

Pricing Supplement dated 7 May 2019

Morgan Stanley B.V. as Issuer

Legal Entity Identifier (LEI): KG1FTTDCK4KNVM3OHB52

Issue of GBP 4,920,871 Equity Linked Notes due 2029

Guaranteed by Morgan Stanley under the

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

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

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

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

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN AND ANY GUARANTEE IN RESPECT THEREOF, AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER, UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED.

THE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN ANY GUARANTEE IN RESPECT THEREOF, AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR REDEEMED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT). HEDGING TRANSACTIONS INVOLVING ANY "EQUITY SECURITIES" OF "DOMESTIC ISSUERS" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "SUBSCRIPTION AND SALE" AND "NO OWNERSHIP BY U.S. PERSONS" IN THE OFFERING CIRCULAR DATED 29 JUNE 2018. 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 29 June 2018 and supplemented as of 12 September 2018, 10 October 2018, 8 November 2018, 18 February 2019 and 21 March 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 the Euronext Dublin (www.ise.ie) and 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 B.V. (the "Issuer"), Morgan Stanley ("the Guarantor") and Morgan Stanley & Co. International plc ("MSI plc") consider that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment linked to the Underlying, are willing to take risks and can absorb the partial loss of their initial investment. Consequently, if you are not an investor who falls within the description above you should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

Potential investors are urged to consult with their legal, regulatory, investment, accounting, tax and other advisors with regard to any proposed or actual investment in these Notes. Please see the Offering

Circular together with the Pricing Supplement for a full detailed description of the Notes and in particular, please review the Risk Factors associated with these Notes. Investing in the Notes entails certain risks including, but not limited to, the following:

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

Adjustments by the Determination Agent: The terms and conditions of the Notes will allow the Determination Agent to make adjustments or take any other appropriate action if circumstances occur where the Notes or any exchanges are affected by market disruption, adjustment events or circumstances affecting normal activities.

In addition, other circumstances may occur which either increase the liability of the Issuer fulfilling its obligations under the Notes or increase the liability of any hedging activities related to such obligations, including without limitation the adoption of or any change in any tax law relating to a common system of financial transaction tax in the European Union or otherwise.

In such circumstances, the Determination Agent can in its sole and absolute discretion determine whether to redeem the Notes early, or adjust the terms of the Notes, which may include without limitation adjustments to the Initial Reference Level, the Final Redemption Amount or the Underlying. The Determination Agent also has the discretion to make adjustments with respect to any corporate action.

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

Administrator/Benchmark Event: The administrator or sponsor of an Underlying (or the Underlying itself) may be required to be authorised, registered, recognised, endorsed, the subject of an equivalence decision, approved or otherwise included in an official register in order for the Issuer or the Determination Agent to be permitted to use it and perform their respective obligations under the Notes. If the Determination Agent determines that such a requirement applies to the administrator or sponsor (or the Underlying) but it has not been satisfied then an "Administrator/Benchmark Event" will occur and the Determination Agent or the Issuer may then apply certain fallbacks. These fallbacks may mean that the Determination Agent makes adjustments to the terms of the Notes, including substitution of the relevant Underlying with the 'Alternative Pre-nominated Index' (if any) specified for the Underlying, or to redeem the Notes.

Potential investors should see the Offering Circular for a detailed description of what constitutes an Administrator/Benchmark Event and the applicable 'fallback' provisions that may apply if such event occurs.

Basket Components Risk: The Notes will be redeemed at an amount determined by reference to the performance of the Basket Components and such performance will therefore affect the nature and value of the investment return on the Notes. Noteholders and prospective purchasers of Notes should conduct their own investigations and, in deciding whether or not to purchase Notes, prospective purchasers should form their own views of the merits of an investment related to the Basket Components based upon such investigations and not in reliance on any information given in this document.

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

intrinsic market value of the Note and which may also be less than the amount the holder would have received had the holder held the Note through to maturity.

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

Liquidity Risk: 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.

Product Market Risk: The value of the Notes and the returns available under the terms of the Notes will be influenced and dependent on the value of the Underlying. It is impossible to predict how the level of the Underlying will vary over time. The historical performance (if any) of the Underlying is not indicative of its future performance.

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

Adjustment and Discontinuation Risk: The Sponsor of the Underlying can add, delete or substitute stocks constituting the Underlying or make other methodological changes that could change the value of the Underlying without regard to the interests of holders of the Notes. Any of these decisions/determinations may adversely affect the value of the Notes and may result in the investor receiving a return that is materially different from what he/she would have received if the event had not occurred

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

Underlying Sponsor Risk: The sponsor of the relevant Underlying is not an affiliate of the Issuer or its affiliates and is not involved with this offering in any way. Consequently, the Issuer and the Determination Agent have no ability to control the actions of the sponsor of the relevant Underlying, including and rebalancing that could trigger an adjustment to the terms of the Notes by the Determination Agent.

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

In purchasing any Notes, purchasers will be deemed to represent and undertake to the Issuer, the Dealer and each of their affiliates that (i) such purchaser understands the risks and potential consequences

associated with the purchase of the Notes, (ii) that such purchaser has consulted with its own legal, regulatory, investment, accounting, tax and other advisers to extent it believes is appropriate to assist it in understanding and evaluating the risks involved in, and the consequences of, purchasing the Notes and (iii) in accordance with the terms set out in Annex 2.

Morgan Stanley is not qualified to give legal, tax or accounting advice to its clients and does not purport to do so in this document. Clients are urged to seek the advice of their own professional advisers about the consequences of the proposals contained herein.

GENERAL

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|-----|-------------------------|---|--|
| 1. | (i) | Issuer: | Morgan Stanley B.V. |
| | (ii) | Guarantor: | Morgan Stanley |
| 2. | (i) | Series Number: | 11363 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Sterling (“GBP”) |
| 4. | | Aggregate Nominal Amount of the Notes: | |
| | (i) | Series: | GBP 4,920,871 |
| | (ii) | Tranche: | GBP 4,920,871 |
| 5. | | Issue Price: | 100 per cent. of par per Note |
| 6. | (i) | Specified Denominations: | GBP 1,000 and integral multiples of GBP 1.00 |
| | (ii) | Calculation Amount (Par): | GBP 1.00 |
| 7. | (i) | Issue Date: | 7 May 2019 |
| | (ii) | Trade Date: | 26 February 2019 |
| | (iii) | Interest Commencement Date: | Not Applicable |
| | (iv) | Strike Date: | 18 April 2019 |
| | (v) | Determination Date: | 18 April 2029 |
| 8. | | Maturity Date: | 2 May 2029, subject to adjustment in accordance with the Business Day Convention (i) in the event such date is not a Business Day or (ii) such that the Maturity Date shall always be at least five (5) Business Days following the Determination Date |
| 9. | | Interest Basis: | Equity-Linked Interest. See item 20 (B) below |
| 10. | | Redemption/Payment Basis: | Equity-Linked Redemption. See item 32 (B) below |
| 11. | | Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call
Redemption: | Options/Autocallable
Early | |
| | (i) | Redemption at the Option of | Not Applicable |

the Issuer:

(Condition 21.5)

(ii) Redemption at the Option of Not Applicable
Noteholders:

(Condition 21.7)

(iii) Autocallable Early Applicable. See item 29.
Redemption:

(Condition 18)

(iv) Other put/call options: Not Applicable

13. (i) Status of the Notes: As set out in Condition 4.1

(Condition 4)

(ii) Status of the Guarantee: As set out in Condition 4.2

14. Method of distribution: Non-syndicated

RELEVANT UNDERLYING

15.

(B) Single Index Notes, Index Basket Notes: Applicable

(Condition 10)

(i) Whether the Notes relate to a Index Basket Notes
single index or a basket of
indices (each, an "Index") and
the identity of the Sponsor of
an Index (each, an "Index
Issuer"):

i	Underlying	Bloomberg® Code	Exchange	Initial Reference Level;
1	S&P 500® Index	SPX Index	Multi-Exchange Index	Official closing level(i) on Strike Date
2	FTSE 100® Index	UKX Index	London Stock Exchange	Official closing level(i) on Strike Date

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

(iii) Related Exchange(s): All Exchanges

(iv) Benchmark Trigger Applicable
Provisions:

(v) Alternative Pre-nominated None
Index:

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions Not Applicable

17. Floating Rate Note Provisions Not Applicable

- (Condition 6)
18. Zero Coupon Note Provisions Not Applicable
- (Condition 7)
19. Dual Currency-Linked Note Interest Provisions Not Applicable
- (Condition 8)
20. Equity-Linked Interest Note Provisions: Applicable
- (Condition 10)
- (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_n as determined by the Determination Agent as follows:
- (i) If on an Interest Determination Date_n, the official closing level of each Underlying_i is equal to or greater than its relevant Coupon Barrier Level, an amount in GBP calculated as follows: **Par x Coupon**
- (ii) Else, 0% of Par;

Where:

n	Coupon	“Coupon Barrier Level” as a percentage of Initial Reference Level
1	1.88%	75%
2	1.88%	75%
3	1.88%	75%
4	1.88%	75%

5	1.88%	75%
6	1.88%	75%
7	1.88%	75%
8	1.88%	75%
9	1.88%	75%
10	1.88%	75%
11	1.88%	75%
12	1.88%	75%
13	1.88%	75%
14	1.88%	75%
15	1.88%	75%
16	1.88%	75%
17	1.88%	75%
18	1.88%	75%
19	1.88%	75%
20	1.88%	75%
21	1.88%	75%
22	1.88%	75%
23	1.88%	75%
24	1.88%	75%
25	1.88%	75%
26	1.88%	75%
27	1.88%	75%
28	1.88%	75%
29	1.88%	75%
30	1.88%	75%
31	1.88%	75%
32	1.88%	75%
33	1.88%	75%
34	1.88%	75%
35	1.88%	75%

36	1.88%	75%
37	1.88%	75%
38	1.88%	75%
39	1.88%	75%
40	1.88%	75%

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

n	Interest Determination Date
1	18 July 2019
2	18 October 2019
3	21 January 2020
4	20 April 2020
5	20 July 2020
6	19 October 2020
7	19 January 2021
8	19 April 2021
9	19 July 2021
10	18 October 2021
11	18 January 2022
12	19 April 2022
13	18 July 2022
14	18 October 2022
15	18 January 2023
16	18 April 2023
17	18 July 2023
18	18 October 2023
19	18 January 2024
20	18 April 2024
21	18 July 2024
22	18 October 2024
23	21 January 2025
24	22 April 2025

25	18 July 2025
26	20 October 2025
27	20 January 2026
28	20 April 2026
29	20 July 2026
30	19 October 2026
31	19 January 2027
32	19 April 2027
33	19 July 2027
34	18 October 2027
35	18 January 2028
36	18 April 2028
37	18 July 2028
38	18 October 2028
39	18 January 2029
40	18 April 2029

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

(v) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Index is impossible or impracticable or otherwise disrupted: Determination Agent determination.

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

(vii) Specified Interest Payment Date(s):

n	Specified Interest Payment Date:
1	1 August 2019
2	1 November 2019
3	4 February 2020
4	5 May 2020
5	3 August 2020
6	2 November 2020
7	2 February 2021

8	4 May 2021
9	2 August 2021
10	1 November 2021
11	1 February 2022
12	4 May 2022
13	1 August 2022
14	1 November 2022
15	1 February 2023
16	3 May 2023
17	1 August 2023
18	1 November 2023
19	1 February 2024
20	2 May 2024
21	1 August 2024
22	1 November 2024
23	4 February 2025
24	7 May 2025
25	1 August 2025
26	3 November 2025
27	3 February 2026
28	5 May 2026
29	3 August 2026
30	2 November 2026
31	2 February 2027
32	4 May 2027
33	2 August 2027
34	1 November 2027
35	1 February 2028
36	3 May 2028
37	1 August 2028
38	1 November 2028

39	1 February 2029
40	2 May 2029

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

(viii)	Averaging Date:	Not Applicable
(ix)	Averaging Date Disruption:	Not Applicable
(x)	Observation Date(s):	Not Applicable
(xi)	Observation Period:	Not Applicable
(xii)	Additional Disruption Events:	Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply
(xiii)	Business Day Convention:	Following Business Day Convention
(xiv)	Additional Business Centre(s):	Not Applicable
(xv)	Day Count Fraction	Not Applicable
(xvi)	Minimum Rate/Amount of Interest:	Not Applicable
(xvii)	Maximum Rate/Amount of Interest:	Not Applicable
(xviii)	Other special terms and conditions:	Not Applicable
21.	Commodity-Linked Interest Note Provisions	Not Applicable
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.	Credit-Linked Interest Note Provisions (Condition 16)	Not Applicable

PROVISIONS RELATING TO REDEMPTION

27.	Call Option (Condition 21.5)	Not Applicable
28.	Put Option	Not Applicable

32	19 April 2027	4 May 2027	100%	100%
33	19 July 2027	2 August 2027	100%	100%
34	18 October 2027	1 November 2027	100%	100%
35	18 January 2028	1 February 2028	100%	100%
36	18 April 2028	3 May 2028	100%	100%
37	18 July 2028	1 August 2028	100%	100%
38	18 October 2028	1 November 2028	100%	100%
39	18 January 2029	1 February 2029	100%	100%
40	18 April 2029	2 May 2029	100%	100%

(ii) Autocallable Early Redemption Amount(s) of each Note and method and calculation of such amount(s): If on any Autocallable Early Redemption Observation Date_n, the official closing level of each Underlying_i is equal to or greater than its relevant Autocall Level_n, the Notes will be automatically redeemed on the corresponding Autocallable Early Redemption Date_n at the Autocallable Early Redemption Amount.

(iii) Autocallable Early Redemption Date(s): See table above.

30. Final Redemption Amount of each Note (Condition 21.1) Final Redemption Amount specified below
31. Dual Currency Redemption Provisions (Condition 8) Not Applicable
32. Equity-Linked Redemption Provisions: (Condition 10) Applicable
- (B) Single Index/Index Basket Notes: Applicable
- (i) Averaging Dates: Not Applicable
 - (ii) Averaging Date Disruption: Not Applicable
 - (iii) Observation Date(s): Not Applicable
 - (iv) Observation Period: Not Applicable
 - (v) Determination Time(s): As set out in the Conditions
 - (vi) Determination Agent responsible for calculating the Final Redemption Amount: Morgan Stanley & Co. International plc (the “**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.

(vii) Provisions for determining Final Redemption Amount: Unless previously redeemed, or purchased and cancelled in accordance with the Conditions, the Issuer shall redeem the Notes on the Maturity Date at the Final Redemption Amount per Note as determined by the Determination Agent as follows:

(i) If on the Determination Date, the Final Reference Level of the Lowest Performing Underlying is equal to or greater than the Barrier Level:

100% of Par

(ii) If on the Determination Date, the Final Reference Level of the Lowest Performing Underlying is below the Barrier Level:

$$\text{Par} * (\text{Final Reference Level LPU} / \text{Initial Reference Level LPU})$$

Where:

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

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

For the avoidance of doubt, if there is more than one Underlying with the lowest result, the Determination Agent shall determine the LPU in its sole discretion

“Barrier Level” means 65 per cent of the Initial Reference Level;

“Final Reference Level_i” means the official closing level of the Underlying_i on the Determination Date;

“Initial Reference Level_i” means as specified in the above table at item 15 (B) (i);

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

“Initial Reference Level LPU” means the Initial Reference Level of the Lowest Performing Underlying.

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

(ix) Weighting for each Index: Not Applicable

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|-----|--------|---|---|
| | (x) | Additional Disruption Events: | Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply |
| | (xi) | Business Day Convention: | Following Business Day Convention |
| | (xii) | Additional Business Centre(s): | Not Applicable |
| | (xiii) | Other special terms and conditions: | Not Applicable |
| 33. | | Commodity-Linked Redemption Provisions | Not Applicable |
| | | (Condition 11) | |
| 34. | | Currency-Linked Redemption Provisions | Not Applicable |
| | | (Condition 12) | |
| 35. | | Inflation-Linked Redemption Provisions | Not Applicable |
| | | (Condition 13) | |
| 36. | | Property-Linked Redemption Provisions | Not Applicable |
| | | (Condition 14) | |
| 37. | | Fund-Linked Redemption Provisions | Not Applicable |
| | | (Condition 15) | |
| 38. | | Credit-Linked Redemption Provisions | Not Applicable |
| | | (Condition 16) | |
| 39. | | Preference Share-Linked Redemption Provisions: | Not Applicable |
| | | (Condition 17) | |
| 40. | (i) | Early Redemption Amount upon Event of Default (Condition 26): | Qualified Financial Institution Determination |
| | (ii) | Early redemption amount payable upon an event described in Condition 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)/15.5(d)/17.5/17.6: | Fair Value |

- (iii) Early redemption amount(s) Fair Value
per Calculation Amount
payable on redemption for
taxation reasons:

(Condition 21.3)
41. Illegality and Regulatory Event:

(Condition 27)
- (i) Illegality and Regulatory Applicable
Event:
- (ii) Early Redemption Amount Fair Value
(Illegality and Regulatory
Event):
42. Substitution of Issuer or Guarantor with non Applicable
Morgan Stanley Group entities:

(Condition 38.2)
43. Governing Law: English Law
- GENERAL PROVISIONS APPLICABLE TO THE NOTES**
44. Form of Notes: Uncertificated

(Condition 3)
45. Record Date: The Record Date is one Clearing System Business Day
before the relevant due date for payment
46. Additional Financial Centre(s) or other London only
special provisions relating to Payment
Business Day:
47. Determination Agent: Morgan Stanley & Co. International plc (the
"Determination Agent"). The Determination Agent
shall act as an expert and not as an agent for the Issuer
or the Noteholders. All determinations, considerations
and decisions made by the Determination Agent shall,
in the absence of manifest error, wilful default or bad
faith, be final and conclusive and the Determination
Agent shall have no liability in relation to such
determinations except in the case of its wilful default or
bad faith.
48. Details relating to Partly Paid Notes: amount Not Applicable
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:
49. Details relating to Instalment Notes: amount Not Applicable
of each instalment, date on which each
payment is to be made:

- | | | |
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| 50. | Redenomination, renominalisation and reconventioning provisions: | Not Applicable |
| 51. | Restrictions on free transferability of the Notes: | None |
| 52. | Inconvertibility Event Provisions:
(Condition 19) | Not Applicable |
| 53. | CNY Center: | Not Applicable |
| 54. | Taxation: | |
| | (i) Condition 25.1: | "Additional Amounts" is Not Applicable |
| | (ii) Condition 25.4: | Implementation of Financial Transaction Tax:
Applicable |
| 55. | Other terms: | Not Applicable |

DISTRIBUTION

- | | | |
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| 56. | If syndicated, of Managers and underwriting commitments (and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers) | Not Applicable |
| | Date of Subscription Agreement: | Not Applicable |
| | Stabilising Manager(s) (if any): | Not Applicable |
| 57. | If non-syndicated, name and address of Dealer: | Morgan Stanley & Co. International plc
25 Cabot Square
London E14 4QA |
| 58. | U.S. Selling Restrictions: | Regulation S |
| 59. | Total commission and concession: | In connection with the offer and sale of the Notes, the Issuer or the Dealer or their affiliates will pay to any intermediary a one time or recurring intermediary fee. The total intermediary fees payable, will not exceed 0.00%. Further information is available from the intermediary upon request. |
| 60. | Additional selling restrictions: | Not Applicable |

Taxation

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

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

PURPOSE OF PRICING SUPPLEMENT

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

POTENTIAL SECTION 871(m) TRANSACTION

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

RESPONSIBILITY

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

Signed on behalf of the Issuer:

By: Morgan Stanley B.V. 
Duly authorised Represented by:
TMF Management B.V.
Managing Director

7/5/15

would allow Eurosystem eligibility:

at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper).

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

5. **POTENTIAL SECTION 871(m) TRANSACTION:** The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise.
6. **PROHIBITION OF SALES TO EEA RETAIL INVESTORS:** Not Applicable
7. **DETAILS OF BENCHMARKS ADMINISTRATORS AND REGISTRATION UNDER BENCHMARKS REGULATION** Applicable
- S&P 500 Index is administered by S&P Dow Jones Indices LLC, 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").
- FTSE 100 Index is administered by FTSE International Limited, 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

STATEMENT REGARDING THE UNDERLYING INDICES

Statement concerning the S&P 500® Index

The "S&P 500 Index" (the "Index") is a product of S&P Dow Jones Indices LLC or its affiliates ("SPDJI") and Morgan Stanley has been licensed for use by Morgan Stanley or its affiliates (the "Licensee"). Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P") and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). The Index is a trademark of S&P Dow Jones Indices LLC. The trademarks have been licensed to SPDJI and have been sublicensed for use for certain purposes by the Licensee. The securities are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, any of their respective affiliates (collectively, "S&P Dow Jones Indices"). Neither S&P Dow Jones Indices make any representation or warranty, express or implied, to the owners of the securities or any member of the public regarding the advisability of investing in securities generally or in these securities particularly or the ability of the S&P 500 Index to track general market performance. S&P Dow Jones Indices only relationship to the Licensee or its affiliates with respect to the S&P 500 Index is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its licensors. The Index is determined, composed and calculated by S&P Dow Jones Indices without regard to the Licensee. S&P Dow Jones Indices have no obligation to take the needs of the Licensee or the owners of the securities into consideration in determining, composing or calculating the Index. Neither S&P Dow Jones Indices are responsible for and have not participated in the determination of the prices, and amount of the securities or the timing of the issuance or sale of the securities or in the determination or calculation of the equation by which the securities are to be converted into cash, surrendered or redeemed, as the case may be. S&P Dow Jones Indices have no obligation or liability in connection with the administration, marketing or trading of the securities. There is no assurance that investment products based on the Index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment advisor. Inclusion of a security within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice.

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Statement concerning the FTSE 100® Index

FTSE International Limited

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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, or any of their affiliates; (iv) you have consulted with your own legal, regulatory, tax, business, investments, financial, and accounting advisers to the extent that you have deemed necessary, and you have made your own investments, hedging and trading decisions based upon your own judgement and upon any advice from such advisors as you have deemed necessary and not upon any view expressed by the Issuer or any of its affiliates or agents and (v) you are purchasing the instruments with a full understanding of the terms, conditions and risks thereof and you are capable of and willing to assume those risks;
- b) you shall only distribute as principal or, alternatively, acting on a commission basis in your own name for the account of your investors and will not do so as agent for any Morgan Stanley entity (together “**Morgan Stanley**”) who shall assume no responsibility or liability whatsoever in relation to any such distribution. You shall distribute the product in your own name and to such customers as you identify in your own discretion, at your own risk and under your sole responsibility. You shall make such enquiries you deem relevant in order to satisfy yourself that prospective investors have the requisite capacity and authority to purchase the product and that the product is suitable for those investors;
- c) you shall not make any representation or offer any warranty to investors regarding the product, the Issuer or Morgan Stanley or make any use of the Issuer’s or Morgan Stanley’s name, brand or intellectual property which is not expressly authorised and you shall not represent you are acting as an agent of Morgan Stanley in such distribution. You acknowledge that neither the Issuer nor Morgan Stanley assume any responsibility or liability whatsoever in relation to any representation or warranty you make in breach hereof;
- d) if you distribute any material prepared and transmitted by the Issuer or by Morgan Stanley, you shall only distribute the entire material and not parts thereof. Any material you, or any third party you engage on your behalf, prepare shall be true and accurate in all material respects and consistent in all material respects with the content of the Offering Circular and the Pricing Supplement and shall not contain any omissions that would make them misleading. You shall only prepare and distribute such material in accordance with all applicable laws, regulations, codes, directives, orders and/or regulatory requirements, rules and guidance in force from time to time (“**Regulations**”). You acknowledge that neither the Issuer nor Morgan Stanley shall have any liability in respect of such material which shall, for the avoidance of doubt, at all times be your sole responsibility;
- e) you will not, directly or indirectly, distribute or arrange the distribution of the product or disseminate or publish (which for the avoidance of doubt will include the dissemination of any such materials or information via the internet) any materials or carry out any type of solicitation in connection with the product in any country or jurisdiction, except under circumstances that will result in compliance with all applicable Regulations and selling practices, and will not give rise to any liability for the Issuer or Morgan Stanley. For the avoidance of doubt, this includes compliance with the selling restrictions mentioned herein and all applicable sanctions, laws and programs, including without limitation the U.S. Department of Treasury’s Office of Foreign Assets Control;
- f) To the extent that MSIP pays to you and/or any of your affiliates any fee, commission or non-monetary benefit (“**Remuneration**”), you represent and warrant to us each time you and/or any of your affiliates receive such Remuneration, that you and/or your affiliates are entitled to receive such Remuneration in accordance with all applicable laws, regulatory requirements, or regulation, contract, fiduciary

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

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

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

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

- g) you agree and undertake to indemnify and hold harmless and keep indemnified and held harmless the Issuer, the Dealer and each of their respective affiliates and their respective directors, officers and controlling persons from and against any and all losses, actions, claims, damages and liabilities (including without limitation any fines or penalties and any legal or other expenses incurred in connection with defending or investigating any such action or claim) caused directly or indirectly by you or any of your affiliates or agents to comply with any of the provisions set out in (a) to (f) above, or acting otherwise than as required or contemplated herein.