

**Supplement dated 24 November 2014 to the Base Prospectus dated 16 December 2013 and the Final Terms dated 10 November 2014 in relation to the USD 200,000,000 Collared Floating Rate Notes due 2018 Series EU178**

**Morgan Stanley**

***MORGAN STANLEY***

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

***MORGAN STANLEY & CO. INTERNATIONAL plc***

*(incorporated with limited liability in England and Wales)*

***MORGAN STANLEY B.V.***

*(incorporated with limited liability in The Netherlands)*

**ISSUE OF UP TO USD 200,000,000 COLLARED FLOATING RATE NOTES DUE 2018, SERIES EU178 WITH ISIN XS1114467415**

Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**") and Morgan Stanley B.V. ("**MSBV**", together with Morgan Stanley and MSI plc, the "**Issuers**") and Morgan Stanley, in its capacity as guarantor (in such capacity, the "**Guarantor**") have prepared this issue-specific base prospectus supplement (the "**Prospectus Supplement**") specifically in relation to the USD 200,000,000 Collared Floating Rate Notes due 2018 Series EU178 with ISIN XS1114467415 (the "**Relevant Notes**"), the economic terms of which are set out in the Final Terms dated 10 November 2014 for the issue of the Relevant Notes (the "**Final Terms**"), to supplement and be read in conjunction with the base prospectus for Notes dated 16 December 2013 (the "**Base Prospectus**"), the first supplement thereto dated 25 April 2014 (the "**First Supplement**"), the second supplement thereto dated 30 May 2014 (the "**Second Supplement**"), the third supplement thereto dated 13 June 2014 (the "**Third Supplement**"), the fourth supplement thereto dated 26 September 2014 (the "**Fourth Supplement**"), in each case, of Morgan Stanley, MSI plc and MSBV (each in its capacity as Issuer) and Morgan Stanley (in its capacity as Guarantor) relating to the Regulation S Program for the Issuance of Notes Series A and Series B, Warrants and Certificates, and the Final Terms.

This 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.

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

The purpose of this Prospectus Supplement is to disclose a material new factor relevant to investors who have subscribed to the issue of the Relevant Notes, the economic terms of which are set out in the Final Terms:

**The Issuer informs investors that the amount indicated in Part 14(xii) (*Minimum Rate of Interest*) at page 3 of the Final Terms set out as 1.20 per cent. per annum shall now be 1.43 per cent. per annum. Consequently, the minimum rate of interest described in Element C.9 (*Interest Redemption and Representation*) of the issue-specific summary scheduled to the Final Terms (the "Issue-specific Summary") indicated as 1.20% shall now be 1.43%.**

Those amendments to the Final Terms set out in this Prospectus Supplement shall only apply to the Series EU178 instruments and shall not affect any other Series of instruments issued under the Base Prospectus.

Prospective investors in the Relevant Notes and any investors who have already subscribed for the Relevant Notes are hereby notified that an amended and restated Final Terms (including an amended Issue-specific Summary) will be filed to this effect before the issue date of the Relevant Notes.

In accordance with Article 13 paragraph 2 of the Luxembourg Law on Prospectuses dated 10 June 2005, investors who have agreed to purchase or subscribe for, or have applied to purchase or subscribe for, any Relevant Notes prior to the publication of this Prospectus Supplement shall have the right, exercisable within two Business Days following the date of publication of this Prospectus Supplement, to withdraw their acceptances or applications by notice in writing to the relevant Issuer or Manager, as the case may be. The final date within which such right of withdrawal must be exercised is 26 November 2014.

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

Save as disclosed in this Prospectus Supplement, no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus relating to the Series EU178 instruments has arisen since the publication of the Fourth Supplement.

Each of the Issuers and the Guarantor accepts responsibility for the information contained in this Prospectus Supplement. 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.

This Prospectus Supplement is available for viewing, and a copy may be obtained from, the offices of the Issuers and the Paying Agents. This Prospectus Supplement is also available on Morgan Stanley's website at [www.morganstanleyiq.eu](http://www.morganstanleyiq.eu) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

24 November 2014

**MORGAN STANLEY**

**MORGAN STANLEY & CO. INTERNATIONAL PLC**

**MORGAN STANLEY B.V.**