

Notes issued pursuant to these Final Terms are securities to be listed under Listing Rule 19

Final Terms dated 27 June 2011

Morgan Stanley BV

As Issuer

Issue of up to SEK 200,000,000 Equity linked Notes due 2016

Guaranteed by Morgan Stanley

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

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, 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") (and any amendments, including Directive 2010/73/EU (the "2010 PD Amending Directive"), to the extent implemented in the 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 of the Notes may only do so:

- (i) 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; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 50 of Part A below, provided such person is one of the persons mentioned in Paragraph 50 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

THE NOTES ARE SENIOR UNSECURED OBLIGATIONS OF MORGAN STANLEY, AND ALL PAYMENTS ON THE NOTES, INCLUDING THE REPAYMENT OF PRINCIPAL, ARE SUBJECT TO THE CREDIT RISK OF MORGAN STANLEY. THE NOTES ARE NOT BANK DEPOSITS AND ARE NOT INSURED OR GUARANTEED BY THE 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 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 IN THE UNITED STATES, AND ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. THE NOTES DESCRIBED HEREIN MAY NOT BE OFFERED, SOLD OR DELIVERED 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 BEARER NOTES, THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED). SEE "SUBSCRIPTION AND SALE" AND "NO OWNERSHIP BY U.S. PERSONS" IN THE BASE PROSPECTUS DATED 10 JUNE 2011. 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 Final Terms 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 Base Prospectus dated 10 June 2011 which constitutes a base prospectus (the "Base Prospectus") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and

the Base Prospectus. Copies of the Base Prospectus are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA.

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 BV (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, 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 Base Prospectus 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:

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.

Adjustment and Discontinuation Risk: The sponsor of the relevant 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 that he/she would have received if the event had not occurred.

The Underlying Fund Manager (as defined herein) can add, delete or substitute stocks constituting the relevant Underlying or make other methodological changes that could change the value of the relevant 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 that he/she would have received if the event had not occurred.

Credit Risk: The holder of the Notes will be exposed to the credit risk of the Issuer and the Guarantor.

Exit Risk: The principal amount is not protected. Potential Investors run the risk that they may receive an amount which is significantly less than their initial investment. The secondary market price of the Notes will depend on many factors, including the value and volatility of the Underlying, the level of the Underlying at any time on any day and the time left until the maturity of the Notes, the dividend rate of the stocks that compose the Underlying, 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 Note and which may also be less than the amount the holder would have received had the holder held the Note through to maturity.

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 these final terms.

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 stocks that comprise the

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

Liquidity Risk: The Dealer will make a secondary market in the Notes on a reasonable efforts basis only and subject to market conditions, law, regulation and internal policy. The liquidity of the Notes reflects the liquidity of the Underlying and even whilst there may be a secondary market in the Notes it may not be liquid enough to facilitate a sale by the holder.

No Shareholder Rights: A holder of Notes will have no beneficial interest in or any voting rights and will not have the right to receive dividends or other distributions with respect to the stocks composing the Underlying.

Potential Conflict of Interest: The Determination Agent (MSI plc) is an affiliate of the Issuer and the economic interests of the Determination Agent may be adverse to the interests of holders of the Notes. Determinations made by the Determination Agent, including in the event of a market disruption may affect the amount payable to holders pursuant to the terms of the Notes.

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

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 B.V. |
| | (ii) | Guarantor: | Morgan Stanley |
| 2. | (i) | Series Number: | 4932 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Swedish krona ("SEK") |
| 4. | | Aggregate Nominal Amount of the Notes: | |
| | (i) | Series: | The indicative Nominal Amount is SEK 200,000,000, the Issuer shall confirm the final Notional Amount to be issued upon the closing of Subscription Period |
| | (ii) | Tranche: | The indicative Nominal Amount is SEK 200,000,000, the Issuer shall confirm the final Notional Amount to be issued upon the closing of Subscription Period |
| 5. | | Issue Price | 100 per cent. of Par per Note |

- | | | | |
|-----|-------|---|--|
| 6. | (i) | Specified Denominations (Par): | SEK 10,000 |
| | (ii) | Calculation Amount: | SEK 10,000 |
| 7. | (i) | Issue Date: | 23 September 2011 |
| | (ii) | Trade Date: | 8 September 2011 |
| | (iii) | Interest Commencement Date: | Issue Date |
| | (iv) | Strike Date: | 9 September 2011 |
| | (v) | Determination Date: | 9 September 2016, subject to Early Redemption |
| 8. | | Maturity Date: | 23 September 2016, subject to Early Redemption |
| 9. | | Interest Basis: | Equity-Linked Interest |
| 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 16.7) | |
| | (ii) | Redemption at the option of the Noteholders: | Not Applicable |
| | | (Condition 16.9) | |
| | | Other Put/Call Options: | Not Applicable |
| 13. | (i) | Status of the Notes: | Condition 4.1 applies. |
| | | (Condition 4) | |
| | (ii) | Status of the Guarantee: | Condition 4.2 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 Note Interest Provisions: Not Applicable
20. Commodity-Linked Note Interest Provisions: Not Applicable
21. Currency-Linked Interest Note Provisions: Not Applicable
22. Inflation-Linked Note Interest 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 16.7)
27. Put Option: Not Applicable
(Condition 16.9)
28. Final Redemption Amount of each Note: Linked Redemption Amount specified below
(Condition 16)
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

i	Underlying Index _i	Bloomberg Code	Index Sponsor
3	Hang Seng China Enterprises Index	HSCEI Index	HSI Services Limited
4	Russian Depositary Index	RDXUSD Index	Wiener Borse
5	OMX Stockholm 30 Index	OMX Index	NASDAQ OMX

(together the "Underlying Indices")

(ii) Exchange[s]:

Each principal stock exchange on which a component of the Underlying Indices is listed.

(iii) Related Exchange[s]:

All Exchanges

- (iv) Averaging Date[s]: Not Applicable
- (v) Observation Date: Not Applicable
- (vi) Observation Period: Not Applicable
- (viii) Determination Time[s]: As per the Conditions
- (xi) 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: 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:
1. If on the Determination Date, $t=5$, the Worst Performing Underlying is greater than or equal to the Coupon Barrier:
Par x (100% + Coupon)
 2. if on the Determination Date, the Worst Performing Underlying is below the Coupon Barrier, but is greater than or equal to the Risk Barrier:
Par x 100
 3. Else, if on the Determination Date, the Worst Performing Underlying is below the Risk Barrier:
Par x Worst Performing Underlying
- Where:
- “**Worst Performing Underlying**” means the lowest percentage value of the Underlying_i ($i = 1,..5$) and each Observation Date (t) and the Determination Date, based on the formula $\text{Final Reference Price}_i / \text{Initial Reference Price}_i$;
- “**Risk Barrier**” means 60%;
- “**Coupon**” means indicatively 20% subject to a minimum of 15%;
- “**Final Reference Price**,” means the official closing price of the Underlying_i on the relevant Observation Date (t) or the Determination Date, as determined by the **Determination Agent**; and
- “**Initial Reference Price**,” means the official closing price of the Underlying_i on the Strike Date, as

determined by the Determination Agent.

- (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 Loss of Stock Borrow shall apply.**
- (xv) Other special terms and conditions: **Not Applicable**

(C) **Single ETF Notes, ETF Basket Notes:**

- (i) Whether the Notes relate to a single ETF Interest or a basket of ETF Interests (each, an "ETF Interest") relating to an ETF (each an "ETF"): **Basket of ETF Interests**

i	Underlying Share;	Bloomberg Code
1	iShares MSCI Brazil Index Fund	EWZ UP Equity
2	WisdomTree India Earnings Fund	EPI UP Equity

In respect of 1 above:
 Fund Issuer: iShare
 Fund Manager: BlackRock Fund Advisors
 Underlying Index: MSCI Emerging Markets

In respect of 2 above:
 Fund Issuer: WisdomTree Investments Inc
 Fund Manager: WisdomTree Funds ETF
 Underlying: Indian Shares

(each an "Underlying Share" or "Underlying Fund" and together with the Underlying Indices, the "Underlying")

- (ii) Exchange[s]: **NYSE Arca**
- (iii) Related Exchange[s]: **All Exchanges**
- (iv) 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.**

	(v) Provisions for determining Final Redemption Amount:	As set out above.
	(vi) Whether redemption of the Notes will be by (a) Cash Settlement or (b) Physical Settlement or (c) in certain circumstances depending on the closing price of the ETF Interests or Basket of ETF Interests, Cash Settlement or Physical Delivery at the option of the Issuer:	Cash Settlement
	(vii) Weighting for each ETF comprising the basket:	Not Applicable
	(viii) Averaging Dates:	Not Applicable
	(ix) Observation Date:	Not Applicable
	(x) Observation Period:	Not Applicable
	(xi) Determination Time[s]:	As per the Conditions
	(xii) Potential Adjustment Events:	As per the Conditions
	(xiii) Delivery provisions for ETF Interests (including details of who is to make such delivery):	Not Applicable
	(xiv) Physical Settlement:	Not Applicable
	(xv) Eligible ETF Interest:	Fallback provisions in Condition 10.5 apply
	(xvi) Additional Extraordinary ETF Event(s):	As set out in Condition 10.6
	(xvii) Additional Disruption Events:	Change in Law, Hedging Disruption and Loss of Stock Borrow shall apply
	(xviii) Other special terms and conditions:	
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 20)	Not Applicable
35.	Property-Linked Redemption Provisions: (Condition 14)	Not Applicable
36.	Fund-Linked Redemption Provisions: (Condition 15)	Not Applicable

37. a. Early Redemption Amount upon Event of Default (Condition 22): As set out in Condition 2.
- b. Early Redemption Amount payable upon an event described in Condition 10/ 11/ 12/ 13/ 14/ 15: As provided in Condition 10/ 11/ 12/ 13/ 14/ 15:
- c. Early Redemption Amount upon Early Redemption:

(Conditions 16.2, 16.3, 16.5, 16.10 and 21)

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):

The fair value of such Note on such day as is selected by the Determination Agent acting in good faith and in a commercially reasonable manner, 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 acting in good faith and in a commercially reasonable manner and disregarding any change in the creditworthiness of the Issuer and, if applicable, the Guarantor since the initial Issue Date of Notes of the relevant Series, or, if greater, any minimum amount which would have been unconditionally payable as the Final Redemption Amount/ specify any other provisions applicable to determining the Early Redemption Amount

38. Governing Law: English law

GENERAL PROVISIONS APPLICABLE TO THE NOTES

39. Form of Notes: Swedish Notes
(Condition 3)
40. Additional Business Centre(s) or other special provisions relating to Payment Dates: Not Applicable
41. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No
42. 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
43. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: Not Applicable
44. Redenomination, renominatisation and reconventioning provisions: Not Applicable

45. Restrictions on free transferability of the Notes: None

46. Other final terms:

1. If on any Observation Date $t= 1,..4$, the Worst Performing Underlying is equal to or greater than 100%, **OR** the sum of Coupon Amount plus previously paid Coupon Amounts equals $[40]\% \times \text{Par}$ ($2 \times \text{Coupon Amount}$), the Note shall automatically redeem at the Early Redemption Amount on the relevant Early Redemption Date;

Where:

“**Observation Date**” means each of 10 September 2012 (“**Observation Date 1**”), 9 September 2013 (“**Observation Date 2**”), 9 September 2014 (“**Observation Date 3**”) and 9 September 2015 (“**Observation Date 4**”); subject to Modified Postponement;

“**Early Redemption Amount**” means $\text{Par} \times (100\% + \text{Coupon})$;

“**Early Redemption Date**” means Early Redemption Date 1: 24 September 2012; Early Redemption Date 2: 23 September 2013; Early Redemption Date 3: 23 September 2014; Early Redemption Date 4: 23 September 2015.

2. Provided that the Note has not been unwound or redeemed as the result of an Early Redemption, if, on Observation Date $t= 1,..4$, the Worst Performing Underlying is equal to or greater than the Coupon Barrier, the Note Holder will receive the Coupon Amount on the relevant Interest Payment Date, $j = 1,..4$

Where:

“**Coupon Barrier**” means 80%;

“**Coupon Amount**” means $\text{Par} \times \text{Coupon}$; and

“**Interest Payment Date**” means the annual Coupon Payment Dates, $j = 1,..4$, subject to Early Redemption as described above: Coupon Payment Date 1: 24 September 2012; Coupon Payment Date 2: 23 September 2013; Coupon Payment Date 3: 23 September 2014; Coupon Payment Date 4: 23 September 2015.

DISTRIBUTION

47. (i) If syndicated, names of Managers: Not Applicable
- (ii) Date of [Subscription] Agreement: Not Applicable
- (iii) Stabilising Manager(s) (if any): Not Applicable
48. If non-syndicated, name and address of Dealer: Morgan Stanley & Co. International plc
25 Cabot Square
London E14 4QA
49. U.S. Selling Restrictions: Not Applicable
50. Non-exempt offer: An offer of the Notes may be made by the Distributor other than pursuant to Article 3(2) of the Prospective Directive in Sweden (Public Offer Jurisdiction) during the period from 27 June 2011 to 26 August 2011 (Subscription Period), the Issuer has the right to adjustment the Subscription Period.
51. Total commission and concession: In connection with the offer and sale of the Notes, the Issuer or the Dealer will pay to the Distributor (as defined below) a one time or recurring distribution fee. The total discount offered, or total distribution fees payable, will not exceed 1.50% per annum. The investor acknowledges and agrees that such fees will be retained by the Distributor. Further information is available from either the distributor or Morgan Stanley upon request.
52. Additional selling restrictions: Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdictions and admission to trading on the London Stock Exchange's Regulated Market of the Notes described herein pursuant to the Program for the Issuance of Notes, Series A and B of Morgan Stanley B.V.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: TMF Management B.V. – Managing Director

Duly authorised

A handwritten signature in black ink, consisting of a large, stylized 'M' followed by a series of loops and a horizontal line, all enclosed within a large, irregular oval shape.

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 trading on the London Stock Exchange's Regulated Market and to be listed on the Official List of the FSA with effect from the Issue Date.

2. RATINGS Not Applicable

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

"Save as discussed in ["*Subscription and Sale*"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer".

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) Reasons for the offer: The net proceeds from the sale of Notes will be used by the Issuer for general corporate purposes, in connection with hedging the Issuer's obligations under the Notes, or both

(ii) Estimated net proceeds: Up to SEK 200,000,000 - the Issuer shall confirm the final Notional Amount to be issued upon the closing of Subscription Period

5. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Past and future performance including the volatility of the Underlying can be obtained from the following sources:

Bloomberg EWZ UP Equity and www.ishares.com

Bloomberg EPI UP Equity and <http://www.wisdomtree.com/india/>

Bloomberg HSCEI Index and <http://www.hsi.com.hk/HSI-Net/>

Bloomberg RDXUSD Index and http://en.wienerborse.at/marketplace_products/terminmarkt/futures-rdx.html

Bloomberg OMX Index and <https://indexes.nasdaqomx.com/>

6. OPERATIONAL INFORMATION

ISIN Code: SE0004051571

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 pr the Conditions

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

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

7. TERMS AND CONDITIONS OF THE OFFER

Offer Price:	The Issue Price + a subscription surcharge at the discretion of the Distributor of up to 2% of Par
Conditions to which the offer is subject:	Offers of the Securities are conditional upon their issue
Description of the application process:	Not Applicable
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	The Issuer has the right to terminate the Subscription Period at any time and not proceed with the issuance.
Details of the minimum and/or maximum amount of application:	The minimum subscription amount is one Note.
Details of the method and time limited for paying up and delivering the Notes:	The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys
Manner in and date on which results of the offer are to be made public:	The results of the offer will be communicated to the applicants by the Distributor
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	Not Applicable
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	Not Applicable
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	Not Applicable
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	Distributor: Strukturinvest Fondkommission (FK) AB of Stora Badhusgatan 18-20, Göteborg, Sweden (the "Distributor")

ANNEX 1

STATEMENT CONCERNING THE UNDERLYING INDICES

The Hang Seng China Enterprises Index (the "Index") is published and compiled by HSI Services Limited pursuant to a licence from Hang Seng Data Services Limited. The mark and name Hang Seng China Enterprises Index is proprietary to Hang Seng Data Services Limited. HSI Services Limited and Hang Seng Data Services Limited have agreed to the use of, and reference to, the Index by Morgan Stanley in connection with the products described herein but neither HSI Services Limited nor Hang Seng Data Services Limited warrants or represents or guarantees to any broker or holder of the Product or any other person the accuracy or completeness of the Index and its computation or any information related thereto and no warranty or representation or guarantee of any kind whatsoever relating to the Index is given or may be implied. The process and basis of computation and compilation of the Index and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by HSI Services Limited without notice. No responsibility or liability is accepted by HSI Services Limited or Hang Seng Data Services Limited in respect of the use of and/or reference to the Index by Morgan Stanley in connection with the Product, or for any inaccuracies, omissions, mistakes or errors of HSI Services Limited in the computation of the Index or for any economic or other loss which may be directly or indirectly sustained by any broker or holder of the Product or any other person dealing with the Product as a result thereof and no claims, actions or legal proceedings may be brought against HSI Services Limited and/or Hang Seng Data Services Limited in connection with the Product in any manner whatsoever by any broker, holder or other person dealing with the Product. Any broker, holder or other person dealing with the Product does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on HSI Services Limited and Hang Seng Data Services Limited. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between any broker, holder or other person and HSI Services Limited and/or Hang Seng Data Services Limited and must not be construed to have created such relationship.

The RDX® (Russian Depository Index) was developed and is real-time calculated and published by Wiener Börse AG. The full name of the Index and its abbreviation are protected by copyright law as trademarks. The RDX® (Russian Depository Index) description, rules and composition are available online on www.indices.cc - the index portal of Wiener Börse AG.

Wiener Börse does not guarantee the accuracy and/or the completeness of the RDX® (Russian Depository Index) or any data included therein and Wiener Börse shall have no liability for any errors, omissions, or interruptions therein.

A non-exclusive authorization to use the RDX® (Russian Depository Index) in conjunction with financial products was granted upon the conclusion of a license agreement between Issuer and Wiener Börse AG. The only relationship to the Licensee is the licensing of certain trademarks and trade names of the RDX® (Russian Depository Index) which is determined, composed and calculated by Wiener Börse without regard to the Licensee or the Product(s). Wiener Börse reserves the rights to change the methods of index calculation or publication, to cease the calculation or publication of the RDX® (Russian Depository Index) or to change the RDX® (Russian Depository Index) trademarks or cease the use thereof.

The issued Product(s) is/are not in any way sponsored, endorsed, sold or promoted by the Wiener Börse. Wiener Börse makes no warranty or representation whatsoever, express or implied, as to results to be obtained by Licensee, owners of the product(s), or any other person or entity from the use of the RDX® (Russian Depository Index) or any data included therein. Without limiting any of the foregoing, in no event shall Wiener Börse have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

The Notes not in any way sponsored, endorsed, sold or promoted by OMX AB (publ) ("OMX") and OMX makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the OMXS30 index and/or the figure at which the said OMXS30 index stands at any particular time on any particular day or otherwise. The OMXS30 index is compiled and calculated solely by Stockholm Stock Exchange Ltd. However, Stockholm Stock Exchange Ltd. shall not be liable (whether in negligence or otherwise) to any person for any error in the OMXS30 index and the Exchange shall not be under any obligation to advise any person of any error therein.

All rights to the trademarks OMX, OMXS30 and OMXS30 INDEX are vested in OMX and are used under license from OMX or a subsidiary of OMX

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, 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 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 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 this 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 (i) above, or acting otherwise than as required or contemplated herein.
- 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.