

THIRD 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 third base prospectus supplement (the “**Third 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 supplement dated 30 November 2015 (the “**First Base Prospectus Supplement**”) and the supplement dated 23 December 2015 (the “**Second Base Prospectus Supplement**”) in relation to MSBV's programme for the issuance of notes, certificates and warrants.

This Third 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 Third Base Prospectus Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

In addition, this Third 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 Third Base Prospectus Supplement. To the extent that there is any inconsistency between any statement in this Third Base Prospectus Supplement and any other statement in, or incorporated by reference in, the Base Prospectus, the statements in this Third Base Prospectus Supplement will prevail.

The purpose of this Third Base Prospectus Supplement is to:

- (i) disclose the publication of and incorporate by reference the second supplement to the Registration Document of Morgan Stanley, MSI plc and MSBV dated 31 March 2016 (the “**Second Registration Document Supplement**”) as set out in the section of this Third Base Prospectus Supplement entitled “Part A - Incorporation by Reference”;
- (ii) disclose the publication of and incorporate by reference Morgan Stanley’s annual report on Form 10-K for the year ended 31 December 2015 (the “**Morgan Stanley 2015 10-K**”), as set out in the section of this Third Base Prospectus Supplement entitled “Part A - Incorporation by Reference”;
- (iii) in respect of future issuances only under the Base Prospectus, make amendments to the summary as set out in the section of this Supplement entitled “Part B – Other consequential amendments to the Base Prospectus”; and
- (iv) make certain consequential amendments to the Base Prospectus as set out in “Part B” of this Third Base Prospectus Supplement.

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Third 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 Third 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 Third 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 and the Second Base Prospectus Supplement) has arisen since the publication of the Base Prospectus (as supplemented by the First Base Prospectus Supplement and the Second Base Prospectus Supplement).

Any information or documents incorporated by reference into the Morgan Stanley 2015 10-K does not form part of this Third Base Prospectus Supplement and any information or documents which are not incorporated by reference are either not relevant for the investor or covered in another part of this Third Base Prospectus Supplement.

This Third Base Prospectus Supplement and the Second Registration Document Supplement are available for viewing, and copies may be obtained from, the offices of the Issuer and the Paying Agents and are also available at www.morganstanleyiq.eu.

The Morgan Stanley 2015 10-K is available for viewing, and copies may be obtained from, the offices of the Issuers and the Paying Agents and is also available at www.morganstanley.com/about-us-ir.

14 April 2016

MORGAN STANLEY B.V.

MORGAN STANLEY

PART A - INCORPORATION BY REFERENCE

This Third Base Prospectus Supplement incorporates by reference the Morgan Stanley 2015 10-K and the Second Registration Document Supplement and supplements the section entitled “*Incorporation by Reference*” contained on pages 31-39 of the Base Prospectus. The Morgan Stanley 2015 10-K is available at www.morganstanley.com/about-us-ir.

The information incorporated by reference must be read in conjunction with the cross-reference table below which supplements the table of information incorporated by reference in the section entitled “*Incorporation by Reference*” contained on pages 31-39 of the Base Prospectus.

The following documents and/or information shall be deemed to be incorporated by reference in, and to form part of, the Base Prospectus:

Document filed	Information incorporated by reference	Page
Second Registration Document Supplement dated 31 March 2016	Part B	Pages 5-6
Morgan Stanley Annual Report on Form 10-K for the year ended 31 December 2015	Business	Pages 1-12
	Risk Factors	Pages 13-23
	Unresolved Staff Comments	Page 23
	Properties	Page 23
	Legal Proceedings	Pages 24-32
	Mine Safety Disclosures	Page 32
	Market for Registrant's Common Equity, Related Stockholder Matters, Issuer Purchases of Equity Securities and Stock Performance Graph	Pages 33-35
	Selected Financial Data	Pages 36-37
	Management's Discussion and Analysis of Financial Condition and Results of Operations	Pages 38-97
	Quantitative and Qualitative Disclosures about Market Risk	Pages 98-120
	Financial Statements and Supplementary Data	Pages 121-258
	Report of Independent Registered Public Accounting Firm	Page 121
	Consolidated Statements of Income	Page 122
	Consolidated Statements of Comprehensive Income	Page 123

Consolidated Statements of Financial Condition	Page 124
Consolidated Statements of Changes in Total Equity	Page 125
Consolidated Statements of Cash Flows	Page 126
Notes to Consolidated Financial Statements	Pages 127-250
Financial Data Supplement (Unaudited)	Pages 251-258
Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	Page 259
Controls and Procedures	Pages 259-261
Other Information	Page 261
Directors, Executive Officers and Corporate Governance	Page 262
Executive Compensation	Page 262
Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	Page 262
Certain Relationships and Related Transactions, and Director Independence	Page 262
Principal Accounting Fees and Services	Page 262
Exhibits, Financial Statement Schedules	Page 263
Signatures	S-1-S-2

This Supplement expressly does not incorporate by reference the documents and/or information identified in the cross-reference table below:

Second Registration Document Supplement dated 31 March 2016	Part A
Annual Report on Form 10-K for the year ended 31 December 2015	Exhibits

The Morgan Stanley 2015 10-K is available on Morgan Stanley's website at www.morganstanley.com/about-us-ir.

PART B – OTHER CONSEQUENTIAL AMENDMENTS TO THE BASE PROSPECTUS

The Base Prospectus is hereby amended as follows:

1. All references in the Base Prospectus to the “Registration Document” shall be deemed to be references to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc and MSBV dated 12 June 2015, as supplemented by the First Registration Document Supplement and the Second Registration Document Supplement, save that item 1 under “*Documents incorporated by reference*” on page 31 of the Base Prospectus shall continue to refer to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc and MSBV dated 12 June 2015;
2. Element B.19/B.12 of the Summary on page 5 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced by the following:

B.19 (B.12)	Selected historical key financial information:	Selected key financial information relating to Morgan Stanley:		
		Balance Sheet (\$ in millions)	<u>At 31 December 2014</u>	<u>At 31 December 2015</u>
		<i>Total assets</i>	801,510	787,465
		<i>Total liabilities and equity</i>	801,510	787,465
		Consolidated Income Statement (\$ in millions)	<u>2014</u>	<u>2015</u>
		<i>Net revenues</i>	34,275	35,155
		<i>Income from continuing operations before tax</i>	3,591	8,495
		<i>Net income</i>	3,667	6,279
		<p>There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2015, the date of the latest published annual audited accounts of Morgan Stanley</p> <p>There has been no significant change in the financial or trading position of Morgan Stanley since 31 December 2015, the date of the latest published annual audited accounts of Morgan Stanley.</p>		

3. Element B.19/B.10 of the Summary on page 5 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced by the following:

B.19 (B.10)	Audit Report Qualifications:	Not Applicable. There are no qualifications in the auditor's reports on the financial statements of Morgan Stanley for the years ended 31 December 2014 and 31 December 2015, as contained in Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2015.
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4. Element B.4b of the Summary on pages 2-3 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced by the following:

B.4b	Trends:	<p>The business of Morgan Stanley, the ultimate holding company of MSBV, in the past has been, and in the future may continue to be, materially affected by many factors, including: the effect of economic and political conditions and geopolitical events; sovereign risk; the effect of market conditions, particularly in the global equity, fixed income, currency, credit and commodities markets, including corporate and mortgage (commercial and residential) lending and commercial real estate markets and energy markets; the impact of current, pending and future legislation (including the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”)), regulation (including capital, leverage, funding and liquidity requirements), policies (including fiscal and monetary), and legal and regulatory actions in the United States of America (“U.S.”) and worldwide; the level and volatility of equity, fixed income and commodity prices (including oil prices), interest rates, currency values and other market indices; the availability and cost of both credit and capital as well as the credit ratings assigned to Morgan Stanley’s unsecured short-term and long-term debt; investor, consumer and business sentiment and confidence in the financial markets; the performance and results of Morgan Stanley’s acquisitions, divestitures, joint ventures, strategic alliances or other strategic arrangements; Morgan Stanley’s reputation and the general perception of the financial services industry; inflation, natural disasters, pandemics and acts of war or terrorism; the actions and initiatives of current and potential competitors as well as governments, regulators and self-regulatory organizations; the effectiveness of Morgan Stanley’s risk management policies; technological changes instituted by Morgan Stanley, its competitors or counterparties and technological risks, including cybersecurity, business continuity and related operational risks; Morgan Stanley’s ability to provide innovative products and services and execute its strategic objectives; or a combination of these or other factors. In addition, legislative, legal and regulatory developments related to Morgan Stanley’s businesses are likely to increase costs, thereby affecting results of operations.</p>
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5. Element B.19/B.4b of the Summary on pages 4-5 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced by the following:

B.19 (B.4b)	Trends:	<p>The business of Morgan Stanley in the past has been, and in the future may continue to be, materially affected by many factors, including: the effect of economic and political conditions and geopolitical events; sovereign risk; the effect of market conditions, particularly in the global equity, fixed income, currency, credit and commodities markets, including corporate and mortgage (commercial and residential) lending and commercial real estate markets and energy markets; the impact of current, pending and future legislation (including the Dodd-Frank Act), regulation (including capital, leverage, funding and liquidity requirements), policies (including fiscal and monetary), and legal and regulatory actions in the U.S. and worldwide; the level and volatility of equity, fixed income and commodity prices (including oil prices), interest rates, currency values and other market indices; the availability and cost of both credit and capital as well as the credit ratings assigned to Morgan Stanley’s unsecured short-term and long-term debt; investor, consumer and business sentiment and confidence in the financial markets; the performance and results of Morgan Stanley’s acquisitions, divestitures, joint ventures, strategic alliances or other strategic arrangements; Morgan Stanley’s reputation and the general perception of the financial services industry; inflation, natural disasters, pandemics and acts of war or terrorism; the actions and initiatives of current and potential competitors as well as governments, regulators and self-regulatory organizations; the effectiveness of Morgan Stanley’s risk management policies; technological changes instituted by Morgan Stanley, its competitors or counterparties and technological risks, including cybersecurity, business continuity and related operational risks; Morgan Stanley’s ability to provide innovative products and services and execute its strategic objectives; or a combination of these or other factors. In addition, legislative, legal and regulatory developments related</p>
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		to Morgan Stanley's businesses are likely to increase costs, thereby affecting results of operations.
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6. Element D.2 of the Summary on pages 12-14 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced by the following:

D.2	Key Risks Specific to the Issuer and the Guarantor:	<p>The following key risks affect Morgan Stanley and, since Morgan Stanley is the ultimate holding company of MSBV, also impact MSBV:</p> <p>Market Risk: Morgan Stanley's results of operations may be materially affected by market fluctuations and by global and economic conditions and other factors. Holding large and concentrated positions may expose Morgan Stanley to losses. These factors may result in losses for a position or portfolio owned by Morgan Stanley.</p> <p>Credit Risk: Morgan Stanley is exposed to the risk that third parties that are indebted to it will not perform their obligations, as well as that a default by a large financial institution could adversely affect financial markets. Such factors give rise to the risk of loss arising when a borrower, counterparty or issuer does not meet its financial obligations to Morgan Stanley.</p> <p>Operational Risk: Morgan Stanley is subject to the risk of loss, or of damage to its reputation, resulting from inadequate or failed processes, people and systems or from external events (e.g. fraud, theft, legal and compliance risks, cyber attacks or damage to physical assets). Morgan Stanley may incur operational risk across the full scope of its business activities, including revenue-generating activities (e.g. sales and trading) and support and control groups (e.g. information technology and trade processing).</p> <p>Liquidity and Funding Risk: Liquidity is essential to Morgan Stanley's businesses and Morgan Stanley relies on external sources to finance a significant portion of its operations. Morgan Stanley's borrowing costs and access to the debt capital markets depend significantly on its credit ratings. Morgan Stanley is a holding company and depends on payments from its subsidiaries. Further, Morgan Stanley's liquidity and financial condition have in the past been, and in the future could be, adversely affected by U.S. and international markets and economic conditions. As a result of the foregoing, there is a risk that Morgan Stanley will be unable to finance its operations due to a loss of access to the capital markets or difficulty in liquidating its assets; or be unable to meet its financial obligations without experiencing significant business disruption or reputational damage that may threaten its viability as a going concern.</p> <p>Legal, Regulatory and Compliance Risk: Morgan Stanley is subject to the risk of legal or regulatory sanctions, material financial loss including fines, penalties, judgments, damages and/or settlements, or loss to reputation it may suffer as a result of its failure to comply with laws, regulations, rules, related self-regulatory organization standards and codes of conduct applicable to its business activities. Morgan Stanley is also subject to contractual and commercial risk, such as the risk that a counterparty's performance obligations will be unenforceable. Additionally, Morgan Stanley is subject to anti-money laundering and terrorist financing rules and regulations. Further, in today's environment of rapid and possibly transformational regulatory change, Morgan Stanley also views regulatory change as a component of legal, regulatory and compliance risk.</p> <p>Risk Management: Morgan Stanley's risk management strategies, models and processes may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk.</p> <p>Competitive Environment: Morgan Stanley faces strong competition from other financial services firms, which could lead to pricing pressures that could materially adversely affect its revenue and profitability. Further, automated trading markets</p>
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		<p>may adversely affect Morgan Stanley's business and may increase competition (for example, by putting increased pressure on bid-offer spreads, commissions, markups or comparable fees). Finally, Morgan Stanley's ability to retain and attract qualified employees is critical to the success of its business and the failure to do so may materially adversely affect its performance.</p> <p>International Risk: Morgan Stanley is subject to numerous political, economic, legal, operational, franchise and other risks as a result of its international operations (including risks of possible nationalization, expropriation, price controls, capital controls, exchange controls, increased taxes and levies and other restrictive governmental actions, as well as the outbreak of hostilities or political and governmental instability) which could adversely impact its businesses in many ways.</p> <p>Acquisition, Divestiture and Joint Venture Risk: Morgan Stanley may be unable to fully capture the expected value from acquisitions, divestitures, joint ventures, minority stakes and strategic alliances.</p> <p>Risk relating to the exercise of potential resolution measures powers: The application of regulatory requirements and strategies in the United States to facilitate the orderly resolution of large financial institutions may pose a greater risk of loss for the holders of securities issued or guaranteed by Morgan Stanley.</p> <p>All material assets of MSBV are obligations of one or more companies in the Morgan Stanley group and MSBV's ability to perform its obligations is dependent upon such companies fulfilling their obligations to MSBV. Should such companies' prospects be impaired, holders of securities issued by MSBV may also be exposed to a risk of loss.</p>
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7. On page 172 of the Base Prospectus, item (vi) of the section entitled "General Information" shall be deemed to be deleted in full and replaced by the following:

"(vi) *Morgan Stanley's Annual Reports on Form 10-K for the years ended December 2015 and December 2014;*

8. On page 173 of the Base Prospectus, the fourth paragraph shall be deleted in its entirety and replaced by the following:

"Save as disclosed in:

(i) the section entitled "Legal Proceedings" in Part I - Item 3 at pages 24-32 and in the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" in Part II - Item 8 at pages 202-205 of the Morgan Stanley 2015 10-K;

(ii) the section entitled "Legal Settlement" under the heading "24. Subsequent Events" in "Notes to the Consolidated Financial Statements" in Part I - Item 8 at page 250 of the Morgan Stanley 2015 10-K; and

(iii) the Registration Document, First Registration Document Supplement and Second Registration Document Supplement,

there are no, nor have there been, any governmental, legal or arbitration proceedings involving Morgan Stanley (including any such proceedings which are pending or threatened of which Morgan Stanley) during the 12-month period before the date of this Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley.

9. On page 174 of the Base Prospectus, the two paragraphs immediately preceding the title "MSBV" shall be deemed to be deleted in full and replaced by the following:

There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2015, the date of the last published annual audited accounts of Morgan Stanley.

There has been no significant change in the financial or trading position of Morgan Stanley since 31 December 2015, the date of the latest published annual audited accounts of Morgan Stanley.