

Pricing Supplement dated 12 February 2016

Morgan Stanley B.V.

Issue of USD 534,000 Equity Linked Notes due 2021

Guaranteed by Morgan Stanley

under the

Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates

The Offering Circular referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (as amended, including by 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 Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes 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 Notes in any other circumstances.

Warning: Neither this Pricing Supplement nor the Offering Circular referred to below constitutes a "prospectus" for the purposes of Article 5.4 of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU, 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 Notes be offered and sold under hereby.

THE NOTES ARE NOT BANK DEPOSITS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN, AND ANY GUARANTEE IN RESPECT THEREOF, AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) 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. NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER, UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED.

THE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN, ANY GUARANTEE IN RESPECT THEREOF AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR REDEEMED 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. HEDGING TRANSACTIONS INVOLVING ANY "EQUITY SECURITIES" OF "DOMESTIC ISSUERS" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "SUBSCRIPTION AND SALE" AND "NO OWNERSHIP BY U.S. PERSONS" IN THE OFFERING CIRCULAR DATED 17 AUGUST 2015. IN PURCHASING THE NOTES, 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 ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON.

THE NOTES ARE NOT RATED.

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the English Law Notes set forth in the Offering Circular dated 17 August 2015 and the supplemental Offering Circulars dated 30 November 2015 and 23 December 2015 (together the "Offering Circular"). This Pricing Supplement must be read in conjunction with such Offering Circular as supplemented. Full information on the Issuer, the Guarantor and the offer of the Notes 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) and on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Information Concerning Investment Risk

Noteholders and prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. The amount payable on redemption of the Notes is linked to the performance of the Underlying (as defined herein), and may be less than par. Given the highly specialised nature of these Notes, Morgan Stanley B.V. (the "Issuer"), Morgan Stanley ("the Guarantor") and Morgan Stanley & Co. International plc ("MSI plc") 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 loss of their initial investment. Consequently, if you are not an investor who falls within the description above you should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

In purchasing any Notes, 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 Notes, (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 Notes.

Please see the Offering Circular for a full detailed description of the Notes and in particular, please review the Risk Factors associated with these Notes. Investing in the Notes entails certain risks including, but not limited to, the following:

Adjustments by the Determination Agent: The terms and conditions of the Notes will allow the Determination Agent to make adjustments or take any other appropriate action if circumstances occur where the Notes or any exchanges are affected by market disruption, adjustment events or circumstances affecting normal activities.

In addition, other circumstances may occur which either increase the liability of the Issuer fulfilling its obligations under the Securities or increase the liability of any hedging activities related to such obligations, including without limitation the adoption of or any change in any tax law relating to a common system of financial transaction tax in the European Union or otherwise.

In such circumstances, the Determination Agent can in its sole and absolute discretion determine whether to redeem the Notes early, or adjust the terms of the Notes, which may include without limitation adjustments to the Initial Reference Price, the Final Redemption Amount or the Underlying. The Determination Agent is not required but has the discretion to make adjustments with respect to each and every corporate action.

Potential investors should see the Offering Circular for a detailed description of potential adjustment events and adjustments.

Adjustment and Discontinuation Risk: The Sponsor of the Underlying can add, delete or substitute stocks constituting the Basket Component or make other methodological changes that could change the value of the basket Component without regard to the interests of holders of the Notes. Any of these decisions/determinations may adversely affect the value of the Notes and may result in the investor receiving a return that is materially different from that he/she would have received if the event had not occurred.

Basket Components Risk: The Notes will be redeemed at an amount determined by reference to the performance of the Basket Components and such performance will therefore affect the nature and value of the investment return on the Notes. Noteholders and prospective purchasers of Notes should conduct their own investigations and, in deciding whether or not to purchase Notes, prospective purchasers should form their own views of the merits of an investment related to the Basket Components based upon such investigations and not in reliance on any information given in this document.

Credit Risk: Investors are exposed to the credit risk of the Issuer and the Guarantor. The Notes are essentially a loan to the Issuer with a repayment amount linked to the performance of the Underlying that the Issuer promises to pay to you at maturity and that the Guarantor promises to pay to you if the Issuer fails to do so. There is the risk, however, that the Issuer and the Guarantor may not be able to fulfil their obligations, irrespective of whether the Notes are referred to as capital or principal protected. You may lose all or part of your investment if the Issuer and the Guarantor is unable to pay the coupons or the redemption amount. No assets of the Issuer and the Guarantor are segregated and specifically set aside in order to pay the holders of the Notes in the event of liquidation of the Issuer and/or the Guarantor, and the holders of the Notes will rank behind preferred or secured creditors.

Capital is not protected: the final redemption amount depends on the performance of the Underlying and could be zero.

Exit Risk: Any secondary market price of the Notes will depend on many factors, including the value and volatility of the Underlying(s), interest rates, time remaining to maturity and the creditworthiness of the Issuer and/or the Guarantor. The secondary market price may be lower than the market value of the issued Notes as at the Issue Date to take into account amounts paid

distributors and other intermediaries relating to the issue and sale of the Notes as well as amounts relating to the hedging of the Issuer's obligations. As a result of all of these factors, the holder may receive an amount in the secondary market which may be less than the then intrinsic market value of the Note and which may also be less than the amount the holder would have received had the holder held the Note through to maturity.

Liquidity Risk: Any secondary market in the Notes made by the Dealer will be made on a reasonable efforts basis only and subject to market conditions, law, regulation and internal policy. Even whilst there may be a secondary market in the Notes it may not be liquid enough to facilitate a sale by the holder.

Hedging Risk: On or prior to and after the Trade Date, the Issuer, through its affiliates or others, will likely hedge its anticipated exposure under the Notes by taking positions in the Underlying, in option contracts on the Underlying or positions in any other available securities or instruments. In addition, the Issuer and its affiliates trade the Underlying as part of their general businesses. Any of these activities could potentially affect the value of the Underlying, and accordingly, could affect the pay-out to holders on the Notes.

Market Risk: Price movements in the Basket Components may not correlate with each other. Increases in the value of one or more of the Basket Components may be moderated, or wholly offset, by lesser increases or declines in the value of one or more of the other components.

Product Market Risk: The value of the Notes and the returns available under the terms of the Notes will be influenced and dependent on the value of the Underlying. It is impossible to predict how the level of the Underlying will vary over time. The historical performance (if any) of the Underlying is not indicative of its future performance.

No Shareholder Rights: A holder of Notes will have no beneficial interest in the stocks that compose the relevant Underlying nor any voting rights and will not have the right to receive dividends or other distributions with respect to the stocks that compose the Underlying.

Potential Conflict of Interest: The Determination Agent, which is an affiliate of the Issuer, will determine the pay-out to the investor at maturity. Morgan Stanley & Co. International plc and its affiliates may trade the Underlying on a regular basis as part of its general broker-dealer business and may also carry out hedging activities in relation to the Notes. Any of these activities could influence the Determination Agent's determination of adjustments made to any Notes and any such trading activity could potentially affect the price of the Underlying and, accordingly, could affect the investor's pay-out on any Note.

Underlying Sponsor Risk: The sponsor of the relevant Underlying is not an affiliate of the Issuer or its affiliates and is not involved with this offering in any way. Consequently, the Issuer and the Determination Agent have no ability to control the actions of the sponsor of the relevant Underlying, including and rebalancing that could trigger an adjustment to the terms of the Notes by the Determination Agent.

In purchasing any Notes, 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 Notes, (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 Notes and (iii) in accordance with the terms set out in Annex 2.

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.

GENERAL

1. (i) Issuer: Morgan Stanley B.V.

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|-----|-------|---|---|
| | (ii) | Guarantor: | Morgan Stanley |
| 2. | (i) | Series Number: | 9120 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | U. S. Dollars ("USD") |
| 4. | | Aggregate Nominal Amount of the Notes: | |
| | (i) | Series: | USD 534,000 |
| | (ii) | Tranche: | USD 534,000 |
| 5. | | Issue Price: | 100 per cent. of par per Note |
| 6. | (i) | Specified Denominations: | USD 1,000 |
| | (ii) | Calculation Amount (Par): | USD 1,000 |
| 7. | (i) | Issue Date: | 12 February 2016 |
| | (ii) | Trade Date: | 29 January 2016 |
| | (iii) | Interest Commencement Date: | Not Applicable |
| | (iv) | Strike Date: | 29 January 2016 |
| | (v) | Determination Date: | 29 January 2021 |
| 8. | | Maturity Date: | 12 February 2021, subject to adjustment in accordance with the Business Day Convention (i) in the event such date is not a Business Day or (ii) such that the Maturity Date shall always be at least five (5) Business Days following the Determination Date. |
| 9. | | Interest Basis: | Equity-Linked Interest. See item 19 below |
| 10. | | Redemption/Payment Basis: | Equity-Linked Redemption. See item 31 below |
| 11. | | Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. | | Put/Call Options/Autocallable Early Redemption: | |
| | (i) | Redemption at the Option of the Issuer: | Not Applicable |
| | | (Condition 21.5) | |
| | (ii) | Redemption at the Option of Noteholders: | Not Applicable |
| | | (Condition 21.7) | |
| | (iii) | Autocallable Early Redemption: | Applicable. See item 28 below |
| | | (Condition 18) | |

- (iv) Other put/call options: Not Applicable
13. (i) Status of the Notes: As set out in Condition 4.1
(Condition 4)
- [(ii) Status of the Guarantee: As set out in Condition 4.2
14. Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions: Not Applicable
(Condition 5)
16. Floating Rate Note Provisions: Not Applicable
(Condition 6)
17. Zero Coupon Note Provisions: Not Applicable
(Condition 7)
18. Dual Currency-Linked Note Interest Provisions: Not Applicable
(Condition 8)
19. Equity-Linked Interest Note Provisions: Applicable
(Condition 10)
- (A) [Single Share Notes]/[Share Basket Notes]: Not Applicable
- (B) Single Index Notes/Index Basket Notes: Applicable
- (i) Whether the Notes relate to a single index or a basket of indices (each, an "**Index**") and the identity of the Sponsor of an Index (each, an "**Index Issuer**"):

i	Underlying Index _i	Bloomberg® Code	Index Sponsor
1	RUSSELL 2000 INDEX	RTY INDEX	Frank Russell Company
2	EURO STOXX 50® Index	SX5E INDEX	STOXX Limited
3	FTSE 100® INDEX	UKX INDEX	FTSE International Limited

Where i=1-3

- (ii) Exchange[s]: As specified in Condition 10.9
- (iii) Related Exchange[s]: As specified in Condition 10.9
- (iv) Weighting for each Index: Not Applicable

- (v) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): Morgan Stanley & Co. International plc (the “**Determination Agent**”). The Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders. All determinations, considerations and decisions made by the Determination Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Determination Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.
- (vi) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Index: If on any Interest Determination Date, the official closing price of all the Underlying Indices are equal to or above 80% of their Initial Reference Price_i, an Interest Amount per Calculation Amount calculated by the Determination Agent as follows shall be payable on the relevant Interest Payment Date:

2.20% * Par; OR

Else, 0%.

Where:

“**Initial Reference Price_i**” means, in respect of an Underlying Index_i, the official closing level of the Underlying Index_i published by the relevant Index Sponsor on the Strike Date

- (vii) Interest Determination Date(s):

I	Interest Determination Dates
1	29 April 2016
2	29 July 2016
3	31 October 2016
4	30 January 2017
5	2 May 2017
6	31 July 2017
7	30 October 2017
8	29 January 2018
9	30 April 2018
10	30 July 2018
11	29 October 2018
12	29 January 2019
13	29 April 2019
14	29 July 2019
15	29 October 2019
16	29 January 2020
17	29 April 2020
18	29 July 2020
19	29 October 2020
20	Determination Date

In each case subject to adjustment in accordance with Condition 10.1 as if each Interest

Determination Date is a Valuation Date.

(viii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Index is impossible or impracticable or otherwise disrupted: Determination Agent determination

(ix) Interest Period: Not Applicable

(x) Specified Interest Payment Dates:

i	Interest Payment Dates
1	9 May 2016
2	5 August 2016
3	7 November 2016
4	6 February 2017
5	9 May 2017
6	7 August 2017
7	6 November 2017
8	5 February 2018
9	8 May 2018
10	6 August 2018
11	5 November 2018
12	5 February 2019
13	7 May 2019
14	5 August 2019
15	5 November 2019
16	5 February 2020
17	7 May 2020
18	5 August 2020
19	5 November 2020
20	Maturity Date

(xi) Averaging Date: Not Applicable

(xii) Averaging Date Disruption: Not Applicable

(xiii) Observation Date(s): Not Applicable

(xiv) Observation Period: Not Applicable

(xv) Additional Disruption Events: Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply

(xvi) Business Day Convention: Following Business Day Convention

(xvii) Additional Business Centre(s): New York, TARGET and London

(xviii) Minimum Rate/Amount of Interest: Not Applicable

(xix) Maximum Rate/Amount of Interest: Not Applicable

(xx) Day Count Fraction: Not Applicable

(xxi) Other special terms and conditions: None

(C) [Single ETF Notes]/[ETF Basket Notes]: Not Applicable

20. Commodity-Linked Interest Note Provisions Not Applicable

21. Currency-Linked Interest Note Provisions Not Applicable

22. Inflation-Linked Interest Note Provisions Not Applicable

23. Property-Linked Interest Note Provisions Not Applicable

24. Fund-Linked Interest Note Provisions Not Applicable

25. Credit-Linked Interest Note Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION

26. Call Option Not Applicable
(Condition 21.5)

27. Put Option Not Applicable
(Condition 21.7)

28. Autocallable Early Redemption Not Applicable
(Condition 18)

29. Final Redemption Amount of each Note Linked Redemption Amount specified below
(Condition 21.1)

30. Dual Currency Redemption Provisions Not Applicable
(Condition 8)

31. Equity-Linked Redemption Provisions: Applicable
(Condition 10)

(A) Single Share Notes/Share Basket Notes: Not Applicable

(B) Single Index Notes/Index Basket Notes: Applicable

(i) Whether the Notes relate to a single index or a basket of indices (each, an "**Index**") and the identity of the Sponsor of an Index (each, an "**Index Issuer**")

i	Underlying Index _i	Bloomberg® Code	Index Sponsor
1	RUSSELL 2000 INDEX	RTY INDEX	Frank Russell Company
2	EURO STOXX 50® Index	SX5E INDEX	STOXX Limited
3	FTSE 100® INDEX	UKX INDEX	FTSE International Limited

Where $i=1-3$

(xxii) Exchange[s]:	As specified in Condition 10.9
(xxiii) Related Exchange[s]:	As specified in Condition 10.9
(xxiv) Averaging Dates:	Not Applicable
(xxv) Averaging Date Disruption:	Not Applicable
(xxvi) Observation Date(s):	Not Applicable
(xxvii) Observation Period:	Not Applicable
(xxviii) Determination Date(s):	See item 7(v) above
(xxix) Determination Time(s):	As per the Conditions
(xxx) Determination Agent responsible for calculating the Final Redemption Amount:	Morgan Stanley & Co. International plc (the "Determination Agent"). The Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders. All determinations, considerations and decisions made by the Determination Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Determination Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.
(xxxi) Provisions for determining Final Redemption Amount:	<p>Unless previously redeemed, or purchased and cancelled in accordance with the Conditions, the Issuer shall redeem the Notes on the Maturity Date at the Final Redemption Amount per Calculation Amount as determined by the Determination Agent as follows:</p> <ol style="list-style-type: none"> 1. If on the Determination Date, the Final Reference Price_i of the Lowest Performing Underlying is equal to or greater than its Barrier Level, at an amount in USD calculated as follows: 100 per cent.*Par per Note; OR; 2. If on the Determination Date, the Final Reference Price of the Lowest Performing Underlying is less than its Barrier Level, at an amount in USD calculated as follows: <p>Par * (Final Reference Price LPU/ Initial Reference Price LPU)</p> <p>Where:</p> <p>"Barrier Level" means in respect of an Underlying Index_i, 80 per cent. of the Initial Reference Price_i</p> <p>"Lowest Performing Underlying" ("LPU") means the Underlying Index which generates the lowest result from the following calculation:</p> <p>$\left[\frac{\text{Final Reference Price}_i - \text{Initial Reference Price}_i}{\text{Initial Reference Price}_i} \right]$</p>

For the avoidance of doubt, if there is more than one Underlying with the lowest result, the Determination Agent shall determine the LPU in its sole discretion.

“Final Reference Price_i” means, in respect of an Underlying Index_i, the official closing level of the relevant Underlying Index_i as published by the relevant Index Sponsor on the Determination Date;

“Final Reference Price LPU” means the Final Reference Price of the Lowest Performing Underlying; and

“Initial Reference Price LPU” means the Initial Reference Price of the Lowest Performing Underlying Determination Agent determination

(xxxii) Provisions for determining Final Redemption Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted:

(xxxiii) Weighting for each Index: Not Applicable

(xxxiv) Additional Disruption Events: Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply

(xxxv) Business Day Convention: Following Business Day Convention

(xxxvi) Additional Business Centre(s): New York, TARGET and London

(xxxvii) Other special terms and conditions: None

(C) [Single ETF Notes]/[ETF Basket Notes]: Not Applicable

32. Commodity-Linked Redemption Provisions Not Applicable

(Condition 11)

33. Currency-Linked Redemption Provisions Not Applicable

(Condition 12)

34. Inflation-Linked Redemption Provisions Not Applicable

(Condition 13)

35. Credit-Linked Redemption Provisions Not Applicable

(Condition 16)

36. Property-Linked Redemption Provisions Not Applicable

(Condition 14)

37. Fund-Linked Redemption Provisions Not Applicable

(Condition 15)

- | | | |
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| 38. | Preference Share-Linked Redemption Provisions:

(Condition 17) | Not Applicable |
| 39. | <p>(i) Early Redemption Amount upon Event of Default:

(Condition 26)</p> <p>(ii) Early redemption amount payable upon an event described in Condition 10.2(b)/10.4(a)(iii)/10.5(c)/10.6(c)/10.7(c)/10.8(c)/11.7(b)/12.5(c)/13.6(c)/14.5/14.6(c)/15.5(d)/17.4/17.5/17.6:</p> <p>(iii) Early redemption amount(s) per Calculation Amount payable on redemption for taxation reasons:

(Condition 21.3)</p> <p>(iv) Early redemption amount(s) per Calculation Amount payable on redemption on Force Majeure and Illegality or other early redemption (other than as specified in paragraphs 39(i), 39(ii) and 39(iii) above):

(Condition 27)</p> | <p>Qualified Financial Institution Determination</p> <p>As provided in Condition 10.2(b)/10.4(a)(iii)/10.5(c)/10.6(c)/10.7(c)/10.8(c)/11.7(b)/12.5(c)/13.6(c)/14.5/14.6(c)/15.5(d)/17.4/17.5/17.6</p> <p>An amount equal to the fair market value of such Note, on 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 Note), less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its sole and absolute discretion.</p> <p>As specified in Condition 27.2(a)</p> |
| 40. | Governing Law: | English law |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 41. | Form of Notes:

(Condition 3) | <p>Registered Notes:</p> <p>Global Registered Note registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg, exchangeable for Individual Note Certificates in the limited circumstances described in the Global Registered Note.</p> |
| 42. | Record Date: | As set out in the Conditions |
| 43. | Additional Financial Centre(s) or other special provisions relating to Payment Business Days: | New York only |
| 44. | Determination Agent: | Morgan Stanley & Co. International plc |

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| 45. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | Not Applicable |
| 46. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 47. | Redenomination, renominatisation and reconventioning provisions: | The provisions in Condition 37 apply |
| 48. | Restrictions on free transferability of the Notes: | None |
| 49. | Inconvertibility Event Provisions:
(Condition 19) | Not Applicable |
| 50. | CNY Center: | Not Applicable |
| 51. | Taxation: | |
| | (i) Condition 25.1: | "Additional Amounts" is <i>Not Applicable</i> |
| | (ii) Condition 25.3: | Implementation of Financial Transaction Tax: <i>Applicable</i> |
| 52. | Other terms: | None |

DISTRIBUTION

- | | | |
|-----|--|---|
| 53. | (i) If syndicated, of Managers and underwriting commitments (and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers) | Not Applicable |
| | (ii) Date of Subscription Agreement: | Not Applicable |
| | (iii) Stabilising Manager(s) (if any): | Not Applicable |
| 54. | If non-syndicated, name and address of Dealer: | Morgan Stanley & Co. International plc
25 Cabot Square
London E14 4QA |
| 55. | U.S. Selling Restrictions: | Regulation S |
| 56. | Total commission and concession: | a 4% subscription surcharge |
| 57. | Additional selling restrictions: | Not Applicable |

PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the Global Exchange Market of the Irish Stock Exchange of the Notes described herein pursuant to the Program for the Issuance of Notes, Series A and B, Warrants and Certificates of Morgan Stanley B.V.

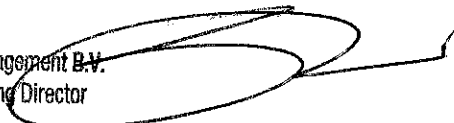
RESPONSIBILITY

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

Signed on behalf of the Issuer:



TMF Management B.V.
Managing Director



By:
Duly authorised

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. No assurance can be given that such listing will be obtained or when such listing may take place.

Estimate of total expenses related to admission to Trading: EUR 600

2. RATINGS

Ratings: The Notes will not be rated

3. OPERATIONAL INFORMATION

ISIN: XS1289414010

Common Code: 128941401

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

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent(s): As per the Conditions

Names and addresses of additional Paying Agent(s) (if any): As per the Conditions

ANNEX 1

STATEMENT CONCERNING THE UNDERLYING INDICES

Statement concerning the Eurostoxx 50® Index

THE EUROSTOXX 50 INDEX AND THE RELATED TRADEMARKS HAVE BEEN LICENSED FOR USE BY MORGAN STANLEY. THE NOTES ARE NOT SPONSORED OR PROMOTED BY STOXX LIMITED.

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ANNEX 2

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