

FOURTH BASE PROSPECTUS SUPPLEMENT

Morgan Stanley

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

REGULATION S PROGRAM FOR THE ISSUANCE OF NOTES, SERIES A AND SERIES B, WARRANTS AND CERTIFICATES

Morgan Stanley (“**Morgan Stanley**” or the “**Issuer**”) has prepared this fourth base prospectus supplement (the “**Fourth Base Prospectus Supplement**”) to supplement and be read in conjunction with the base prospectus dated 19 June 2018 (the “**Base Prospectus**”), the first base prospectus supplement dated 24 August 2018 (the “**First Base Prospectus Supplement**”), the second base prospectus supplement dated 8 November 2018 (the “**Second Base Prospectus Supplement**”) and the third base prospectus supplement dated 25 January 2019 (the “**Third Base Prospectus Supplement**”) of Morgan Stanley relating to the Regulation S Program for the Issuance of Notes, Series A and Series B, Warrants and Certificates.

This Fourth Base Prospectus Supplement has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the “**CSSF**”), which is the Luxembourg competent authority for the purpose of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and relevant implementing measures in Luxembourg, as a prospectus supplement issued in compliance with Article 16.1 of the Prospectus Directive and relevant implementing measures in Luxembourg.

The CSSF gives no undertaking as to the economic and financial soundness of any transaction or the quality or solvency of the Issuer in line with the provisions of Article 7.7 of the Luxembourg Law on Prospectuses for Securities.

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

The purpose of this Fourth Base Prospectus Supplement is to:

- (a) disclose the publication by Morgan Stanley of its Annual Report on Form 10-K for the year ended 31 December 2018 (the “**Morgan Stanley 2018 10-K**”) and incorporate by reference certain sections of the Morgan Stanley 2018 10-K, as set out in “Part A” of this Fourth Base Prospectus Supplement;
- (b) disclose the publication of the fourth supplement to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 13 March 2019 and approved by the CSSF (the “**Fourth Registration Document Supplement**”) and incorporate by reference, as set out in “Part A” of this Fourth Base Prospectus Supplement;
- (c) make certain consequential amendments to the summary of the Base Prospectus pursuant to the publication of the Morgan Stanley 2018 10-K, as set out in “Part B” of this Fourth Base Prospectus Supplement;
- (d) make amendments to selected financial information of Morgan Stanley in the Base Prospectus, as set out in “Part C” of this Fourth Base Prospectus Supplement; and

- (e) make certain other amendments to the Base Prospectus, as set out in “Part D” of this Fourth Base Prospectus Supplement.

In accordance with Article 13 paragraph 2 of the Luxembourg Law on Prospectuses dated 10 July 2005, investors who have agreed to purchase or subscribe for, or have applied to purchase or subscribe for, any Notes prior to the publication of this Fourth Base Prospectus Supplement shall have the right, exercisable within two Business Days (as defined in the Conditions of such Notes) following the date of publication of this Fourth Base Prospectus Supplement, to withdraw their acceptances or applications by notice in writing to the Issuer or Distribution Agent, as the case may be. The final date within which such right of withdrawal must be exercised is 28 March 2019.

The Issuer confirms the following:

Save as disclosed in this Fourth 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, the Second Base Prospectus Supplement and the Third Base Prospectus Supplement) has arisen since the publication of the Base Prospectus (as supplemented by the First Base Prospectus Supplement, the Second Base Prospectus Supplement and the Third Base Prospectus Supplement).

The Issuer accepts responsibility for the information contained in this Fourth Base Prospectus Supplement. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Fourth Base Prospectus Supplement, the Fourth Registration Document Supplement and the Morgan Stanley 2018 10-K are available for viewing at, and copies may be obtained from, in the case of the Morgan Stanley 2018 10-K, the offices of Morgan Stanley and, in the case of the Fourth Base Prospectus Supplement and Fourth Registration Document Supplement, the offices of the Issuer and the Paying Agents.

The Morgan Stanley 2018 10-K is available on Morgan Stanley’s website at www.morganstanley.com/about-us-ir and on the website of the Luxembourg Stock Exchange at www.bourse.lu.

This Fourth Base Prospectus Supplement and the Fourth Registration Document Supplement are available on Morgan Stanley’s website at <http://sp.morganstanley.com/EU/Documents> and on the website of the Luxembourg Stock Exchange at www.bourse.lu.

26 March 2019

MORGAN STANLEY

CONTENTS

	Page
PART A – INCORPORATION BY REFERENCE: MORGAN STANLEY 2018 10-K AND FOURTH REGISTRATION DOCUMENT SUPPLEMENT	4
PART B – AMENDMENTS TO THE SUMMARY	6
PART C – AMENDMENTS TO SELECTED FINANCIAL INFORMATION	10
PART D – AMENDMENTS TO THE BASE PROSPECTUS.....	11

**PART A – INCORPORATION BY REFERENCE: MORGAN STANLEY 2018 10-K AND
FOURTH REGISTRATION DOCUMENT SUPPLEMENT**

This Fourth Base Prospectus Supplement incorporates by reference the Morgan Stanley 2018 10-K and the Fourth Registration Document Supplement and supplements the section entitled “*Incorporation by Reference*” contained on pages 38-42 of the Base Prospectus.

The Morgan Stanley 2018 10-K is available on Morgan Stanley’s website at www.morganstanley.com/about-us-ir and on the website of the Luxembourg Stock Exchange at www.bourse.lu.

This Fourth Base Prospectus Supplement and the Fourth Registration Document Supplement are available on Morgan Stanley’s website at <http://sp.morganstanley.com/EU/Documents> and on the website of the Luxembourg Stock Exchange at www.bourse.lu.

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 38-42 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(s)
Morgan Stanley		
Annual Report on Form 10-K for the year ended 31 December 2018	(1) Business	1-10
	(2) Risk Factors	11-23
	(3) Selected Financial Data	24
	(4) Management’s Discussion and Analysis of Financial Condition and Results of Operations	25-63
	(5) Quantitative and Qualitative Disclosures about Risk	64-82
	(6) Financial Statements and Supplementary Data	83-163
	(7) Report of Independent Registered Public Accounting Firm	83
	(8) Consolidated Income Statements	84
	(9) Consolidated Comprehensive Income Statements	85
	(10) Consolidated Balance Sheets	86
	(11) Consolidated Statements of Changes in Total Equity	87
	(12) Consolidated Cash Flow Statements	88
	(13) Notes to Consolidated Financial Statements	89-159
	(14) Financial Data Supplement (Unaudited)	160-163
	(15) Glossary of Common Acronyms	164-165

Document filed	Information incorporated by reference	Page(s)
	(16) Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	166
	(17) Controls and Procedures	166-168
	(18) Other Information	168
	(19) Unresolved Staff Comments	168
	(20) Properties	168
	(21) Legal Proceedings	169-173
	(22) Mine Safety Disclosures	173
	(23) Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	174-175
	(24) Directors, Executive Officers and Corporate Governance	176
	(25) Executive Compensation	176
	(26) Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	176
	(27) Certain Relationships and Related Transactions, and Director Independence	177
	(28) Principal Accountant Fees and Services	177
	(29) Exhibits and Financial Statement Schedules	177
	(30) Form 10-K Summary	177
	(31) Signatures	S-1-S-2
Fourth Registration Document Supplement	(1) Part B – Consequential and Other Amendments to the Registration Document	3-5

This Fourth Base Prospectus Supplement expressly does not incorporate by reference the documents and/or information identified in the cross-reference table below and supplements the section entitled “Incorporation by Reference” contained on pages 38-42 of the Base Prospectus, as they are not relevant for investors.

Document filed	Information not incorporated by reference
Morgan Stanley	
Annual Report on Form 10-K for the year ended 31 December 2018	Exhibit Index Exhibits
Fourth Registration Document Supplement	Part A

PART B – AMENDMENTS TO THE SUMMARY

I - Changes to Elements B.10 and B.12

- 1 The audit report qualifications information in relation to Morgan Stanley at Element B.10 of the summary in the Base Prospectus (set out on page 3 of the Base Prospectus) shall be replaced with the information below:

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 2017 and 31 December 2018, as contained in Morgan Stanley’s Annual Report on Form 10-K for the year ended 31 December 2018.
------	------------------------------------	--

- 2 The selected key financial information relating to Morgan Stanley at Element B.12 of the summary in the Base Prospectus (set out on pages 3-4 of the Base Prospectus) shall be replaced with the information below:

B.12	Selected historical key financial information:	<p>Selected key financial information relating to Morgan Stanley:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">At 31 December 2017</th> <th style="width: 20%; text-align: center;">At 31 December 2018</th> </tr> </thead> <tbody> <tr> <td colspan="3" style="text-align: center;">Consolidated Balance Sheets</td> </tr> <tr> <td colspan="3" style="text-align: center;"><i>(U.S.\$ in millions)</i></td> </tr> <tr> <td><i>Total assets</i></td> <td style="text-align: right;">851,733</td> <td style="text-align: right;">853,531</td> </tr> <tr> <td><i>Total liabilities and equity</i></td> <td style="text-align: right;">851,733</td> <td style="text-align: right;">853,531</td> </tr> <tr> <td colspan="3" style="padding-top: 20px;">Consolidated Income Statements</td> </tr> <tr> <td colspan="3" style="text-align: center;"><i>(U.S.\$ in millions)</i></td> </tr> <tr> <td><i>Net revenues</i></td> <td style="text-align: right;">37,945</td> <td style="text-align: right;">40,107</td> </tr> <tr> <td><i>Income from continuing operations before income taxes</i></td> <td style="text-align: right;">10,403</td> <td style="text-align: right;">11,237</td> </tr> <tr> <td><i>Net income</i></td> <td style="text-align: right;">6,216</td> <td style="text-align: right;">8,883</td> </tr> </tbody> </table> <p>There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2018, the date of the latest published annual audited financial statements of Morgan Stanley.</p> <p>There has been no significant change in the financial or trading position of Morgan Stanley since 31 December 2018, the date of the latest published annual audited financial statements of Morgan Stanley.</p>		At 31 December 2017	At 31 December 2018	Consolidated Balance Sheets			<i>(U.S.\$ in millions)</i>			<i>Total assets</i>	851,733	853,531	<i>Total liabilities and equity</i>	851,733	853,531	Consolidated Income Statements			<i>(U.S.\$ in millions)</i>			<i>Net revenues</i>	37,945	40,107	<i>Income from continuing operations before income taxes</i>	10,403	11,237	<i>Net income</i>	6,216	8,883
	At 31 December 2017	At 31 December 2018																														
Consolidated Balance Sheets																																
<i>(U.S.\$ in millions)</i>																																
<i>Total assets</i>	851,733	853,531																														
<i>Total liabilities and equity</i>	851,733	853,531																														
Consolidated Income Statements																																
<i>(U.S.\$ in millions)</i>																																
<i>Net revenues</i>	37,945	40,107																														
<i>Income from continuing operations before income taxes</i>	10,403	11,237																														
<i>Net income</i>	6,216	8,883																														

II – Changes to Elements B.4b and D2

- 1 The trends information in relation to Morgan Stanley at Element B.4b of the summary in the Base Prospectus (set out on pages 2-3 of the Base Prospectus) shall be replaced with the information below:

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 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 level of individual investor participation in the global markets, as well as the level of client assets; the flow of investment capital into or from assets under management or supervision; the level and volatility of equity, fixed income and commodity prices, interest rates, inflation and currency values and other market indices; the availability and cost of both credit and capital, as well as the credit ratings assigned to its unsecured short-term and long-term debt; technological changes instituted by it, its competitors or counterparties and technological risks, business continuity and related operational risks, including breaches or other disruptions of its or a third party’s (or third parties thereof) operations or systems; risk associated with cybersecurity threats, including data protection and cybersecurity risk management; its ability to manage effectively its capital and liquidity, including approval of its capital plans by its banking regulators; the impact of current, pending and future legislation (including with respect to the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”)) or changes thereto, regulation (including capital, leverage, funding, liquidity and recovery and resolution requirements and its ability to address such requirements), policies including fiscal and monetary policies established by central banks and financial regulators; changes to global trade policies and tariffs, government debt ceilings and funding, reforms of LIBOR, EURIBOR and other indices, and other legal and regulatory actions in the U.S. and worldwide; changes in tax laws and regulations globally, including the interpretation and application of the U.S. Tax Cuts and Jobs Act (“Tax Act”); the effectiveness of its risk management processes; its ability to effectively respond to an economic downturn or other market disruptions; the effect of economic and political conditions and geopolitical events, including, for example, the U.K.’s anticipated withdrawal from the E.U. and a government shutdown in the United States; the actions and initiatives of current and potential competitors, as well as governments, central banks, regulators and self-regulatory organizations; its ability to provide innovative products and services and execute its strategic objectives; sovereign risk; the performance and results of its acquisitions, divestitures, joint ventures, strategic alliances or other strategic arrangements; investor, consumer and business sentiment and confidence in the financial markets; its reputation and the general perception of the financial services industry; natural disasters, pandemics and acts of war or terrorism; 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>
------	----------------	---

- 2 The key risks information in relation to Morgan Stanley at Element D.2 of the summary in the Base Prospectus (set out on pages 10-12 of the Base Prospectus) shall be replaced with the information below:

D2	Key Risks Specific to the Issuer:	<p>The following key risks affect Morgan Stanley:</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, including changes in asset values. 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, or systems, from human factors 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). A cyber-attack, information or security breach or a technology failure could adversely affect Morgan Stanley’s ability to conduct its business, manage its exposure to risk or result in disclosure or misuse of confidential or proprietary information and otherwise adversely impact its results of operations, liquidity and financial condition, as well as cause reputational harm.</p>
		<p>Liquidity 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 on its credit ratings. Morgan Stanley is a holding company, has no operations and depends on dividends, distributions and other 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. Additionally, liquidity risk encompasses Morgan Stanley’s ability (or perceived ability) to meet its financial obligations without experiencing significant business disruption or reputational damage that may threaten its viability as a going concern. Morgan Stanley also experiences associated funding risks triggered by the market or idiosyncratic stress events that may negatively affect its liquidity or may impact its ability to raise new funding.</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, anti-corruption and terrorist</p>

		financing rules and regulations. The uncertainties and ambiguities as to the interpretation and application of the U.S. Tax Cuts and Jobs Act could adversely affect Morgan Stanley.
		Risk Management: Morgan Stanley's risk management strategies, models and processes may not be fully effective in mitigating its risk exposures in all market environments or against all types of risk. The expected replacement of London Interbank Offered Rate (" LIBOR ") and replacement or reform of other interest rates could adversely affect its business, financial condition and results of operations.
		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 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.
		International Risk: Morgan Stanley is subject to numerous political, economic, legal, tax, 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. The United Kingdom's anticipated withdrawal from the European Union could adversely affect Morgan Stanley.
		Acquisition, Divestiture and Joint Venture Risk: Morgan Stanley may be unable to fully capture the expected value from acquisitions, divestitures, joint ventures, minority stakes or strategic alliances.
		Risk Relating to the Exercise of Resolution Measures Powers: The application of regulatory requirements and strategies in the United States or other jurisdictions to facilitate the orderly resolution of large financial institutions may pose a greater risk of loss for Morgan Stanley's security holders and subject Morgan Stanley to other restrictions.

PART C – AMENDMENTS TO SELECTED FINANCIAL INFORMATION

The section titled “*Selected Financial Information of Morgan Stanley*” set out on page 30 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

SELECTED FINANCIAL INFORMATION OF MORGAN STANLEY

This section contains selected financial information of Morgan Stanley relating to the years ended 31 December 2017 and 31 December 2018.

The information in respect of the years ended 31 December 2017 and 31 December 2018 set out below is derived from the audited financial statements included in Morgan Stanley’s Annual Report on Form 10-K for the year ended 31 December 2018.

Consolidated Balance Sheets (U.S.\$ in millions)	At 31 Dec 2017	At 31 Dec 2018
<i>Total assets</i>	851,733	853,531
<i>Total liabilities and equity</i>	851,733	853,531

Consolidated Income Statements (U.S.\$ in millions)	At 31 Dec 2017	At 31 Dec 2018
<i>Net revenues</i>	37,945	40,107
<i>Income from continuing operations before income taxes</i>	10,403	11,237
<i>Net income</i>	6,216	8,883

PART D – AMENDMENTS TO THE BASE PROSPECTUS

The Base Prospectus is hereby amended as follows:

1. The second sentence of the fourth paragraph of the section titled “IMPORTANT NOTICES – *Risk Warning*” beginning on page i of the Base Prospectus and the first sentence of the third paragraph of the section titled “*Risk Factors Relating to the Notes*” beginning on page 17 of the Base Prospectus shall each be deleted and replaced by the following:

“The Issuer and Morgan Stanley & Co. International plc, as Distribution Agent, as well as any other affiliate involved in the issuance, offer or sale of the Notes, each disclaim any responsibility to advise prospective purchasers of any matters arising under the laws of the country in which they reside that may affect the purchase of, or holding of, or the receipt of payments on, the Notes.”

2. Each reference to “Distribution Agent” in the section titled “IMPORTANT INFORMATION” beginning on page iv of the Base Prospectus shall be deleted and replaced with “Distribution Agent (or any affiliate thereof involved in the issuance, offer or sale of the Notes)”.
3. The first paragraph of the section titled “*Arrangements Between Investors and Authorised Offerors*” on page 36 of the Base Prospectus shall be deleted and replaced by the following:

“AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR, INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF THE ISSUER OR, FOR THE AVOIDANCE OF DOUBT, ANY DISTRIBUTION AGENT OR ITS AFFILIATES HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.”

4. Item 32 (set out on page 96) of the section titled “*Pro Forma Final Terms for Notes*” beginning on page 81 of the Base Prospectus shall be amended by the addition of the words “or an Affiliate” after the first occurrence of the words “Morgan Stanley & Co. International plc”.
5. The first and second paragraphs of the section titled “*Subscription and Sale*” beginning on page 138 of the Base Prospectus shall be deleted and replaced by the following:

“The Issuer is offering the Notes on a continuing basis through Morgan Stanley & Co. International plc of 25 Cabot Square, Canary Wharf, London E14 4QA (the “**Distribution Agent**”), who has agreed to use reasonable efforts to solicit, directly or through its Affiliates, offers to purchase the Notes. The Issuer will have the sole right to accept offers to purchase Notes and may reject any offer in whole or in part. The Distribution Agent will have the right to reject any offer to purchase Notes solicited by it in whole or in part. The Issuer may pay the Distribution Agent, in connection with sales of the Notes resulting from a solicitation the Distribution Agent made or an offer to purchase received by the Distribution Agent, a commission, which may be in the form of a discount from the purchase price if the Distribution Agent is purchasing the Notes for its own account.

The Issuer may also sell Notes to the Distribution Agent as principal for its own account at a price to be agreed upon at the time of sale. The Distribution Agent may resell, directly or through any Affiliates, any Notes it purchases as principal at prevailing market prices, or at other prices, as the Distribution Agent determines.”

6. A new paragraph titled “*Use of Affiliates*” shall be added at the end of the section titled “*Subscription and Sale*” beginning on page 138 of the Base Prospectus to read as follows:

“Use of Affiliates

Morgan Stanley & Co. International plc, acting as Distribution Agent may, in the performance of some or all the activities described in this section “*Subscription and Sale*”, make use of its Affiliates. Its representations and undertakings are therefore made on its own behalf and on behalf of any such Affiliate.”

7. The first paragraph of the section titled “*Important Legal Information*” beginning on page 143 of the Base Prospectus shall be deleted and replaced by the following:

“Offering through Distribution Agent

The Issuer is offering the Notes on a continuing basis through Morgan Stanley & Co. International plc (the “**Distribution Agent**”), which has agreed to use reasonable efforts to solicit, directly or through its Affiliates, offers to purchase the Notes. The Issuer may also sell Notes to the Distribution Agent as principal for its own account at a price to be agreed upon at the time of sale. The Distribution Agent may resell, directly or through its Affiliates, any Notes it purchases as principal at prevailing market prices, or at other prices, as it determines. The Issuer or the Distribution Agent may reject any offer to purchase Notes, in whole or in part. See section entitled “*Subscription and Sale*” above.

8. The first six paragraphs of the section titled “*2. Credit Ratings*” of “*Important Legal Information*” beginning on page 143 of the Base Prospectus shall be deleted and replaced by the following:

“Notes may or may not be rated. Any credit rating applied for in relation to an issue of Notes will be specified in the applicable Final Terms. Whether or not such credit ratings applied for will be issued by a credit rating agency established in the European Union and registered under Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the “**CRA Regulation**”) will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Economic Area (“**EEA**”) and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation, or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation. This Base Prospectus includes details of the long-term and short-term credit ratings assigned to Morgan Stanley by DBRS, Inc. (“**DBRS**”), Fitch Ratings, Inc. (“**Fitch**”), Moody's Investors Service, Inc. (“**Moody's**”), Ratings and Investment Information, Inc. (“**R&I**”) and Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings (“**S&P**”). The list of credit rating agencies registered under the CRA Regulation (as updated from time to time) is published on the website of the European Securities and Markets Authority (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>).

None of DBRS, Fitch, Moody's or S&P is established in the EEA or has applied for registration under the CRA Regulation. However, certain of their respective affiliates are established in the EEA and

registered under the CRA Regulation. Such affiliates endorse the ratings of DBRS, Fitch, Moody's and S&P for use for regulatory purposes in the EEA.

R&I is not incorporated in the EEA and is not registered under the CRA Regulation.”

9. Sub-paragraph (d) set out on page 146 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

“(d) Annual Report of Morgan Stanley on Form 10-K for the year ended 31 December 2018 and Morgan Stanley Proxy Statement dated 6 April 2018;”

10. The first and second paragraphs in the section titled “*No material adverse change in prospects and no significant change in the financial or trading position*” set out on page 147 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

“There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2018, the date of the last published annual audited financial statements of Morgan Stanley.

There has been no significant change in the financial or trading position of Morgan Stanley since 31 December 2018, the date of the last published annual audited financial statements of Morgan Stanley.”

11. The sub section titled “*Legal and arbitration proceedings*” set out on pages 147 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

“*Legal and arbitration proceedings*”

Save as disclosed in:

(a) *the section entitled “Legal Proceedings” at pages 169-173 and in the paragraphs beginning with “Legal” under the heading “Contingencies” under the heading “Commitments, Guarantees and Contingencies” in “Notes to Consolidated Financial Statements” at pages 131-133 of Morgan Stanley’s Annual Report on Form 10-K for the year ended 31 December 2018 (the “**Form 10-K**”);*

(b) *the section entitled “Legal Proceedings and Contingencies” at Part 7 of the section entitled “Description of Morgan Stanley” at pages 43-57 of the Registration Document dated 8 June 2018 (as supplemented by the First Registration Document Supplement dated 22 August 2018, the Second Registration Document Supplement dated 4 October 2018 and the Third Registration Document Supplement dated 7 November 2018 and the Fourth Registration Document Supplement dated 13 March 2019); and*

(c) *the last published annual audited financial statements of Morgan Stanley,*

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 is aware) during the 12-month period before the date of this Base Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley.”