

Pricing Supplement dated 18 December 2014

Morgan Stanley

Issue of USD 2,500,000 Equity-Linked Notes

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

The Offering Circular referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (as amended, including by Directive 2010/73/EU (together, the "**Prospective Directive**") (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Warning: Neither this Pricing Supplement nor the Offering Circular referred to below constitutes a "prospectus" for the purposes of Article 5.4 of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU, the "**Prospectus Directive**"), and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Directive in relation to any Notes be offered and sold under hereby.

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

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN, 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, AS AMENDED.

THE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN, ANY GUARANTEE IN RESPECT THEREOF AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR REDEEMED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT. HEDGING TRANSACTIONS INVOLVING ANY "EQUITY SECURITIES" OF "DOMESTIC ISSUERS" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "*SUBSCRIPTION AND SALE*" AND "*NO OWNERSHIP BY U.S. PERSONS*" IN THE OFFERING CIRCULAR DATED 18 AUGUST 2014. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON.

THE NOTES ARE NOT RATED.

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the English Law Notes set forth in the Offering Circular dated 18 August 2014 and the supplemental Offering Circulars dated 29

September 2014 and 28 November 2014 (together the "**Offering Circular**"). This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Offering Circular has also been published on the website of the Irish Stock Exchange (www.ise.ie) and on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Information Concerning Investment Risk

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 (the "Issuer") 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 or complete loss of their initial investment. Consequently, if you are not an investor who falls within the description above you should not consider purchasing these 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 for a full detailed description of the Notes and in particular, please review the Risk Factors associated with these Notes.

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.

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.

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 Pricing Supplement.

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

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

Exit Risk: Any secondary market price of the Notes will depend on many factors, including the value and volatility of the Underlying, interest rates, the dividend rate on the stocks that compose the Underlying, time remaining to maturity and the creditworthiness of the Issuer. The secondary market price may be lower than the market value of the issued Notes as at the Issue Date to take into account amounts paid distributors and other intermediaries relating to the issue and sale of the Notes as well as amounts relating to the hedging of the Issuer's obligations. As a result of all of these factors, the holder may receive an amount in the secondary market which may be less than the then intrinsic market value of the Note and

which may also be less than the amount the holder would have received had the holder held the Note through to maturity.

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

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

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

Potential Conflict of Interest: The Determination Agent (MSI plc) is an affiliate of the Issuer and the economic interests of the Determination Agent may be adverse to the interests of holders of the Notes. Determinations made by the Determination Agent may affect the amount payable to holders pursuant to the terms of the Notes.

Underlying Sponsor Risk: The sponsors of the Underlyings are not affiliates 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 sponsors of the Underlyings, including and rebalancing that could trigger an adjustment to the terms of the Notes by the Determination Agent.

TAX CONSIDERATIONS FOR NON-U.S. HOLDERS: A Non-U.S. holder will be subject to U.S. withholding tax unless the beneficial owner of the note (or a financial institution holding the note on behalf of the beneficial owner) furnishes the appropriate Form W-8BEN, on which the beneficial owner certifies under penalties of perjury that it is not a U.S. person. If withholding or deduction of taxes is required by law, payments on the notes will be made net of applicable withholding taxes, and we will not be required to pay any additional amounts to Non-U.S. holders with respect to any taxes withheld.

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.

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|----|--|-------------------------|-------------------|
| 1. | (i) | Issuer: | Morgan Stanley |
| | (ii) | Guarantor: | Not Applicable |
| 2. | (i) | Series Number: | 8546 |
| | (ii) | Tranche Number: | 1 |
| 3. | Specified Currencies: | Currency or Currencies: | US Dollar ("USD") |
| 4. | Aggregate Nominal Amount of the Notes: | | |

	(i) Series:	USD 2,500,000
	(ii) Tranche:	USD 2,500,000
5.	Issue Price	100 per cent. of Par per Note
6.	(i) Specified Denominations (Par):	USD 1.00
	(ii) Calculation Amount:	USD 1.00
7.	(i) Issue Date:	19 December 2014
	(ii) Trade Date:	12 December 2014
	(iii) Interest Commencement Date:	Not Applicable
	(iv) Strike Date:	12 December 2014
	(v) Determination Date:	14 December 2020
8.	Maturity Date:	21 December 2020, subject to adjustment in accordance with the Following Business Day Convention, such that the Maturity Date will always be at least five Business Days following the Determination Date.
9.	Interest Basis:	Not Applicable
10.	Redemption/Payment Basis:	Equity-Linked Redemption
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
	(i) Redemption at the option of the Issuer:	Not Applicable
	(Condition 20.5)	
	(ii) Redemption at the option of the Noteholders:	Not Applicable
	(Condition 20.7)	
	(iii) Autocallable Early Redemption:	Applicable
	(Condition 18)	
	(iv) Other Put/Call Options:	Not Applicable
13.	(i) Status of the Notes:	Condition 4.1 applies
	(Condition 4)	
	(ii) Status of the Guarantee:	Not Applicable
14.	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions: (Condition 5)	Not Applicable
16.	Floating Rate Note Provisions: (Condition 6)	Not Applicable
17.	Zero Coupon Note Provisions: (Condition 7)	Not Applicable
18.	Dual Currency-Linked Note Interest Provisions: (Condition 8)	Not Applicable
19.	Equity Linked Note Interest Provisions:	Not Applicable
20.	Commodity-Linked Note Interest Provisions:	Not Applicable
21.	Currency-Linked Note Interest Provisions:	Not Applicable
22.	Inflation-Linked Note Interest Provisions:	Not Applicable
23.	Credit-Linked Note Interest Provisions:	Not Applicable
24.	Property-Linked Note Interest Provisions:	Not Applicable
25.	Fund-Linked Note Interest Provisions:	Not Applicable

PROVISIONS RELATING TO REDEMPTION

26.	Call Option: (Condition 20.5)	Not Applicable
27.	Put Option: (Condition 20.7)	Not Applicable
28.	Autocallable Early Redemption (Condition 18)	Applicable
(i)	Autocallable Early Redemption Observation Date(s):	As set out in the table below
(ii)	Autocallable Early Redemption Amount(s) of each Note and method and calculation of	If on an Autocallable Early Redemption Observation Date, the official closing price for all Basket Components are equal to or above 100% of their respective Initial Reference Price _i , the Note will automatically redeem on the corresponding Autocallable Early Redemption Date at the Autocallable Early

such amount(s):

Redemption Amount as specified in the table below:

Autocallable Early Redemption Observation Dates	Autocallable Early Redemption Dates	Autocallable Early Redemption Amount (% * Par)
12 December 2017	19 December 2017	100+(9.90*3)%
12 December 2018	19 December 2018	100+(9.90*4)%
12 December 2019	19 December 2019	100+(9.90*5)%

(iii) Autocallable Early Redemption Date(s):

As set out in the table above

29. Final Redemption Amount of each Note:

Linked Redemption Amount specified below

(Condition 20.1)

30. Dual Currency Redemption Provisions:

Not Applicable

(Condition 8)

31. Equity-Linked Redemption Provisions:

Applicable

(Condition 10)

(B) Index/Index Basket Notes:

(i) Whether the Notes relate to a single index or a basket of indices (each, an 'Index') and the identity of the relevant issuer(s) and class of the Index (each an 'Index Issuer'):

Index Basket Notes

Underlying Index Basket (the "Underlying Indices", each an "Underlying Index")

i	Basket Component _i	Initial Reference Price _i	Strike Level _i	BBG Code	Index Sponsor
1	Euro Stoxx 50 Index	3067.32	Initial Reference Price x 60%	SX5E Index	Stoxx Limited
2	Hang Seng Index	22971.00	Initial Reference Price x 50%	HSI Index	Hang Seng Index Company Limited
3	FTSE 100 Index	6300.63	Initial Reference Price x 60%	UKX Index	FTSE International Limited

(ii) Exchange[s]:

As specified in Condition 10 with i=1 being a Multi-Exchange Index.

(iii) Related Exchange[s]:

As specified in Condition 10

(iv) Averaging Date[s]:

Not Applicable

- (v) Observation Date: Strike Date, the Early Redemption Observation Dates and the Determination Date
- (vi) Observation Period: Not Applicable
- (vii) Determination Time[s]: As set out in Conditions
- (viii) Determination Agent responsible for calculating the Final Redemption Amount: Morgan Stanley & Co. International plc (the “**Determination Agent**”). The Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders. All determinations, considerations and decisions made by the Determination Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Determination Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.

- (ix) 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 Calculation Amount as determined by the Determination Agent as follows:

1. If on the Determination Date, the official closing level for Basket Component $i=1$ to 3 are all equal to or above 65% of their respective Initial Reference Price _{i} , then the Final Redemption Amount shall equal:

$$\text{Par} * (100 + (9.90 * 6))\%$$

2. Else, if on the Determination Date, the Final Reference Price for all Basket Components are above their respective Strike Levels _{i} , then the Final Redemption Amount shall equal: **Par**

3. Else, if on the Determination Date, the Final Reference Price of any Basket Component is less than or equal to its respective Strike Level _{i} , then the Final Redemption Amount shall equal:

$$\text{Min}_{\text{For each Basket Component } i=1 \text{ to } 3} \left(\text{Max}(0, \text{Par} - \text{Par} \times \text{Participation} \times \left(\frac{\text{Strike Level}_i - \text{Final Reference Price}_i}{\text{Initial Reference Price}_i} \right)) \right)$$

where;

“**Participation**” means 200%;

“**Initial Reference Price _{i}** ” means as specified in the table at item 31 (B) (i) above; and

“**Final Reference Price _{i}** ” means the official closing level of the relevant Basket Component _{i} on the Determination Date.

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

- (xi) Weighting for each Index: Not Applicable
- (xii) Potential Adjustment Events: Not Applicable
- (xiii) Additional Disruption Events: Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply.
- (xiv) Other special terms and conditions: “**Business Day**” means Hong Kong, London, New York, and TARGET.
32. Commodity-Linked Redemption Provisions: Not Applicable
(Condition 11)
33. Currency-Linked Redemption Provisions: Not Applicable
(Condition 12)
34. Inflation-Linked Redemption Provisions: Not Applicable
(Condition 13)
35. Credit-Linked Redemption Provisions: Not Applicable
(Condition 16)
36. Property-Linked Redemption Provisions: Not Applicable
(Condition 14)
37. Fund-Linked Redemption Provisions: Not Applicable
(Condition 15)
38. Preference Share-Linked Redemption Provisions: Not Applicable
(Condition 16)
39. a. Early Redemption Amount upon Event of Default (Condition 25): Qualified Financial Institution Determination.
- b. Early Redemption Amount payable upon an event described in Condition 10/ 11/ 12/ 13/15/16: As provided in Condition 10
- c. Early Redemption Amount upon Early Redemption:
(Conditions 20.1, 20.3, 20.5, 20.10, 24 and 26)
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or other early redemption and/or the method of calculating the same (if 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

required or if different from that set out in the Conditions): 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.

40. Governing Law: English law

GENERAL PROVISIONS APPLICABLE TO THE NOTES

41. Form of Notes: Registered Notes:
(Condition 3) Global Note Certificate registered in the name of a nominee for the common depositary for Euroclear and Clearstream, Luxembourg, exchangeable for Individual Note Certificates in the limited circumstances described in the Global Note Certificate
42. Record Date: As per the Conditions
43. Additional Business Centre(s) or other special provisions relating to Payment Dates: New York only
44. 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
45. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: Not Applicable
46. Redenomination, renominatisation and reconventioning provisions: Not Applicable
47. Restrictions on free transferability of the Notes: None
48. Inconvertibility Event Provisions: Not Applicable
49. Other terms: Implementation of Financial Transaction Tax:
Applicable

DISTRIBUTION

50. (i) If syndicated, names of Managers: 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
51. If non-syndicated, name and address of Dealer: Morgan Stanley & Co. International plc
25 Cabot Square
London E14 4QA
52. U.S. Selling Restrictions: Regulation S
53. Total commission and concession: Not Applicable
54. Additional selling restrictions: Not Applicable

PURPOSE OF PRICING SUPPLEMENT

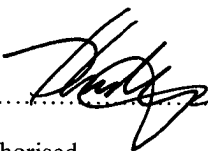
This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the Global Exchange Market of the Irish Stock Exchange of the Notes described herein pursuant to the Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates of Morgan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

RESPONSIBILITY

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

Signed on behalf of the Issuer:

By:

A handwritten signature in black ink, appearing to be 'Therby', written over a horizontal dotted line.

Duly authorised

PART B – OTHER INFORMATION

1. LISTING

Listing and admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on its Global Exchange Market with effect from on or about the Issue Date. No assurance can be given that such listing will be obtained or when such listing may take place.

2. RATINGS

Ratings: The Notes will not be rated.

3. OPERATIONAL INFORMATION

ISIN Code: XS1138822983

Common Code: 113882298

New Global Note: No

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

Delivery: Delivery free of payment

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

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: No

ANNEX 1

STATEMENT CONCERNING THE UNDERLYING INDICES

Euro Stoxx 50 Index:

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

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 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.

Statement concerning the HSI Index

The Hang Seng Index (the "Index") is published and compiled by Hang Seng Index Company Limited pursuant to a licence from Hang Seng Data Services Limited. The mark and name "Hang Seng Index" is proprietary to Hang Seng Data Services Limited. Hang Seng Indexes Company Limited and Hang Seng Data Services Limited

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FTSE 100 Index:

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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, the Guarantor (where applicable) or any of their affiliates; (iv) you have consulted with your own legal, regulatory, tax, business, investments, financial, and accounting advisers to the extent that you have deemed necessary, and you have made your own investments, hedging and trading decisions based upon your own judgement and upon any advice from such advisors as you have deemed necessary and not upon any view expressed by the Issuer or any of its affiliates or agents and (v) you are purchasing the instruments with a full understanding of the terms, conditions and risks thereof and you are capable of and willing to assume those risks;
- b) you shall only distribute as principal or, alternatively, acting on a commission basis in your own name for the account of your investors and will not do so as agent for any Morgan Stanley entity (together “Morgan Stanley”) who shall assume no responsibility or liability whatsoever in relation to any such distribution. You shall distribute the product in your own name and to such customers as you identify in your own discretion, at your own risk and under your sole responsibility. You shall make such enquiries you deem relevant in order to satisfy yourself that prospective investors have the requisite capacity and authority to purchase the product and that the product is suitable for those investors;
- c) you shall not make any representation or offer any warranty to investors regarding the product, the Issuer or Morgan Stanley or make any use of the Issuer’s or Morgan Stanley’s name, brand or intellectual property which is not expressly authorised and you shall not represent you are acting as an agent of Morgan Stanley in such distribution. You acknowledge that neither the Issuer nor Morgan Stanley assume any responsibility or liability whatsoever in relation to any representation or warranty you make in breach hereof;
- d) if you distribute any material prepared and transmitted by the Issuer or by Morgan Stanley, you shall only distribute the entire material and not parts thereof. Any material you, or any third party you engage on your behalf, prepare shall be true and accurate in all material respects and consistent in all material respects with the content of the Offering Circular and the Pricing Supplement and shall not contain any omissions that would make them misleading. You shall only prepare and distribute such material in accordance with all applicable laws, regulations, codes, directives, orders and/or regulatory requirements, rules and guidance in force from time to time (“Regulations”). You acknowledge that neither the Issuer nor Morgan Stanley shall have any liability in respect of such material which shall, for the avoidance of doubt, at all times be your sole responsibility;
- e) you will not, directly or indirectly, distribute or arrange the distribution of the product or disseminate or publish (which for the avoidance of doubt will include the dissemination of any such materials or information via the internet) any materials or carry out any type of solicitation in connection with the product in any country or jurisdiction, except under circumstances that will result in compliance with all applicable Regulations and selling practices, and will not give rise to any liability for the Issuer or Morgan Stanley. For the avoidance of doubt, this includes compliance with the selling restrictions mentioned herein;
- f) if you receive any fee, rebate or discount, you shall not be in breach of any Regulation or customer or contractual requirements or obligations and you shall, where required to do so (whether by any applicable Regulation, contract, fiduciary obligation or otherwise), disclose such fees, rebates and discounts to your investors. You acknowledge that where fees are payable, or rebates or discounts applied, the Issuer and Morgan Stanley are obliged to disclose the amounts and/or basis of such fees, rebates or discounts at the request of any of your investors or where required by any applicable Regulations;

- g) you will be committed to purchase at the issue price stated in the term sheet (or at the price otherwise agreed between us) instruments, when issued, in the agreed quantity and having terms, as provided in the definitive documentation, consistent with those in the term sheet (subject to any modifications agreed between us);
- h) we may enter into hedging or other arrangements in reliance upon your commitment, and, if you fail to comply with your commitment, your liability to us shall include liability for our costs and losses in unwinding such hedging or other arrangements;
- i) you 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 (h) above, or acting otherwise than as required or contemplated herein.
- j) You are not purchasing the Notes as an extension of credit to Morgan Stanley pursuant to a loan agreement entered into in the ordinary course of your trade or business.