

PRICING SUPPLEMENT

Pricing Supplement dated 5 November 2015

Morgan Stanley

Issue of BRL 200,000,000 FX linked Notes due November 2035, Series L-4

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 "**Prospective 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 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. THE ISSUER IS NOT REGISTERED AND WILL NOT 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 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 REGULATIONS 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 (the "**Offering Circular**"). This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Issuer 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

Overview

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. In deciding whether or not to purchase Notes, Noteholders and prospective purchasers should form their own views of the merits of an investment linked to the Settlement Rate, based upon such investigations and not in reliance on any information given in this document. Noteholders and prospective purchasers of Notes should determine whether an investment in the Notes is appropriate in their particular circumstances and should consult with their legal, regulatory, tax, business, investments, financial and accounting advisers to determine the consequences of an investment in the Notes and to arrive at their own evaluation of the investment.

The Notes will not have the benefit of a rating. Any existing rating assigned to the Issuer will not apply to these Notes.

Given the highly specialised nature of these Notes, the Issuer and Morgan Stanley & Co. LLC as the Dealer consider that they are only suitable for highly sophisticated investors who are willing to take considerable risks, who are able to determine for themselves the risk of an investment linked to the Settlement Rate. 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.

Prospective investors will be required to acknowledge or will be deemed to have acknowledged that they understand the risks and potential consequences associated with purchases of the Notes and that they have made such independent appraisal of the Settlement Rate as they think appropriate, and have consulted with their own legal, regulatory, tax, business, investments, financial and accounting advisors to the extent they believe is appropriate to assist them in understanding and evaluating the risks involved and the consequences of purchasing the Notes including, without limitation, with respect to the element of exchange rate exposure inherent in the Notes.

Prospective investors are urged to review the Offering Circular as completed by this Pricing Supplement for a full detailed description of the Notes and in particular the risk factors associated with the Notes. Investments in the Notes involve a number of risks and there can be no assurance that the full (or any) amount invested in the Notes will be returned. This section highlights a limited number of those risks, but is not and does not purport to be a complete list of the risks inherent in an investment in the Notes.

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.

Risks relating to FX Linked Notes

Payment Risk: The payment of the Final Redemption Amount is linked (amongst other things) to the Settlement Rate. Unfavourable movement of the Settlement Rate will result in a decrease in the Final Redemption Amount. The Final Redemption Amount may be zero. Only sophisticated investors who are experienced in financial matters, familiar with FX-linked instruments (including the Notes and the Settlement Rate) and who can bear any losses associated therewith should consider purchasing the Notes. It is impossible to predict how the Settlement Rate will vary over time. The historical performance (if any) of the Settlement Rate is not indicative of its future performance.

Volatility: The Notes are complex financial instruments and are linked to the Settlement Rate. Changes in the market value of the Notes could be more extreme than movements in the Settlement Rate, and the market value of the Notes is subject to credit, liquidity and currency rate risk. The market value of the Notes (whether indicative or actionable) will vary over time

and may be significantly less than the Aggregate Nominal Amount of the Notes (or even zero) in certain circumstances.

Interest: Prospective investors should note that no interest will be paid or will accrue on the Notes. The impact of the fluctuation in market interest rates variations on the price of zero coupon notes is correlated to the residual life of the Note. Any increase in market interest rates may generate more damaging price reductions for the Noteholder of such zero coupon notes, since the performance of the Notes is paid entirely at maturity.

Currency Risk: Although the Notes are denominated in Brazilian reais (BRL), payments under the Notes will generally be made in USD, by reference to the Settlement Rate.

Currency exchange rates are volatile and unpredictable and may be affected by macroeconomic factors and speculation. Such rates and the ability to convert from one currency to another may be influenced by direct governmental action or political or economic developments in Brazil or elsewhere and could lead to significant and sudden changes in the exchange rate between BRL and USD. If BRL depreciates against USD, the amount payable to Noteholders on the Maturity Date will be less (in USD terms) than the USD value of such payments were they to have been converted from BRL at the exchange rate in effect on the Issue Date, and the effective yield on the Notes (in USD terms) will decrease and a Noteholder may lose all or a substantial portion of the original USD issue price of the Notes.

Historical or prevailing levels of the exchange rate of BRL to USD or any other currency should not be taken as an indication of the future levels of such exchange rate. Depreciation of BRL against USD may adversely affect the market value of the Notes.

Further, in certain circumstances the Determination Agent may make determinations in its sole discretion (including but not limited to with regard to the exchange rate which will apply for calculating the Final Redemption Amount, whether an Inconvertibility Event or a Non-Transferability Event has occurred, the Event Fallback Rate, whether we can pay you in BRL) and such determination may result in no payment (or less payment) being made under the Notes. There may be a conflict of interest between the Noteholders and the Determination Agent in relation to any such determination and the Determination Agent shall owe no obligations of agency or trust or any fiduciary obligations towards Noteholders in this regard. In particular the Determination Agent or any of its affiliates may have interests in other capacities (such as other business relationships and activities) that are adverse to Noteholders.

Changes in the exchange rate of BRL to USD could result in a decrease in their effective yield and in the investor's loss of all or a substantial portion of the value of that Note or of the amounts payable. The exchange rate of BRL to USD is the result of the supply of, and the demand for, the related currencies. Changes in such exchange rate result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in the related countries / member nations, including economic and political developments in other countries. Of particular importance to potential currency exchange risks are: (i) rates of inflation; (ii) interest rate levels; (iii) balance of payments; and (iv) the extent of governmental surpluses or deficits in the relevant country. All of these factors are, in turn, sensitive to the monetary, fiscal and trade policies pursued by the related countries, the governments of the related countries and member nations (if any), and other countries important to international trade and finance. Government intervention could materially and adversely affect the value of the Notes. Foreign exchange rates can be fixed by governmental authority, allowed to float within a range of exchange rates set by governmental authority, or left to float freely. Governments use a variety of techniques, such as intervention by their central bank or imposition of regulatory controls or taxes, to affect the exchange rates of their respective currencies. They may also issue a new currency to replace an existing currency, fix the exchange rate or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. From 1995 to 1999, the Central Bank of Brazil allowed the gradual devaluation of BRL relative to USD. In 1999, BRL suffered a currency crisis with significant devaluation. Subsequently, the Central Bank of Brazil allowed the exchange rate to float freely, although subject to frequent intervention by the Central Bank of Brazil to manipulate the exchange rate of BRL for USD. Since then the exchange rate has fluctuated considerably. Thus, a special risk in purchasing the Notes is that their trading value and amount payable could be affected by the actions of governments, fluctuations in response to other market forces and the movement of currencies across borders. Suspension or disruptions may adversely affect the value of the Notes. Currency markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, participation of

speculators and government intervention. As a result, the market value of the Notes could be adversely affected. Even though currencies trade around the clock, the Notes will not. The interbank market in foreign currencies is a global, around the clock market. The hours of trading for the Notes will not conform to the hours during which the related currencies are traded. Significant price and rate movements may take place in the underlying foreign exchange markets that will not be reflected immediately in the price of the Notes. There is no guarantee that the return on your investment will be similar to or more favourable than prevailing BRL interest rates.

Inconvertibility Event and Non-Transferability Event: If an Inconvertibility Event or a Non-Transferability Event exists on the Valuation Date, you may be sent a notice of such event and we will pay the Redemption Amount in BRL (i.e. without conversion to USD) to a Brazilian account nominated by you, provided that if you cannot demonstrate and represent to the Determination Agent, to its sole satisfaction, that the Conditions to BRL Settlement are satisfied, or the Determination Agent determines that making such payment in the Issuer's customary manner is not legal or will restrict its ability to make other BRL payments on the Notes, the Redemption Amount will be paid in USD based on a rate of exchange of BRL for USD (the Event Fallback Rate) (determined on the Valuation Date) that are deliverable to an account located outside of Brazil of a non-Brazilian financial institution on the Maturity Date or early redemption date (as applicable), determined by the Determination Agent in its sole discretion, rather than the Settlement Rate. There may be insufficient time between the occurrence of the Inconvertibility Event or the Non-Transferability Event and the Valuation Date to allow us to send you an Event Notice and for you to respond with a Holder Details Notice. In addition, Morgan Stanley makes no representations on the current or future legality of making or receiving payments in Brazil in BRL. At the time an Inconvertibility Event or a Non-Transferability Event occurs, it is likely that the BRL will depreciate significantly against the USD. Accordingly, if and when you are sent a notice of such event, if the Conditions to BRL Settlement are not met, for any reason, you will receive USD at the Event Fallback Rate determined by the Determination Agent at a time when the BRL has significantly depreciated against the USD. The Event Fallback Rate will likely be less advantageous to you than you could otherwise obtain in the open market (if such a market were operative at such time).

The free transferability and convertibility of BRL into USD are subject to many factors: In addition, under certain conditions the government has the ability to restrict the conversion of BRL into foreign currencies. Factors that might affect the likelihood of the government's imposing these or other exchange control restrictions include the extent of Brazil's foreign currency reserves, the size of Brazil's debt service burden relative to the economy as a whole, Brazil's policy towards the International Monetary Fund, and political constraints to which Brazil may be subject. There can be no assurances that Brazil will not institute currency controls or restrictions on BRL or that BRL will remain a convertible currency during the term of the notes. Such controls or restrictions will likely cause an Inconvertibility Event or a Non-Transferability Event to occur, potentially affecting the Redemption Amount at maturity or early redemption.

The market price of the notes will be influenced by many unpredictable factors: Several factors, many of which are beyond Morgan Stanley's control, will influence the value of the notes including:

- BRL/USD exchange rate,
- geopolitical conditions and economic, financial, political, regulatory or judicial events that affect Morgan Stanley and the markets for the debt securities of Morgan Stanley,
- whether an Inconvertibility Event or Non-Transferability Event has occurred or is continuing, particularly near or on the Valuation Date,
- economic, financial, political, market and regulatory conditions within Brazil which may affect the likelihood of the occurrence of an Inconvertibility Event or a Non-Transferability Event,
- interest rates and yields in the market, and
- any actual or anticipated changes to our credit ratings or credit spreads.

Some or all of these factors will influence the price you receive if you sell your Notes prior to maturity.

General Risks relating to the Notes

Early redemption: The Notes may be redeemed in USD or BRL (as applicable) prior to the Maturity Date as a result of the occurrence of certain events, such as an Event of Default or a tax redemption. Any such redemption of the Notes will be at the relevant Redemption Amount.

Issuer Credit Risk: Noteholders are subject to the credit risk of the Issuer. Any credit ratings assigned to the Issuer represent the rating agencies' opinion regarding its credit quality and are not a guarantee of quality. Rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in the value of the Notes. Therefore, the ratings assigned to the Issuer may not fully reflect the true risks of an investment in the Notes. The Notes are essentially a loan to the Issuer with a repayment amount linked to the performance of one underlying currency that the Issuer promises to pay at maturity. There is the risk, however, that the Issuer may not be able to fulfil its obligations, irrespective of whether the Notes are referred to as capital or principal protected. If the Issuer incurs losses with respect to any of its activities, this may have a negative impact on the financial condition of the Issuer. Investors may lose all or part of their investment if the Issuer is unable to pay the Redemption Amount and/or becomes insolvent. No assets of the Issuer are segregated and specifically set aside in order to pay the holders of the Notes in the event of insolvency of the Issuer, and the holders of the Notes will rank behind secured or preferred creditors.

Capital protection at maturity: Capital protection in respect of the Reference Currency notional amount is provided at maturity only. If the Notes are sold prior to maturity, or redeemed by the Issuer for reasons stated in the terms of the Notes (for example, if there is a change in tax law or if it becomes unlawful for the Issuer to perform its obligations under the Notes), the proceeds may be less than your initial investment.

Lack of Liquidity: The Notes should be viewed as longer-term investments, not as liquid instruments. Neither the Dealer nor the Issuer is obligated to make a secondary market in these Notes. 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 a holder.

The inclusion of projected profit from hedging in the original issue price is likely to affect secondary market prices: Assuming no change in market conditions or any other relevant factors, the price, if any, at which the Dealer is willing to purchase notes at any time in secondary market transactions will likely be lower than the original issue price, since secondary market prices are likely to exclude the cost of hedging our obligations under the notes that are included in the original issue price. These secondary market prices are also likely to be reduced by the costs of unwinding the related hedging transactions and internal funding arrangements. Our subsidiaries may realize a profit from the expected hedging activity even if investors do not receive a favourable investment return under the terms of the Notes or in any secondary market transaction. In addition, any such prices may differ from values determined by pricing models used by the Dealer, as a result of dealer discounts, mark-ups or other transaction costs.

Fees: Fees may have been paid to third parties in relation to the Notes. Further information is available on request.

Regulatory Changes: The recent financial crisis resulted in, and could result in further, unprecedented and considerable change to the laws, regulations and guidelines applicable to financial institutions and the financial industry. These changes to the laws, regulations and other guidelines, including those affecting their interpretation or application, could have an impact on the Issuer and its affiliates and/or the Notes, in ways not yet known or certain. In particular, they could limit its product or service offering or enhance its competitors' ability to rival the Issuer's offering with their own. Also, in spite of the precautions the Issuer takes to prevent such an eventuality, failure to comply with laws, regulations and other guidelines could give rise to penalties and fines that could have an adverse impact on its financial results and reputation.

Business and Economic Risks: The Notes are subject to inherent risks arising from general and sector-specific economic and conditions in Brazil and other markets, some of which may not always appear to be so inter-connected at the time.

The global economy and financial markets have experienced extreme levels of instability. This crisis led to various governments and central banks taking substantial measures to ease liquidity problems though volatility remains. At this point in time, there can be no assurance that similar or greater disruption may not occur in the future for similar or other reasons. Furthermore, the structure, nature and regulation of financial markets in the future may be fundamentally altered as a consequence of the global financial crisis, possibly in unforeseen ways. There can be no assurance as to how severe the global recession will be or as to how long it will last. There can be no assurances that other problems may not arise or that the global financial condition will not worsen. Such events are likely to have an impact on both the Issuer and the Notes.

Prospective investors should ensure that they have sufficient knowledge and awareness of the global financial crisis and the economic situation and outlook as they consider necessary to enable them to make their own evaluation of the risks and merits of an investment in the Notes. In particular, prospective investors should take into account the considerable uncertainty as to how the global financial crisis and the wider economic situation will develop over time.

Any person who had held securities during the periods considered above, including FX-linked securities, would be highly likely to have suffered significant adverse effects as a result of such holding, including, but not limited to, major reductions in the value of those securities and a lack of liquidity. Prospective investors should consider carefully whether they are prepared to take on similar risks by virtue of an investment in the Notes. The occurrence, continuation or worsening of such events could result in a complete loss of an investor's investment in the Notes.

Impact on Liquidity: The global crisis has had an extremely negative effect on the liquidity of financial markets generally and in the markets in respect of certain financial assets or in the obligations of certain obligors. This has particularly been the case with respect to the market for the obligations of financial institutions. Such assets may either not be saleable at all or may only be saleable at significant discounts to their estimated fair value or to the amount originally invested. No assurance can be given that liquidity in the market generally, or in the market for the obligations of any particular financial institution, will improve or that it will not worsen in the future. Such limited liquidity may have a negative impact on the value of the Notes.

Concerns about the creditworthiness of the Dealer, the Determination Agent and the Fiscal Agent may also have an adverse effect on holders of the Notes.

GENERAL

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|----|--|-----------------|--|
| 1. | (i) | Issuer: | Morgan Stanley |
| | (ii) | Guarantor: | Not Applicable |
| 2. | (i) | Series Number: | L-4 |
| | (ii) | Tranche Number: | 1 |
| 3. | Specified Currency or Currencies / Payment Currency: | | Brazilian Reais (“ BRL ”) for the purposes of the Specified Denomination and United States Dollars (“ USD ”) for all other purposes. |
| 4. | Aggregate Nominal Amount of the Notes: | | BRL 200,000,000 |
| 5. | Issue Price | | 9.48 per cent. of par per Note payable in USD on the Issue Date, such payment being USD 4,859,669.36 in respect of the Aggregate |

Nominal Amount of the Notes			
6.	(i)	Specified Denominations:	BRL 1,000,000
	(ii)	Calculation Amount (Par):	BRL 1,000,000
7.	(i)	Issue Date:	6 November 2015
	(ii)	Trade Date:	23 October 2015
	(iii)	Interest Commencement Date	Not Applicable
	(iv)	Strike Date:	Not Applicable
	(v)	Determination Date:	Not Applicable
8.	Maturity Date:		6 November 2035, subject to adjustment in accordance with the Business Day Convention in the event such date is not a Business Day.
9.	Interest Basis:		Zero Coupon
10.	Redemption/Payment Basis:		Currency-Linked Redemption
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:	Not Applicable
		(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:	Not Applicable
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 (Condition 7)	Applicable. Condition 7.2 shall be amended by inserting "Subject to item 33(xvi) in the Applicable Supplement," at the beginning of such Condition, and by inserting "converted into the Settlement Currency by reference to the Settlement Rate on the Valuation Date" after the words "'the Calculation Amount of such Note'".
	(i) Accrual Yield:	12.50 per cent. per annum
	(ii) Reference Price:	Issue Price
	(iii) Day Count Fraction:	30/360
	(iv) Additional Business Centre(s):	London, Brazilian Cities and New York City. The definition of Business Day is amended by deleting the words "in the principal financial centre of the country of the Specified Currency, and" and replacing them with the words "on which commercial banks are open for general business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market)". "Brazilian Cities" means any of São Paulo, Rio de Janeiro or Brasilia, disregarding any Unscheduled Holiday. "Unscheduled Holiday" for the purposes of Brazilian Cities means a day that is not a Business Day and the market was not made aware of such fact (by means of public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in any of Sao Paulo, Rio de Janeiro or Brasilia two Business Days prior to such day.
	(v) Any other formula/basis of determining amount payable:	Not Applicable
18.	Dual Currency-Linked Note Interest Provisions (Condition 8)	Not Applicable
19.	Equity-Linked Interest Note Provisions: (Condition 10)	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 (Condition 21.5)	Not Applicable
27.	Put Option (Condition 21.7)	Not Applicable
28.	Autocallable Early Redemption (Condition 18)	Not Applicable
29.	Final Redemption Amount of each Note (Condition 21.1)	BRL 1,000,000 per Calculation Amount converted into the Settlement Currency as further detailed at paragraph 33 below
30.	Dual Currency Redemption Provisions (Condition 8)	Not Applicable
31.	Equity-Linked Redemption Provisions: (Condition 10)	Not Applicable
32.	Commodity-Linked Redemption Provisions (Condition 11)	Not Applicable
33.	Currency-Linked Redemption Provisions (Condition 12)	Applicable
	(i) Settlement Currency:	USD
	(ii) Reference Currency and Denominated Currency:	BRL
	(iii) Specified Amount:	BRL 1,000,000
	(iv) Settlement Rate:	Subject to (xiii)-(xiv) and (xvi) below, BRL PTAX (BRL09)
	(v) Determination Agent responsible for calculating the Final Redemption Amount:	Applicable
	(vi) Provisions for determining Final Redemption Amount:	Redemption of the Notes will be by Cash Settlement. The Final Redemption Amount shall be an amount equal to BRL 1,000,000 per Calculation Amount converted into the Settlement Currency by reference to the Settlement Rate on the Valuation Date.

(vii)	Valuation Date:	The day falling two Currency Business Days prior to the earlier of (a) the Maturity Date and (b) the day on which the Notes are redeemed early in accordance with the Conditions, provided that if the Redemption Amount is improperly withheld or refused, the Valuation Date shall be the day falling two Currency Business Days prior to the day that is the earlier of the days specified in paragraphs (i) and (ii) of Condition 7.2.
(viii)	Observation Date(s):	Not Applicable
(ix)	Observation Period:	Not Applicable
(x)	Provisions for determining Final Redemption Amount where calculation by reference to Index and/or other variable is impossible or impracticable or otherwise disrupted:	See (xiii)-(xiv) below.
(xi)	Business Day Convention:	Following Business Day Convention
(xii)	Additional Business Centre(s):	As set out above.
(xiii)	Currency Disruption Events:	<p>Each of the following shall be a Currency Disruption Event if it occurs or has occurred and is continuing on the Valuation Date:</p> <p>Price Source Disruption</p> <p>Additional Price Source Disruption:</p> <p>Reference Source: BRL PTAX (BRL09)</p> <p>Price Materiality Event:</p> <p>Price Materiality Percentage: 3% provided however, that if there are (in the Determination Agent's sole determination) insufficient responses on the relevant date to either the relevant EMTA BRL INDUSTRY SURVEY RATE (BRL12) or the relevant EMTA BRL INDICATIVE SURVEY RATE (BRL13), as the case may be, the Price Materiality Percentage will also be deemed to have been met</p> <p>Primary Rate: BRL PTAX (BRL09)</p> <p>Secondary Rate: Each of EMTA BRL INDUSTRY SURVEY RATE (BRL12) and the EMTA BRL INDICATIVE SURVEY RATE (BRL13). For the avoidance of doubt, a Price Materiality Event will occur if</p>

the Primary Rate differs from either Secondary Rate by at least 3%.

Where:

“**BRL PTAX (BRL09)**” means, in respect of any day, the BRL/USD offered rate for USD, expressed as the amount of BRL per one USD, for settlement in two Currency Business Days reported by the Banco Central do Brasil (www.bcb.gov.br; see “Cotações e boletins”) by approximately 1:15 p.m. São Paulo time, on such date;

“**EMTA BRL INDUSTRY SURVEY RATE (BRL12)**” means, in respect of any day, the BRL/USD offered rate for USD, expressed as the amount of BRL per one USD, for settlement in two Currency Business Days, as published on the website of the Emerging Markets Traders Association (EMTA) (www.emta.org) at approximately 3:45 p.m. (São Paulo time), or as soon thereafter as practicable, on such date. Such rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Industry Survey Methodology (being a methodology, dated as of 1 March 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions in Brazil that are active participants in the BRL/USD spot markets for the purpose of determining the EMTA BRL Industry Survey Rate); and

“**EMTA BRL INDUSTRY SURVEY RATE (BRL13)**” means, in respect of any day, the BRL/USD offered rate for USD, expressed as the amount of BRL per one USD, for settlement in two Currency Business Days, as published on EMTA’s website (www.emta.org) at approximately 12:00 p.m. (São Paulo time), or as soon thereafter as practicable, on such date. Such rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Indicative Survey Methodology (being a methodology, dated as of 1 March 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the BRL/USD markets for the purpose of determining the EMTA BRL Indicative Survey Rate),

or in each case any successor or substitute thereto determined by the Determination Agent in its sole and absolute discretion taking into account such sources and information as it deems relevant, which may include the 1998 FX and Currency Option Definitions (as published

by the International Swaps and Derivatives Association, Inc., Emerging Markets Traders Association and The Foreign Exchange Committee).

- (xiv) Currency Disruption Fallbacks: The applicable Currency Disruption Fallbacks in respect of all Currency Disruption Events (other than in the case of Additional Price Source Disruption as a result of the Valuation Date being an Unscheduled Holiday) and the order in which they shall apply is:

Fallback Reference Price:

EMTA BRL INDUSTRY SURVEY RATE (BRL12) and, if such EMTA BRL INDUSTRY SURVEY RATE (BRL12) is unavailable, EMTA BRL INDICATIVE SURVEY RATE (BRL13), and if such EMTA BRL INDICATIVE SURVEY RATE (BRL13) is unavailable,

Determination Agent Determination of Settlement Rate.

In the case of Additional Price Source Disruption as a result of the Valuation Date being an Unscheduled Holiday, the Currency Disruption Fallback shall be Determination Agent Determination of Settlement Rate.

- (xv) Additional Disruption Events: Change in Law –Not Applicable

Hedging Disruption - Not Applicable

Increased Cost of Hedging - Not Applicable

- (xvi) Other special terms and conditions: If an Inconvertibility Event or a Non-Transferability Event has occurred and is continuing on the Valuation Date, the Redemption Amount will be:

(a) in respect of a Valuation Date falling two Currency Business Days prior to the Maturity Date, an amount in BRL per Calculation Amount equal to BRL 1,000,000; or

(b) in respect of a Valuation Date falling two Currency Business Days prior to the day on which the Notes are redeemed early in accordance with the Conditions, an amount in BRL as determined in accordance with Condition 21.8, Condition 12.5(c), Section 39(iii) below (as if the words “in USD” were deleted from such Section), or Condition 27.2(a) (as applicable and without any amendment to any such Condition); or

(c) in respect of a Valuation Date falling two

Currency Business Days prior to the day that is the earlier of the days specified in paragraphs (i) and (ii) of Condition 7.2, an amount in BRL as determined in accordance with Condition 7.2 (without inserting “converted into the Settlement Currency by reference to the Settlement Rate on the Valuation Date” after the words “the Calculation Amount of such Note” in such Condition),

(such relevant amount, the **BRL Settlement Amount**) and shall be paid by or on behalf of the Issuer outside of the Relevant Clearing Systems, provided that if a Noteholder cannot demonstrate and represent to the Determination Agent (to its sole satisfaction) on the Valuation Date that conditions (a), (b) and (c) of the Conditions to BRL Settlement (as described below) are satisfied in relation to it, or the Determination Agent determines that condition (d) of the Conditions to BRL Settlement is not satisfied, the Redemption Amount in respect of such Noteholder will be an amount in USD equal to the BRL Settlement Amount divided by the Event Fallback Rate as determined on the Maturity Date or early redemption date or day that is the earlier of the days specified in paragraphs (i) and (ii) of Condition 7.2 (as applicable).

Any late or non-payment following an Inconvertibility Event or a Non-Transferability Event as a result of any insolvency (or any analogous event) and/or default of any relevant custodians, sub-custodians, settlement agent, broker dealer or banks shall not constitute an Event of Default and the relevant due date for payment shall be postponed until such date (if any) as the Issuer is able to arrange for the relevant payment to be made.

Condition 22.9 shall not apply.

"Inconvertibility Event" means that the Determination Agent has determined in its sole and absolute discretion, that an event has occurred that generally makes it impossible to convert BRL into USD in Brazil through customary legal channels.

"Non-Transferability Event" means that the Determination Agent has determined in its sole and absolute discretion, that an event has occurred that generally makes it impossible to deliver through customary legal channels:

- (a) USD between an account held by a Brazilian financial institution outside of Brazil and an account held by any other

party outside of Brazil; or

(b) BRL between accounts inside of Brazil.

"Conditions to BRL Settlement" means:

- (a) through a Holder Details Notice whether in response to an Event Notice or otherwise, the relevant Noteholder notifies the Determination Agent (in the case of an Event Notice, within the timeframe specified in such Event Notice) that it wishes to receive the Redemption Amount in BRL;
- (b) the relevant Noteholder provides the Determination Agent with the details of its nominated on-shore Brazilian account to which it would like BRL to be delivered;
- (c) the relevant Noteholder represents, and provides evidence demonstrating (to the Determination Agent's sole and absolute satisfaction) that it is legal under the laws of Brazil for such Noteholder to receive such payment through its nominated account, which evidence may include any required governmental licenses, permits, authorizations or approvals; and
- (d) the Determination Agent determines, in its sole and absolute discretion, that the Issuer can make such payment legally in the manner in which it customarily makes such payments on instruments similar to the Notes which are not cleared through any clearing system and without limiting its ability to make payments in BRL to the nominated on-shore Brazilian accounts of other holders of Notes.

"Holder Details Notice" means a notice sent by a Noteholder to the Determination Agent providing the account details and other information necessary (in the Determination Agent's sole and absolute discretion) to satisfy the Conditions to BRL Settlement. If a Noteholder sends a Holder Details Notice in advance of the occurrence of an Inconvertibility Event or Non-Transferability Event, the Determination Agent may require a Noteholder to provide additional information required to meet the Conditions to BRL Settlement at the time of the occurrence of any Inconvertibility Event or Non-Transferability Event.

"Event Notice" means any notice sent by the Determination Agent to the Noteholders in accordance with Condition 33 informing them that an Inconvertibility Event or Non-Transferability Event has occurred. For the

avoidance of doubt, the Determination Agent has no obligation to send such a notice.

"Event Fallback Rate" shall mean the rate that the Determination Agent, in its sole and absolute discretion, determines to be the rate of exchange of BRL to USD that are deliverable to an account that is located outside of Brazil of a non-Brazilian financial institution on the Maturity Date or early redemption date or day that is the earlier of the days specified in paragraphs (i) and (ii) of Condition 7.2 (as applicable).

For the purpose of the definition of Currency Business Day in Condition 12.6, **"Principal Financial Centre(s)"** means any of Sao Paulo, Rio de Janeiro or Brasilia but, for the purpose of sub-paragraph (a) thereof, disregarding any Unscheduled Holiday; and the words "London and New York City" shall be deemed to be inserted after the words "of the Reference Currency" in each of sub-paragraph (a) and (b) thereof.

34.	Inflation-Linked Redemption Provisions (Condition 13)	Not Applicable
35.	Credit-Linked Redemption Provisions (Condition 16)	Not Applicable
36.	Property-Linked Redemption Provisions (Condition 14)	Not Applicable
37.	Fund-Linked Redemption Provisions (Condition 15)	Not Applicable
38.	Preference Share-Linked Redemption Provisions: (Condition 17)	Not Applicable
39.	(i) Early Redemption Amount upon Event of Default: (Condition 26)	Subject to 33(xvi) above, as determined in accordance with Condition 21.8. Condition 21.8 shall be amended by inserting "converted into the Settlement Currency by reference to the Settlement Rate on the Valuation Date" after the words "the Calculation Amount of such Note".
	(ii) Early redemption amount payable upon an event described in Condition 12.5(c):	Not Applicable
	(iii) Early redemption amount(s) per Calculation Amount payable on	Subject to 33(xvi) above, an amount in USD equal to the fair market value of such Note, on such day as is selected by the Determination

redemption for taxation reasons: (Condition 21.2)	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.
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(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)	Subject to 33(xvi) above, as specified in Condition 27.2(a), provided that the words “in USD” shall be inserted after the words “an amount” in such Condition.
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40. Governing Law:	English law
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GENERAL PROVISIONS APPLICABLE TO THE NOTES

41. Form of Notes: (Condition 3)	Registered Notes
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 City
44. Determination Agent:	Morgan Stanley Capital Services LLC
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:	Not Applicable
48. Restrictions on free transferability of the Notes:	None
49. Inconvertibility Event Provisions: (Condition 19)	Condition 19 is not applicable. Inconvertibility and non-transferability is as per 33(xvi) above.
50. CNY Center:	Not Applicable

51. Taxation:
- (i) Condition 25.1: "Additional Amounts" is Not Applicable
 - (ii) Condition 25.3: Implementation of Financial Transaction Tax: Not Applicable
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) Stabilising Manager(s) (if any): Not Applicable
54. If non-syndicated, name and address of Dealer: Morgan Stanley & Co LLC
1585 Broadway, New York, NY 10036
55. U.S. Selling Restrictions: Regulation S
56. Additional selling restrictions: Not Applicable

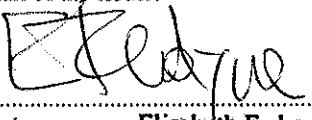
PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the pricing supplement required to list and have admitted to trading on the Global Exchange Market of the Irish Stock Exchange the issue of Notes 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 **Elisabeth Fedyna**
Authorized Signatory

PART B – OTHER INFORMATION

1. LISTING

Listing and admission to Trading: Application has been 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 the Issue Date.

No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by the Issue Date. The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.

Estimate of total expenses related to admission to trading: EUR 5,000

2. RATINGS

Ratings: The Notes will not be rated.

3. PERFORMANCE OF THE BRL/USD EXCHANGE RATE

Information about the BRL/USD exchange rate, including information about the past and further performance and volatility of the Settlement Rate, can be obtained from the website of the Banco Central do Brasil (www.bcb.gov.br; see “Cotações e boletins”) and other public information sources and providers, such as Bloomberg.

The Issuer does not intend to provide post-issuance information with regard to the BRL/USD exchange rate.

4. OPERATIONAL INFORMATION

ISIN: XS1314346773

Common Code: 131434677

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): Not Applicable