

SECOND BASE PROSPECTUS SUPPLEMENT

MORGAN STANLEY B.V.

as Issuer

(incorporated with limited liability in The Netherlands)

Morgan Stanley

as Guarantor

(incorporated under the laws of the State of Delaware in the United States of America)

Up to U.S.\$20,000,000,000

Program for the Issuance of Notes, Certificates and Warrants

Morgan Stanley B.V. (“**MSBV**” or the “**Issuer**”) and Morgan Stanley in its capacity as guarantor (the “**Guarantor**”) have prepared this second base prospectus supplement (the “**Second Base Prospectus Supplement**”) to supplement and be read in conjunction with the base prospectus dated 02 September 2015 (the “**Base Prospectus**”), as supplemented by the first base prospectus supplement dated 30 November 2015 (the “**First Base Prospectus Supplement**”) in relation to MSBV's programme for the issuance of notes, certificates and warrants.

This Second Base Prospectus Supplement has been approved by the Central Bank of Ireland which is the Irish competent authority for the purpose of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and relevant implementing measures in Ireland, as a base prospectus supplement issued in compliance with Article 16.1 of the Prospectus Directive and relevant implementing measures in Ireland. The Central Bank only approves this Second Base Prospectus Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

In addition, this Second Base Prospectus Supplement has been approved by the Irish Stock Exchange as supplementary listing particulars, pursuant to the listing and admission to trading rules of the Irish Stock Exchange, for the purpose of providing information with regard to the Issuer and the Guarantor for the purposes of admitting Securities to the Official List of the Irish Stock Exchange and trading on its Global Exchange Market. The Global Exchange Market is the exchange regulated market of the Irish Stock Exchange and is not a regulated market for the purposes of Directive 2004/39/EC.

Terms defined in the Base Prospectus shall have the same meaning when used in this Second Base Prospectus Supplement. To the extent that there is any inconsistency between any statement in this Second Base Prospectus Supplement and any other statement in, or incorporated by reference in, the Base Prospectus, the statements in this Second Base Prospectus Supplement will prevail.

The purpose of this Second Base Prospectus Supplement is to disclose changes of the credit rating of the Guarantor by Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Ratings Services and by Ratings and Investment Information, Inc. and to make certain consequential changes to the Base Prospectus as a result thereof.

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Second Base Prospectus Supplement. To the best of the knowledge and belief of the Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case), the information contained in this Second Base Prospectus Supplement (including each document incorporated by reference herein) is in accordance with the facts and does not omit anything likely to affect the import of such information.

Save as disclosed in this Second Base Prospectus Supplement, no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus (as supplemented by the First Base Prospectus Supplement) has arisen since the publication of the Base Prospectus (as supplemented by the First Base Prospectus Supplement).

This Second Base Prospectus Supplement is available for viewing and copies may be obtained from, the offices of the Issuer and the Paying Agents and are also available at www.morganstanley.com/about-us-ir or www.morganstanleyiq.eu.

23 December 2015

MORGAN STANLEY B.V.

MORGAN STANLEY

AMENDMENTS TO THE BASE PROSPECTUS

The Base Prospectus is hereby amended as follows:

1. On page iv, the first paragraph shall be deemed to be deleted in its entirety.
2. Element B.19/B.17 of the Summary on page 6 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced by the following:

B.19/ B.17	Solicited credit ratings	<i>As at 23 December 2015, Morgan Stanley's short-term and long-term debt has been respectively rated (i) R-1 (middle) and A (high), with a stable outlook, by Dominion Bond Rating Service Limited. (“DBRS”), (ii) F1 and A, with a stable outlook, by Fitch Ratings Ltd. (“Fitch”), (iii) P-2 and A3, with a stable outlook, by Moody's Investors Service, Inc. (“Moody's”), (iv) a-1 and A-, with a stable outlook, by Rating and Investment Information, Inc. (“R&I”) and (v) A-2 and BBB+, with a stable outlook, by Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Ratings Services (“S&P”). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.</i>
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3. On page 174 of the Base Prospectus, the following paragraph shall be deemed to be inserted:

Credit Ratings

“As at 23 December 2015, Morgan Stanley's short-term and long-term debt has been respectively rated (i) R-1 (middle) and A (high), with a stable outlook, by Dominion Bond Rating Service Limited. (“DBRS”), (ii) F1 and A, with a stable outlook, by Fitch Ratings, Inc. (“Fitch”), (iii) P-2 and A3, with a stable outlook, by Moody's Investors Service, Inc. (“Moody's”), (iv) a-1 and A-, with a stable outlook, by Ratings and Investment Information, Inc. (“R&I”) and (v) A-2 and BBB+, with a stable outlook, by Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Ratings Services (“S&P”).

MSBV is not rated.”