

Pricing Supplement dated 14 October 2013

Morgan Stanley

Issue of EUR 1,000,000 Equity linked Notes

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) (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 by Directive 2010/73/EU, the "Prospectus Directive"), and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Directive in relation to any Notes be offered and sold under hereby.

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

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN AND ANY GUARANTEE IN RESPECT THEREOF 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, AND THE SECURITIES MAY INCLUDE SECURITIES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER, UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT, AS AMENDED.

THE NOTES DESCRIBED HEREIN AND ANY INTEREST THEREIN MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN EITHER REGULATION S UNDER THE SECURITIES ACT OR, IN THE CASE OF FTRO NOTES, THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED). SEE "*SUBSCRIPTION AND SALE*" AND "*NO OWNERSHIP BY U.S. PERSONS*" IN THE OFFERING CIRCULAR DATED 27 JUNE 2013. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH PERSON.

THE NOTES ARE NOT RATED.

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the English Law Notes set forth in the Offering Circular dated 27 June 2013 (the "Offering

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

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 Share (as defined herein), and may be less than par. Given the highly specialised nature of these Notes, Morgan Stanley (the "Issuer") and Morgan Stanley & Co. International plc ("MSI plc") consider that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment linked to the Underlying Share, are willing to take risks and can absorb the partial or complete loss of their initial investment. Consequently, if you are not an investor who falls within the description above you should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

Potential investors are urged to consult with their legal, regulatory, investment, accounting, tax and other advisors with regard to any proposed or actual investment in these Notes. Please see the Offering Circular for a full detailed description of the Notes and in particular, please review the Risk Factors associated with these Notes.

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.

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

1.	(i)	Issuer:	Morgan Stanley
	(ii)	Guarantor:	Not Applicable
2.	(i)	Series Number:	7823
	(ii)	Tranche Number:	1
3.		Specified Currency or Currencies:	Euro ("EUR")
4.		Aggregate Nominal Amount of the Notes:	
	(i)	Series:	EUR 1,000,000
	(ii)	Tranche:	EUR 1,000,000
5.		Issue Price	100 per cent. of par per Note

6.	(i)	Specified Denominations:	EUR 1,000 ("Par")
	(ii)	Calculation Amount:	EUR 1,000
7.	(i)	Issue Date:	14 October 2013
	(ii)	Trade Date:	25 September 2013
	(iii)	Interest Commencement Date	As set out below
	(iv)	Strike Date:	25 September 2013
	(v)	Determination Date:	27 September 2021
8.		Maturity Date:	11 October 2021 subject to adjustment in accordance with the Following Business Day Convention and subject that the Maturity Date shall always be at least five (5) Business Days following the Determination Date.
9.		Interest Basis:	Not Applicable
10.		Redemption/Payment Basis:	Equity-Linked Redemption
11.		Change of Interest or Redemption/Payment Basis:	Not Applicable
12.		Put/Call Options:	
	(i)	Redemption at the Option of the Issuer:	Not Applicable
		(Condition 19.5)	
	(ii)	Redemption at the Option of Noteholders:	Not Applicable
		(Condition 19.7)	
	(iii)	Other Put/Call Options:	Not Applicable
13.	(i)	Status of the Notes:	Condition 4.1 applies
		(Condition 4)	
	(ii)	Status of the Guarantee:	Condition 4.1 applies
14.		Method of distribution:	Non-syndicated
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE			
15.		Fixed Rate Note Provisions	Not Applicable
		(Condition 5)	
16.		Floating Rate Note Provisions	Not Applicable
		(Condition 6)	
17.		Zero Coupon Note Provisions	Not Applicable
		(Condition 7)	

18. Dual Currency-Linked Note Interest Provisions Not Applicable
(Condition 8)
19. Equity-Linked Interest Note Provisions Not Applicable
20. Commodity-Linked Interest Note Provisions Not Applicable
21. Currency-Linked Interest Note Provisions Not Applicable
22. Inflation-Linked Interest Note Provisions Not Applicable
23. Credit-Linked Interest Note Provisions Not Applicable
24. Property-Linked Interest Note Provisions Not Applicable
25. Fund-Linked Interest Note Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION

26. Call Option Not Applicable
(Condition 19.5)
27. Put Option Not Applicable
(Condition 19.7)
28. Final Redemption Amount of each Note Linked Redemption Amount specified below
(Condition 19.1)
29. Dual Currency Redemption Provisions Not Applicable
(Condition 8)
30. Equity-Linked Redemption Provisions Applicable
(Condition 10)

(B) Index/Index Basket Notes:

- (i) Types of Notes: Index Basket Notes

k	Underlying k (k=1,2)	Bloomberg
1	EuroStoxx 50 Index	SX5E Index
2	CAC 40 Index	CAC Index

- (ii) Exchange[s]: As per the Conditions
- (iii) Related Exchange[s]: All Exchanges
- (iv) Averaging Date[s]: Not Applicable
- (v) Observation Date: Not Applicable
- (vi) Observation Period: Not Applicable
- (vii) Determination Date[s]: As set out in Paragraph 7 above.

(viii)	Determination Time[s]	As per the Conditions
(ix)	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.
(x)	Provisions for determining Final Redemption Amount:	<p>Unless redeemed in accordance with Conditions or following the occurrence of an Early Redemption Event (as defined below), or purchased and cancelled in accordance with the Conditions, the Issuer shall redeem the Notes on the Maturity Date at the Final Redemption Amount in respect of each Calculation Amount as follows:</p> <ul style="list-style-type: none"> (i) If on the Determination Date the Final Reference Price of both the Underlying Indices is greater than or equal to its relevant Initial Reference Price: 169.60% * Par; (ii) If on the Determination Date the Final Reference Price of both the Underlying Indices is greater than or equal to 70% of its relevant Initial Reference Price: 100% * Par; (iii) Otherwise, 100% * Par * (Worst of Performance); <p>Where:</p> <p>“Worst of Performance” means the Underlying Index_k with the lowest performance based on the following formula: Final Reference Price_k/Initial Reference Price_k;</p> <p>“Final Reference Price” means the official closing level of the Underlying Index_k (k=1,2) on the Determination Date; and</p> <p>“Initial Reference Price” means the official closing level of the Underlying Index_k (k=1,2) on the Strike Date.</p>
(xi)	Provisions for determining Final Redemption Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted:	Determination Agent determination
(xii)	Weighting for each Index:	Not Applicable
(xiii)	Potential Adjustment Events	As per the Conditions

	(xiv) Additional Disruption Events:	Change in law, Hedging Disruption and Increased Cost of Hedging
	(xv) Other special terms and conditions:	Not Applicable
31.	Commodity-Linked Redemption Provisions (Condition 11)	Not Applicable
32.	Currency-Linked Redemption Provisions (Condition 12)	Not Applicable
33.	Inflation-Linked Redemption Provisions (Condition 13)	Not Applicable
34.	Credit-Linked Redemption Provisions (Condition 14)	Not Applicable
35.	Property-Linked Redemption Provisions (Condition 15)	Not Applicable
36.	Fund-Linked Redemption Provisions (Condition 16)	Not Applicable
37.	Preference Share-Linked Redemption Provisions: (Condition 17)	Not Applicable
38.	(a) Early Redemption Amount upon Event of Default (Condition 24):	Qualified Financial Institution Determination
	(b) Early redemption amount payable upon an event described in Condition 10/ 11/ 12/ 13/ 16/ 17	As provided in Condition 10/ 11/ 12/ 13/ 16/ 17
	(c) Early redemption amount upon early redemption (Conditions 19.2, 19.3, 19.5, 19.10, 23 and 25)	
	Early redemption amount(s) per Calculation Amount payable on redemption for taxation reasons or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	An amount equal to the fair market value of such Note, on such day as is selected by the Determination Agent in its sole and absolute discretion (provided that such day is not more than 15 days before the date fixed for redemption of the Note), less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its sole and absolute discretion

39. Governing Law: English law

GENERAL PROVISIONS APPLICABLE TO THE NOTES

40. Form of Notes: Registered Notes
(Condition 3)

Global Note Certificate registered in the name of a common depository for Euroclear and Clearstream, Luxembourg, exchangeable for Individual Note Certificates on 30 days notice in the limited circumstances described in the Global Note Certificate

41. Record Date: As per the Conditions

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

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

44. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable

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

46. Redenomination, renominalisation and reconventioning provisions: The provisions in Condition 35 apply.

47. Restrictions on free transferability of the Notes: None

48. Inconvertibility Event Provisions: Not Applicable

49. Other terms: **Early Redemption:** If on any Call Observation Date, the Determination Agent determines that the Underlying Index_k (k=1,2) closes above the Call Threshold Value (as defined below), the Notes will be automatically redeemed on the corresponding Early Redemption Date at the Early Redemption Amount.

Where:

“**Call Observation Date**” means each of the dates specified below subject to adjustment in accordance with Condition 10.1.

“**Early Redemption Date**” means, in respect of each Call Observation Date, each of the corresponding dates specified in the table below

subject to adjustment in accordance with the Following Business Day.

i	Call Observation Date	Early Redemption Date
1	25 September 2014	09 October 2014
2	25 September 2015	09 October 2015
3	26 September 2016	10 October 2016
4	25 September 2017	09 October 2017
5	25 September 2018	09 October 2018
6	25 September 2019	09 October 2019
7	25 September 2020	09 October 2020

“Call Threshold Value” means 100% of Initial Reference Price.

“Early Redemption Amount” means, in respect of any Call Observation Date: $(100\% + 8.70\% * i) * \text{Par}$.

“Business Days” means London and New York; and

“Business Day Convention” means Following

DISTRIBUTION

- | | | |
|-----|--|---|
| 50. | (i) If syndicated, names and addresses of Managers and underwriting commitments: | Not Applicable |
| | (ii) Date of [Subscription] Agreement: | Not Applicable |
| | (iii) Stabilising Manager(s) (if any): | Not Applicable |
| 51. | If non-syndicated, name and address of Dealer: | Morgan Stanley & Co. International plc
25 Cabot Square
London E14 4QA |
| 52. | U.S. Selling Restrictions: | TEFRA D Not applicable |
| 53. | Total commission and concession: | Not Applicable |
| 54. | Additional selling restrictions: | Not Applicable |

PURPOSE OF PRICING SUPPLEMENT

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

RESPONSIBILITY

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

Signed on behalf of the Issuer:

By: *P.H. Wohl - London*

Duly authorised

PART B – OTHER INFORMATION

1. LISTING

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

Last day of Trading: Determination Date

Estimate of total expenses related to admission to trading: EUR 500

2. RATINGS

Ratings: The Notes will not be rated.

8. OPERATIONAL INFORMATION

ISIN Code: XS0975924464

Common Code: 097592446

New Global Note: No

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

Delivery: Delivery free of payment

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

Names and addresses of additional Paying Agent(s) (if any): As per the Conditions

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

ANNEX 1

STATEMENT REGARDING THE UNDERLYING INDICES

Statement concerning the CAC40

Euronext N.V. or its subsidiaries holds all (intellectual) proprietary rights with respect to the Underlying. Euronext N.V. or its subsidiaries do not sponsor, endorse or have any other involvement in the issue and offering of the product. Euronext N.V. and its subsidiaries disclaim any liability for any inaccuracy in the data on which the Underlying is based, for any mistakes, errors, or omissions in the calculation and/or dissemination of the Underlying, or for the manner in which it is applied in connection with the issue and offering thereof.

“CAC40®” and “CAC-Index” are registered trademark(s) of Euronext N.V. or its subsidiaries

Statement concerning the Eurostoxx 50 Index

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

STOXX HAS NO RELATIONSHIP TO MORGAN STANLEY, OTHER THAN THE LICENSING OF THE INDEX AND THE RELATED TRADE MARKS FOR USE IN CONNECTION WITH THE NOTES.

STOXX DOES NOT:

- SPONSOR, ENDORSE, SELL OR PROMOTE THE NOTES;
- RECOMMEND THAT ANY PERSON INVEST IN THE NOTES OR ANY OTHER SECURITIES;
- HAVE ANY RESPONSIBILITY OR LIABILITY FOR OR MAKE ANY DECISIONS ABOUT THE TIMING, AMOUNT OR PRICING OF THE NOTES;
- HAVE ANY RESPONSIBILITY OR LIABILITY FOR THE ADMINISTRATION, MANAGEMENT OR MARKETING OF THE NOTES;
- CONSIDER THE NEEDS OF THE INSTRUMENTS OR THE OWNERS OF THE NOTES IN DETERMINING, COMPOSING OR CALCULATING THE INDEX OR HAVE ANY OBLIGATION TO DO SO.

STOXX WILL NOT HAVE ANY LIABILITY IN CONNECTION WITH THE NOTES. SPECIFICALLY:

- STOXX DOES NOT MAKE ANY WARRANTY, EXPRESS OR IMPLIED AND DISCLAIMS ANY AND ALL WARRANTY ABOUT:
 1. THE RESULTS TO BE OBTAINED BY THE NOTES, THE OWNER OF THE NOTES OR ANY OTHER PERSON IN CONNECTION WITH THE USE OF THE INDEX AND THE DATA INCLUDED IN THE INDEX;
 2. THE ACCURACY OR COMPLETENESS OF THE EURO STOXX 50 AND ITS DATA; AND

3. THE MERCHANTABILITY AND THE FITNESS FOR A PARTICULAR PURPOSE OR USE OF THE INDEX AND ITS DATA;

- STOXX WILL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS IN THE INDEX OR ITS DATA;
- UNDER NO CIRCUMSTANCES WILL STOXX BE LIABLE FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES, EVEN IF STOXX KNOWS THAT THEY MIGHT OCCUR.

THE LICENSING AGREEMENT BETWEEN THE ISSUER AND STOXX IS SOLELY FOR THEIR BENEFIT AND NOT FOR THE BENEFIT OF THE OWNERS OF THE NOTES OR ANY OTHER THIRD PARTIES.

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, any Guarantor, the Dealer or their affiliates is acting as a fiduciary or an advisor to it in respect of the instruments; (iii) you are not relying upon any representations made by the Issuer, the Guarantor 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 advisers as you have deemed necessary and not upon any view expressed by the Issuer, any Guarantor or any of their 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 Base Prospectus and the Final Terms and shall not contain any omissions that would make them misleading. You shall only prepare and distribute such material in accordance with all applicable laws, regulations, codes, directives, orders and/or regulatory requirements, rules and guidance in force from time to time (“**Regulations**”). You acknowledge that neither the Issuer nor Morgan Stanley shall have any liability in respect of such material which shall, for the avoidance of doubt, at all times be your sole responsibility;
- e) you will not, directly or indirectly, distribute or arrange the distribution of the product or disseminate or publish (which for the avoidance of doubt will include the dissemination of any such materials or information via the internet) any materials or carry out any type of solicitation in connection with the product in any country or jurisdiction, except under circumstances that will result in compliance with all applicable Regulations and selling practices, and will not give rise to any liability for the Issuer or Morgan Stanley. For the avoidance of doubt, this includes compliance with the selling restrictions mentioned herein;
- f) if you receive any fee, rebate or discount, you shall not be in breach of any Regulation or customer or contractual requirements or obligations and you shall, where required to do so (whether by any applicable Regulation, contract, fiduciary obligation or otherwise), disclose such fees, rebates and discounts to your investors. You acknowledge that where fees are payable, or rebates or discounts applied, the Issuer and Morgan Stanley are

obliged to disclose the amounts and/or basis of such fees, rebates or discounts at the request of any of your investors or where required by any applicable Regulations.

- g) you will be committed to purchase at the issue price stated in the term sheet (or at the price otherwise agreed between us) instruments, when issued, in the agreed quantity and having terms, as provided in the definitive documentation, consistent with those in the term sheet (subject to any modifications agreed between us);
- h) we may enter into hedging or other arrangements in reliance upon your commitment, and, if you fail to comply with your commitment, your liability to us shall include liability for our costs and losses in unwinding such hedging or other arrangements;
- i) you agree and undertake to indemnify and hold harmless and keep indemnified and held harmless the Issuer, the Dealer and each of their respective affiliates and their respective directors, officers and controlling persons from and against any and all losses, actions, claims, damages and liabilities (including without limitation any fines or penalties and any legal or other expenses incurred in connection with defending or investigating any such action or claim) caused directly or indirectly by you or any of your affiliates or agents to comply with any of the provisions set out in (a) to (h) above, or acting otherwise than as required or contemplated herein; and
- j) you are not purchasing the Notes as an extension of credit to Morgan Stanley pursuant to a loan agreement entered into in the ordinary course of your trade or business.