

Pricing Supplement dated 21 May 2018

Morgan Stanley B.V.

Issue of EUR 3,000,000 Equity-Linked Notes

Guaranteed by Morgan Stanley

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

The Offering Circular referred to below (as completed by these 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)(and any amendments, including Directive 2010/73/EU (the "**2010 PD Amending Directive**")), to the extent implemented in the Relevant Member State) (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.

THE NOTES ARE SENIOR UNSECURED OBLIGATIONS OF MORGAN STANLEY, AND ALL PAYMENTS ON THE NOTES, INCLUDING THE REPAYMENT OF PRINCIPAL, ARE SUBJECT TO THE CREDIT RISK OF MORGAN STANLEY. THE NOTES ARE NOT BANK DEPOSITS AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES, AND ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. THE NOTES DESCRIBED HEREIN MAY NOT BE OFFERED, SOLD OR DELIVERED 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 EITHER REGULATIONS UNDER THE SECURITIES ACT OR, IN THE CASE OF FTRO NOTES, THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED). SEE "**SUBSCRIPTION AND SALE**" AND "**NO OWNERSHIP BY U.S. PERSONS**" IN THE BASE PROSPECTUS DATED 7 JUNE 2012. 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 FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH 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 supplements to the Offering Circular dated 31 August 2017, 20 October 2017, 30 November 2017 and 29 March 2018 (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) and the Luxembourg Stock Exchange (www.bourse.lu).

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions of the Notes set forth in the base prospectus dated 7 June 2012 and the supplements to the base prospectus dated 25 June 2012 and 20 March 2013 which are incorporated by reference in the Offering Circular

Prospective purchasers of the Notes are referred to and should read the Registration Document, dated 05 June 2013, before making any decision to purchase the Notes. The Registration Document provides important information including a description of the Issuer as well as disclosure and the principal risk factors relating to the Issuer. The Registration Document dated 05 June 2013 supersedes for all purposes the previous Registration Document dated 07 June 2012 as referred to in the Base Prospectus. The new Registration Document is available for inspection at the principal offices of the Issuer and the Dealer and will also be sent, upon request, to any prospective purchaser of these Notes.

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") 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. 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 Base Prospectus for a full detailed description of the Notes and in particular, please review the Risk Factors associated with these Notes.

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.

Possible Application of Section 871(m) of the Code: Because the Securities are linked to a U.S. stock (or ETF), amounts paid in respect of the Securities may be treated as determined by reference to U.S.-source dividends and, therefore, certain payments on the Securities could be subject to U.S. withholding tax (up to 30%, depending on the applicable treaty) under Section 871(m) of the Code. The U.S. Treasury Department recently released proposed regulations under Section 871(m) of the Code. While significant aspects of the application of these regulations to the Securities are uncertain, Morgan Stanley or any of its affiliates (or other paying agents) may be required to withhold on amounts paid to non-U.S. holders in respect of the Securities to the extent payments are treated as determined by reference to a dividend on a U.S. stock. If withholding is so required, Morgan Stanley or any of its affiliates will not be required to pay any additional amounts with respect to amounts so withheld.

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.

US Treasury Circular 230 Notice - Morgan Stanley does not render advice on tax and tax accounting matters to clients. This material was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws.

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|----|------|-----------------------------------|---------------------|
| 1. | (i) | Issuer: | Morgan Stanley B.V. |
| | (ii) | Guarantor: | Morgan Stanley |
| 2. | (i) | Series Number: | 7635 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Euro ("EUR") |

4.	Aggregate Nominal Amount of the Notes:	
	(i) Series:	EUR 3,000,000
	(ii) Tranche:	EUR 3,000,000
5.	Issue Price	100 per cent. of Par per Note
6.	(i) Specified Denominations (Par):	EUR 1,000
	(ii) Calculation Amount:	EUR 1,000
7.	(i) Issue Date:	21 June 2013
	(ii) Trade Date:	07 June 2013
	(iii) Interest Commencement Date	As set out below
	(iv) Strike Date:	10 June 2013
	(v) Determination Date:	07 June 2018
8.	Maturity Date:	14 June 2018
9.	Interest Basis:	Equity-Linked Interest
10.	Redemption/Payment Basis:	Equity-Linked Redemption
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	
	(i) Redemption at the option of the Issuer:	Not Applicable
	(Condition 16.7)	
	(ii) Redemption at the option of the Noteholders:	Not Applicable
	(Condition 16.9)	
	(iii) Other Put/Call Options:	Not Applicable
13.	(i) Status of the Notes:	Condition 4.1 applies
	(Condition 4)	
	(ii) Status of the Guarantee:	Condition 4.2 applies
14.	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions (Condition 5)	Applicable for Interest Payment Date (i=1 to 3) – see Equity Linked Interest section below)
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 Applicable
- (B) Index/Index Basket Note Interest Provisions:

(i) Types of Notes:

Index Basket Notes (the “Underlying Indices”, each an “Underlying Index”) and together with the Underlying Fund (the ‘Underlyings’) (j = 1 to 8)

k	Underlyings i	Bloomberg Code
1	S&P 500 Index	SPX Index
2	Eurostoxx 50 Index	SX5E Index
3	FTSE 100	UKX Index
4	Swiss Market Index	SMI Index
5	OMX Stockholm 30 Index	OMX Index
6	Hang Seng China Entreprises Index	HSCEI Index
7	Nikkei 225 Index	NKY Index
8	iShares MSCI Emerging Markets Index Fund	EEM US Equity

(ii) Exchange[s]:

As specified in Condition 10.8

(iii) Related Exchange[s]:

As specified in Condition 10.8

(iv) Weighting for each Index:

Not Applicable

(v) Party responsible for calculating the Rate(s) of interest and/or Interest Amount(s) (if not the Calculation 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.

(vi) Provisions for determining Rate of Interest where calculated by reference to Index:

In respect of each Interest Payment Date, an Interest Amount per Calculation Amount shall be payable on the corresponding Interest Payment Date as determined by the Determination Agent as follows:

For Interest Payment Date i = 1 to 3:

Interest i = 3% * Par

For Interest Payment Date i = 4 to 5:

Interest i =

$$100\% * \text{Max}[0\%; (\frac{\sum_{j=1}^8 \text{Best Perf}(i, j)}{5})^{(1/i)} - 1] * \text{Par}$$

“**Best Perf (i,j)**” means the j-th highest value among Perf(i,k), where i=4 to 5, j=1 to 8 and k=1 to 8. For the avoidance of doubt Best Perf(i,1) will be the highest value among Perf(i,k) and Best Perf(i,8) will be the lowest value among Perf(i,k).

“**Perf (i,j)**” means: Underlying Reference Value (i,j) / Initial Underlying Reference Value (0,j); where i=4 to 5 and j=1 to 8.

“**Underlying Reference Value (i,j)**” means the official closing level of Underlying j on the relevant Exchange on Interest Determination Date i, where i=4 to 5 and j=1 to 8;

“**Initial Underlying Reference Value (0,j)**” means the official closing level of Underlying j on the relevant Exchange on the Strike Date, where j=1 to 8.

(vii) Interest Determination Date(s):

Each of the following dates, subject to adjustment in accordance with Condition 10.1 as if each Interest Determination Date i is a Valuation Date:

i	Interest Determination Dates
1	Interest Determination Date 1: N/A
2	Interest Determination Date 2: N/A
3	Interest Determination Date 3: N/A
4	Interest Determination Date 4: 07/06/2017
5	Interest Determination Date 5: 07/06/2018

(viii) Provisions for determining Rate of Interest where calculation by reference to Index is impossible or impracticable or otherwise disrupted:

As per the Conditions

(ix) Interest Period:

Not Applicable

(x) Specified Interest Payment Dates:

Each of the following dates, in each case, subject to adjustment in accordance with the Business Day

Convention:

i	Interest Payment Dates
1	Interest Payment Date 1: 13/06/2014
2	Interest Payment Date 2: 12/06/2015
3	Interest Payment Date 3: 14/06/2016
4	Interest Payment Date 4: 14/06/2017
5	Interest Payment Date 5: 14/06/2018

- (xi) Averaging Date: Not Applicable
- (xii) Observation Date(s)/ Observation Period: Interest Determination Dates
- (xiii) Business Day Convention: Following Business Day Convention
- (xiv) Additional Business Centre(s): Not Applicable
- (xv) Day Count Fraction: Not Applicable
- (xvi) Other special terms and conditions: Not Applicable
- (C) Single ETF Notes, ETF Basket Notes: Single ETF Note
- (i) Whether the Notes relate to a single ETF or a basket of shares (each, an "ETF Interest" and the identity of the related ETF ("each, an "ETF")):
- iShares MSCI Emerging Markets Index – Bloomberg EEM US Index (k=8 in the table above)
(the "Underlying Share" or "Underlying Fund")
- Fund Issuer: iShare
Fund Manager: BlackRock Fund Advisors
Underlying Index: MSCI Emerging Markets Index
- (ii) Exchange[s]: As set out in Condition 10.8
- (iii) Related Exchange[s]: As set out in Condition 10.8
- (iv) Weighting for each ETF Interest comprising the basket: Not Applicable
- (v) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation 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.
- (vi) Provisions for determining Rate of Interest where calculated by reference to one or more ETF Interests: As set out in Paragraph 19(B)(vi) above
- (vii) Provisions for determining Rate of Interest where calculation by reference to one or more ETFs is impossible or

impracticable or otherwise disrupted:

(viii)	Interest Determination Date(s):	As set out in Paragraph 19(B)(vii) above
(ix)	Interest Period:	Not Applicable
(x)	Specified Interest Payment Dates:	As set out in Paragraph 19(B)(x) above
(xi)	Averaging Date:	Not Applicable
(xii)	Observation Date(s)/ Observation Period:	As set out in Paragraph 19(B)(xii) above
(xiii)	Business Day Convention:	As set out in Paragraph 19(B)(xiii) above
(xiv)	Additional Business Centre(s):	Not Applicable
(xv)	Day Count Fraction:	Not Applicable
(xvi)	Other special terms and conditions:	As set out in Paragraph 19(B)(xviii) above
20.	Commodity-Linked Note Interest Provisions	Not Applicable
21.	Currency-Linked Interest Note 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 16.7)	Not Applicable
27.	Put Option (Condition 16.9)	Not Applicable
28.	Final Redemption Amount of each Note (Condition 16.)	Linked Redemption Amount specified below
29.	Dual Currency Redemption Provisions (Condition 8)	Not Applicable
30.	Equity-Linked Redemption Provisions (Condition 10)	Applicable
(B)	Index/Index Basket Notes:	
(i)	Types of Notes:	Index Notes Eurostoxx 50 Index (Bloomberg Code: SX5E Index) (the “Stoxx 50 Index” and an “Underlying Index”) as calculated and published by Stoxx Limited (the “Index Sponsor”)

(ii)	Exchange[s]:	As specified in Condition 10.8
(iii)	Related Exchange[s]:	As specified in Condition 10.8
(iv)	Averaging Date[s]:	Not Applicable
(v)	Observation Date:	Not Applicable
(vi)	Observation Period:	Not Applicable
(vii)	Determination Time[s]:	As set out in the 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:	<p>Unless previously redeemed, or purchased and cancelled in accordance with the Conditions, the Issuer shall redeem the Notes on the Maturity Date at the Final Redemption Amount per Calculation Amount as determined by the Determination Agent as follows:</p> <ol style="list-style-type: none"> 1. If, on the Determination Date, the Final Index Reference Price is at or above 60% of the Initial Index Reference Price: 100% * Par 2. Otherwise, if on the Determination Date, the Final Index Reference Price is below 60% of the Initial Index Reference Price, then: Final Index Reference Price/Initial Index Reference Price *Par <p>Where:</p> <p>“Final Index Reference Price” means the official closing level of the Stoxx 50 Index on the Determination Date; and</p> <p>“Initial Index Reference Price” means the official closing level of the Stoxx 50 Index on the Strike Date.</p>
(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:	As per the Conditions
(xiii)	Additional Disruption Events:	Change in Law, Hedging Disruption, Increased Cost of Hedging shall apply
(xiv)	Other special terms and conditions:	“ Business Day Convention ” means Following.
31.	Commodity-Linked Redemption Provisions	Not Applicable

- (Condition 11)
32. Currency-Linked Redemption Provisions Not Applicable
(Condition 12)
33. Inflation-Linked Redemption Provisions Not Applicable
(Condition 13)
34. Credit-Linked Redemption Provisions Not Applicable
(Condition 20)
35. Property-Linked Redemption Provisions Not Applicable
(Condition 14)
36. Fund-Linked Redemption Provisions Not Applicable
(Condition 15)

37. a. Early Redemption Amount upon Event of Default (Condition 22): Early Redemption Amount means, in the case of acceleration of the Notes under Condition 22 (Events of Default), an amount determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, as at 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 Notes), to be the amount that a Qualified Financial Institution would charge either to assume all of the Issuer's payment and other obligations with respect to such Notes as if no such Event of Default had occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Notes.

For the purposes of the above, "Qualified Financial Institution" means a financial institution organized under the laws of any jurisdiction in the United States of America, the European Union or Japan, which, as at the date the Determination Agent selects to determine the Early Redemption Amount, has outstanding debt obligations with a stated maturity of one year or less from the date of issue of such outstanding debt obligations and such financial institution is rated either:

(1) A2 or higher by Standard & Poor's Ratings Services or any successor, or any other comparable rating then used by that rating agency, or

(2) P-2 or higher by Moody's Investors Service, Inc. or any successor, or any other comparable rating then used by that rating agency, provided that, if no Qualified Financial Institution is reasonably available, then the Determination Agent shall select, in good faith and using a commercially reasonable discretion, a Qualified Financial Institution in the United States of America, the European Union or Japan of a reputable standing.

b. Early redemption amount payable upon an event described in [Condition 10/ 11/ 12/ 13/ 14/ 15] As provided in Condition 10

c. Early redemption amount upon early redemption

(Conditions 16.2, 16.3, 16.5, 16.10 and 21)

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

The fair value of such Note on such day as is selected by the Determination Agent acting in good faith and in a commercially reasonable manner, 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 acting in good faith and in a commercially reasonable manner.

38. Governing Law: English law

GENERAL PROVISIONS APPLICABLE TO THE NOTES

39. Form of Notes: Registered Notes:
(Condition 3) Global Note Certificate registered in the name of a nominee of the common depository for Euroclear and Clearstream Luxembourg exchangeable for Individual Note Certificates in the limited circumstances described in the Global Note Certificate.

40. Additional Business Centre(s) or other special provisions relating to Payment Dates: TARGET only

41. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No

42. 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

43. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: Not Applicable

44. Redenomination, renominatisation and reconventioning provisions: Not Applicable

45. Restrictions on free transferability of the Notes: None

46. Other final terms: Not Applicable

DISTRIBUTION

47. (i) If syndicated, names of Managers: Not Applicable

- (ii) Date of [Subscription] Agreement: Not Applicable
- (iii) Stabilising Manager(s) (if any): Not Applicable
- 48. If non-syndicated, name and address of Dealer: Morgan Stanley & Co. International plc
25 Cabot Square
London E14 4QA
- 49. U.S. Selling Restrictions: Reg S Compliance Category
- 50. Non-exempt offer: Not Applicable
- 51. 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. The investor acknowledges and agrees that any such fees will be retained by the intermediary. Further information is available from the intermediary upon request.
- 52. Additional selling restrictions: Not Applicable

PURPOSE OF PRICING SUPPLEMENT

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

RESPONSIBILITY

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

Signed on behalf of the Issuer:

Morgan Stanley B.V.

TMF Management B.V.
Managing Director

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

Listing and admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Global Exchange Market of the Irish Stock Exchange with effect from 21 May 2018. No assurance can be given that such admission will be obtained.

Listing Fees EUR 600

2. RATINGS

Ratings: The Notes to be issued are not 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
S&P 500 Index	SPX Index
Eurostoxx 50 Index	SX5E Index
FTSE 100	UKX Index
Swiss Market Index	SMI Index
OMX Stockholm 30 Index	OMX Index
Hang Seng China Entreprises Index	HSCEI Index
Nikkei 225 Index	NKY Index
iShares MSCI Emerging Markets Index Fund	EEM US Equity

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

4. OPERATIONAL INFORMATION

ISIN Code: XS0944311314

Common Code: 094431131

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 Not Applicable

additional Paying Agent(s) (if any):

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

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

ANNEX 1

STATEMENT CONCERNING THE UNDERLYING INDEX

FTSE 100 Index:

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OMX Index:

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S&P Index:

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S&P DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE S&P 500® INDEX OR ANY DATA INCLUDED THEREIN AND S&P SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. S&P MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE ISSUER, HOLDERS OF THE NOTES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE S&P 500® INDEX OR ANY DATA INCLUDED THEREIN. S&P MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE S&P 500® INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL S&P HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

THE ISSUER ACCEPTS NO RESPONSIBILITY OR LIABILITY WHATSOEVER IN RESPECT OF ANY PERSON WHO MAY BE AFFECTED ADVERSELY OR OTHERWISE, WHETHER DIRECTLY OR INDIRECTLY, IN CONNECTION WITH ANY PURCHASE OR SALE OF, OR INVESTMENT IN NOTES, FOR ANY ACTIONS TAKEN OR ANY OMISSIONS RELATING TO THE S&P 500® INDEX INCLUDING, WITHOUT LIMITATION, CHANGES IN THE COMPOSITION OF THE S&P 500® INDEX,

ALTERATIONS OR ERRORS IN THE METHODS OF CALCULATING THE S&P 500® INDEX, DELAY, TERMINATION, SUSPENSION OR INTERRUPTION OF THE S&P 500® INDEX ITSELF OR IN THE CALCULATION OR PUBLICATION OF THE S&P 500®, THE ACCURACY AND THE COMPLETENESS OF ANY COMPOSITION OF THE S&P 500® INDEX OR CALCULATION OF THE S&P 500® INDEX, ANY ACT OF FORCE MAJEURE OR OTHERWISE ON THE PART OF THE CORPORATIONS OR ANY SUCCESSOR SPONSOR.

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ANNEX 2

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- 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;
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- 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 this 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.