

**Pricing Supplement dated 02 August 2013**

**Series Number: W1190**

**Common Code: 095583148**

**Tranche: 1**

**ISIN: GB00BCF5N592**

**MORGAN STANLEY & Co. INTERNATIONAL plc**

as Issuer

**REGULATION S PROGRAM FOR THE ISSUANCE OF NOTES, SERIES A AND B, WARRANTS AND CERTIFICATES**

**Issue of 100 Currency linked Warrants**

THE OFFERING CIRCULAR AS REFERRED TO BELOW (AS COMPLETED BY THIS PRICING SUPPLEMENT) HAS BEEN PREPARED ON THE BASIS THAT ANY OFFER OF WARRANTS IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE (2003/71/EC) (AND ANY AMENDMENTS, INCLUDING DIRECTIVE 2010/73/EU (TOGETHER, THE "**PROSPECTUS DIRECTIVE**")) (EACH, A "**RELEVANT MEMBER STATE**") WILL BE MADE PURSUANT TO AN EXEMPTION UNDER THE PROSPECTUS DIRECTIVE, AS IMPLEMENTED IN THAT RELEVANT MEMBER STATE, FROM THE REQUIREMENT TO PUBLISH A PROSPECTUS FOR OFFERS OF THE WARRANTS. ACCORDINGLY ANY PERSON MAKING OR INTENDING TO MAKE AN OFFER IN THAT RELEVANT MEMBER STATE OF THE WARRANTS MAY ONLY DO SO IN CIRCUMSTANCES IN WHICH NO OBLIGATION ARISES FOR THE ISSUER OR ANY DISTRIBUTION AGENT TO PUBLISH A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE OR SUPPLEMENT A PROSPECTUS PURSUANT TO ARTICLE 16 OF THE PROSPECTUS DIRECTIVE, IN EACH CASE, IN RELATION TO SUCH OFFER. NEITHER THE ISSUER NOR ANY DISTRIBUTION AGENT HAS AUTHORISED, NOR DO THEY AUTHORISE, THE MAKING OF ANY OFFER OF WARRANTS IN ANY OTHER CIRCUMSTANCES.

THE WARRANTS DESCRIBED HEREIN AND ANY GUARANTEE IN RESPECT THEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE SECURITIES MAY INCLUDE SECURITIES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER, UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). TRADING IN THE FUTURES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT, AS AMENDED.

THE WARRANTS DESCRIBED HEREIN AND THE SECURITIES TO BE DELIVERED ON THE EXERCISE OF THE WARRANTS (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR EXERCISED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT). SEE "*SUBSCRIPTION AND SALE*" AND "*NO OWNERSHIP BY U.S. PERSONS*" IN THE OFFERING CIRCULAR DATED 27 JUNE 2013. IN PURCHASING THE WARRANTS, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH PERSON.

THE WARRANTS ARE NOT RATED.

This document constitutes the Pricing Supplement relating to the issue of Warrants described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Warrants and Certificates (the "**Conditions**") set forth in the Offering Circular dated 27 June 2013 (the "**Offering Circular**"). The Warrants shall constitute Securities for the purposes of the Conditions. This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Issuer, the Guarantor and the offer of the Warrants is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London E14 4QA. The Offering Circular has also been published on the website of the Irish Stock Exchange ([www.ise.ie](http://www.ise.ie)).

**Warning:** None of this Pricing Supplement or the Offering Circular referred to above constitutes a "prospectus" for the purposes of the Prospectus Directive, and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Directive in relation to any Securities being offered and sold hereby.

### **Information Concerning Investment Risk**

Warrantholders and prospective purchasers of Warrants should ensure that they understand the nature of the Warrants and the extent of their exposure to risk and that they consider the suitability of the Warrants as an investment in the light of their own circumstances and financial condition. The amount payable on exercise or deemed exercise of the Warrants is linked to the performance of the Underlying (as defined herein). Given the highly specialised nature of these Warrants, Morgan Stanley & Co. International plc (the "Issuer") consider that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment linked to the Underlying, are willing to take risks and can absorb the partial or complete loss of their initial investment. Consequently, if you are not an investor who falls within the description above you should not consider purchasing these Warrants without taking detailed advice from a specialised professional adviser.

Potential investors are urged to consult with their legal, regulatory, investment, accounting, tax and other advisors with regard to any proposed or actual investment in these Warrants. Please see the Offering Circular for a full detailed description of the Warrants and in particular, please review the Risk Factors associated with these Warrants. Investing in the Warrants entails certain risks including, but not limited to, the following:

In purchasing any Warrants, purchasers will be deemed to represent and undertake to the Issuer, the Dealer and each of their affiliates that (i) such purchaser understands the risks and potential consequences associated with the purchase of the Warrants, (ii) that such purchaser has consulted with its own legal, regulatory, investment, accounting, tax and other advisers to extent it believes is appropriate to assist it in understanding and evaluating the risks involved in, and the consequences of, purchasing the Warrants and (iii) in accordance with the terms set out in Annex 1.

Morgan Stanley is not qualified to give legal, tax or accounting advice to its clients and does not purport to do so in this document. Clients are urged to seek the advice of their own professional advisers about the consequences of the proposals contained herein.

US Treasury Circular 230 Notice - Morgan Stanley does not render advice on tax and tax accounting matters to clients. This material was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws.

### **GENERAL**

- |    |   |   |
|----|---|---|
| 1. | Issuer:                                     | Morgan Stanley and Co International plc |
| 2. | Guarantor:                                  | Not Applicable                          |
| 3. | Aggregate Number of Warrants in the Series: | 100                                     |

4.	Aggregate Number of Warrants in the Tranche:	100
5.	Issue Date:	02 August 2013
6.	Issue Price:	SEK 8,250 per Warrant
7.	Form of Warrants or Warrants:	Registered Warrants
8.	Warrant Style: (Condition 4)	European Style Warrants
9.	Type:	The Warrants are Currency Securities
	(i) Settlement Currency	Swedish Krona ("SEK")
	(ii) Reference Currency	USDCNY Spot Exchange Rate
	(iii) Specified Amount	Not Applicable
	(iv) Settlement Rate	The Chinese Renminbi / US Dollar FX rate defined as the number of Chinese Renminbi per one USD, rounded to 4 decimal places.
	(v) Valuation Date	Expiration Date
	(vi) Averaging Dates	Not Applicable
	(vii) Currency Disruption Events:	Price Source Disruption
	(viii) Currency Disruption Fallbacks:	Determination Agent Determination of Settlement Rate
	(ix) Additional Disruption Events:	Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply
	(x) Other special terms and conditions	Not Applicable
10.	Minimum Transfer Amount: (Condition 2.5)	1 Warrant

#### **Exercise**

11.	Expiration Date:	22 July 2016
12.	Latest Exercise Time:	10:00 a.m. Brussels time (in the case of Euroclear Bank), or 10:00 a.m. Luxembourg time (in the case of Clearstream, Luxembourg).
13.	Minimum Exercise Number: (Condition 5.9)	Not Applicable
14.	Permitted Multiple: (Condition 5.9)	Not Applicable
15.	Deemed Exercise:	Applicable

(Condition 5.6)

**Issuer Call Option**

16. Call Option Not Applicable

(Condition)

**Settlement**

17. Settlement Basis: The Warrants are Cash Settlement Warrants

(Condition 4)

18. Cash Settlement Amount: In respect of each Warrant an amount in the Settlement Currency determined by the Determination Agent in accordance with the following:

**If on the Expiration Date, the USDCNY\_FINAL is less than USDCNY\_INITIAL then**

**[Par \* 8.25%] + Par \* [Participation \* Max (0%, CNY\_Performance – 8.25%)]**

**Else,**

**0%**

**Where:**

**“Par”** means SEK 100,000

**“Participation”** means 100%;

**“USDCNY\_INITIAL”** means the Chinese Renminbi / U.S. Dollar official fixing rate, expressed as the amount of Chinese Renminbi per one U.S. Dollar, as determined by the Determination Agent using the official rate reported by the People’s Bank of China, Beijing, People’s Republic of China, which appears on the Reuters Screen “SAEC” Page opposite to the symbol “USDCNY=” at approximately 9:15a.m., Beijing time, on the Strike Date. Such rate has been set at 6.1721.;

**“USDCNY\_FINAL”** means the Chinese Renminbi / U.S. Dollar official fixing rate, expressed as the amount of Chinese Renminbi per one U.S. Dollar, as determined by the Determination Agent using the official rate reported by the People’s Bank of China, Beijing, People’s Republic of China, which appears on the Reuters Screen “SAEC” Page opposite to the symbol “USDCNY=” at approximately 9:15a.m., Beijing time, on the Expiration Date; and

**“CNY\_Performance”** means a percentage determined in accordance with the following formula:

$$\frac{(\text{USDCNY\_INITIAL} - \text{USDCNY\_FINAL})}{\text{USDCNY\_INITIAL}}$$

19. Strike Price: Not Applicable

20.	Settlement Price:	Not Applicable
21.	Valuation Time:	As per the Conditions
22.	Valuation Date:	Expiration Date
23.	Averaging Dates:	Not Applicable
24.	Observation Date:	Not Applicable
25.	Strike Date:	22 July 2013
26.	Settlement Currency:	Swedish Krona (“SEK”)
27.	Cash Settlement Payment Date:	02 August 2016, subject to adjustment in accordance with the Business Day Convention such that the Cash Settlement Payment Date will always be at least 5 (five) Business Days following the Expiration Date.
28.	Record Date:	As set out in the Conditions

#### **Additional details**

29.	Determination Agent:	Morgan Stanley & Co. International plc
30.	Clearing Systems:	Euroclear and Clearstream, Luxembourg
31.	U.S. Selling Restrictions:	Reg. S Compliance Category
32.	Additional Selling Restrictions:	Not Applicable
33.	Inconvertibility Event Provisions:	Applicable – Suspended Payment
	(i) Inconvertibility Early Redemption Amount Options:	Fair Market Value
	(ii) Fallback FX Spot Rate:	As determined by the Determination Agent
	(iii) Inconvertibility Specified Currency:	The Settlement Currency
	(iv) Relevant Currency/ies:	As set out in the Conditions
	(v) Relevant Jurisdiction:	Peoples Republic of China
34.	Other special terms and conditions:	<p><b>“Business Day Convention”</b> means Following Business Day Convention;</p> <p><b>“Business Days”</b>, for payment purposes, means Stockholm.</p>

#### **Early Redemption Amount upon Event of Default:**

Early Redemption Amount means, in the case of acceleration of the Warrants under Condition 19 (Events of Default), an amount determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, as at such day as is selected by the Determination Agent in its sole and absolute discretion (provided that such day is not more than 15 days before the date fixed for redemption of the Warrants), to be the amount that a Qualified Financial Institution would charge either to assume all of the Issuer's payment and other obligations with respect to such Warrants as if no such Event of Default had occurred or to undertake obligations that would

have the effect of preserving the economic equivalent of any payment by the Issuer to the holder of the Warrant with respect to the Warrants.

For the purposes of the above, "Qualified Financial Institution" means a financial institution organized under the laws of any jurisdiction in the United States of America, the European Union or Japan, which, as at the date the Determination Agent selects to determine the Early Redemption Amount, has outstanding debt obligations with a stated maturity of one year or less from the date of issue of such outstanding debt obligations and such financial institution is rated either:

(i) A2 or higher by Standard & Poor's Ratings Services or any successor, or any other comparable rating then used by that rating agency, or

(ii) P-2 or higher by Moody's Investors Service, Inc. or any successor, or any other comparable rating then used by that rating agency, provided that, if no Qualified Financial Institution is reasonably available, then the Determination Agent shall select, in good faith and using a commercially reasonable discretion, select a Qualified Financial Institution in the United States of America, the European Union or Japan of a reputable standing.

## **PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the pricing supplement required to list and have admitted to trading on Global Exchange Market of the Irish Stock Exchange the issue of Warrants described herein pursuant to the Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: .....

Duly authorised



Jacques van de Velde  
Authorised Signatory

## **PART B – OTHER INFORMATION**

### **1. LISTING**

Listing and admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on its Global Exchange Market with effect from on or around the Issue Date.

Last day of Trading: Expiration Date

Estimate of total expenses related to admission to trading: EUR 500

### **2. RATINGS**

Ratings: The Warrants to be issued have not been rated.

### **3. OPERATIONAL INFORMATION**

ISIN Code: GB00BCF5N592

Common Code: 095583148

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking société anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery free of payment

Names and addresses of initial Securities Agent(s)/Securities Transfer Agent(s): As per the Conditions

Names and addresses of additional Securities Agent(s) and/or Securities Transfer Agent(s) (if any): Not Applicable



## ANNEX 1

Any investment in the Warrants made with the intention to offer, sell or otherwise transfer (together, “distribute” and each a “distribution”) such Warrants to prospective investors will be deemed to include, without limitation, the following representations, undertakings and acknowledgements:

- a) you are purchasing the instruments as principal (and not as agent or in any other capacity); (ii) none of the Issuer, the Dealer or their affiliates is acting as a fiduciary or an advisor to it in respect of the instruments; (iii) you are not relying upon any representations made by the Issuer, the Guarantor or any of their affiliates; (iv) you have consulted with your own legal, regulatory, tax, business, investments, financial, and accounting advisers to the extent that you have deemed necessary, and you have made your own investments, hedging and trading decisions based upon your own judgement and upon any advice from such advisors as you have deemed necessary and not upon any view expressed by the Issuer or any of its affiliates or agents and (v) you are purchasing the instruments with a full understanding of the terms, conditions and risks thereof and you are capable of and willing to assume those risks;
- b) you shall only distribute as principal or, alternatively, acting on a commission basis in your own name for the account of your investors and will not do so as agent for any Morgan Stanley entity (together “Morgan Stanley”) who shall assume no responsibility or liability whatsoever in relation to any such distribution. You shall distribute the product in your own name and to such customers as you identify in your own discretion, at your own risk and under your sole responsibility. You shall make such enquiries you deem relevant in order to satisfy yourself that prospective investors have the requisite capacity and authority to purchase the product and that the product is suitable for those investors;
- c) you shall not make any representation or offer any warranty to investors regarding the product, the Issuer or Morgan Stanley or make any use of the Issuer’s or Morgan Stanley’s name, brand or intellectual property which is not expressly authorised and you shall not represent you are acting as an agent of Morgan Stanley in such distribution. You acknowledge that neither the Issuer nor Morgan Stanley assume any responsibility or liability whatsoever in relation to any representation or warranty you make in breach hereof;
- d) if you distribute any material prepared and transmitted by the Issuer or by Morgan Stanley, you shall only distribute the entire material and not parts thereof. Any material you, or any third party you engage on your behalf, prepare shall be true and accurate in all material respects and consistent in all material respects with the content of the Offering Circular and the Pricing Supplement and shall not contain any omissions that would make them misleading. You shall only prepare and distribute such material in accordance with all applicable laws, regulations, codes, directives, orders and/or regulatory requirements, rules and guidance in force from time to time (“Regulations”). You acknowledge that neither the Issuer nor Morgan Stanley shall have any liability in respect of such material which shall, for the avoidance of doubt, at all times be your sole responsibility;
- e) you will not, directly or indirectly, distribute or arrange the distribution of the product or disseminate or publish (which for the avoidance of doubt will include the dissemination of any such materials or information via the internet) any materials or carry out any type of solicitation in connection with the product in any country or jurisdiction, except under circumstances that will result in compliance with all applicable Regulations and selling practices, and will not give rise to any liability for the Issuer or Morgan Stanley. For the avoidance of doubt, this includes compliance with the selling restrictions mentioned herein;
- f) if you receive any fee, rebate or discount, you shall not be in breach of any Regulation or customer or contractual requirements or obligations and you shall, where required to do so (whether by any applicable Regulation, contract, fiduciary obligation or otherwise), disclose such fees, rebates and discounts to your investors. You acknowledge that where fees are payable, or rebates or discounts applied, the Issuer and Morgan Stanley are obliged to disclose the amounts and/or basis of such fees, rebates or discounts at the request of any of your investors or where required by any applicable Regulations;
- g) you will be committed to purchase at the issue price stated in the term sheet (or at the price otherwise agreed between us) instruments, when issued, in the agreed quantity and having terms, as

provided in the definitive documentation, consistent with those in this term sheet (subject to any modifications agreed between us);

- h) we may enter into hedging or other arrangements in reliance upon your commitment, and, if you fail to comply with your commitment, your liability to us shall include liability for our costs and losses in unwinding such hedging or other arrangements;
- i) you are not purchasing the Warrants as an extension of credit to Morgan Stanley pursuant to a loan agreement entered into in the ordinary course of your trade or business; and
- j) you agree and undertake to indemnify and hold harmless and keep indemnified and held harmless the Issuer, the Dealer and each of their respective affiliates and their respective directors, officers and controlling persons from and against any and all losses, actions, claims, damages and liabilities (including without limitation any fines or penalties and any legal or other expenses incurred in connection with defending or investigating any such action or claim) caused directly or indirectly by you or any of your affiliates or agents to comply with any of the provisions set out in (a) to (i) above, or acting otherwise than as required or contemplated herein.