

**MIFID II PRODUCT GOVERNANCE/ RETAIL INVESTORS/ PROFESSIONAL INVESTORS AND ECPS TARGET MARKET:**

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS AND RETAIL CLIENTS, EACH AS DEFINED IN MIFID II; AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES ARE APPROPRIATE.

ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

**Final Terms dated 8 March 2021**

*MORGAN STANLEY & CO, INTERNATIONAL plc*

*Legal Entity Identifier (LEI): 4PQUHN3JPF GFNF3BB653*

Issue of up to GBP 5,000,000 Preference Share Linked Notes due 2029

Guaranteed by Morgan Stanley

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

**PART A – CONTRACTUAL TERMS**

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 Notes set forth in the Base Prospectus dated 16 July 2020 and the supplements dated 29 July 2020, 18 August 2020, 14 October 2020, 23 October 2020, 17 November 2020 and 8 February 2021 which together constitute a base prospectus which constitutes a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Regulation (Regulation (EU) 2017/1129) (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. However, a summary of the Issue is annexed to these Final Terms. 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 and on the Issuers' website at <http://sp.morganstanley.com/EU/Documents> and copies of the Base Prospectus and these Final Terms are available on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

- 1. (i) Series Number: EU612
- (ii) Series Designation: Series A
- (iii) Tranche Number: 1

2. Specified Currencies: Currency or Pound Sterling (“GBP”)
3. Aggregate Nominal Amount of the Notes: Up to GBP 5,000,000
- (i) Series: Up to GBP 5,000,000
- (ii) Tranche: Up to GBP 5,000,000
4. Issue Price: 100 per cent. of par per Note
5. (i) Specified Denominations (Par): GBP 1,000 and integral multiples of GBP 1.00 in excess thereof.
- (ii) Calculation Amount: GBP 1.00
6. (i) Issue Date: 17 May 2021
- (ii) Trade Date: 18 February 2021
- (iii) Interest Commencement Date: Not Applicable
- (iv) Strike Date: 30 April 2021
- (v) Determination Date: 8 May 2029
7. Maturity Date: 15 May 2029
8. No Underlying Determination Event Maturity Date: 15 May 2029
9. (i) Supplementary Provisions for Belgian Securities: Not Applicable
- (ii) Minimum Redemption Amount: Not Applicable
10. Number of Business Days: Five (5) Business Days following the Final Valuation Date
11. Put/Call Options:
- (i) Redemption at the option of the Issuer: Not Applicable
- (General Condition 16.5)
- (ii) Redemption at the option of the Noteholders: Not Applicable

(General Condition  
16.7)

12. Method of distribution: Non-syndicated
13. **Preference Share-Linked** Applicable  
**Notes:**  
(Section 6 of the Additional  
Conditions)

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. No Interest: Not Applicable  
(Paragraph 1.1(a) of Section 6  
of the Additional Conditions)
15. **Regular Coupon:** Not Applicable
16. **Barrier Conditional Coupon:** Not Applicable
17. **Memory Barrier Conditional** Not Applicable  
**Coupon:**
18. **Range Accrual Coupon:** Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

19. **Call Option** Not Applicable  
(General Condition 16.5)
20. **Put Option** Not Applicable  
(General Condition 16.7)
21. **Linked Redemption** Applicable  
**Provisions: Preference**  
**Share-Linked Redemption**  
**Notes**  
(General Condition 14)
- (i) Preference Share: Series 888 Preference Shares linked to the FTSE  
Custom 100 Synthetic 3.5% Fixed Dividend Index  
issued on 7 May 2021
- (ii) Preference Share Issuer: Sienna Finance UK Limited
- (iii) Determination Agent responsible for  
calculating the Final  
Redemption Amount: Morgan Stanley & Co. International plc

- (iv) Valuation Time: As per General Condition 14.8
- (v) Additional Disruption Event(s): Change in Law, Hedging Disruption, Insolvency Filing and Increased Cost of Hedging shall apply  
(General Condition 14.6)

22. **Linked Redemption Provisions: Final Redemption Amount**

(General Condition 16 and Section 6 of the Additional Conditions)

- (i) Final Redemption Amount: The Final Redemption Amount in respect of each Note is an amount per Calculation Amount in the Specified Currency calculated by the Determination Agent equal to:

$$\text{Calculation Amount} \times \text{Participation Rate} \times \frac{\text{Preference Share Value}_{\text{final}}}{\text{Preference Share Value}_{\text{initial}}}$$

- (ii) Final Valuation Date: The day falling five (5) Business Days following the Preference Share Determination Date

- (iii) Participation Rate: 100 per cent.

- (iv) Underlying Determination Event: Applicable  
Underlying Determination Event Valuation Date(s):

28 April 2023,  
30 October 2023,  
30 April 2024,  
30 October 2024,  
30 April 2025,  
30 October 2025,  
30 April 2026,  
30 October 2026,  
30 April 2027,  
29 October 2027,  
28 April 2028,  
30 October 2028

No Underlying Determination Event Valuation Date:

30 April 2029

23. (i) Early Redemption Amount upon Event of Default (General Condition 21): Early Preference Share Redemption Note Amount
- (ii) Early Redemption Amount (Tax) upon redemption pursuant to Condition 16.2 (*Tax Redemption – Morgan Stanley and MSFL Notes*) Condition 16.3 (*Tax Redemption – MSI plc and MSBV Notes*). Early Redemption Amount (Tax) – Fair Market Value
24. Inconvertibility Provisions: Event Not Applicable
- (General Condition 33)

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes: Uncertificated
- (General Condition 3)
26. Additional Business Centre(s) or other special provisions relating to Payment Dates: London only
27. Record Date: The Record Date is one clearing system business day before the relevant due date for payment.
28. Redenomination, renominatisation and reconventioning provisions: Not Applicable
29. **Taxation:**
- (i) General Condition 20.1: "Additional Amounts" is Not Applicable
- (ii) General Condition 20.3: Implementation of Financial Transaction Tax Event is Not Applicable
30. **Illegality and Regulatory Event:**
- (General Condition 22)
- (i) Illegality and Regulatory Event: Applicable

(General Condition 22):

- |      |   |   |
|------|---|---|
| (ii) | Early Redemption Amount (Illegality and Regulatory Event):                            | Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value         |
| 31.  | <b>Index Adjustment Events:<br/>(General Condition 9.2(b))</b>                        | Early Redemption Amount (Index Cancellation) – Fair Market Value shall apply          |
| 32.  | <b>Merger Event or Tender Offer:<br/>(General Condition 9.4(a))</b>                   | Not Applicable  |
| 33.  | <b>Nationalisation, Insolvency and Delisting:<br/>(General Condition 9.4(b))</b>      | Not Applicable  |
| 34.  | <b>Extraordinary ETF Events:<br/>(General Condition 9.5)</b>                          | Not Applicable  |
| 35.  | <b>Additional Disruption Events:<br/>(General Condition 9.6)</b>                      | Early Redemption Amount (Additional Disruption Event) – Fair Market Value shall apply |
| 36.  | <b>Partial Lookthrough Depositary Receipt Provisions:<br/>(General Condition 9.7)</b> | Not Applicable  |
| 37.  | <b>Full Lookthrough Depositary Receipt Provisions:<br/>(General Condition 9.8)</b>    | Not Applicable  |
| 38.  | <b>Additional Disruption Events:<br/>(General Condition 10.8)</b>                     | Not Applicable  |
| 39.  | <b>Additional Disruption Events:<br/>(General Condition 11.6)</b>                     | Not Applicable  |
| 40.  | <b>Additional Disruption Events:<br/>(General Condition 12.7)</b>                     | Not Applicable  |
| 41.  | <b>CNY Disruption Events:</b>   | Not Applicable  |

**(General Condition 34)**

42. **Substitution of Issuer or Guarantor with non Morgan Stanley Group entities:** Applicable  
**(General Condition 35.2)**

**DISTRIBUTION**

43. (i) If syndicated, names and addresses of Managers and underwriting commitments: and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.) Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
- (iii) Stabilising Manager(s) (if any): Not Applicable
44. If non-syndicated, name and address of dealer: Morgan Stanley & Co. International plc  
25 Cabot Square  
London E14 4QA
45. Non-exempt Offer and Offer Period: An offer of the Notes may be made by Mariana Capital Markets other than pursuant to Article 3(2) of the Prospectus Directive in United Kingdom ("Public Offer Jurisdictions") during the period from, and including 8 March 2021 to, and including, 30 April 2021 ("**Offer Period**"). Subject to the following conditions: See further paragraph 7 of Part B below.
46. Total commission and concession: In connection with the offer and sale of the Notes, Morgan Stanley & Co. International plc will pay the Distributor a one time distribution fee amount equal to a maximum of 1.63 per cent. of the Aggregate Nominal Amount. No fees will be paid by the Issuer or Morgan Stanley & Co. International plc, directly or indirectly, in connection with any advised sale of Notes.

**United States Taxation**

**This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Investors should seek their own advice based upon their particular circumstances from an independent tax advisor.**

A non-U.S. investor should review carefully the section entitled "*United States Federal Taxation*" in the Base Prospectus.

**POTENTIAL SECTION 871(m) TRANSACTION**

Please see paragraph 10 of Part B – Other Information to this Final Terms for additional information regarding withholding under Section 871(m) of the Code.

Signed on behalf of the Issuer:

By:

Duly authorised



## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

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 Luxembourg Stock Exchange's Regulated Market and to be listed on the official list of the Luxembourg Stock Exchange with effect from the Issue Date.

No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by the Issue Date. The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.

Estimate of total expenses related to admission to trading: EUR 2,000

### **2. RATINGS**

Ratings: The Notes will not be rated

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

"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: General corporate purposes

(ii) Estimated net proceeds: Up to GBP 5,000,000

(iii) Estimated total expenses: EUR 2,000

### **5. PERFORMANCE OF PREFERENCE SHARE/EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

*The Notes relate to the Series 888 preference shares of Sienna UK.*

*The Final Redemption Amount payable on the Notes is linked to the performance of the Preference Share and Noteholders may not receive the amount initially invested, and may receive a significantly lesser amount.*

*The market price or value of the Notes at any time is expected to be affected by changes in the value of the Preference Shares to which the Notes are linked.*

*The market price or value of the Notes could, in certain circumstances, be affected by fluctuations in the actual or anticipated rates of dividend (if any) or any other distributions on the Preference Shares*

The Issuer does not intend to provide post-issuance information.

6. **OPERATIONAL INFORMATION**

ISIN Code: GB00BW6SD355

SEDOL BW6SD35

Common code:

CFI: DTZUFR

FISN: MORN STAN/EQ LKD NT 20290515 UNSEC/

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): Bank of New York Mellon

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

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

7. **TERMS AND CONDITIONS OF THE OFFER**

Offer Price: Issue Price

Conditions to which the offer is subject: Not Applicable

Description of the application process: Not Applicable

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: Not Applicable

Details of the minimum and/or maximum amount of application:	Not Applicable
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:	Not Applicable
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	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.	None

8. **PLACING AND UNDERWRITING**

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the issuer or to the offeror, of the placers in the various countries where the offer takes place:	Not Applicable
Name and address of any paying agents and depository agents in each country:	Not Applicable
Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best	Not Applicable

efforts" agreements. Where not all of the issue is underwritten, a statement of the portion not covered:

9. **OTHER MARKETS**

All the regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of securities to be offered or admitted to trading are already admitted to trading: None

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

11. **Prohibition of Sales to EEA Retail Investors:** Not Applicable

12. **Details of benchmarks administrators and registration under Benchmarks Regulation:** Applicable:  
FTSE Custom 100 Synthetic 3.5% Fixed Dividend Index is administered by FTSE International Ltd who as at the Issue Date, does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks (Regulation (EU) 2016/2011) (the "**Benchmarks Regulation**"). As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that FTSE International Ltd is not currently required to obtain authorisation or registration (or if located outside the European Union, recognition, endorsement or equivalence).

<b>SUMMARY</b>	
<b>A. INTRODUCTION AND WARNINGS</b>	
<b>A.1.1</b>	<i>Name and international securities identifier number (ISIN) of the Notes</i>
Tranche 1 of Series A GBP 5,000,000 Preference Share Linked Notes due 2031 (the “Notes”). ISIN Code: GB00BW6SD355	
<b>A.1.2</b>	<i>Identity and contact details of the issuer, including its legal entity identifier (LEI)</i>
Morgan Stanley & Co. International plc (the “ <b>Issuer</b> ” or “ <b>MSI plc</b> ”) is incorporated under the laws of England and Wales and has its registered office at 25 Cabot Square, Canary Wharf, London E14 4QA, United Kingdom. MSI plc’s legal entity identifier (LEI) is 4PQUHN3JPF GFNF3BB653.	
<b>A.1.3</b>	<i>Identity and contact details of the competent authority approving the Base Prospectus</i>
The Base Prospectus has been approved by the Commission de Surveillance du Secteur Financier (CSSF) as competent authority, whose postal address is 283, Route, d’Arlon, L-2991 Luxembourg, telephone number (+352) 26 251 - 2601, in accordance with Regulation (EU) 2017/1129 (the “ <b>Prospectus Regulation</b> ”).	
<b>A.1.4</b>	<i>Date of approval of the Base Prospectus</i>
The Base Prospectus was approved on 16 July 2020.	
<b>A.1.5</b>	<i>Warning</i>
This summary has been prepared in accordance with Article 7 of the Prospectus Regulation and should be read as an introduction to the Base Prospectus. Any decision to invest in the Notes should be based on consideration of the Base Prospectus as a whole by the investor. Any investor could lose all or part of their invested capital and, where any investor’s liability is not limited to the amount of the investment, it could lose more than the invested capital. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or if it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.	
<b>B. KEY INFORMATION ON THE ISSUER</b>	
<b>B.1</b>	<i>Who is the issuer of the Notes?</i>
<b>B.1.1</b>	<i>Domicile, legal form, LEI, jurisdiction of incorporation and country of operation</i>
MSI plc is a public limited company organised under the laws of England and Wales. MSI plc has its registered office in London, UK. MSI plc’s legal entity identifier (LEI) is 4PQUHN3JPF GFNF3BB653.	

<b>B.1.2</b>	<i>Principal activities</i>																												
The principal activity of the MSI plc Group is the provision of financial services to corporations, governments and financial institutions. MSI plc operates globally. It operates branches in the Dubai International Financial Centre, South Korea, the Netherlands, Poland, the Qatar Financial Centre and Switzerland.																													
<b>B.1.3</b>	<i>Major Shareholders</i>																												
MSI plc is wholly and directly owned by Morgan Stanley Investments UK and is ultimately controlled by Morgan Stanley.																													
<b>B.1.4</b>	<i>Key managing directors</i>																												
Jonathan Bloomer, David Cannon, Mary Phibbs, Terri Duhon, Simon Ball, Arun Kohli, Kim Lazaroo, Lee Guy, Clare Woodman, David Russell, Jakob Horder, Noreen Whyte																													
<b>B.1.5</b>	<i>Identity of the statutory auditors</i>																												
Deloitte LLP																													
<b>B.2</b>	<b><i>What is the key financial information regarding the Issuer?</i></b>																												
<p><i>The information in respect of the years ended 31 December 2018 and 31 December 2019 set out below is derived from the audited financial statements included in the MSI plc Annual Report for the years ended 31 December 2018 and 31 December 2019. The information in respect of the six months ended 30 June 2019 and 30 June 2020 is derived from the unaudited financial statements included in MSI plc's half-yearly financial report for the six months ended 30 June 2019 and 30 June 2020.</i></p> <p><b><i>Consolidated income statement</i></b></p> <table border="1"> <thead> <tr> <th><i>In USD (million)</i></th> <th><b>2019</b></th> <th><b>2018</b></th> <th><b>Six months ended 30 June 2020 (unaudited)</b></th> <th><b>Six months ended 30 June 2019 (unaudited)</b></th> </tr> </thead> <tbody> <tr> <td>Profit for the period</td> <td>549</td> <td>729</td> <td>592</td> <td>361</td> </tr> </tbody> </table> <p><b><i>Balance Sheet</i></b></p> <table border="1"> <thead> <tr> <th><i>In USD (million)</i></th> <th><b>31 December 2019</b></th> <th><b>31 December 2018</b></th> <th><b>Six months ended 30 June 2020 (unaudited)</b></th> <th><b>Six months ended 30 June 2019 (unaudited)</b></th> </tr> </thead> <tbody> <tr> <td>Net financial debt (long term debt plus short term debt minus cash)</td> <td>19,729</td> <td>6,290</td> <td>4,451</td> <td>15,682</td> </tr> </tbody> </table> <p><b><i>Cash flow statement</i></b></p> <table border="1"> <thead> <tr> <th><i>In USD (million)</i></th> <th><b>2019</b></th> <th><b>2018</b></th> <th><b>Six months ended 30 June 2020 (unaudited)</b></th> <th><b>Six months ended 30 June 2019 (unaudited)</b></th> </tr> </thead> <tbody> </tbody> </table>					<i>In USD (million)</i>	<b>2019</b>	<b>2018</b>	<b>Six months ended 30 June 2020 (unaudited)</b>	<b>Six months ended 30 June 2019 (unaudited)</b>	Profit for the period	549	729	592	361	<i>In USD (million)</i>	<b>31 December 2019</b>	<b>31 December 2018</b>	<b>Six months ended 30 June 2020 (unaudited)</b>	<b>Six months ended 30 June 2019 (unaudited)</b>	Net financial debt (long term debt plus short term debt minus cash)	19,729	6,290	4,451	15,682	<i>In USD (million)</i>	<b>2019</b>	<b>2018</b>	<b>Six months ended 30 June 2020 (unaudited)</b>	<b>Six months ended 30 June 2019 (unaudited)</b>
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			<b>June 2020 (unaudited)</b>	<b>June 2019 (unaudited)</b>
Net Cash flows (used in)/from operating activities	(659)	1,986	4,525	3,195
Net Cash flows (used in)/from financing activities	(789)	5,833	(194)	(239)
Net Cash flow used in investing activities	(457)	(1,353)	(1)	(456)

**B.3** *What are the key risks that are specific to the Issuer?*

**(A) Risk Relating to the Issuer**

Holders of Notes issued by the Issuer bear the credit risk of the Issuer, that is the risk that the Issuer is not able to meet its obligations under such Notes, irrespective of whether such Notes are referred to as capital or principal protected or how any principal, interest or other payments under such Notes are to be calculated. If the Issuer is not able to meet its obligations under the Notes, then that would have a significant negative impact on the investor's return on the Notes and an investor may lose up to its entire investment.

**(B) Risk relating to MSI plc**

The existence of substantial inter-relationships (including the provision of funding, capital, services and logistical support to or by MSI plc, as well as common or shared business or operational platforms or systems, including employees) between MSI plc and other Morgan Stanley Group companies exposes MSI plc to the risk that, factors which could affect the business and condition of Morgan Stanley or other companies in the Morgan Stanley Group may also affect the business and condition of MSI plc. Further, Notes issued by MSI plc will not be guaranteed by Morgan Stanley. The application of regulatory requirements and strategies in the United Kingdom to facilitate the orderly resolution of large financial institutions may pose a greater risk of loss for the holders of securities issued by MSI plc.

The following key risks affect Morgan Stanley and, since Morgan Stanley is the ultimate holding company of MSI plc, also impact MSI plc.

**(C) Risks relating to the financial situation of Morgan Stanley**

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. Morgan Stanley's results of operations have been, and will likely continue to be, adversely affected by the COVID-19 pandemic.

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.

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.

**(D) Risks relating to the operation of Morgan Stanley's business activities**

Morgan Stanley is subject to operational risks, including a failure, breach or other disruption of its operations or security systems or those of Morgan Stanley's third parties (or third parties thereof), which could adversely affect its businesses or reputation. 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.

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. Further, expected replacement of London Interbank Offered Rate and replacement or reform of other interest rates could adversely affect Morgan Stanley's business, financial condition and results of operations.

**(E) 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 financing rules and regulations.

**(F) Other risks relating to Morgan Stanley's business activities**

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.

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 UK's withdrawal from the EU could adversely affect Morgan Stanley.

Morgan Stanley may be unable to fully capture the expected value from acquisitions, divestitures, joint ventures, minority stakes or strategic alliances.



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.

**C. KEY INFORMATION ON THE NOTES**

**C.1** *What are the main features of the Notes?*

**C.1.1** *Type, class and ISIN*

The Notes are issued in registered form ("**Registered Notes**") in global certificate form. The ISIN Code of the Notes is GB00BW6SD355.

The Notes are not Notes in respect of which physical settlement may apply or may be elected to apply ("**Cash Settlement Notes**").

Redemption amounts payable in respect of the Notes are linked to the value or performance of preference shares ("**Preference-Share Linked Notes**")

**C.1.2** *Currency, denomination, par value, number of Notes issued and duration*

The specified currency of the Notes is Pound Sterling ("GBP"). The specified denomination of the Notes is GBP 1,000 and integral multiples of GBP 1.00 in excess thereof. The aggregate nominal amount of the Notes is up to GBP 5,000,000 and the issue price per Note is 100 per cent. of par. The Notes issued on 5 March 2021 and are scheduled to mature on 5 March 2031. The Notes may redeem earlier if an early redemption event occurs.

**C.1.3** *Rights attached to the Notes*

Notes are not ordinary debt securities and linked to the performance of the preference shares identified as the Relevant Underlying.

Relevant Underlying: Series 888 Preference Shares linked to the FTSE Custom 100 Synthetic 3.5% Fixed Dividend Index issued on 7 May 2021

**Final Redemption Amount:**

- (1) If Underlying Determination Event applies:
- (2) (i) if the Relevant Underlying becomes subject to redemption pursuant to the underlying determination provisions contained in the terms and conditions of the Relevant Underlying and redemption occurs (or which redemption but for the delay of the date for valuation or determination of the underlying asset or reference basis (or any part thereof) for the Relevant Underlying on or about such date, would have occurred), the day falling three (3) business days following the Final Valuation Date (as set out below); or
- (3) (ii) otherwise, 15 May 2029 or, if later, the day falling three business days following the Final Valuation Date.

**(G) PREFERENCE SHARE-LINKED NOTES**

The Notes will be redeemed on the Maturity Date at an amount per Calculation Amount determined by the Determination Agent as being the product of (i) the Calculation Amount, (ii) the Participation Rate (being 100%) and (iii) the value which is (A) the fair market value of the Relevant Underlying (as determined by the Determination Agent) as of the Final Valuation Date *divided by* (B) the fair

market value of the Relevant Underlying (as determined by the Determination Agent) as of the Initial Valuation Date. For these purposes:

"**Final Valuation Date**" means the day falling seven business days following the Preference Share Determination Date; "**Initial Valuation Date**" means the Issue Date or, if such date is not a business day, the next following business day; and "**Preference Share Determination Date**" means

If Underlying Determination Event applies:

(i) if the Relevant Underlying becomes subject to redemption pursuant to the underlying determination provisions contained in the terms and conditions of the Relevant Underlying, the Underlying Determination Event Valuation Date falling in the year in which such redemption occurs (or which but for the delay of the date for valuation or determination of the underlying asset or reference basis (or any part thereof) for the Relevant Underlying on or about such date, would have occurred); or

(ii) otherwise, 30 April 2029,

or, in each case, if any date(s) for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Relevant Underlying falling on or about such day is to be delayed in accordance with the terms and conditions of the Relevant Underlying by reason of a disruption or adjustment event, the Preference Share Determination Date shall be such delayed valuation or determination date(s), all as determined by the Determination Agent; and

"**Underlying Determination Event Valuation Date**" means

28 April 2023, 30 October 2023, 30 April 2024, 30 October 2024, 30 April 2025, 30 October 2025, 30 April 2026, 30 October 2026, 30 April 2027, 29 October 2027, 28 April 2028, 30 October 2028 and 30 April 2029

If Underlying Determination Event does not apply:

30 April 2029 or, if any date(s) for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Relevant Underlying falling on or about such day is to be delayed in accordance with the terms and conditions of the Relevant Underlying by reason of a disruption or adjustment event, the Preference Share Determination Date shall be such delayed valuation or determination date(s), all as determined by the Determination Agent.

**Value Determination Terms** for determining Initial Reference Value, Final Reference Value: The Determination Agent will determine the value of the Relevant Underlying as of such time on the relevant date as the Determination Agent determines is appropriate

**Tax Redemption:** The Notes may be redeemed early for tax reasons at *Fair Market Value is specified as applicable*: an amount (determined by the Determination Agent, acting in good faith and in a commercially reasonable manner) equal to the fair market value of such Note on such day as is selected by the Determination Agent acting in good faith and in a commercially reasonable manner

**Events of Default:** If an Event of Default occurs, the Notes may be redeemed prior to their Maturity Date at the Early Redemption Amount if the Noteholders of not less than 25% in aggregate principal amount of the Notes give written notice to the Issuer declaring the Notes to be immediately due and payable.

The Events of Default applicable to the Notes are as follows:

(1) non-payment of any amount of principal or any amount of interest (in each case, within 30 days of the due date) in respect of the Notes; and

(2) the Issuer becomes insolvent or is unable to pay its debts as they fall due, or an administrator or liquidator is appointed in respect of the Issuer or the whole or a substantial part of its undertaking, assets and revenues (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent), or the Issuer takes any action for a composition with or for the benefit of its creditors generally, or an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent) and such order or effective resolution has remained in force and has not been rescinded, revoked or set aside for 60 days after the date on which such order is made or effective resolution is passed.

**Early Redemption Amount:** The Notes are Preference Share-Linked Notes and the Early Redemption Amount will be an amount per Calculation Amount equal to the product of (i) the Calculation Amount, (ii) the Participation Rate (which is 100) and (iii) the Preference Share Value on the Early Redemption Valuation Date divided by the Preference Share Value on the Initial Valuation Date.

**Governing Law:** The Notes will be governed by English law.

**Limitations to the rights:**

**Prescription.** Claims for principal and interest on redemption in respect of the Notes shall become void unless the relevant note certificates are surrendered for payment within 10 years of the due date for payment.

**C.1.4** *Rank of the Notes in the Issuer's capital structure upon insolvency*

The Notes constitute direct and general obligations of the Issuer ranking *pari passu* among themselves.

**C.1.5** *Restrictions on free transferability of the Notes*

Interests in the Notes will be transferred in accordance with the procedures and regulations of the relevant clearing system, subject to restrictions on sale of the Notes into certain jurisdictions. The Notes cannot be offered or sold in the U.S. or to U.S. persons, nor held in the U.S. or by U.S. Persons at any time. The Notes may not be acquired or held by, or acquired with the assets of, any employee benefit plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986, or any entity whose underlying assets include "plan assets" within the meaning of Section 3(42) of ERISA by reason of any such employee benefit plan's account's or plan's investment therein.

**C.2** *Where will the Notes be traded?*

Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange.

**C.3/4** *What are the key risks that are specific to the Notes?*

- (A) Investors may lose all or a substantial portion of their investment if the value/performance of the Relevant Underlying does not move in the anticipated direction.
- (B) The terms of certain Notes differ from those of ordinary debt securities because the Notes may not pay interest and, on maturity, depending on the performance of the Relevant Underlying,

may return less than the amount invested or nothing, or may return assets or securities of an issuer that is not affiliated with the Issuer, the value of which is less than the amount invested.

- (C) Secondary trading of the Notes may be limited. Further, if the Notes are traded via one or more electronic trading systems and these systems become partially or completely unavailable, this would affect the investor's ability to trade the Notes.
- (D) The market price of Notes may be very volatile. Further, investors in Notes may receive no interest and payment or payment of principal or interest, if applicable, may occur at a different time or in a different currency than expected. The Relevant Underlying may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices. The timing of changes in a Relevant Underlying may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Underlying the greater the effect on yield.
- (E) It is impossible to predict how the level of the Relevant Underlying will vary over time. The historical performance value (if any) of the Relevant Underlying does not indicate the future performance of the Relevant Underlying. Factors such as volatility, interest rates, remaining term of the Notes or exchange rates will influence the price investors will receive if an investor sells its Notes prior to maturity.
- (F) The value of the Preference Shares may fluctuate up or down depending on the performance of the relevant underlying asset(s) or basis of reference to which Preference Shares are linked. The value of the Preference Share Linked Notes is dependent on the value of the Preference Shares, which will depend in part on the creditworthiness of Preference Share Issuer. If the Preference Shares become subject to redemption pursuant to the "underlying determination event" provisions contained in their terms and conditions, the Maturity Date of the Notes and thereby valuation of the Preference Shares, will be brought forward and fall earlier than would otherwise have been the case.

**D. KEY INFORMATION ON THE OFFER OF NOTES TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET**

**D.1** *Under which conditions and timetable can I invest in the Notes?*

Conditions, offer statistics, expected timetable and action required to apply for the offer.

The Offer Period is the period from, and including 8 March 2021 to, and including, 30 April 2021

The Notes are being offered United Kingdom

Dealing in the Notes may not begin before applicants are notified of the amount allotted to each applicant.

Placing and Underwriting

Name and address of the co-ordinator of the global offer: Mariana Capital Markets are the placers in respect of the Notes in United Kingdom

Paying Agents: Computershare

Calculation Agent: Morgan Stanley & Co. International plc

Determination Agent: Morgan Stanley & Co. International plc

**D.2**

*Why has the prospectus been produced?*

***Reasons for offer, use and estimated net amount of proceeds***

The net proceeds of the issue of the Notes will be used by the Issuer for general corporate purposes.

***Underwriting agreement on a firm commitment basis***

The offer of the Notes is not subject to an underwriting agreement on a firm commitment basis.

***Conflicts of interest***

Potential conflicts of interest may exist between the investor and the Determination Agent, who, under the terms of the Notes, may make such adjustments to the Notes as it considers appropriate as a consequence of certain events affecting the payment currency for the Notes, and in doing so, is entitled to exercise substantial discretion.