

SECOND SUPPLEMENT TO OFFERING CIRCULAR

Morgan Stanley

as issuer and guarantor

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

MORGAN STANLEY FINANCE LLC

as issuer

(formed 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 B, Warrants and Certificates

Morgan Stanley and Morgan Stanley Finance LLC (together with Morgan Stanley, the "**Issuers**") and Morgan Stanley in its capacity as guarantor (the "**Guarantor**") have prepared this second supplement to the offering circular (the "**Second Offering Circular Supplement**") to supplement and be read in conjunction with the offering circular for non-principal protected securities dated 10 April 2017 (the "**Offering Circular**") as supplemented by the first supplement to the Offering Circular dated 18 May 2017 (the "**First Offering Circular Supplement**") published in relation to the Issuers' Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates.

This Second Offering Circular Supplement does not constitute a "supplement" for the purposes of Directive 2003/71/EC (as amended by Directive 2010/73/EU, the "**Prospectus Directive**"), and the Offering Circular, the First Offering Circular Supplement and this Second Offering Circular Supplement have been prepared on the basis that no prospectus shall be required under the Prospectus Directive for any Programme Securities to be offered and sold under the Offering Circular. None of the Offering Circular, the First Offering Circular Supplement, and this Second Offering Circular Supplement have been approved or reviewed by any regulator which is a competent authority under the Prospectus Directive in the European Economic Area (the "**EEA**") or in any other jurisdiction.

Application has been made for this Second Offering Circular Supplement to be approved as supplementary listing particulars pursuant to rule 3.10 of the Global Exchange Market Listing and Admission to Trading Rules of the Irish Stock Exchange and to be approved pursuant to points 12 et seq. of the directive of the SIX Swiss Exchange.

Unless otherwise defined in this Second Offering Circular Supplement, terms defined in the Offering Circular (as supplemented by the First Offering Circular Supplement) shall have the same meaning when used in this Second Offering Circular Supplement. To the extent that there is any inconsistency between any statement in this Second Offering Circular Supplement and any other statement in, or incorporated by reference in, the Offering Circular as supplemented by the First Offering Circular Supplement, the statements in this Second Offering Circular Supplement will prevail.

The purpose of this Second Offering Circular Supplement is to:

- (a) disclose the publication of the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 9 June 2017 (the "**2017 Registration Document**") and incorporate by reference certain sections of the 2017 Registration Document as set out in "Part A" of this Second Offering Circular Supplement; and
- (b) make certain consequential amendments to the Offering Circular as set out in "Part B" of this Second Offering Circular Supplement.

Each of the Issuers and the Guarantor, as applicable, confirms the following:

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

Each Issuer accepts responsibility for the information contained in this Second Offering Circular Supplement and the Guarantor accepts responsibility for the information contained in this Second Offering Circular Supplement pertaining to the Guarantor and the Guarantee. To the best of the knowledge and belief of the Issuers and the Guarantor (who have 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.

Any information or documents incorporated by reference into the 2017 Registration Document are not incorporated by reference into this Second Offering Circular Supplement as such information or documents are either not relevant for the investor or covered in another part of this Second Offering Circular Supplement.

This Second Offering Circular Supplement and the 2017 Registration Document are available for viewing, and copies may be obtained from, the offices of the Issuers and the Paying Agents. This Second Offering Circular Supplement and the 2017 Registration Document are also available on Morgan Stanley's website at www.morganstanleyiq.eu and this Second Offering Circular Supplement is also available on the website of the Irish Stock Exchange at www.ise.ie.

12 June 2017

MORGAN STANLEY

MORGAN STANLEY FINANCE LLC

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PART A
INCORPORATION BY REFERENCE: 2017 REGISTRATION DOCUMENT

This Second Offering Circular Supplement incorporates by reference those sections of the 2017 Registration Document identified in the cross-reference table below and supplements and must be read in conjunction with the section entitled "*Incorporation by reference*" contained on pages 28-30 of the Offering Circular.

The 2017 Registration Document is available on Morgan Stanley's website at www.morganstanleyiq.eu.

Document filed	Information incorporated by reference	Page
Morgan Stanley		
Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 9 June 2017	(1) Risk Factors, excluding the paragraphs headed " <i>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</i> ", " <i>Risks relating to insolvency proceedings in the Netherlands</i> ", " <i>There are substantial inter-relationships between MSI plc and other Morgan Stanley Group companies</i> " and " <i>No guarantee</i> " on pages 13-15 and the section headed " <i>Applicable Resolution Powers</i> " on pages 15-17	2-17
	(2) Description of Morgan Stanley	26-67
	(3) Selected Financial Information of Morgan Stanley	68
	(4) Description of Morgan Stanley Finance LLC	80-81
	(5) Selected Financial Information of Morgan Stanley Finance LLC	82
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This Second Offering Circular Supplement expressly does not incorporate by reference the documents and/or information identified in the cross-reference table below.

Document filed	Information not incorporated by reference	Page
Morgan Stanley		
Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 9 June 2016	(1) Risk Factors, only the paragraphs headed " <i>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</i> ", " <i>Risks relating to insolvency proceedings in the Netherlands</i> ", " <i>There are substantial inter-relationships between MSI plc and other Morgan Stanley Group companies</i> " and " <i>No guarantee</i> " on pages 13 to 15 and the section headed " <i>Applicable Resolution Powers</i> " on pages 15-17	13-17
	(2) Information Incorporated by Reference	18-25
	(3) Description of Morgan Stanley & Co. International plc	69-74
	(4) Selected Financial Information of Morgan Stanley & Co. International plc	75
	(5) Description of Morgan Stanley B.V.	76-78
	(6) Selected Financial Information of Morgan Stanley B.V.	79

PART B
AMENDMENTS TO THE OFFERING CIRCULAR

The Offering Circular is hereby amended as follows:

1. Unless the context requires otherwise, all references in the Offering Circular to a "Registration Document" shall be deemed to be references to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 9 June 2017, save that item 1 under "*Incorporation by reference*" on page 28 of the Offering Circular shall continue to refer to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc and Morgan Stanley B.V. dated 10 June 2016.
2. On page 2 of the Offering Circular, the words "*the Registration Document dated 10 June 2016, as supplemented by the First Registration Document Supplement dated 19 October 2016 and the Second Registration Document Supplement dated 14 March 2017*" shall be deleted and replaced with "*the Registration Document dated 9 June 2017*".
3. On page 7 of the Offering Circular, the words "*at pages 1 to 12 in the Registration Document as supplemented by the supplements dated 19 October 2016 and 14 March 2017*" shall be deleted and substituted with the words "*at pages 2 to 13 of the Registration Document*".
4. On page 31 of the Offering Circular, the words "*as supplemented by the Registration Document Supplements (item 2 and 3) above*" shall be deleted.
5. On page 289 of the Offering Circular, section 3(b) shall be deleted in its entirety and replaced with "*(b) the Registration Document dated 9 June 2017;*".
6. On page 4 of the First Offering Circular Supplement the paragraph amending page 31 of the Offering Circular shall be deleted in its entirety and substituted with:

"For the avoidance of doubt, all information in respect of MSFL contained in the Registration Document is incorporated by reference in to the Offering Circular".