

Pricing Supplement dated 19 September 2017

**Morgan Stanley B.V.**

Issue of USD 1,000,000 Equity Linked Notes due 2022

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 DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE, 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 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 30 JUNE 2017. 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 the Notes described herein. This Pricing Supplement must be read in conjunction with the Offering Circular dated 30 June 2017 and the supplement to the Offering Circular dated 31 August 2017 (the "**Offering Circular**"). 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](http://www.ise.ie)).

### 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.

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 Notes. Please see the Offering Circular together with the Pricing Supplement 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:

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

**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 Notes 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 Level, the Final Redemption Amount or the Underlying. The Determination Agent also has the discretion to make adjustments with respect to any corporate action.

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

**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.

**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, the dividend rate on the stocks that compose the Underlying (if any), 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 to 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.

**Credit Risk:** Investors are exposed to the credit risk of the Issuer and/or 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 at maturity and that the Guarantor promises to pay if the Issuer fails to do so. There is the risk, however, that the Issuer and the Guarantor may not be able to fulfill their obligations, irrespective of whether the Notes are referred to as capital or principal protected. Investors may lose all or part of their investment if the Issuer and the Guarantor are unable to pay the coupons (if any) or the redemption amount. No assets of the Issuer and/or 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 Guarantor, and the holders of the Notes will rank behind secured or preferred creditors.

**Liquidity Risk:** The Notes will not be traded on an organized exchange. 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.

**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.

**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(s), in option contracts on the Underlying(s) or positions in any other available securities or instruments. In addition, the Issuer and its affiliates trade the Underlying(s) as part of their general businesses. Any of these activities could potentially affect the value of the Underlying(s), and accordingly, could affect the pay-out to holders on the Notes.

**Adjustment and Discontinuation Risk:** The Sponsor of the Underlying can add, delete or substitute stocks constituting the Underlying or make other methodological changes that could change the value of the Underlying 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 what he/she would have received if the event had not occurred

**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.

**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.

**Potential Conflict of Interest:** The Determination Agent, which is an affiliate of the Issuer, will determine the payout 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 payout on any Note.

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. |
|    | (ii) | Guarantor:      | Morgan Stanley      |
| 2. | (i)  | Series Number:  | 10110               |
|    | (ii) | Tranche Number: | 1                   |

3. Specified Currency or Currencies: U.S. Dollar ("USD")
4. Aggregate Nominal Amount of the Notes:
  - (i) Series: USD 1,000,000
  - (ii) Tranche: USD 1,000,000
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: 19 September 2017
  - (ii) Trade Date: 12 September 2017
  - (iii) Interest Commencement Date: Not Applicable
  - (iv) Strike Date: 12 September 2017
  - (v) Determination Date: 12 September 2022
8. Maturity Date: 20 September 2022, 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 20 (B) and (C) below
10. Redemption/Payment Basis: Equity-Linked Redemption. See item 32 (B) and (C) 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 Redemption: Early Applicable. See item 29.  
(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

#### RELEVANT UNDERLYING

15.

- (B) Single Index Notes, Index Basket Notes: Applicable  
(Condition 10)

- (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**"): Index Basket Notes

i	Underlying	Bloomberg® Code	Exchange	Initial Reference Level <sub>i</sub>
1	The Nikkei 225 Index	NKY Index	Tokyo Stock Exchange	Official Closing Level(i) on Strike Date, equal to 19,875
2	EURO STOXX 50® Index	SX5E Index	Multi-Exchange Index	Official Closing Level(i) on Strike Date, equal to 3,509

- (ii) Exchange(s): See table above.

- (iii) Related Exchange(s): All Exchanges

- (C) Single ETF Notes, ETF Basket Notes: Applicable  
(Condition 10)

- (i) Whether the Notes relate to a single ETF or a basket of ETFs (each, an "**ETF Interest**" and the identity of the related ETF (each, an "**ETF**")): Basket Notes

i	Underlying	Bloomberg® Code	Exchange	Initial Reference Level <sub>i</sub>
1	iShares® MSCI Emerging Markets ETF	EEM UP Equity	NYSE Arca	Official Closing Level(i) on Strike Date, equal to 45.50

- (ii) Exchange(s): See table above

- (iii) Related Exchange(s): All Exchanges

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions: Not Applicable
17. Floating Rate Note Provisions: Not Applicable  
(Condition 6)
18. Zero Coupon Note Provisions: Not Applicable

(Condition 7)

19. Dual Currency-Linked Note Interest Not Applicable Provisions

(Condition 8)

20. Equity-Linked Interest Note Provisions: Applicable

(Condition 10)

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

- (i) Weighting for each Index: Not Applicable

- (ii) 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.

- (iii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Index Unless an Early Redemption Event occurs, in respect of each Interest Determination Date, an amount (the "Interest Amount") per Calculation Amount shall be payable on the corresponding Interest Payment Date, as determined by the Determination Agent as follows:

- (i) If on an Interest Determination Date, the official closing price of each Underlying is equal to or greater than its respective Coupon Barrier Level, an amount in USD calculated as follows:

$$\left( \sum_{j=1}^n \text{Coupon}_j \right) - \text{Previously paid coupons}$$

- (ii) Else, 0% of Par;

Where:

n	Coupon	"Coupon Barrier Level" as a percentage of Initial Reference Level
1	1.85%	85%
2	1.85%	85%
3	1.85%	85%
4	1.85%	85%
5	1.85%	85%
6	1.85%	85%

7	1.85%	85%
8	1.85%	85%
9	1.85%	85%
10	1.85%	85%
11	1.85%	85%
12	1.85%	85%
13	1.85%	85%
14	1.85%	85%
15	1.85%	85%
16	1.85%	85%
17	1.85%	85%
18	1.85%	85%
19	1.85%	85%
20	1.85%	85%

**"Previously Paid Coupons"** means, in respect of a Specified Interest Payment Date<sub>n</sub>, the aggregate amount of all Interest Amounts (if any) paid in respect of each Specified Interest Payment Date preceding such Specified Interest Payment Date<sub>n</sub>.

(iv) Interest Determination Date(s): Means, as specified below:

n	Interest Determination Date
1	12 December 2017
2	12 March 2018
3	12 June 2018
4	12 September 2018
5	12 December 2018
6	12 March 2019
7	12 June 2019
8	12 September 2019
9	12 December 2019
10	12 March 2020
11	12 June 2020
12	14 September 2020



13	14 December 2020
14	12 March 2021
15	14 June 2021
16	13 September 2021
17	13 December 2021
18	14 March 2022
19	13 June 2022
20	12 September 2022

Subject to adjustment in accordance with the applicable Business Day Convention if such date is not a Scheduled Trading Day or is a Disrupted Day.

- (v) 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.

- (vi) Interest Period: As set out in Condition 2.1

- (vii) Specified Interest Payment Date(s):

n	Specified Interest Payment Date:
1	19 December 2017
2	19 March 2018
3	19 June 2018
4	19 September 2018
5	19 December 2018
6	19 March 2019
7	19 June 2019
8	19 September 2019
9	19 December 2019
10	19 March 2020
11	19 June 2020
12	21 September 2020
13	21 December 2020
14	19 March 2021
15	21 June 2021

16	20 September 2021
17	20 December 2021
18	21 March 2022
19	20 June 2022
20	20 September 2022

Subject to adjustment in accordance with the applicable Business Day Convention.

- (viii) Averaging Date: Not Applicable
- (ix) Averaging Date Disruption: Not Applicable
- (x) Observation Date(s): Not Applicable
- (xi) Observation Period: Not Applicable
- (xii) Additional Disruption Events: Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply
- (xiii) Business Day Convention: Following Business Day Convention
- (xiv) Additional Business Centre(s): Not Applicable
- (xv) Day Count Fraction: Not Applicable
- (xvi) Minimum Rate/Amount of Interest: Not Applicable
- (xvii) Maximum Rate/Amount of Interest: Not Applicable
- (xviii) Other special terms and conditions: "Business Day" means a Scheduled Trading Day in respect of the Underlying(s)
- (C) Single ETF Notes/ETF Basket Notes: Applicable
- (i) Weighting for each ETF: Not Applicable
- (ii) 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.
- (iii) Provisions for determining Rate of Interest where calculated by reference to one or more ETFs / reference to Index: See item 20 B(iii) above
- (iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where: Determination Agent determination.

calculation by reference to one or more Shares is impossible or impracticable or otherwise disrupted:

- |         |   |  |
|---------|---|--|
| (v)     | Interest Determination Date(s):                             | See item 20 B(iv) above  |
| (vi)    | Interest Period:  | As set out in Condition 2.1  |
| (vii)   | Specified Interest Payment Date(s):                         | See item 20 B(vii) above   |
| (viii)  | Averaging Date:   | Not Applicable   |
| (ix)    | Averaging Date Disruption:                                  | Not Applicable   |
| (x)     | Observation Date(s):  | Not Applicable   |
| (xi)    | Observation Period:   | Not Applicable   |
| (xii)   | Additional Disruption Events:                               | Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply  |
| (xiii)  | Business Day Convention:                                    | Following Business Day Convention  |
| (xiv)   | Additional Business Centre(s):                              | Not Applicable   |
| (xv)    | Day Count Fraction  | Not Applicable   |
| (xvi)   | Minimum Rate/Amount of Interest:                            | Not Applicable   |
| (xvii)  | Maximum Rate/Amount of Interest:                            | Not Applicable   |
| (xviii) | Other special terms and conditions:                         | "Business Day" means a Scheduled Trading Day in respect of the Underlying(s) |
| 21.     | Commodity-Linked Interest Note Provisions                   | Not Applicable   |
| 22.     | Currency-Linked Interest Note Provisions<br>(Condition 12)  | Not Applicable   |
| 23.     | Inflation-Linked Interest Note Provisions<br>(Condition 13) | Not Applicable   |
| 24.     | Property-Linked Interest Note Provisions<br>(Condition 14)  | Not Applicable   |
| 25.     | Fund-Linked Interest Note Provisions<br>(Condition 15)      | Not Applicable   |
| 26.     | Credit-Linked Interest Note Provisions<br>(Condition 16)    | Not Applicable   |

#### PROVISIONS RELATING TO REDEMPTION

- |     |             |                |
|-----|-------------|----------------|
| 27. | Call Option | Not Applicable |
|-----|-------------|----------------|

(Condition 21.5)

28. Put Option

Not Applicable

(Condition 21.7)

29. Autocallable Early Redemption

Applicable

(Condition 18)

(i) Autocallable Early Redemption See table below:  
Observation Date(s):

n	Autocallable Early Redemption Observation Date(n)	Autocallable Early Redemption Date(n)	Autocall Level(n) (as % of Initial Reference Level)	Autocallable Early Redemption Amount (as % of Par)
1	12 December 2017	19 December 2017	100%	100%
2	12 March 2018	19 March 2018	100%	100%
3	12 June 2018	19 June 2018	100%	100%
4	12 September 2018	19 September 2018	100%	100%
5	12 December 2018	19 December 2018	100%	100%
6	12 March 2019	19 March 2019	100%	100%
7	12 June 2019	19 June 2019	100%	100%
8	12 September 2019	19 September 2019	100%	100%
9	12 December 2019	19 December 2019	100%	100%
10	12 March 2020	19 March 2020	100%	100%
11	12 June 2020	19 June 2020	100%	100%
12	14 September 2020	21 September 2020	100%	100%
13	14 December 2020	21 December 2020	100%	100%
14	12 March 2021	19 March 2021	100%	100%
15	14 June 2021	21 June 2021	100%	100%
16	13 September 2021	20 September 2021	100%	100%
17	13 December 2021	20 December 2021	100%	100%
18	14 March 2022	21 March 2022	100%	100%
19	13 June 2022	20 June 2022	100%	100%
20	12 September 2022	20 September 2022	100%	100%

(ii) Autocallable Early Redemption Amount(s) of each Note and method and calculation of such

If on any Autocallable Early Redemption Observation Date<sub>n</sub>, the official closing level of each Underlying<sub>i</sub> is equal to or greater than its relevant Autocall Level<sub>n</sub>, the Notes will be automatically redeemed on the

	amount(s):	corresponding Autocallable Early Redemption Date <sub>n</sub> at the Autocallable Early Redemption Amount.
	(iii) Autocallable Early Redemption Date(s):	See table above.
30.	Final Redemption Amount of each Note (Condition 21.1)	Final Redemption Amount specified below
31.	Dual Currency Redemption Provisions (Condition 8)	Not Applicable
32.	Equity-Linked Redemption Provisions: (Condition 10)	Applicable
(B)	Single Index/Index Basket Notes:	
	(i) Averaging Dates:	Not Applicable
	(ii) Averaging Date Disruption:	Not Applicable
	(iii) Observation Date(s):	Not Applicable
	(iv) Observation Period:	Not Applicable
	(v) Determination Time(s):	As set out in the Conditions
	(vi) Determination Agent responsible for calculating the Final Redemption Amount:	Morgan Stanley & Co. International plc (the “ <b>Determination Agent</b> ”). 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.
	(vii) Provisions for determining Final Redemption Amount:	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 Note as determined by the Determination Agent as follows: <div style="margin-left: 40px;"> <p>(i) If on the Determination Date, the Final Reference Level of the Lowest Performing Underlying is equal to or greater than the Barrier Level:</p> <p style="text-align: center;">100% of Par</p> <p>(ii) If on the Determination Date, the Final Reference Level of the Lowest Performing Underlying is below the Barrier Level:</p> <p style="text-align: center;"><math>\text{Par} * (\text{Final Reference Level LPU} / \text{Initial Reference Level LPU})</math></p> </div>

Where:

**“Lowest Performing Underlying” (“LPU”)** means the Underlying which generates the lowest result from the following calculation:

$$[\text{Final Reference Level}_i / \text{Initial Reference Level}_i]$$

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

**“Barrier Level”** means 75 per cent of the Initial Reference Level;

**“Final Reference Level<sub>i</sub>”** means the official closing level of the Underlying<sub>i</sub> on the Determination Date;

**“Initial Reference Level<sub>i</sub>”** means as specified in the above table at item 15 (B) (i);

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

**“Initial Reference Level LPU”** means the Initial Reference Level of the Lowest Performing Underlying. Determination Agent determination

- |        |   |  |
|--------|---|--|
| (viii) | Provisions for determining Final Redemption Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted: |  |
| (ix)   | Weighting for each Index:   | Not Applicable   |
| (x)    | Additional Disruption Events:   | Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply  |
| (xi)   | Business Day Convention:  | Following Business Day Convention  |
| (xii)  | Additional Business Centre(s):  | Not Applicable   |
| (xiii) | Other special terms and conditions:   | <b>“Business Day”</b> means a Scheduled Trading Day in respect of the Underlying(s)  |
| (C)    | Single ETF Notes/ETF Basket Notes   | Applicable   |
| (i)    | Determination Agent responsible for calculating the Final Redemption Amount:  | Morgan Stanley & Co. International plc (the <b>“Determination Agent”</b> ). 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. |
| (ii)   | Provisions for determining  | See item 32(B)(vii) above  |

Final Redemption Amount:

33.	(iii)	Whether redemption of the Notes will be by (a) Cash Settlement or (b) Physical Settlement or (c) in certain circumstances depending on the closing price of the ETF Interests or Basket of ETF Interests, Cash Settlement or Physical Delivery at the option of the Issuer:	Cash Settlement
	(iv)	Weighting for each ETF comprising the basket:	Not Applicable
	(v)	Averaging Dates:	Not Applicable
	(vi)	Averaging Date Disruption:	Not Applicable
	(vii)	Observation Date(s):	Not Applicable
	(viii)	Observation Period:	Not Applicable
	(ix)	Determination Time(s):	As set out in the Conditions
	(x)	Delivery provisions for ETF Interests (including details of who is to make such delivery):	Not Applicable
	(xi)	Physical Settlement:	Not Applicable
	(xii)	Eligible ETF Interest:	Fallback provisions in Condition 10.3 apply
	(xiii)	Additional Extraordinary ETF Event(s):	As set out in Condition 10.5
	(xiv)	Additional Disruption Events:	Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply
	(xv)	Business Day Convention:	Following Business Day Convention
	(xvi)	Additional Business Centre(s):	Not Applicable
	(xvii)	Other special terms and conditions:	"Business Day" means a Scheduled Trading Day in respect of the Underlying(s)
		Commodity-Linked Redemption Provisions	Not Applicable
(Condition 11)			
34.		Currency-Linked Redemption Provisions	Not Applicable
		(Condition 12)	
35.		Inflation-Linked Redemption Provisions	Not Applicable

	(Condition 13)			
36.	Property-Linked Redemption Provisions		Not Applicable	
	(Condition 14)			
37.	Fund-Linked Redemption Provisions		Not Applicable	
	(Condition 15)			
38.	Credit-Linked Redemption Provisions		Not Applicable	
	(Condition 16)			
39.	Preference Provisions:	Share-Linked Redemption	Not Applicable	
	(Condition 17)			
40.	(i)	Early Redemption Amount upon Event of Default (Condition 26):	Qualified Financial Institution Determination	
	(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:	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	
	(iii)	Early redemption amount(s) per Calculation Amount payable on redemption for taxation reasons:  (Condition 21.3)	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.	
41.	Illegality and Regulatory Event:  (Condition 27)			
	(i)	Illegality and Regulatory Event:	Applicable	
	(ii)	Early Redemption Amount (Illegality and Regulatory Event):	Early Redemption Amount (Illegality and Regulatory Event) – Fair Value Less Costs	
42.	Substitution of Issuer or Guarantor with non Morgan Stanley Group entities:  (Condition 38.2)		Applicable	



43. Governing Law: English Law

# GENERAL PROVISIONS APPLICABLE TO THE NOTES

44. Form of Notes: Registered  
(Condition 3) Global Note Certificate 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 Note Certificate
45. Record Date: As set out in the Conditions
46. Additional Financial Centre(s) or other special provisions relating to Payment Business Day: New York only
47. Determination Agent: 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.
48. 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
49. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: Not Applicable
50. Redenomination, renominatisation and reconventioning provisions: Not Applicable
51. Restrictions on free transferability of the Notes: None
52. Inconvertibility Event Provisions: (Condition 19) Not Applicable
53. CNY Center: Not Applicable
54. Taxation:  
(i) Condition 25.1: "Additional Amounts" is Not Applicable  
(ii) Condition 25.4: Implementation of Financial Transaction Tax:  
Applicable
55. Other terms: Not Applicable

## DISTRIBUTION

56. 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
- Date of Subscription Agreement: Not Applicable
- Stabilising Manager(s) (if any): Not Applicable
57. If non-syndicated, name and address of Dealer: Morgan Stanley & Co. International plc  
25 Cabot Square  
London E14 4QA
58. U.S. Selling Restrictions: Regulation S
59. Total commission and concession: In connection with the offer and sale of the Notes, the Issuer or the Dealer may pay to any intermediary a one time or recurring intermediary fee. Further information is available from the Distributor upon request.
60. Additional selling restrictions: Not Applicable

## Taxation

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Holders should seek their own advice based upon their particular circumstances from an independent tax advisor.

A Non-U.S. Holder (as defined in the Offering Circular) should review carefully the section entitled "United States Federal Taxation" in the Offering Circular.

## PURPOSE OF PRICING SUPPLEMENT

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

## POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 5 of Part B – Other Information to this Pricing Supplement for additional information regarding withholding under Section 871(m) of the Code.

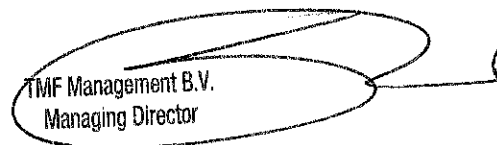
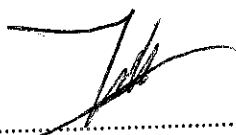
## RESPONSIBILITY

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

Signed on behalf of the Issuer:

**Morgan Stanley B.V.**

By: .....  
Duly authorised



TMF Management B.V.  
Managing Director

## PART B – OTHER INFORMATION

### 1. LISTING

Listings and admission to Trading                      Not Applicable

### 2. RATINGS

Ratings:    The Notes will not be rated

### 3. Notes linked to a Relevant Underlying only – PERFORMANCE OF EQUITY/INDEX/COMMODITY/CURRENCY/FUND/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

Further details on the Underlyings can be found on Bloomberg® page:

Underlying	BBG Code
IShares® MSCI Emerging Markets ETF	EEM UP Equity
The Nikkei 225 Index	NKY Index
EURO STOXX 50® Index	SX5E Index

The Issuer does not intend to provide post-issuance information with regard to the underlying.

### 4. OPERATIONAL INFORMATION

ISIN:    XS1649497531

Common Code:    164949753

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

Intended to be held in a manner which would allow Eurosystem eligibility:                      No. Whilst the designation is specified as "no" at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper).

Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

### 5. POTENTIAL SECTION 871(M) TRANSACTION

The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code, and hereby instructs its

agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise.

6. **PROHIBITION OF SALES TO EEA RETAIL INVESTORS:** Not Applicable

## ANNEX 1

### STATEMENT REGARDING THE UNDERLYING INDICES

#### **Statement concerning the The Nikkei 225 Index**

The Tokyo Stock Exchange (the Index Sponsor) has the copyright to the Nikkei 225 Index (the Index) and is the owner of, and reserves, all intellectual property (including copyright) and other rights relating to the Index.

The process and basis of computation and compilation of the Index and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by the Index Sponsor without notice. The Product(s) are not sponsored, endorsed, sold or promoted by the Index Sponsor and no responsibility or liability is accepted by the Index Sponsor in respect of the use of and/or reference to the Index by the Issuer in connection with the Product(s), or for any inaccuracies, omissions, mistakes or errors of the Index Sponsor in the computation of the Index or for any economic or other loss which may be directly or indirectly sustained by any holder of the Product(s) or any other person dealing with the Product(s) as a result thereof and no claims, actions or legal proceedings may be brought against the Index Sponsor in connection with the Product(s) in any manner whatsoever by any broker, holder or other person dealing with the Product(s).

Any holder of the Product(s) or other person dealing with the Product(s) does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on the Index Sponsor. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between the Issuer, any holder of the Product(s) and the Index Sponsor and must not be construed to have created such a relationship.

#### **Statement concerning the EURO STOXX 50® Index**

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

STOXX HAS NO RELATIONSHIP TO MORGAN STANLEY, OTHER THAN THE LICENSING OF THE INDEX AND THE RELATED TRADE MARKS FOR USE IN CONNECTION WITH THE NOTES.

STOXX DOES NOT:

- SPONSOR, ENDORSE, SELL OR PROMOTE THE NOTES;
- RECOMMEND THAT ANY PERSON INVEST IN THE NOTES OR ANY OTHER SECURITIES;
- HAVE ANY RESPONSIBILITY OR LIABILITY FOR OR MAKE ANY DECISIONS ABOUT THE TIMING, AMOUNT OR PRICING OF THE NOTES;
- HAVE ANY RESPONSIBILITY OR LIABILITY FOR THE ADMINISTRATION, MANAGEMENT OR MARKETING OF THE NOTES;
- CONSIDER THE NEEDS OF THE INSTRUMENTS OR THE OWNERS OF THE NOTES IN DETERMINING, COMPOSING OR CALCULATING THE INDEX OR HAVE ANY OBLIGATION TO DO SO.

STOXX WILL NOT HAVE ANY LIABILITY IN CONNECTION WITH THE NOTES. SPECIFICALLY:

- STOXX DOES NOT MAKE ANY WARRANTY, EXPRESS OR IMPLIED AND DISCLAIMS ANY AND ALL WARRANTY ABOUT:

1. THE RESULTS TO BE OBTAINED BY THE NOTES, THE OWNER OF THE NOTES OR ANY OTHER PERSON IN CONNECTION WITH THE USE OF THE INDEX AND THE DATA INCLUDED IN THE INDEX;
  2. THE ACCURACY OR COMPLETENESS OF THE EURO STOXX 50 INDEX AND ITS DATA;  
AND
  3. THE MERCHANTABILITY AND THE FITNESS FOR A PARTICULAR PURPOSE OR USE OF THE INDEX AND ITS DATA;
- STOXX WILL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS IN THE INDEX OR ITS DATA;
  - UNDER NO CIRCUMSTANCES WILL STOXX BE LIABLE FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES, EVEN IF STOXX KNOWS THAT THEY MIGHT OCCUR.

THE LICENSING AGREEMENT BETWEEN THE ISSUER AND STOXX IS SOLELY FOR THEIR BENEFIT AND NOT FOR THE BENEFIT OF THE OWNERS OF THE NOTES OR ANY OTHER THIRD PARTIES.

## ANNEX 2

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

- a) (i) 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, 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 and all applicable sanctions, laws and programs, including without limitation the U.S. Department of Treasury’s Office of Foreign Assets Control;
- f) To the extent that MSIP pays to you and/or any of your affiliates any fee, commission or non-monetary benefit (“**Remuneration**”), you represent and warrant to us each time you and/or any of your affiliates receive such Remuneration, that you and/or your affiliates are entitled to receive such Remuneration in accordance with all applicable laws, regulatory requirements, or regulation, contract, fiduciary



obligations or otherwise). If, in relation to the Notes, you are providing investment advice on an independent basis or portfolio management to a potential investor, you will transfer any Remuneration received by from Morgan Stanley to the potential investor as soon as reasonably possible after receipt, in all cases as required by and in accordance with applicable laws and regulations.

If, for any reason and at any time, you and/or your affiliates are not entitled to receive and/or retain such Remuneration, you shall notify us immediately in writing.

To the extent that MSIP pays Remuneration to you and/or any of your affiliates, you represent and warrant that such Remuneration does not relate to and/or is not calculated in respect of an advised sale made to a retail client (as defined in the FCA Handbook) based in the United Kingdom (whether or not through agents acting on your or their behalf such as platforms, financial advisers and/or portfolio managers) or where you are undertaking portfolio management. You agree to inform the Issuer or Morgan Stanley of such distribution to UK retail clients.

You acknowledge that where Remuneration is payable, the Issuer and Morgan Stanley are obliged to disclose the amounts and/or basis of such Remuneration.

- g) 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 (f) above, or acting otherwise than as required or contemplated herein.