

Pricing Supplement dated 17 August 2018

**Morgan Stanley Finance LLC as Issuer**

**Legal Entity Identifier (LEI): 5493003FCPSE9RKT4B56**

Issue of USD 1,454,000 Floating Rate to Leveraged Steepener Notes due 2022

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 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.**

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS: THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:**

- (A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED ("MIFID II");**
- (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, AS AMENDED, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR**
- (C) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC, AS AMENDED.**

**CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA HAS BEEN OR WILL BE PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.**

**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:**

**SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:**

- (A) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND**
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.**

**ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.**

## 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 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 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 (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:**

**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 that 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.

**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 or this Pricing Supplement, the proceeds may be less than the initial investment.

**Exit Risk:** Any secondary market price of the Notes will depend on many factors, including the value and volatility of the 10 year USD CMS rate and 2 year USD CMS rate (each as described herein) (the “Underlyings”), 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.

**Potential Permanent Discontinuation of LIBOR.** In July 2017, the U.K.'s Financial Conduct Authority announced that it will not use its influence or legal powers to persuade or compel panel banks to make LIBOR submissions after the end of 2021. After this time, it is uncertain whether the LIBOR rates will continue to be published. As at the Issue Date, the Underlyings are determined with reference to USD-LIBOR-BBA rates, in the event that USD-LIBOR-BBA rates cease to be published, the impact on the Underlyings is uncertain.

**The historical performance of the Underlyings are not an Indication of Future Performance.** Historical performance of the Underlyings should not be taken as an indication of their future performance during the term of the Notes. Changes in the levels of the Underlyings will affect the trading price of the Notes, but it is impossible to predict whether such levels will rise or fall. There can be no assurance that USDCMS10Y – USDCMS2Y will be greater than 0.00% on any day in respect of which such value is determined in respect of the Notes.

**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.

**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 Underlyings, in option contracts on the Underlyings or positions in any other available securities or instruments. In addition, the Issuer and its affiliates trade the Underlyings as part of their general businesses. Any of these activities could potentially affect the value of the Underlyings, and accordingly, could affect the payout to holders on the Notes.

**Potential Conflict of Interest:** The Determination Agent, which is an affiliate of the Issuer, will determine the payout to the investor at maturity. The Determination Agent and its affiliates may trade the Underlyings 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 Underlyings and, accordingly, could affect the investor's payout on any Notes.

**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.**

**A Non-U.S. holder will be subject to U.S. withholding tax unless the beneficial owner of the Notes (or a financial institution holding the Notes on behalf of the beneficial owner) furnishes the appropriate Form W-8, on which the beneficial owner certifies under penalties of perjury that it is not a U.S. person. If withholding or deduction of taxes is required by law (regardless of whether a holder furnished an appropriate form), payments on the Notes will be made net of applicable withholding taxes, and Morgan Stanley will not be required to pay any additional amounts to Non-U.S. holders with respect to any taxes withheld.**

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

**GENERAL**

1. (i) Issuer: Morgan Stanley Finance LLC
- (ii) Guarantor: Morgan Stanley
2. (i) Series Number: 10869
- (ii) Tranche Number: 1
3. Specified Currency or Currencies: United States Dollar (USD)
4. Aggregate Nominal Amount of the Notes: USD 1,454,000
  - (i) Series: USD 1,454,000
  - (ii) Tranche: USD 1,454,000
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: 17 August 2018
- (iv) Trade Date: 10 August 2018
- (v) Interest Commencement Date: As specified in the Interest Basis Table set out in paragraph 11 below.
8. Maturity Date: 17 August 2022
9. Interest Basis: Unless previously redeemed or cancelled:  
  
 Floating Rate Notes in respect of the period from and including the Issue Date to, but excluding, 17 August 2020 (the “**Floating Rate Period**”); and  
  
 Steepener Notes in respect of the period from and including 17 August 2020 to, but excluding, 17 August 2022 (the “**Steepener Period**”).
10. Redemption/Payment Basis: Redemption at Par
11. Change of Interest or Redemption/Payment Basis:
 

Interest Basis Table		
Interest Commencement Date	Interest Payment Date(s)	Type of Notes
17 August 2018	As set forth in paragraph 17A(i) below	Floating Rate Notes
17 August 2020	As set forth in paragraph 17B(i) below	Steepener Notes
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: (Condition 21.7)	Not Applicable
	(iii)	Autocallable Early Redemption: (Condition 18)	Not Applicable
	(iv)	Other put/call options:	Not Applicable
13.	(i)	Status of the Notes: (Condition 4)	As set out in Condition 4.1
	(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
17.A		Floating Rate Note Provisions  (Condition 6)	Applicable, in respect of the Floating Rate Period
	(i)	Floating Rate Interest Payment Dates:	Each 17th day of February, May, August and November of each calendar year, from, and including, 17 November 2018, to, and including, 17 August 2020, in each case subject to adjustment in accordance with the Business Day Convention.
	(ii)	First Floating Rate Interest Payment Date:	17 November 2018
	(iii)	Interest Period(s) subject only to Floating Rate Note Provisions:	Each period from and including one scheduled Floating Rate Interest Payment Date (or 17 August 2018 in the case of the first Interest

- Period subject only to Floating Rate Note Provisions) to and excluding the next scheduled Floating Rate Interest Payment Date, in each case without adjustment.
- (iv) Business Day Convention: Modified 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): +1.00 per cent. per annum
  - (xii) Minimum Rate of Interest: 0.00 per cent. per annum
  - (xiii) Maximum Rate of Interest: Not Applicable
  - (xiv) Day Count Fraction: 30/360
  - (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: Condition 6.2 (*Accrual of interest*) is amended by replacing the word “seventh” where it appears with “fifteenth”.

17.B Steepener Note Provisions Applicable, in respect of the Steepener Period

(Condition 6)

- (i) Steepener Interest Payment Dates: Each 17th day of February, May, August and November of each calendar year, from, and including, 17 November 2020, to, and including, 17 August 2022, in each case subject to adjustment in accordance with the Business Day Convention.



- (ii) First Steepener Interest Payment Date: 17 November 2020
- (iii) Interest Period(s) subject only to Steepener Note Provisions: Each period from and including one scheduled Steepener Interest Payment Date (or 17 August 2020 in the case of the first Interest Period subject only to Steepener Note Provisions) to and excluding the next scheduled Steepener Interest Payment Date, in each case without adjustment.
- (iv) Business Day Convention: Modified 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: The amount of interest payable in respect of each Note shall be an amount per Calculation Amount by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest cent.

The Determination Agent shall determine the Rate of Interest in accordance with the following formula:

$$5.40 \times (\text{USDCMS10Y} - \text{USDCMS2Y})$$

subject to the Minimum Rate of Interest of 0.00 per cent. per annum.

Where:

“USDCMS10Y” means the rate for U.S. dollar swaps with a maturity of 10 years, expressed as a percentage, which appears on Thomson Reuters Screen ICESWAP1 Page (or any successor thereto determined by the Determination Agent) as of approximately 11:00 a.m., New York City time, on the date that is two U.S. Government Securities Business Days preceding the first day of the such Interest Period. If such rate does not appear or is permanently discontinued, the Determination Agent will determine the rate or determine a substitute rate, in good faith and in a commercially reasonable manner;

“USDCMS2Y” means the rate for U.S. dollar swaps with a maturity of 2 years, expressed as a percentage, which appears on Thomson Reuters Screen ICESWAP1 Page (or any successor thereto determined by the Determination Agent) as of approximately 11:00 a.m., New York City time, on the date that is two U.S. Government Securities Business Days preceding the first day of such Interest Period. If such rate does not

appear or is permanently discontinued, the Determination Agent will determine the rate or determine a substitute rate, in good faith and in a commercially reasonable manner; and

**“U.S. Government Securities Business Day”** means a day other than a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities”.

(viii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	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.
(ix)	Screen Rate Determination:	Not Applicable
(x)	ISDA Determination:	Not Applicable
(xi)	Margin(s):	Not Applicable
(xii)	Minimum Rate of Interest:	0.00 per cent. per annum
(xiii)	Maximum Rate of Interest:	Not Applicable
(xiv)	Day Count Fraction:	30/360
(xv)	Fallback provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Steepener Notes, if different from those set out in the Conditions:	As set out above in the definitions of “USDCMS2Y” and “USDCMS10Y”  Condition 6.2 ( <i>Accrual of interest</i> ) is amended by replacing the word “seventh” where it appears with “fifteenth”.
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
<b>PROVISIONS RELATING TO REDEMPTION</b>		
27.	Call Option (Condition 21.5)	Not Applicable
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 Conditions 10.2(b)/10.2(d)/10.4(a)(iii)/10.4(b)(iii)/10.5(c)/10.6(c)/10.7(c)/10.8(c)/11.7(b)/12.5(c)/13.6(c)/14.5/14.6(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 21.2)	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 Event) – Fair Market Value Less Costs shall apply
42. Substitution of Issuer or Guarantor with non Morgan Stanley Group entities:  
(Condition 38.2)
43. Governing Law: English law

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

44. 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 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
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, renominatisation and reconventioning provisions: Not Applicable
51. Restrictions on free transferability of the Notes: None
52. Inconvertibility Event Provisions: Not Applicable  
(Condition 19)
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
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 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:  \_\_\_\_\_

Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING

Listing and admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of 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 the USDCMS10Y and USDCMS2Y swap rates can be found on Thomson Reuters page: ICESWAP1.

The Issuer does not intend to provide post-issuance information with regard to the USDCMS10Y and USDCMS2Y swap rates.

### 4. OPERATIONAL INFORMATION

ISIN: XS1414124690  
Common Code: 141412469  
Valor: 32619415  
CFI: DTVXFR  
FISN: MORGAN STANLEY/VAREMTN 20220817

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:** Applicable
7. **BENCHMARK REGULATION:** Amounts payable under the Notes are calculated by reference to the ICE Swap Rate, which is provided by ICE Benchmark Administration Limited. As at the Issue Date, ICE Benchmark Administration Limited appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011).



## 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 for 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.

