

Morgan Stanley B.V.

Issue of GBP 200,000 Equity Linked Notes due 2024 (the "**Tranche 5 Notes**") to be consolidated and fungible with the issue of GBP 4,000,000 Equity Linked Notes due 2024 (the "**Tranche 1 Notes**") and issue of GBP 900,000 Equity Linked Notes due 2024 (the "**Tranche 2 Notes**"), issue of GBP 500,000 Equity Linked Notes due 2024 (the "**Tranche 3 Notes**") and issue of GBP 400,000 Equity Linked Notes due 2024 (the "**Tranche 4 Notes**") (Tranche 1, Tranche 2, Tranche 3 and Tranche 4 together the "**Existing Notes**")

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.

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

THE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN ANY GUARANTEE IN RESPECT THEREOF AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR REDEEMED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT). HEDGING TRANSACTIONS INVOLVING ANY "EQUITY SECURITIES" OF "DOMESTIC ISSUERS" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "SUBSCRIPTION AND SALE" AND "NO OWNERSHIP BY U.S. PERSONS" IN THE OFFERING CIRCULAR DATED 16 AUGUST 2016. 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 30 June 2017 (the "**Offering Circular**"). Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Offering Circular has also been published on the website of the Irish Stock Exchange (www.ise.ie) and the Luxembourg Stock Exchange (www.bourse.lu).

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions of the Notes set forth in the offering circular dated 16 August 2016 and the supplements to the offering circular dated 11 November 2016, 20 December 2016, 26 January 2017, 24 March 2017 and 18 May 2017 which are incorporated by reference in the Offering Circular.

Information Concerning Investment Risk

Noteholders and prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. The amount payable on redemption of the Notes is linked to the performance of the Underlying (as defined herein), and may be less than par. Given the highly specialised nature of these Notes, Morgan Stanley B.V. ("the Issuer") considers that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment linked to the Underlying, are willing to take risks and can absorb the partial loss of their initial investment. Consequently, if you are not an investor who falls within the description above you should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

Potential investors are urged to consult with their legal, regulatory, investment, accounting, tax and other advisors with regard to any proposed or actual investment in these Notes. Please see the Offering Circular together with the Pricing Supplement for a full detailed description of the Notes and in particular, please review the Risk Factors associated with these Notes. Investing in the Notes entails certain risks including, but not limited to, the following:

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

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

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

In such circumstances, the Determination Agent can in its sole and absolute discretion determine whether to redeem the Notes early, or adjust the terms of the Notes, which may include without limitation adjustments to the Initial Reference Level, the Final Redemption Amount or the Underlying. The Determination Agent is not required but has the discretion to make adjustments with respect to each and every corporate action. Potential investors should see the Offering Circular for a detailed description of potential adjustment events and adjustments

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

Market Risk: Price movements in the Basket Components may not correlate with each other. Increases in the value of one or more of the Basket Components may be moderated, or wholly offset, by lesser increases or declines in the value of one or more of the other components.

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

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

order to pay the holders of the Notes in the event of liquidation of the Issuer and/or Guarantor, and the holders of the Notes will rank behind secured or preferred creditors.

Liquidity Risk: Any secondary market in the Notes made by the Dealer 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.

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

Hedging Risk: On or prior to and after the Trade Date, the Issuer, through its affiliates or others, will likely hedge its anticipated exposure under the Notes by taking positions in the Underlying, 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.

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

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

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

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

In purchasing any Notes, purchasers will be deemed to represent and undertake to the Issuer, the Dealer and each of their affiliates that (i) such purchaser understands the risks and potential consequences associated with the purchase of the Notes, (ii) that such purchaser has consulted with its own legal, regulatory, investment, accounting, tax and other advisers to extent it believes is appropriate to assist it in understanding and evaluating the risks involved in, and the consequences of, purchasing the Notes and (iii) in accordance with the terms set out in Annex 2.

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

GENERAL

1. (i) Issuer: Morgan Stanley B.V.

	(ii)	Guarantor:	Morgan Stanley
2.	(i)	Series Number:	9889
	(ii)	Tranche Number:	5
3.		Specified Currency or Currencies:	Pound Sterling (“ GBP ”)
4.		Aggregate Nominal Amount of the Notes:	GBP 6,000,000
	(i)	Series:	GBP 6,000,000
	(ii)	Tranche:	GBP 4,000,000- Tranche 1
			GBP 900,000 – Tranche 2
			GBP 500,000 – Tranche 3
			GBP 400,000 – Tranche 4
			GBP 200,000 – Tranche 5
5.		Issue Price:	100 per cent. of Par per Note
6.	(i)	Specified Denominations:	GBP 1.00
	(ii)	Calculation Amount (Par):	GBP 1.00
7.	(i)	Issue Date:	1 June 2017 – Tranche 1
			21 June 2017 – Tranche 2
			25 August 2017 – Tranche 3
			6 December 2017 – Tranche 4
			29 December 2017 – Tranche 5
	(ii)	Trade Date:	17 May 2017
	(iii)	Interest Commencement Date:	Not Applicable
	(iv)	Strike Date:	17 May 2017
	(v)	Determination Date:	17 May 2024
8.		Maturity Date:	31 May 2024, subject to adjustment in accordance with the Business Day Convention (i) in the event such date is not a Business Day or (ii) such that the Maturity Date shall always be at least five (5) Business Days following the Determination Date
9.		Interest Basis:	Equity-Linked Interest. See item 19(B) below
10.		Redemption/Payment Basis:	Equity-Linked Redemption. See item 31(B) below
11.		Change of Interest or Redemption/Payment Basis:	Not Applicable
12.		Put/Call Options/Autocallable Redemption:	Early

(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 Redemption: Early Applicable. See item 28 below

(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

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions: Not Applicable

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: Applicable

(Condition 10)

(B) (i) Whether the Notes relate to a single index or a basket of indices (each an "Underlying") and the identity of the relevant sponsor(s) (each, an "Underlying Index"):

i	Underlying _i	Bloomberg® Code	Index Sponsor)
1	EURO STOXX 50® Index	SX5E Index	STOXX Limited
2	FTSE 100® Index	UKX Index	FTSE International Limited

Where $i = 1$ to 2

Each an Underlying;

- (ii) Exchanges London Stock Exchange in respect the FTSE 100® Index and Multi-Exchange Applicable in respect of the EURO STOXX 50® Index
- (iii) Related Exchange(s): All Exchanges
- (iv) Weighting for each Index: Not Applicable
- (v) 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.
- (vi) Provisions for determining Rate of Interest where calculated by reference to the relevant Underlying / reference to Index Unless an Early Redemption Event occurs, in respect of each Interest Determination Date_{*i*}, an Interest Amount per Calculation Amount shall be payable on the corresponding Interest Payment Date_{*i*}, as determined by the Determination Agent as follows:

(i) If on an Interest Determination Date_{*i*}, the official closing price of each Underlying_{*i*} is at or greater than its relevant Coupon Barrier Level, at an amount in GBP calculated as follows:

Par x Coupon

(ii) Else, 0% of Par;

Where:

	Coupon	“Coupon Barrier Level” (as percentage of Initial Reference Level)
1	1.625%	65%
2	1.625%	65%
3	1.625%	65%
4	1.625%	65%
5	1.625%	65%
6	1.625%	65%
7	1.625%	65%
8	1.625%	65%
9	1.625%	65%

10	1.625%	65%
11	1.625%	65%
12	1.625%	65%
13	1.625%	65%
14	1.625%	65%
15	1.625%	65%
16	1.625%	65%
17	1.625%	65%
18	1.625%	65%
19	1.625%	65%
20	1.625%	65%
21	1.625%	65%
22	1.625%	65%
23	1.625%	65%
24	1.625%	65%
25	1.625%	65%
26	1.625%	65%
27	1.625%	65%
28	1.625%	65%

Where:

“Initial Reference Level” means the official closing level of the Underlying on its respective Strike Date.

- (vii) Provisions for determining Rate of Interest where calculation by reference to one or more Underlying is impossible or impracticable or otherwise disrupted: Determination Agent determination.
- (viii) Interest Determination Date(s): Means, as specified below:

	Interest Determination Date
1	17 Aug 2017
2	17 Nov 2017
3	19 Feb 2018

4	17 May 2018
5	17 Aug 2018
6	19 Nov 2018
7	18 Feb 2019
8	17 May 2019
9	19 Aug 2019
10	18 Nov 2019
11	17 Feb 2020
12	18 May 2020
13	17 Aug 2020
14	17 Nov 2020
15	17 Feb 2021
16	17 May 2021
17	17 Aug 2021
18	17 Nov 2021
19	17 Feb 2022
20	17 May 2022
21	17 Aug 2022
22	17 Nov 2022
23	17 Feb 2023
24	17 May 2023
25	17 Aug 2023
26	17 Nov 2023
27	19 Feb 2024
28	17 May 2024

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

(ix) Provisions for determining Rate of Interest where calculation by reference to the relevant Underlying is impossible or impracticable or otherwise disrupted: Determination Agent determination

(x) Interest Period: As per Condition 2.1

(xi) Specified Interest Payment Date(s):

	Specified Interest Payment Date:
1	24 Aug 2017
2	24 Nov 2017
3	26 Feb 2018
4	24 May 2018
5	24 Aug 2018
6	26 Nov 2018
7	25 Feb 2019
8	24 May 2019
9	27 Aug 2019
10	25 Nov 2019
11	24 Feb 2020
12	26 May 2020
13	24 Aug 2020
14	24 Nov 2020
15	24 Feb 2021
16	24 May 2021
17	24 Aug 2021
18	24 Nov 2021
19	24 Feb 2022
20	24 May 2022
21	24 Aug 2022
22	24 Nov 2022
23	24 Feb 2023
24	24 May 2023
25	24 Aug 2023
26	24 Nov 2023
27	26 Feb 2024
28	24 May 2024

Subject to adjustment in accordance with applicable Business Day Convention.

(xii) Averaging Date:

Not Applicable

- (xiii) Averaging Date Disruption: Not Applicable
 - (xiv) Observation Date(s): Not Applicable
 - (xv) Observation Period: Not Applicable
 - (xvi) Additional Disruption Events: Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply
 - (xvii) Business Day Convention: Following Business Day Convention
 - (xviii) Additional Business Centre(s): Not Applicable
 - (xix) Minimum Rate/Amount of Interest: Not Applicable
 - (xx) Maximum Rate/Amount of Interest: Not Applicable
 - (xxi) Other special terms and conditions: **“Business Day”** means a Scheduled Trading Day in respect of the Underlying Indices
20. Commodity-Linked Interest Note Provisions Not Applicable
21. Currency-Linked Interest Note Provisions Not Applicable
(Condition 12)
22. Inflation-Linked Interest Note Provisions Not Applicable
(Condition 13)
23. Property-Linked Interest Note Provisions Not Applicable
(Condition 14)
24. Fund-Linked Interest Note Provisions Not Applicable
(Condition 15)
25. Credit-Linked Interest Note Provisions Not Applicable
- PROVISIONS RELATING TO REDEMPTION**
26. Call Option Not Applicable
(Condition 21.5)
27. Put Option Not Applicable
(Condition 21.7)
28. Autocallable Early Redemption Applicable
(Condition 18)
- (i) Autocallable Early Redemption Observation Date(s): See table below:

n	Autocallable Early Redemption Observation Date(n)	Autocallable Early Redemption Date(n)	Autocall Level as % Initial Reference	Autocallable Early Redemption Amount in GBP of Par
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			Price	
8	17 May 2019	24 May 2019	100%	100%
9	19 Aug 2019	27 Aug 2019	100%	100%
10	18 Nov 2019	25 Nov 2019	100%	100%
11	17 Feb 2020	24 Feb 2020	100%	100%
12	18 May 2020	26 May 2020	100%	100%
13	17 Aug 2020	24 Aug 2020	100%	100%
14	17 Nov 2020	24 Nov 2020	100%	100%
15	17 Feb 2021	24 Feb 2021	100%	100%
16	17 May 2021	24 May 2021	100%	100%
17	17 Aug 2021	24 Aug 2021	100%	100%
18	17 Nov 2021	24 Nov 2021	100%	100%
19	17 Feb 2022	24 Feb 2022	100%	100%
20	17 May 2022	24 May 2022	100%	100%
21	17 Aug 2022	24 Aug 2022	100%	100%
22	17 Nov 2022	24 Nov 2022	100%	100%
23	17 Feb 2023	24 Feb 2023	100%	100%
24	17 May 2023	24 May 2023	100%	100%
25	17 Aug 2023	24 Aug 2023	100%	100%
26	17 Nov 2023	24 Nov 2023	100%	100%
27	19 Feb 2024	26 Feb 2024	100%	100%
28	17 May 2024	24 May 2024	100%	100%

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

- (iii) Autocallable Early See table above.
Redemption Date(s):
29. Final Redemption Amount of each Note Equity Linked Redemption Amount specified below
(Condition 21.1)
30. Dual Currency Redemption Provisions Not Applicable
(Condition 8)
31. Equity-Linked Redemption Provisions: Applicable
(Condition 10)

(B) Index/Index Basket Notes:

- (i) Whether the Notes relate to a single index or a basket of indices (each an "Underlying") and the identity of the relevant sponsor(s) (each, an "Underlying Index"):

i	Underlying _i	Bloomberg® Code	Index Sponsor)
1	EURO STOXX 50® Index	SX5E Index	STOXX Limited
2	FTSE 100® Index	UKX Index	FTSE International Limited

- (ii) Exchange(s): London Stock Exchange in respect the FTSE 100® Index and Multi-Exchange Applicable in respect of the EURO STOXX 50® Index
- (iii) Related Exchange(s): As defined in Condition 10.9
- (iv) Averaging Dates: Not Applicable
- (v) Averaging Date Disruption: Not Applicable
- (vi) Observation Date(s): Not Applicable
- (vii) Observation Period: Not Applicable
- (viii) Determination Date(s): 17 May 2024
- (ix) Determination Time(s): As per the Conditions
- (x) 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.

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

(i) If on the Determination Date, the Final Reference Level of the Lowest Performing Underlying_i is equal to or greater than 65 per cent. of its Initial Reference Level, the Final Redemption Amount shall be an amount in GBP equal to: **100 per cent. of Par**;

(ii) If on the Determination Date, the Final Reference Level of the Lowest Performing Underlying_i less than 65 per cent. of its Initial Reference Level, the Final Redemption Amount shall be an amount in GBP equal to: **Par * (Final Reference Level LPU / Initial Reference Level LPU)**

Where:

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

$$\frac{[(\text{Final Reference Level}_i - \text{Initial Reference Level}_i)]}{\text{Initial Reference Level}_i}$$

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

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

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

“**Initial Reference Level LPU**” means the Initial Reference Level of the Lowest Performing Underlying. Determination Agent determination

(xii) Provisions for determining Final Redemption Amount where by reference to the relevant Underlying by to Index is impossible or impracticable or otherwise disrupted:

(xiii) Weighting for each Share: Not Applicable

	(xiv) Additional Disruption Events:	Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply
	(xv) Business Day Convention:	Following Business Day Convention
	(xvi) Additional Business Centre(s):	Not Applicable
	(xvii) Other special terms and conditions:	“ Business Day ” means a Scheduled Trading Day in respect of the Underlying Indices
32.	Commodity-Linked Redemption Provisions (Condition 11)	Not Applicable
33.	Currency-Linked Redemption Provisions (Condition 12)	Not Applicable
34.	Inflation-Linked Redemption Provisions (Condition 13)	Not Applicable
35.	Credit-Linked Redemption Provisions (Condition 16)	Not Applicable
36.	Property-Linked Redemption Provisions (Condition 14)	Not Applicable
37.	Fund-Linked Redemption Provisions (Condition 15)	Not Applicable
38.	Preference Share-Linked Redemption Provisions: (Condition 17)	Not Applicable
39.	(i) Early Redemption Amount upon Event of Default (Condition 26):	Qualified Financial Institution Determination
	(ii) Early redemption amount payable upon an event described in Condition 10.2/10.4(a)(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)/17.4/17.5/17.6:	As provided in Condition 10.2/10.4(a)(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)/17.4/17.5/17.6:
	(iii) Early redemption amount(s) per Calculation Amount	An amount equal to the fair market value of such Note, on such day as is selected by the Determination Agent

payable on redemption for taxation reasons: 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.

40. Illegality and Regulatory Event:
(Condition 27)
- (i) Illegality and Regulatory Event: Applicable
 - (ii) Early Redemption Amount (Illegality and Regulatory Event): Early Redemption Amount (Illegality and Regulatory Event) – Fair Value Less Costs
41. Substitution of Issuer or Guarantor with non Morgan Stanley Group entities: Applicable
(Condition 38.2)
42. Governing Law: English Law
- GENERAL PROVISIONS APPLICABLE TO THE NOTES**
43. Form of Notes: Registered Notes:
(Condition 3)
- Global Note Certificate registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg exchangeable for Individual Note Certificates in the limited circumstances described in the Global Note Certificate
44. Record Date: As set out in the Conditions
45. Additional Financial Centre(s) or other special provisions relating to Payment Business Day: London only
46. Determination Agent: Morgan Stanley & Co. International plc (the “**Determination Agent**”). The Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders. All determinations, considerations and decisions made by the Determination Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Determination Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.
47. 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

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|-----|--|--|
| 48. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 49. | Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 50. | Restrictions on free transferability of the Notes: | None |
| 51. | Inconvertibility Event Provisions:
(Condition 19) | Not Applicable |
| 52. | CNY Center: | Not Applicable |
| 53. | Taxation: | |
| | (i) Condition 25.1: | "Additional Amounts" is Not Applicable |
| | (ii) Condition 25.3: | Implementation of Financial Transaction Tax:
Applicable |
| 54. | Other terms: | Not Applicable |

DISTRIBUTION

- | | | |
|-----|--|---|
| 55. | If syndicated, of Managers and underwriting commitments (and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers) | Not Applicable |
| | Date of Subscription Agreement: | Not Applicable |
| | Stabilising Manager(s) (if any): | Not Applicable |
| 56. | If non-syndicated, name and address of Dealer: | Morgan Stanley & Co. International plc
25 Cabot Square
London E14 4QA |
| 57. | U.S. Selling Restrictions: | TEFRA D Not applicable |
| 58. | Total commission and concession: | In connection with the offer and sale of the Notes, the Issuer or the Dealer will pay to any intermediary a one time or recurring distribution fee. The total distribution fees payable, will not exceed 0.057% per annum. The investor acknowledges and agrees that such fees will be retained by the Distributor. Further information is available from the Distributor upon request. |
| 59. | 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 Global Exchange Market of the Irish Stock Exchange the issue of Notes described herein pursuant to the Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates of Morgan Stanley B.V.

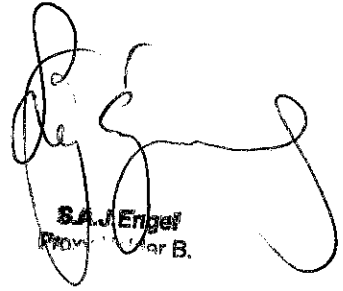
RESPONSIBILITY

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

Signed on behalf of the Issuer:

By:
Duly authorised


TMF Management B.V.
Managing Director


S.A.J. Enges
Managing Director

28/12/17

PART B – OTHER INFORMATION

1. LISTING

Listings 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 the Irish Stock Exchange 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.

The Existing Notes have already been listed and admitted to trading.

Estimate of total expenses related to admission to trading: EUR 600

2. RATINGS

Ratings: The Notes will not be rated

3. Notes linked to a Relevant Underlying only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

Further details on the Underlyings can be found on Bloomberg® page:

Underlying	BBG Code
EURO STOXX 50® Index	SX5E Index
FTSE 100® index	UKX Index

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

4. OPERATIONAL INFORMATION

ISIN: GB00BDZZGR91

Sedol: BDZZGR9

Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking *société anonyme* and the relevant identification number(s):

Not Applicable. The Notes are issued in uncertificated form in accordance with the Uncertificated Securities Regulations 2001 (as amended, modified or re-enacted and such other regulations made under Sections 783, 784(3), 785 and 788 of the Companies Act 2006 as are applicable to the Euroclear Registrar).

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent(s):

Not Applicable (Computershare Investor Services (Guernsey) Limited) shall act as paying agent in respect of the Notes (the “Euroclear Registrar”).

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 (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper).

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

5. POTENTIAL SECTION 871(M)
TRANSACTION

The Issuer has determined that the Securities should not be subject to withholding under Section 871(m) of the Code, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise.

ANNEX 1

STATEMENT REGARDING THE UNDERLYING INDICES

Statement concerning the FTSE 100 Index:

The Notes are not in any way sponsored, endorsed, sold or promoted by FTSE International Limited (“FTSE”) or by The London Stock Exchange Plc (the “Exchange”) or by The Financial Times Limited (“FT”) and neither FTSE or Exchange or FT makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the Underlying Index and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Underlying Index is compiled and calculated solely by FTSE. However, neither FTSE or Exchange or FT shall be liable (whether in negligence or otherwise) to any person for any error in the Index and neither FTSE or Exchange or FT shall be under any obligation to advise any person of any error therein.

“FTSETM” and “FootsieTM” are trade marks of London Stock Exchange Plc and The Financial Times Limited and are used by FTSE International Limited under licence.

Statement concerning the EURO STOXX 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, the Dealer or their affiliates is acting as a fiduciary or an advisor to it in respect of the instruments; (iii) you are not relying upon any representations made by the Issuer, or any of their affiliates; (iv) you have consulted with your own legal, regulatory, tax, business, investments, financial, and accounting advisers to the extent that you have deemed necessary, and you have made your own investments, hedging and trading decisions based upon your own judgement and upon any advice from such advisors as you have deemed necessary and not upon any view expressed by the Issuer or any of its affiliates or agents and (v) you are purchasing the instruments with a full understanding of the terms, conditions and risks thereof and you are capable of and willing to assume those risks;
- b) you shall only distribute as principal or, alternatively, acting on a commission basis in your own name for the account of your investors and will not do so as agent for any Morgan Stanley entity (together “**Morgan Stanley**”) who shall assume no responsibility or liability whatsoever in relation to any such distribution. You shall distribute the product in your own name and to such customers as you identify in your own discretion, at your own risk and under your sole responsibility. You shall make such enquiries you deem relevant in order to satisfy yourself that prospective investors have the requisite capacity and authority to purchase the product and that the product is suitable for those investors;
- c) you shall not make any representation or offer any warranty to investors regarding the product, the Issuer or Morgan Stanley or make any use of the Issuer’s or Morgan Stanley’s name, brand or intellectual property which is not expressly authorised and you shall not represent you are acting as an agent of Morgan Stanley in such distribution. You acknowledge that neither the Issuer nor Morgan Stanley assume any responsibility or liability whatsoever in relation to any representation or warranty you make in breach hereof;
- d) if you distribute any material prepared and transmitted by the Issuer or by Morgan Stanley, you shall only distribute the entire material and not parts thereof. Any material you, or any third party you engage on your behalf, prepare shall be true and accurate in all material respects and consistent in all material respects with the content of the Offering Circular and the Pricing Supplement and shall not contain any omissions that would make them misleading. You shall only prepare and distribute such material in accordance with all applicable laws, regulations, codes, directives, orders and/or regulatory requirements, rules and guidance in force from time to time (“**Regulations**”). You acknowledge that neither the Issuer nor Morgan Stanley shall have any liability in respect of such material which shall, for the avoidance of doubt, at all times be your sole responsibility;
- e) you will not, directly or indirectly, distribute or arrange the distribution of the product or disseminate or publish (which for the avoidance of doubt will include the dissemination of any such materials or information via the internet) any materials or carry out any type of solicitation in connection with the product in any country or jurisdiction, except under circumstances that will result in compliance with all applicable Regulations and selling practices, and will not give rise to any liability for the Issuer or Morgan Stanley. For the avoidance of doubt, this includes compliance with the selling restrictions mentioned herein and all applicable sanctions, laws and programs, including without limitation the U.S. Department of Treasury’s Office of Foreign Assets Control;
- f) 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 agree and undertake to indemnify and hold harmless and keep indemnified and held harmless the Issuer, the Dealer and each of their respective affiliates and their respective directors, officers and controlling persons from and against any and all losses, actions, claims, damages and liabilities (including without limitation any fines or penalties and any legal or other expenses incurred in connection with defending or investigating any such action or claim) caused directly or indirectly by you or any of your affiliates or agents to comply with any of the provisions set out in (a) to (f) above, or acting otherwise than as required or contemplated herein.