

Pricing Supplement dated 24 April 2019

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

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

Issue of USD 7,394,000 Floored Floating Rate Notes due 2024

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 U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER, UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED.

THE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN, ANY GUARANTEE IN RESPECT THEREOF AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR REDEEMED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN 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 ACCOMPANYING 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 the supplements to the Offering Circular dated 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 Euronext Dublin ([www.ise.ie](http://www.ise.ie)) and the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## **Information Concerning Investment Risk**

Noteholders and prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. Given the highly specialised nature of these Notes, the Issuer and the Dealer consider that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment in the Notes and who are willing to take such risks. 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.

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

### **Structure Specific Risks**

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

### **Underlying Specific Risks**

**The historical performance of the Underlying is not an indication of future performance.** Historical performance of USD-LIBOR-BBA with a designated maturity of 3 months (the “Underlying”) should not be taken as an indication of their future performance during the term of the Notes. Changes in the levels of the Underlying will affect the trading price of the Notes, but it is impossible to predict whether such levels will rise or fall.

**The Underlying will be affected by a number of factors.** A number of factors can affect the Underlying, including but not limited to: (i) changes in, or perceptions, about the future Underlying; (ii) general economic conditions: the economic, financial, political, regulatory and judicial events that affect financial markets generally will affect the Underlying; (iii) prevailing interest rates: the Underlying is subject to daily fluctuations depending on prevailing interest rates in the market generally; and (iv) policies of the governing bodies regarding interest rates. These and other factors may have a negative impact on the value of the Notes prior to maturity.

**The Underlying may be volatile.** The Underlying is subject to volatility due to a variety of factors affecting interest rates generally, including but not limited to: (i) sentiment regarding the EU and global economies; (ii) expectations regarding the level of price inflation; (iii) sentiment regarding credit quality in the EU and global credit markets; (iv) central bank policy regarding interest rates; and (v) performance of capital markets. The Underlying may be volatile, and even a very small absolute change in the Underlying over the term of the Notes can result in a significant loss on the Notes. Accordingly, volatility of the Underlying may adversely affect your return on the securities.

**Reference Rate Reform.** The London Interbank Offered Rate (LIBOR), the Euro Interbank Offered Rate (EURIBOR) and other indices which are deemed “benchmarks” are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such “benchmarks” to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to a “benchmark.”

Any of the international, national or other proposals for reform or the general increased regulatory scrutiny of “benchmarks” could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain “benchmarks,” trigger changes in the rules or methodologies used in certain “benchmarks” or lead to the disappearance of certain “benchmarks”. The disappearance of a “benchmark” or changes in the manner of administration of a “benchmark” could have materially adverse consequences in relation to securities linked to such “benchmark”. Any such consequence could have a material adverse effect on the value of and return on the Notes.

**Potential replacement of LIBOR may adversely affect the return on the Notes and their secondary market prices.** Central banks around the world, including the U.S. Federal Reserve, have commissioned working groups that include market participants (the “Alternative Rate Committees”) with the goal of finding suitable replacements for their currency’s LIBOR that are based on observable market transactions. The search for replacements accelerated after the Financial Stability Board reported that uncertainty surrounding the integrity of LIBOR represents a potentially serious systemic vulnerability and risk due to limited transactions in the underlying inter-bank lending market. In July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority (the “FCA”), which regulates LIBOR, called for an orderly transition over a 4-5 year period from LIBOR to the reference rates selected by the Alternative Rate Committees. The FCA’s announcement stated that it expects that it would not be in a position to sustain LIBOR through its influence or legal compulsion powers after the end of 2021. Any transition away from LIBOR, as well as the uncertainty surrounding the future of LIBOR and future regulatory and market developments, could have a materially adverse effect on the return on the Notes and their secondary market prices.

**LIBOR discontinuance or prohibition on use may lead to adjustments to the terms of the Notes or an early redemption of the Notes.** In order to address the risk of a possible discontinuance of LIBOR (referred to above), the Conditions of the Notes will include certain fallback provisions. The fallback provisions will be triggered if the Determination Agent determines that (i) the administrator or regulatory supervisor (or other applicable regulatory body) in connection with the Reference Rate announces that the administrator has ceased or will cease permanently or indefinitely to provide such Reference Rate and there is no successor administrator that will continue to provide the Reference Rate, or (ii) an Administrator/Benchmark Event occurs in relation to such Reference Rate

Following the occurrence of any of these events the Determination Agent may replace the Reference Rate with an alternative rate that is consistent with accepted market practice for debt obligations such as the Notes. If an alternative rate is used then the Determination Agent may also make other adjustments to the Notes, including to the new rate, which are consistent with accepted market practice. If the Determination Agent is unable to identify an alternative rate and determine the necessary adjustments to the terms of the Notes then the Issuer may redeem the Notes.

**Administrator/Benchmark Event.** The administrator or sponsor of the Reference Rate (or the Reference Rate) may be required to be authorised, registered, recognised, endorsed 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 Reference Rate) 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. The fallbacks summarised in the risk factor entitled “*LIBOR discontinuance or prohibition on use may lead to adjustments to the terms of the Notes or an early redemption of the Notes*” above will apply.

### **Liquidity Risk**

**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 holders.

### **Potential Conflicts of Interest**

**Potential Conflict of Interest:** The Determination Agent, which is an affiliate of the Issuer, will determine the payment to the investor at maturity. MSI 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 payment on any Notes.

**Our affiliates may publish research that could affect the market value of the Notes:** One or more of our affiliates may, at present or in the future, publish research reports with respect to movements in interest rates generally or the Reference Rate specifically. This research is modified from time to time without notice to you and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Notes. Any of these activities may affect the market value of the Notes.

**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 payment to holders on the Notes.

### **Exit Risk**

**Exit Risk:** Any secondary market price of the Notes will depend on many factors, including the value and volatility of the Underlying, interest rates, time remaining to maturity and the creditworthiness of the Issuer and 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 Notes and which may also be less than the amount the holder would have received had the holder held the Notes through to maturity.

### **Issuer Specific Risks**

**Credit Risk:** Investors are exposed to the credit risk of the Issuer and Guarantor. The Notes are essentially a loan to the Issuer that the Issuer promises to pay to you at maturity (and the Guarantor promises to pay if the Issuer fails to do so). There is the risk, however, that the Issuer and/or Guarantor may not be able to fulfil its promise to you. If any companies in the Morgan Stanley group incur losses with respect to any of their activities, this may have a negative impact on the financial condition of the Issuer and the Guarantor. You may lose all or part of your investment if the Issuer and/or Guarantor is unable to pay the coupons or the redemption amount and/or becomes insolvent. No assets of the Issuer or Guarantor are segregated and specifically set aside in order to pay the holders of the Notes in the event of the insolvency of the Issuer and/or Guarantor, and the holders of the Notes will rank behind creditors who have priority rights over certain assets of the Issuer.

### **Other Risks**

**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.

**Tax and Accounting Considerations:** Special tax and/or accounting considerations may apply to certain types of holders. Prospective investors are urged to consult with their own tax advisors and accounting advisors to determine any tax or accounting implications of this investment.

**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 1.**

**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 provisions contained herein.**

## GENERAL

1. (i) Issuer: Morgan Stanley B.V.  
(ii) Guarantor: Morgan Stanley
2. (i) Series Number: 11520  
(ii) Tranche Number: 1
3. Specified Currency or Currencies: United States Dollar (USD)
4. Aggregate Nominal Amount of the Notes: USD 7,394,000
5. Issue Price: 100 per cent. of par per Note
6. (i) Specified Denominations: USD 1,000  
(ii) Calculation Amount (Par): USD 1,000
7. (i) Issue Date: 24 April 2019  
(ii) Trade Date: 10 April 2019  
(iii) Interest Commencement Date: Issue Date
8. Maturity Date: 24 April 2024
9. Interest Basis: Floating Rate Notes  
(further particulars specified below)
10. Redemption/Payment Basis: Redemption at Par
11. Change of Interest or Redemption/Payment Basis: Not Applicable
12. Put/Call Options/Autocallable Early Redemption:
  - (i) Redemption at the Option of the Issuer: Not Applicable  
(Condition 21.5)
  - (ii) Redemption at the Option of Noteholders: Not Applicable  
(Condition 21.7)
  - (iii) Autocallable Early Redemption: Not Applicable  
(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.

(A)	Single Share Notes, Share Basket Notes:	Not Applicable
(B)	Single Index Notes, Index Basket Notes:	Not Applicable
(C)	Single ETF Notes, ETF Basket Notes:	Not Applicable
(D)	Commodity-Linked Notes:	Not Applicable
(E)	Currency-Linked Notes:	Not Applicable
(F)	Inflation-Linked Notes:	Not Applicable
(G)	Property-Linked Notes:	Not Applicable
(H)	Fund-Linked Notes:	Not Applicable
(I)	Preference Share-Linked Notes	Not Applicable

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions Not Applicable  
(Condition 5)

17. Floating Rate Note Provisions Applicable  
(Condition 6)

(i)	Interest Payment Dates:	Each 24th day of January, April, July and October of each calendar year, from, and including, 24 July 2019, to, and including, the Maturity Date, in each case subject to adjustment in accordance with the Business Day Convention.
(ii)	First Interest Payment Date:	24 July 2019
(iii)	Interest Period:	As set out in Condition 2.1; Unadjusted
(iv)	Business Day Convention:	Following Business Day Convention
(v)	Specified Period:	Not Applicable
(vi)	Additional Business Centre(s):	London and New York
(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	ISDA Determination
(viii)	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.

(ix)	Screen Rate Determination:	Not Applicable
(x)	ISDA Determination:	Applicable
	(a) Floating Rate Option:	USD-LIBOR-BBA
	(b) Designated Maturity:	3 months
	(c) Reset Date:	The first day of each Interest Period
(xi)	Margin(s):	Not Applicable
(xii)	Minimum Rate of Interest:	2.60 per cent. per annum
(xiii)	Maximum Rate of Interest:	Not Applicable
(xiv)	Day Count Fraction:	Act/365
(xv)	Fallback provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	Not Applicable
(xvi)	Other Relevant Rates Benchmark:	Not Applicable
(xvii)	Alternative Pre-nominated Reference Rate:	Not Applicable
(xviii)	Administrator/Benchmark Event applicable for Condition 6.12(c):	Not Applicable
18.	Zero Coupon Note Provisions	Not Applicable
19.	Dual Currency-Linked Note Interest Provisions	Not Applicable
20.	Equity-Linked Interest Note Provisions:	Not Applicable
21.	Commodity-Linked Interest Note Provisions	Not Applicable
22.	Currency-Linked Interest Note Provisions	Not Applicable
23.	Inflation-Linked Interest Note Provisions	Not Applicable
24.	Property-Linked Interest Note Provisions	Not Applicable
25.	Fund-Linked Interest Note Provisions	Not Applicable
26.	Credit-Linked Interest Note Provisions	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

27.	Call Option (Condition 21.5)	Not Applicable
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28.	Put Option (Condition 21.7)	Not Applicable
29.	Autocallable Early Redemption (Condition 18)	Not Applicable
30.	Final Redemption Amount of each Note (Condition 21.1)	USD 1,000 per Calculation Amount
31.	Dual Currency Redemption Provisions	Not Applicable
32.	Equity-Linked Redemption Provisions	Not Applicable
33.	Commodity-Linked Redemption Provisions	Not Applicable
34.	Currency-Linked Redemption Provisions	Not Applicable
35.	Inflation-Linked Redemption Provisions	Not Applicable
36.	Property-Linked Redemption Provisions	Not Applicable
37.	Fund-Linked Redemption Provisions	Not Applicable
38.	Credit-Linked Redemption Provisions	Not Applicable
39.	Preference Share-Linked Redemption Provisions	Not Applicable
40.	(i) Early Redemption Amount upon Event of Default:  (Condition 26)	Par Redemption
	(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:	Not Applicable
	(iii) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons:  (Condition 21.3)	Fair Market Value Less Costs
41.	Illegality and Regulatory Event:  (Condition 27)	
	(i) Illegality and Regulatory Event:	Applicable
	(ii) Early Redemption Amount (Illegality and Regulatory	Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less

- |     |                                                                                                     |                   |
|-----|-----------------------------------------------------------------------------------------------------|-------------------|
|     | Event):                                                                                             | Costs shall apply |
| 42. | Substitution of Issuer or Guarantor with non Morgan Stanley Group entities:<br><br>(Condition 38.2) | Applicable        |

- |     |                |             |
|-----|----------------|-------------|
| 43. | Governing Law: | English law |
|-----|----------------|-------------|

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- |     |                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 44. | Form of Notes:<br><br>(Condition 3)                                                                                                                                                                                                                                         | Registered Notes:<br><br>Global Note Certificate registered in the name of a common depositary for Euroclear and Clearstream, Luxembourg, exchangeable for Individual Note Certificates in the limited circumstances described in the Global Note Certificate                                                                                                                                                                                                                                                   |
| 45. | Record Date:                                                                                                                                                                                                                                                                | The Record Date is one Business Day before the relevant due date for payment                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 46. | Additional Financial Centre(s) or other special provisions relating to Payment Business Days:                                                                                                                                                                               | London and New York                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 47. | Determination Agent:                                                                                                                                                                                                                                                        | Morgan Stanley & Co. International plc (the " <b>Determination Agent</b> "). The Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders. All determinations, considerations and decisions made by the Determination Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Determination Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith. |
| 48. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 49. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:                                                                                                                                                                  | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 50. | Redenomination, renominalisation and reconventioning provisions:                                                                                                                                                                                                            | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 51. | Restrictions on free transferability of the Notes:                                                                                                                                                                                                                          | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 52. | Inconvertibility Event Provisions:<br><br>(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: Not Applicable
55. Other terms: None

**DISTRIBUTION**

56. (i) If syndicated, of Managers and underwriting commitments (and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers) Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
  - (iii) Stabilising Manager(s) (if any): Not Applicable
57. If non-syndicated, name and address of Dealer: Morgan Stanley & Co. International plc  
25 Cabot Square  
Canary Wharf  
London E14 4QA
58. U.S. Selling Restrictions: Regulation S
59. 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 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.

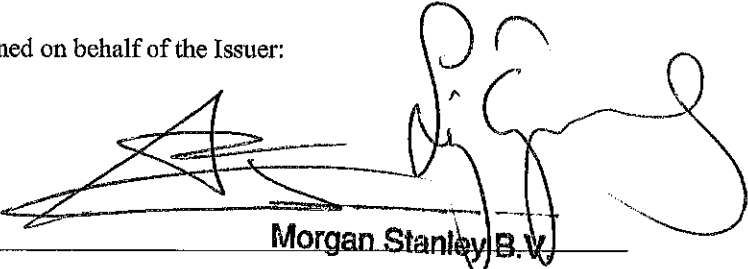
**POTENTIAL SECTION 871(m) TRANSACTION**

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

17/4/15

## PART B – OTHER INFORMATION

### 1. LISTING

Listing and admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market with effect from the Issue Date.

No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by the Issue Date. The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.

### 2. RATINGS

Ratings: The Notes will not be rated.

### 3. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

As at the Issue Date of the Notes, further information on USD-LIBOR-BBA can be found on Thomson Reuters page: LIBOR01.

The Issuer does not intend to provide post-issuance information with regard to USD-LIBOR-BBA.

### 4. OPERATIONAL INFORMATION

ISIN: XS1414108735

Common Code: 141410873

VALOR Number: 32619474

CFI: DTZXFR

FISN: MORGAN STANLEY/ZERO CPNEMTN  
2024042

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

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent(s): The Bank of New York Mellon  
One Canada Square  
London E14 5AL

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. Whilst the designation is specified as "no" at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended

in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. 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** Not Applicable
6. **PROHIBITION OF SALES TO EEA RETAIL INVESTORS:** Not Applicable
7. **DETAILS OF BENCHMARKS ADMINISTRATORS AND REGISTRATION UNDER BENCHMARKS REGULATION:** Not Applicable

## ANNEX 1

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, warranties, undertakings and acknowledgements from the purchaser to the Issuer, the Dealer and each of their affiliates:

- a) you represent and undertake to the Issuer, the Dealer and each of their affiliates that (i) you are purchasing the Notes 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 you in respect of the Notes; (iii) you are not relying upon any representations made by the Issuer, the Dealer 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 investment, hedging and trading decisions based upon your own judgment and upon any advice from such advisors as you have deemed necessary and not upon any view expressed by the Issuer, the Dealer, each of their respective affiliates or any of their respective directors, officers, employers, agents (each a “**Person**”), (v) you are purchasing the Notes with a full understanding of the terms, conditions and risks thereof and you are capable of and willing to assume those risks and (vi) you are not purchasing the Notes as an extension of credit to the Issuer pursuant to a loan agreement entered into in the ordinary course of its trade or business;
- 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 Notes 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 Notes and that the Notes are suitable for those investors;
- c) you shall not make any representation or offer any warranty to investors regarding the Notes, 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 that 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 this 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 acknowledge and agree that the Issuer, the Dealer and each of their affiliates are not providing and have not provided investment advice to you or your investors in relation to any Notes. You have taken and shall take your own advice and you agree to make your own independent assessment of whether the Notes are suitable and appropriate investments for yourself and, if you on-sell the Notes, you and your investors agree and acknowledge that neither of you have relied upon and are not relying upon on any advice, counsel or representations (whether oral or in writing) of the Issuer, the Dealer or any of their affiliates as a recommendation to purchase the Notes or as any form of investment advice;
- f) you represent and undertake to the Issuer, the Dealer and each of their affiliates that (i) you will not, directly or indirectly, offer, sell or arrange the sale of any Notes or distribute or publish any offering materials (which for the avoidance of doubt will include any offering circular, prospectus, marketing materials, form of application, advertisement, other document or information) or carry

out any type of solicitation in connection with the Notes (in either case in any manner whatsoever, including via the internet) in any country or jurisdiction, except under circumstances that will result in compliance with any applicable law and regulations (including, for the avoidance of doubt, Rule 903(a) and 903(b)(2) of Regulation S of the Securities Act), and that will not constitute a public offering of the Notes as such term is understood under the applicable laws of the relevant country or jurisdiction, or give rise to any liability for any Person and (ii) in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") you have not made and will not make an offer of any Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State: (aa) if an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State, following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus; (bb) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive; or (cc) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive (but excluding Article 3(2)(b) (offers to fewer than 150 natural or legal persons)), provided that no such offer of Notes referred to in (bb) or (cc) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive. For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU;

- g) you (i) acknowledge that the Notes have not been and will not be registered under the Securities Act or any securities laws of any state of the United States and are subject to U.S. tax requirements; (ii) agree that you and each of your affiliates will not offer, sell, transfer or deliver, at any time, any of the Notes, directly or indirectly, in the United States (which term includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America) or to the account or benefit of any U.S. Person (as defined in Regulation S under the Securities Act and the Internal Revenue Code); and (iii) undertake to the Issuer, the Dealer and each of their affiliates that all offers, sales and arrangements of sales of any Notes by you will be made on terms requiring the person(s) with whom it is dealing to undertake as set out in (i), (ii) and (iii) above;
- h) you shall comply and shall procure that your affiliates, as appropriate, shall comply, with all applicable selling restrictions in respect of the sale of the Notes in any jurisdiction, including, without limitation those set out in the prospectus, and restrictions and requirements set out in the issue documents and any other regulations relating to the offer, sale or transfer of any Notes;
- i) 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;
- j) to the extent that the Dealer pays to you and/or any of your affiliates any fee, commission or non-monetary benefit ("**Remuneration**"), you represent and warrant that 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;
- k) 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;
  - l) to the extent that the Dealer 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 Dealer of any such distribution to UK retail clients;
  - m) if you receive any fee, rebate or discount, you shall not be in breach of any Regulations or customer or contractual requirements or obligations and you shall, where required to do so (whether by any applicable Regulations, 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; and
  - n) you agree and undertake (on an after-tax basis) 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 failing to comply with any of the provisions set out in (a) to (m) above, or acting otherwise than as required or contemplated herein.