

Pricing Supplement dated 1 July 2019

**Morgan Stanley B.V. as Issuer**

**Legal Entity Identifier (LEI): KG1FTTDCK4KNVM3OHB52**

Issue of CHF 3,900,000 Equity Linked Notes due 2044

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.**

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS: IF THE PRICING SUPPLEMENT IN RESPECT OF ANY NOTES INCLUDES A LEGEND ENTITLED "PROHIBITION OF SALES TO EEA RETAIL INVESTORS", THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:**

- (A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED ("MIFID II");
- (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, AS AMENDED, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR
- (C) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC, AS AMENDED.

**CONSEQUENTLY, IF THE PRICING SUPPLEMENT IN RESPECT OF ANY NOTES INCLUDES A LEGEND ENTITLED "PROHIBITION OF SALES TO EEA RETAIL INVESTORS", NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA HAS BEEN OR WILL BE PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES**

**OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.**

**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:**

**SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:**

- (A) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND**
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.**

**ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.**

## 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 U.S. 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 ACCOMPANYING OFFERING CIRCULAR DATED 28 JUNE 2019. 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 28 June 2019 (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 Euronext Dublin ([www.ise.ie](http://www.ise.ie)) and the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

### **Information Concerning Investment Risk**

**Noteholders and prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. The amount payable on redemption of the Notes is linked to the performance of the Underlying (as defined herein). 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:**

**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.

Potential investors should see the Offering Circular for a detailed description of adjustment and disruption events relating to the Underlying.

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, any payment amount due on or after such event or to the Underlying itself. The Determination Agent is not required but has the discretion to make adjustments with respect to each and every adjustment or disruption event.

**Adjustment and Discontinuation Risk:** The Sponsor of the Underlying can, in certain circumstances, set out in the Index Rules following a disruption event, make certain adjustments to Index by determining the level of the underlying Index components, or replacing or removing the underlying Index Components, or adjusting the weighting of the underlying Index Components, or postponing the publication of the Index Level or, otherwise, suspending or cancelling the Index or making other methodological changes that could change the value of the Underlying without regard to the interests of holders of the Notes. The Sponsor can also correct an erroneous calculation of the Underlying. 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.

**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.

**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 fulfil 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.

**Capital protection at maturity:** Capital protection is provided at maturity only. If the Notes are sold prior to maturity, or redeemed by the Issuer for reasons stated in the Offering Circular, this document and the Pricing Supplement or if there is a change in tax law), the proceeds may be less than the initial investment.

**Exit Risk:** Any secondary market price of the Notes will depend on many factors, including the value and volatility of the Underlying(s), interest rates, time remaining to maturity and the creditworthiness of the Issuer and/or the Guarantor. The secondary market price may be lower than the market value of the issued Notes as at the Issue Date to take into account amounts paid distributors and other intermediaries relating to the issue and sale of the Notes as well as amounts relating to the hedging of the Issuer's obligations. As a result of all of these factors, the holder may receive an amount in the secondary market which may be less than the then intrinsic market value of the Note and which may also be less than the amount the holder would have received had the holder held the Note through to maturity.

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

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

**No Shareholder Rights:** A holder of Notes will have no beneficial interest in the securities 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 securities that compose the Underlying.

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

**General Risk Factors relating to Notes linked to Proprietary Indices such as the Underlying:**

**Securities linked to proprietary indices:** The return on the Notes is determined by reference to a "proprietary index", where Morgan Stanley or a Morgan Stanley affiliate is the owner and sponsor of the Underlying. A proprietary index, such as the Underlying, is a notional, rules-based index comprising its component(s) and the level of such index may go down as well as up, depending on the performance of the components and their effect on the strategy that the proprietary index has been developed to reflect. There can be no assurance as to the future performance of the index, and the index level on any day may not reflect either its past performance or its future performance. The strategy that the index has been developed to reflect may not be successful, and other strategies using the components and alternative indices and benchmarks may perform better than such index. Any past performance of a proprietary index (actual or simulated) is not an indication of its future performance. Prospective investors should be familiar with investments in the global financial and commodity markets, financial instruments and indices generally.

An investor in Program Securities linked to a proprietary index will have no rights in respect of the proprietary index or any components of such proprietary index: The investment exposure provided by any proprietary index is notional or synthetic. Investors in the Notes will (1) have no legal or beneficial ownership interest in any proprietary index or any component comprising a proprietary index (or components thereof) and therefore have no recourse to any such component; (2) have no right to take delivery of any such component; (3) have no rights generally with respect to any such component (where in relation to voting or otherwise); and (4) have no right to receive dividends, distributions or other payments with respect to any such component.

A proprietary index may have a limited operating history and may perform in unanticipated ways: A proprietary index may be a relatively new strategy. Where limited historical performance data exists with respect to the components referenced by such index and/or the index itself, any investment in respect of which returns are linked to the performance of such an index or its components may involve greater risk than an investment linked to returns generated by an investment strategy with a proven track record. While a longer history of actual performance could provide more reliable information on which to assess the validity of a strategy that a proprietary index is intended to reflect and on which to base an investment decision, the fact that such an index and/or the relevant components are relatively new would not allow this. There can be no guarantee or assurance that a proprietary index or its components will operate in a manner consistent with the data available.

Where Morgan Stanley or an affiliate of Morgan Stanley is the sponsor of the proprietary index, the sponsor hedging activity may affect the level of such index: By executing products linked to a proprietary index, Morgan Stanley and/or its affiliates will have an exposure to such index and its components. Morgan Stanley will take risk positions to hedge this exposure in its sole discretion and in a principal capacity. Investors in the Notes will not have any rights in respect of any Morgan Stanley hedge positions,

including without limitation, any component of the proprietary index. Morgan Stanley may execute its hedging activity by trading in the components of any index at any time and this may have an adverse impact on the performance of the Underlying. Morgan Stanley's hedging activity, and hence the size of such impact, may be linked to the amount of new and outstanding products (including the Notes) linked to the index at the relevant time. Additionally, Morgan Stanley may generate revenues if it executes its hedging activity at different levels from those used to determine the value of a proprietary index. Such hedging activity could generate significant returns to Morgan Stanley that will not be passed on to investors in Program Securities linked to any such proprietary index.

Where Morgan Stanley or an affiliate of Morgan Stanley is the sponsor or calculation agent in respect of a proprietary index, Morgan Stanley has the authority to make determinations that could materially affect such an index and create conflicts of interest: Morgan Stanley & Co. International plc and its affiliates do not generally exercise any discretion in relation to the operation of the index. Morgan Stanley & Co. International plc and its affiliates owe no fiduciary duties in respect of the index. Morgan Stanley may, however, exercise discretion in certain limited situations including, but not limited to, those situations described in the Index Rules. Determinations made by Morgan Stanley & Co. International plc as the sponsor and calculation agent of the index could adversely affect the level of such index and the exercise by Morgan Stanley & Co. International plc of its discretion could present it with a conflict of interest. Subject as provided in the Index Rules, in making those determinations, the sponsor and/or the calculation agent, as applicable, of the index will not be required to, and will not, take the interests of any Noteholder into account or consider the effect its determinations will have on the value of the Notes. All determinations made by sponsor and/or the calculation agent shall be conclusive for all purposes and will bind all holders of the Notes.

**Tax Considerations** - In July 2015, the U.S. Treasury Department and the IRS released a notice designating certain "basket contracts" and substantially similar transactions as "transactions of interest," subject to information reporting requirements as "reportable transactions" under Section 6011 of the Code. The scope of this notice is unclear, and it is therefore possible that the instruments linked to the Index, such as the Notes, could be subject to the notice. In that case, holders of such instruments would be required to report certain information to the IRS, as set forth in the applicable Treasury regulations regarding "reportable transactions". If the IRS determines such a transaction is a "transaction of interest" and you fail to disclose the transaction, you could be subject to penalties. Holders should consult their tax advisers regarding the potential application of this notice to instruments linked to the Index.

#### **Index Specific Risk Factors:**

##### **Index specific risk considerations**

The strategy that the Underlying has been developed to reflect has the following specific features and risks:

- The Index weights the underlying index components according to their historical volatility and correlation. The historical window used may not be optimal and a different window may give higher returns.
- The weight applied to each underlying contract for each underlying index component in each asset class is determined by a rules based algorithm. The correlation between the Index and the underlying index components, and the correlation between the underlying index components, may vary over time and may increase or decrease by reference to a variety of factors which may include macroeconomic factors and speculation. The weights applied may not be the optimal weights.
- For non-CHF underlying index components, there is a portion of the Index's daily performance which derives from FX moves. This FX risk can amplify or reduce the daily performance of the future positions and can, over time, induce a bias in performance that a non-CHF investor would not face.
- The Index is quantitative and rules-based and can produce both positive and negative returns. The methodology provides long exposure to underlying index components with their weighting selected based on their historical volatility and correlation. However, there can be no assurances that the methodology can yield positive performance in all economic conditions. In certain

conditions such as those detailed above, the Index may return a significant negative performance and may even fall to or below zero.

- Because there are costs associated with trading the futures contracts which are components of the Index, the Index level will be lower than if there were no transaction costs, roll costs and margin costs.
- The sum of the weights in the Index components can be greater or less than 100% in order to target volatility effectively. When the weight is greater than 100% the leveraged nature of the Index will magnify the adverse impact of adverse performance in the Index components.
- The Index has a target volatility of 5%; however, the actual volatility of the Index can be higher or lower than the target volatility of 5%.

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:	11414
	(ii)	Tranche Number:	1
3.		Specified Currency or Currencies:	Swiss Franc ("CHF")
4.		Aggregate Nominal Amount of the Notes:	CHF 3,900,000
	(i)	Series:	CHF 3,900,000
	(ii)	Tranche:	CHF 3,900,000
5.		Issue Price	88.90 per cent. of par per Note
6.	(i)	Specified Denominations:	CHF 1,000
			Subject to a minimum investment size of EUR 100,000 equivalent
	(ii)	Calculation Amount (Par):	CHF 1,000
7.	(i)	Issue Date:	1 July 2019
	(iv)	Trade Date:	18 March 2019
	(v)	Interest Commencement Date	Not Applicable
	(vi)	Strike Date:	1 July 2019
	(vii)	Determination Date:	10 June 2044

8. Maturity Date: 1 July 2044, 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 and Proprietary Index-Linked Interest
10. Redemption/Payment Basis: Equity and Proprietary Index-Linked Redemption and Instalment
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 23.5)
  - (ii) Redemption at the Option of Noteholders: Not Applicable  
(Condition 23.7)
  - (iii) Autocallable Early Redemption: Not Applicable  
(Condition 20)
  - (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.
- (A) Single Share Notes, Share Basket Notes: Not Applicable  
(Condition 10)
- (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"): Single Index Notes  
Morgan Stanley Multi Asset Strategie 5% VT CHF Index sponsored by Morgan Stanley & Co. International plc  
*(Bloomberg® code: MSQTMAS5 Index)*



		See Annex 1 for further details.
(ii)	Proprietary Index:	The Index is a Proprietary Index
(iii)	Exchange(s):	Not Applicable
(iv)	Related Exchange(s):	None specified
(v)	Benchmark Trigger Provisions:	Applicable
(vi)	Alternative Pre-nominated Index:	None
(C)	Single ETF Notes, ETF Basket Notes: (Condition 10)	Not Applicable
(D)	Commodity-Linked Notes: (Condition 11)	Not Applicable
(E)	Currency-Linked Notes: (Condition 12)	Not Applicable
(F)	Inflation-Linked Notes: (Condition 13)	Not Applicable
(G)	Property-Linked Notes: (Condition 14)	Not Applicable
(H)	Fund-Linked Notes: (Condition 15)	Not Applicable
(I)	Futures Contract-Linked Notes	Not Applicable
(J)	Preference Share-Linked Notes (Condition 17)	Not Applicable

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

16.	Fixed Rate Note Provisions (Condition 5)	Not Applicable
17.	Floating Rate Note Provisions (Condition 6)	Not Applicable
18.	Zero Coupon Note Provisions (Condition 7)	Not Applicable
19.	Dual Currency-Linked Note Interest Provisions (Condition 8)	Not Applicable
20.	Equity and Proprietary Index-Linked	Applicable

Interest Note Provisions:

(Condition 10)

- (A) Single Share Notes/Share Basket Notes: Not Applicable
- (B) Single Index Notes/Index Basket Notes: *Applicable*
- (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 Specified Interest Payment Date, as determined by the Determination Agent as follows:
- Par \*1/Number of Years \*Max (0; Underlying Performance<sub>t</sub>)
- “**Number of Years**” means 20;
- “**Underlying Performance<sub>t</sub>**” means an amount calculated on an Interest Determination Date as follows:
- [Reference Level<sub>t</sub> / Initial Reference Level – Strike]
- “**Reference Level<sub>t</sub>**” means the official closing level of the Index on an Interest Determination Date;
- “**Initial Reference Level**” means the official closing level of the Index on Strike Date
- “**Strike**” means 100 per cent of Initial Reference Level
- (iv) Interest Determination Date(s): Each of:
- 10 June 2025
- 10 June 2026
- 10 June 2027
- 12 June 2028

11 June 2029  
 7 June 2030  
 10 June 2031  
 10 June 2032  
 10 June 2033  
 12 June 2034  
 11 June 2035  
 10 June 2036  
 10 June 2037  
 9 June 2038  
 10 June 2039  
 11 June 2040  
 7 June 2041  
 10 June 2042  
 10 June 2043

Determination Date

Subject to adjustment in accordance with the Valuation provisions in Condition 10

- (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) Valuation Date 10 June 2044
- (viii) Specified Interest Payment Date(s):
  - 1 July 2025
  - 1 July 2026
  - 1 July 2027
  - 3 July 2028
  - 2 July 2029
  - 1 July 2030
  - 1 July 2031
  - 1 July 2032

1 July 2033

3 July 2034

2 July 2035

1 July 2036

1 July 2037.

1 July 2038

1 July 2039

2 July 2040

1 July 2041

1 July 2042

1 July 2043

Maturity Date

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

(ix) Averaging Date: Not Applicable

(x) Averaging Date Disruption: Not Applicable

(xi) Observation Date(s): Not Applicable

(xii) Observation Period: Not Applicable

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

(xiv) Proprietary Index Additional Market Disruption Event: Not Applicable

(xv) Business Day Convention: Following Business Day Convention

(xvi) Additional Business Centre(s): London

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

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

(xix) Day Count Fraction: Not Applicable

(xx) Other special terms and conditions: None

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

21. Commodity-Linked Interest Note Provisions: Not Applicable

(Condition 11)

22.	Currency-Linked Interest Note Provisions (Condition 12)	Not Applicable
23.	Inflation-Linked Interest Note Provisions (Condition 13)	Not Applicable
24.	Property-Linked Interest Note Provisions (Condition 14)	Not Applicable
25.	Fund-Linked Interest Note Provisions (Condition 15)	Not Applicable
26..	Futures Contract-Linked Interest Note Provisions (Condition 16)	Not Applicable
27.	Credit-Linked Interest Note Provisions (Condition 17)	Not Applicable
28	ETN-Linked Interest Note Provisions (Condition 18)	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

29.	Call Option (Condition 23.5)	Not Applicable
30.	Put Option (Condition 23.7)	Not Applicable
31.	Autocallable Early Redemption (Condition 20)	Not Applicable
32.	Final Redemption Amount of each Note (Condition 21.1)	Linked Redemption Amount specified in item 53 below
33.	Dual Currency Redemption Provisions (Condition 8)	Not Applicable
34.	Equity and Proprietary Index-Linked Redemption Provisions: (Condition 10)	Applicable. Please see item 53 below
(A)	Single Share Notes/Share Basket Notes:	Not Applicable
(B)	Single Index Notes/Index Basket Notes:	<i>Applicable</i>
(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 per the Conditions
(vi)	Valuation Date	10 June 2044
(vii)	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.
(viii)	Provisions for determining Final Redemption Amount:	See item 53 – The Notes are Instalment Notes and shall be redeemed on each Amortisation Payment Date (as defined below)
(ix)	Provisions for determining Final Redemption Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted:	Determination Agent determination
(x)	Weighting for each Index:	Not Applicable
(xi)	Additional Disruption Events:	Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply
(xii)	Business Day Convention:	Following Business Day Convention
(xiii)	Additional Business Centre(s):	London
(xiv)	Other special terms and conditions:	Not Applicable
(C)	Single ETF Notes/ETF Basket Notes:	Not Applicable
35.	Commodity-Linked Redemption Provisions (Condition 11)	Not Applicable
36.	Currency-Linked Redemption Provisions (Condition 12)	Not Applicable
37.	Inflation-Linked Redemption Provisions (Condition 13)	Not Applicable
38.	Property-Linked Redemption Provisions (Condition 14)	Not Applicable
39.	Fund-Linked Redemption Provisions	Not Applicable

	(Condition 15)	
40.	Futures Contract –Linked Redemption Provisions	Not Applicable
	(Condition 16)	
41.	Credit-Linked Redemption Provisions	Not Applicable
	(Condition 16)	
42.	ETN-Linked Redemption Provisions	Not Applicable
	(Condition 18)	
43.	Preference Share-Linked Redemption Provisions:	Not Applicable
	(Condition 19)	
44.	(i) Early Redemption Amount upon Event of Default:  (Condition 28)	Qualified Financial Institution Determination
	(ii) Early Redemption Amount payable upon an event described in Condition 6.12/10.2(d)/10.2(f)/10.4(a)(iii)/10.4(b)(iii)/10.5(c)/10.6(c)/10.7(c)/10.8(c)/11.4(c)/11.6(d)/11.7(d)/11.8(b)/12.5(a)(iii)/12.7(c)/13.2(e)/13.6(c)14.3/14.8/14.9(c)/15.4/19.5/19.6	Fair Market Value Less Costs
	(iii) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons:  (Condition 23.3)	Fair Market Value Less Costs
	(iv) Early Redemption Amount (Condition 6.12)	Not Applicable
45.	Illegality and Regulatory Event:  (Condition 29)	
	(i) Illegality and Regulatory Event:	Applicable
	(ii) Early Redemption Amount (Illegality and Regulatory Event):	Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs
46.	Substitution of Issuer or Guarantor with non Morgan Stanley Group entities:  (Condition 38.2)	Applicable
47.	Governing Law:	English law

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

48. Form of Notes: (Condition 3) Registered Notes: 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
49. Record Date: The Record Date is one Clearing System Business Day before the relevant due date for payment
50. Additional Financial Centre(s) or other special provisions relating to Payment Business Days: Zurich
51. Determination Agent: Morgan Stanley & Co. International plc
52. 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
53. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: Applicable:  
On the Amortisation Payment Dates, the Notes will each pay out Amortisation Amounts in the form of equal instalments, calculated as follows:  
$$\text{Par} * \text{Minimum Redemption Amount} / (12 * \text{Number of Years})$$
  
Where:  
“Amortisation Payment Dates” means each of the first Business Day of each month starting from and including 2 August 2024 to and including the Maturity Date. If such Amortisation Payment Date is not a Business Day, then such payment shall be on the next following Business Day.  
“Minimum Redemption Amount” means 110 per cent.
54. Redenomination, renominatisation and reconventioning provisions: Not Applicable
55. Restrictions on free transferability of the Notes: None



- |     |  |   |
|-----|--|---|
| 56. | Inconvertibility Event Provisions:<br>(Condition 21) | Not Applicable  |
| 57. | CNY Center:  | Not Applicable  |
| 58. | Taxation:  |   |
|     | (i) Condition 27.1:                                  | <i>"Additional Amounts" is Not Applicable</i>                     |
|     | (ii) Condition 27.4:                                 | Implementation of Financial Transaction Tax:<br><i>Applicable</i> |
| 59. | Other terms:   | None  |

#### **DISTRIBUTION**

- |     |  |  |
|-----|--|--|
| 60. | (i) If syndicated, of Managers and underwriting commitments (and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers) | Not Applicable   |
|     | (ii) Date of Subscription Agreement:   | Not Applicable   |
|     | (iii) Stabilising Manager(s) (if any):   | Not Applicable   |
| 61. | If non-syndicated, name and address of Dealer:   | Morgan Stanley & Co. International plc<br>25 Cabot Square<br>London E14 4QA  |
| 62. | U.S. Selling Restrictions:   | Regulation S   |
| 63. | 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. |
| 64. | Additional selling restrictions:   | Not Applicable   |

#### **United States Taxation**

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 issue and list and have admitted to trading, on the Global Exchange Market of Euronext Dublin, the issue of the 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:

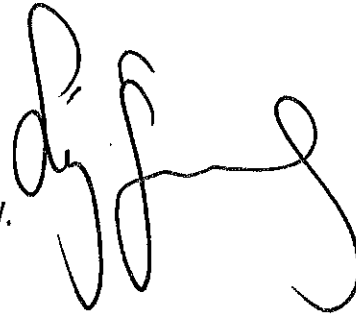
  
\_\_\_\_\_  
Morgan Stanley B.V.

By:

Represented by:

Duly authorised

TMF Management B.V.  
Managing Director



17/2/15

## PART B – OTHER INFORMATION

### 1. LISTING

Listing and admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of Euronext Dublin 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 800

### 2. RATINGS

Ratings: The Notes will not be rated

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

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

### 4. OPERATIONAL INFORMATION

ISIN: XS1962464449

Common Code: 196246444

CFI: DTVNFR

FISN: MORGAN STANLEY/VAREMTN 20440701

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: As per the Conditions

Agent(s):

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 intraday 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:** Applicable
  
7. **DETAILS OF BENCHMARK ADMINISTRATORS AND REGISTRATION UNDER BECNHMARKS REGULATION** Morgan Stanley Multi Asset Strategie 5% VT CHF Index is administered by Morgan Stanley & Co. International plc, who as at the Issue Date, appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks (Regulation (EU) 2016/2011) (the "Benchmarks Regulation")

## ANNEX 1 – Information about the Underlying Index.

This section provides an overview of the Morgan Stanley Multi Asset 5% VT CHF Index. There are aspects of the Index to which this section does not refer. Prospective investors therefore should read the entire Index Description, including (without limitation) the Risk Factors, before making any investment decision.

### *(i) General Overview*

The Index is a quantitative and rules-based multi-asset index, representing exposure to the performance of seven Index Components across Fixed Income, Commodities and Equities. The seven Index Components are S&P 500 E-mini futures, Euro STOXX 50 futures, Swiss Market Index futures, 10-Year US Treasury Note futures, German Bund futures, Gold futures and the iShares MSCI Emerging Markets ETF (each an “Index Component” or “Asset”). On each business day, the level of the Index reflects the return of the seven Index Components less fees and costs associated with the Index.

The weightings of each Index Component are rebalanced weekly with reference to realised volatility of each Index Component and correlation of the Index Components. The target volatility level for the combined portfolio is 5%. The maximum weight of each Index Component is capped in order to limit the position size when volatility has been particularly low.

### *(ii) Key features of the Index*

The Index provides exposure to the performance of the seven Index Components. The Index allocation takes into account the diverse risk/return profiles of the seven Index Components by risk-based weighting each Index Component, based on the 3-month realised volatility levels (the “Realised Volatility”) of each Index Component and correlation between the Index Components. By risk-weighting each Index Component the Index aims to target an overall volatility of 5%. Risk weighting means the strategy tends to reduce exposure to the more volatile Index Components and increase exposure to the less volatile Index Components. In general, all other things being equal, this means that as an Index Component experiences a declining historical volatility with respect to the other Index Components it will tend to have an increased weight in the Index. A simplistic equal or static weight portfolio would not take full advantage of these diversification opportunities, as it would keep exposure to low and high volatility Index Components the same over time.

### *(iii) Index performance*

The Index Level is calculated on each Index Calculation Day. The change in Index Level on each Index Calculation Day represents the return of the Index Components since the previous Index Calculation Day.

The weighting of each Index Component is rebalanced weekly based on Realised Volatility and the individual volatility target of each Index Component. Therefore an Index Component with a relatively high Realised Volatility will have a lower allocation at the Rebalance Date compared to an Index Component with a relatively low Realised Volatility if they have the same volatility target. However, there is no guarantee that the Realised Volatility levels observed historically will remain at that level.

The Index volatility that occurs after a Rebalancing Date may not be exactly the Target Volatility, since the future Realised Volatility for each Index Component and the correlation between Index Components will not necessarily exactly match the historic volatility used when determining the weights. Additionally, the level of Realised Volatility does not represent the expected return for that Index Component. As such, the weight of an Index Component could increase (decrease) since the previous weekly rebalance, resulting from falling (rising) volatility but in either case can have a positive or negative effect on the performance of the Index Components.

The Index performance reflects the positive and negative performance of each Index Component. In general if an Index Component has a positive performance it will contribute to a positive Index performance, whereas negative performance of an Index Component will contribute to a negative Index performance.

(iv) Index Components

- S&P 500 E-mini Future (Bloomberg Ticker: ES1 Index, ES2 Index)
- Eurostoxx 50 Future (Bloomberg Ticker: VG1 Index, VG2 Index)
- Swiss Market Index Future (Bloomberg Ticker: SM1 Index, SM2 Index)
- iShares MSCI Emerging Markets ETF (Bloomberg Ticker: EEM UP Equity)
- 10y US Treasury Future (Bloomberg Ticker: TY1 Comdty, TY2 Comdty)
- 10y German Bund Future (Bloomberg Ticker: RX1 Comdty, RX2 Comdty)
- Gold Future (Bloomberg Ticker: GC1 Comdty, GC2 Comdty)

## ANNEX 2

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

(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;

(ii) 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;

(iii) 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;

(iv) 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;

(v) 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;

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 Certificates, 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.

(vi) 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.