term credit rating of at least "P-1" and "Aa3", respectively; or (2) to the extent a short-term credit rating is not available, a long-term credit rating of at least "Aa2".]

[S&P:  
 (1) Both short-term credit rating and long-term credit rating of at least "A-1" and "A-", respectively; or (2) to the extent a short-term credit rating is not available, a long-term credit rating of at least "A+".]



[8/15/2003]	[105,000,000]	[124,000,000]	[128,000,000]	[143,000,000]
[2/15/2004]	[96,892,480]	[124,000,000]	[128,000,000]	[143,000,000]
[8/15/2004]	[81,483,371]	[124,000,000]	[128,000,000]	[143,000,000]
[2/15/2005]	[60,589,196]	[124,000,000]	[128,000,000]	[143,000,000]
[8/15/2005]	[44,845,597]	[124,000,000]	[128,000,000]	[143,000,000]
[2/15/2006]	[23,593,028]	[124,000,000]	[128,000,000]	[143,000,000]
[8/15/2006]	[7,519,956]	[124,000,000]	[128,000,000]	[143,000,000]
[2/15/2007]	-	[109,936,768]	[128,000,000]	[143,000,000]
[8/15/2007]	-	[93,391,986]	[128,000,000]	[143,000,000]
[2/15/2008]	-	[71,071,310]	[128,000,000]	[143,000,000]
[8/15/2008]	-	[53,926,546]	[128,000,000]	[143,000,000]
[2/15/2009]	-	[30,965,607]	[128,000,000]	[143,000,000]
[8/15/2009]	-	[13,115,465]	[128,000,000]	[143,000,000]
[2/15/2010]	-	-	[117,447,640]	[143,000,000]
[8/15/2010]	-	-	[98,817,384]	[143,000,000]
[2/15/2011]	-	-	[74,271,644]	[143,000,000]
[8/15/2011]	-	-	[54,693,847]	[143,000,000]
[2/15/2012]	-	-	[29,184,250]	[143,000,000]
[8/15/2012]	-	-	[8,610,762]	[143,000,000]
[2/15/2013]	-	-	-	[125,099,318]
[8/15/2013]	-	-	-	[103,435,697]
[2/15/2014]	-	-	-	[75,764,936]
[8/15/2014]	-	-	-	[52,889,459]
[2/15/2015]	-	-	-	[24,053,987]
[8/15/2015]	-	-	-	-

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#### WEIGHTED AVERAGE LIFE SENSITIVITY

The following table highlights the sensitivity of the weighted average lives of the various Bond classes to energy consumption levels (retail electric sales) below forecasted levels. There can be no assurance that the weighted average lives of the various classes of the Bonds will be as shown below.

CLASS	EXPECTED WEIGHTED AVG. LIFE	AVERAGE LIVES (YRS.) ASSUMING UNIFORM ANNUAL DECLINE FROM FORECASTED ENERGY CONSUMPTION			
		[-5%]	[CHANGE]	[-15%]	[CHANGE]
[A-1]	[2.00]	[2.00]	[0.00]	[2.11]	[+0.11]
[A-2]	[5.00]	[5.00]	[0.00]	[5.10]	[+0.10]
[A-3]	[8.00]	[8.00]	[0.00]	[8.08]	[+0.08]
[A-4]	[10.83]	[10.83]	[0.00]	[10.88]	[+0.05]

THIS MEANS UNDER THIS EXAMPLE, IF RETAIL ELECTRIC SALES ARE 15% LESS THAN THE FORECASTED ENERGY CONSUMPTION EACH YEAR, THE [10.83]-YEAR WEIGHTED AVERAGE LIFE OF THE A-4 CLASS WOULD BECOME [10.88] YEARS. PLEASE NOTE THAT OVER THE LAST TEN YEARS, ONCOR'S ANNUAL FORECAST ERROR HAS NOT EXCEEDED 6%, AND ITS TEN-YEAR AVERAGE FORECAST ERROR IS LESS THAN 1% (0.77%).

For the purposes of preparing the table above, in addition to those assumptions in deriving the Scheduled Amortization, the following assumptions, among other things, have been made:

- o The forecast error stays constant over the life of the Bonds and is equal



	35.96%	35.11%	35.15%	35.93%	35.80%	36.81%
Residential	35.96%	35.11%	35.15%	35.93%	35.80%	36.81%
Commercial	41.39%	41.82%	42.00%	41.33%	41.24%	40.94%
Industrial	22.09%	22.51%	22.29%	22.20%	22.42%	21.73%
Other	0.56%	0.56%	0.56%	0.54%	0.54%	0.52%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Actual Retail Electric Usage in Megawatt-hours ("MWh") by Customer Class(3) (CONTD)

	FOR THE YEAR ENDED				QUARTER ENDED
	12/31/99	12/31/00	12/31/01	12/31/02	3/31/03
Residential	32,976,791	35,487,517	36,435,662	35,858,862	9,431,325
Commercial	38,671,072	39,833,924	38,738,356	41,562,864	9,357,287
Industrial	19,943,454	22,130,391	23,158,622	19,279,420	5,495,502
Other	491,455	495,323	500,878	431,412	130,774
Total	92,082,772	97,947,155	98,833,518	97,132,558	24,414,888

% of Total					
	35.81%	36.23%	36.87%	36.92%	38.63%
Residential	35.81%	36.23%	36.87%	36.92%	38.63%
Commercial	42.00%	40.67%	39.19%	42.79%	38.33%
Industrial	21.66%	22.59%	23.43%	19.85%	22.51%
Other	0.53%	0.51%	0.51%	0.44%	0.53%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Retail Electric Revenues by Customer Class (\$000s)

	FOR THE YEAR ENDED									QUARTER ENDED	
	12/31/93	12/31/94	12/31/95	12/31/96	12/31/97	12/31/98	12/31/99	12/31/00	12/31/01	12/31/02 (4)	3/31/03 (4)
Residential	1,622,792	1,668,260	1,767,123	1,878,441	1,884,572	2,042,790	1,928,275	2,057,494	2,081,498	795,145	212,298
Commercial	1,468,837	1,525,183	1,626,348	1,677,445	1,678,988	1,763,283	1,791,908	1,826,964	1,801,432	725,991	189,122
Industrial	404,476	427,941	443,691	445,779	446,442	456,649	450,384	508,666	540,563	133,254	39,429
Other	43,904	46,493	49,330	50,675	51,035	52,790	53,637	54,189	55,277	45,992	12,590
Total	3,540,009	3,667,877	3,886,492	4,052,340	4,061,037	4,315,512	4,224,204	4,447,313	4,478,770	1,700,382	453,439

% of Total											
	45.84%	45.48%	45.47%	46.35%	46.41%	47.34%	45.65%	46.26%	46.48%	46.76%	46.82%
Residential	45.84%	45.48%	45.47%	46.35%	46.41%	47.34%	45.65%	46.26%	46.48%	46.76%	46.82%
Commercial	41.49%	41.58%	41.85%	41.40%	41.34%	40.86%	42.42%	41.08%	40.22%	42.70%	41.71%
Industrial	11.43%	11.67%	11.41%	11.00%	10.99%	10.58%	10.66%	11.44%	12.07%	7.84%	8.69%
Other	1.24%	1.27%	1.27%	1.25%	1.26%	1.22%	1.27%	1.22%	1.23%	2.70%	2.78%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

<FN>

Notes:

- (1) "Residential" grouping corresponds to the residential service regulatory asset recovery class, "Commercial" grouping corresponds to the general service secondary regulatory asset recovery class, "Industrial" grouping corresponds to the general service primary, high voltage service, instantaneous interruptible and noticed interruptible regulatory asset recovery classes, and "Other" corresponds to the lighting service regulatory asset recovery class.
- (2) Due to the Texas Electric Utility Restructuring Act, Oncor was required to change its method of accounting for some customers. Prior to January 1, 2002, some points of delivery were combined into a single point of delivery and accounted for as a single customer. Oncor is now required to account for those points of delivery separately and can no longer combine them into one point of delivery.
- (3) Actual usage fluctuations are highly dependent on weather and economic conditions. See "THE SERVICES OF THE TRANSITION PROPERTY -- How Oncor Forecasts the Number of Customers and the Amount of Electricity Usage" in the prospectus. There can be no assurance that future usage rates will be similar to historical experience. See "RISK FACTORS -- Servicing Risks" in the prospectus.
- (4) The data for the year ended 12/31/02 and quarter ended 3/31/03 represents only transmission and distribution revenues and are, therefore, not directly comparable to prior years due to the separation of the retail business from the transmission and distribution business, pursuant to the Texas Electric Utility Restructuring Act.

</FN>

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TRANSITION BOND COMPANY LLC

PRELIMINARY

JULY 25, 2003  
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#### ALLOCATIONS AND DISTRIBUTIONS OF TRANSITION BOND COMPANY REVENUES

Please see below for a general summary of the flow of collected Transition Charges:

[CHART ILLUSTRATING THE ALLOCATIONS AND DISTRIBUTIONS OF TRANSITION BOND COMPANY REVENUES APPEARS HERE][Chart describing the flow of transition charges as follows: Retail customer pays electric utility bill, including transition charges to REPs, who remit the billed transition charges to the servicer (whether collected or not from the customer); the servicer remits the transition charges to the indenture trustee for deposit to the collection account for the series of Bonds, which is then applied to the general subaccount to be distributed in accordance with the payment "waterfall" described in the prospectus.]

#### Note:

(1) Indenture trustee and independent manager fees and expenses not to exceed \$30,000 annually for all series of outstanding Bonds.

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TRANSITION BOND COMPANY LLC

PRELIMINARY

JULY 25, 2003  
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#### GLOSSARY

##### "COLLATERAL"

All assets held by the indenture trustee for the benefit of the holders of the Bonds. Most assets of the Issuer will be held by the indenture trustee in a segregated account established pursuant to an indenture (the "Collection Account").

The Issuer's principal asset will be Transition Property. Transition Property is a present property right created pursuant to the Texas Electric Utility Restructuring Act and the Financing Order, which became final and non-appealable in January 30, 2003. It consists primarily of the irrevocable right to impose, collect and receive non-bypassable TCs.

##### "PRINCIPAL PAYMENTS"

Principal will be paid sequentially. No class will receive principal payments until all classes of a higher numerical designation have been paid in full unless there is an acceleration of the Bonds following an event of default in which case principal will be paid to all classes on a pro-rata basis. Please see "Scheduled Amortization."

"STATE PLEDGE"

The State of Texas (including the PUCT) has pledged that it will not take or permit any action that would impair the value of the Transition Property or reduce, alter or impair the TCs until the related Bonds are fully repaid or discharged, other than periodic true-up adjustments to correct any overcollections or undercollections. No voter initiative or referendum process currently exists in Texas.

"TRANSITION CHARGES OR TCS"

TCs are statutorily-created, non-bypassable, usage-based per kilowatt hour and per kilowatt charges. TCs are irrevocable and payable, through REPs, by retail electric customers within Oncor's historic service territory. TCs are calculated to ensure collection of revenues sufficient to (a) pay periodic expenses associated with the Bonds; (b) make scheduled payments of principal and interest (including required payments to the swap counterparty, if any) on the Bonds; (c) fund scheduled deposits to an overcollateralization subaccount; and (d) replenish any amounts previously withdrawn from the overcollateralization subaccount or the capital subaccount. For summary historical information regarding Oncor's retail electric sales, customers and revenues, please refer to "Source of Revenues: Historical Customer Class Composition."

"TRUE-UP MECHANISM AND CREDIT ENHANCEMENT"

True-ups correct any undercollections or overcollections of TCs during the preceding year (for standard true-ups) or the preceding six months (for interim true-ups). These are legislatively mandated by PUCT's irrevocable Financing Order.

- o Standard: Annually.
- o Interim: Semi-annually, if (a) anticipated principal balance (taking into account amounts in the reserve subaccount) is 5% greater or less than expected principal balance, or (b) such measure is necessary to meet certain rating agency requirements that a series of Bonds be paid in full by the expected maturity date.
- o Non-Standard: If forecasted billing units for any classes decreases by more than 10% compared to the threshold billing units recorded during the 12 months ending April 30, 1999.

Capital Subaccount: upfront cash deposit of 0.5% of initial principal balance.

Overcollateralization Subaccount: funded in equal installments on each payment date to reach 0.5% of initial principal balance.

Reserve Subaccount: holds any excess collections of TCs.

REP Security Deposit Subaccounts: may be drawn upon in the event of a REP payment default.

The information herein has been prepared solely for informational purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any trading strategy. No representation or warranty can be given with respect to the accuracy or completeness of the information herein, or that any future offer of securities, instruments or transactions will conform to the terms hereof. Please refer to the important information and qualifications on the last page hereof when reviewing this information.

All information in this Preliminary Term Sheet and Computational Materials, whether regarding the assets backing any securities discussed herein or otherwise, is preliminary and will be superseded by the information contained in any final Prospectus and related Prospectus Supplement for any securities actually sold to you. It has been prepared solely for information purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any trading strategy. This material is based on information provided by Oncor Electric Delivery Transition Bond Company LLC and Oncor Electric Delivery Company with respect to the expected characteristics of the transition property securing these securities. The actual characteristics and performance of the transition property will differ from the assumptions used in preparing these materials, which are hypothetical in nature. Changes in the assumptions may have a material impact on the information set forth in these materials. Saber Partners, LLC, Morgan Stanley & Co. Incorporated, Lehman Brothers Inc., Goldman, Sachs & Co., Merrill Lynch & Co., and their affiliates make no representation or warranty with respect to the appropriateness, usefulness, accuracy or completeness of the information, or with respect to the terms of any future offer of securities conforming to the terms hereof. Any such Offer of securities would be made pursuant to a definitive Prospectus and Prospectus Supplement prepared by the issuer which could contain material information not contained herein and to which the prospective purchasers are referred. In the event of any such offering, this information shall be deemed superseded, amended and supplemented in its entirety by such Prospectus and Prospectus Supplement. Such Prospectus and Prospectus Supplement will contain all material information in respect of any securities offered thereby and any decision to invest in such securities should be made solely in reliance upon such Prospectus and Prospectus Supplement. The information contained in this material may be based on assumptions regarding market conditions and other matters as reflected therein and is therefore subject to change. We make no representations regarding the reasonableness of such assumptions or the likelihood that any of such assumptions will coincide with actual market conditions or events, and this material should not be relied on for such purposes. No representation is made that any returns indicated will be achieved. Changes to the assumptions may have a material impact on any returns detailed. Although the analyses herein may not show a negative return on the securities referred to herein, such securities are not principal protected and, in certain circumstances, investors in such securities may suffer a complete or partial loss on their investment. Saber Partners, LLC, Morgan Stanley & Co. Incorporated, Lehman Brothers Inc., Goldman, Sachs & Co. and Merrill Lynch & Co. disclaim any and all liability relating to this information, including without limitation any express or implied representations or warranties for, statements contained in, and omissions from, this information. Additional information is available upon request. Morgan Stanley & Co. Incorporated, Lehman Brothers Inc., Goldman, Sachs & Co., Merrill Lynch & Co., and others associated with it may have positions in, and may effect transactions in, securities and instruments of issuers mentioned herein and may also perform or seek to perform investment banking services for the issuers of such securities and instruments. Past performance is not necessarily indicative of future results. Price and availability are subject to change without notice. Information contained in this material is current as of the date appearing on this material only. Information in this material regarding any assets backing any securities discussed herein supercedes all prior information regarding such assets. Morgan Stanley & Co. Incorporated, Lehman Brothers Inc., Goldman, Sachs & Co. and Merrill Lynch & Co. are acting as underwriters and not acting as agents for the issuer or its affiliates in connection with the proposed transaction. To our readers worldwide: In addition, please note that this publication has been issued by Morgan Stanley & Co. Incorporated, approved by Morgan Stanley International Limited, a member of The Securities and Futures Authority, and by Morgan Stanley Japan Ltd. We recommend that such investors obtain the advice of their Morgan Stanley & Co. Incorporated, Morgan Stanley International or Morgan Stanley Japan Ltd. representative about the investments concerned. NOT FOR DISTRIBUTION TO PRIVATE CUSTOMERS AS DEFINED BY THE U.K. SECURITIES AND FUTURES AUTHORITY.

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