SEVENTH BASE PROSPECTUS SUPPLEMENT

Morgan Stanley

as issuer and guarantor
(incorporated under the laws of the State of Delaware in the United States of America)

MORGAN STANLEY & CO. INTERNATIONAL PLC

as issuer
(incorporated with limited liability in England and Wales)

MORGAN STANLEY B.V.

as issuer
(incorporated with limited liability in The Netherlands)

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 SERIES B, WARRANTS AND CERTIFICATES

Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley B.V. ("**MSBV**") and Morgan Stanley Finance LLC ("**MSFL**", together with Morgan Stanley, MSI plc and MSBV, the "**Issuers**") and Morgan Stanley, in its capacity as guarantor (in such capacity, the "**Guarantor**") have prepared this seventh base prospectus supplement (the "**Seventh Base Prospectus Supplement**") to supplement and be read in conjunction with the base prospectus dated 5 July 2023 of Morgan Stanley, MSI plc, MSBV and MSFL (as supplemented by the first supplement to the Base Prospectus dated 27 July 2023, the second supplement to the Base Prospectus dated 16 August 2022, the third supplement to the Base Prospectus dated 9 October 2023, the fourth supplement to the Base Prospectus dated 25 October 2023, the fifth supplement to the Base Prospectus dated 13 November 2023 and the sixth supplement to the Base Prospectus dated 22 January 2024, the "**Base Prospectus**") relating to the Regulation S Program for the Issuance of Notes, Series A and Series B, Warrants and Certificates.

This Seventh Base Prospectus Supplement has been approved by:

(i) the Financial Conduct Authority ("**FCA**") as competent authority under the UK Prospectus Regulation (as defined below). The FCA only approves this Seventh Base Prospectus Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the UK version of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"). Such approval by the FCA should not be considered as an endorsement of the Issuer or the quality of the Notes; and

(ii) the Luxembourg Stock Exchange pursuant to the appendices to the Rules and Regulations of the Luxembourg Stock Exchange for the purpose of providing information with regard to the Issuers and the Guarantor for the purpose of listing Program Securities on the Official List and to trading on the Euro MTF market of the Luxembourg Stock Exchange. The Euro MTF market is not a regulated market for the purposes of Directive 2014/65/EU.

Investors should be aware that the prospectus regulation rules of the FCA made under sections 73A and 83A of the Financial Services and Markets Act 2000, as amended from time to time (the "**Prospectus Regulation Rules**") and the UK Prospectus Regulation apply where the Notes are admitted to trading on a regulated market situated or operating within the United Kingdom and/or an offer of the Notes is made to the public (within the meaning provided for the purposes of the Prospectus Regulation Rules) in the United Kingdom.

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

The purpose of this Seventh Base Prospectus Supplement is to:

(a) disclose the publication by Morgan Stanley of its Annual Report on Form 10-K dated 22 February 2024 for the year ended 31 December 2023 (the "**Morgan Stanley 2023 Form 10-K**");

(b) incorporate the Morgan Stanley 2023 Form 10-K by reference into the Base Prospectus, as set out in "Part A" of this Seventh Base Prospectus Supplement;

(c) make certain consequential amendments to the "*Risk Factors relating to the Notes*" section in the Base Prospectus, as set out in "Part B" of this Seventh Base Prospectus Supplement;

(d) make certain consequential amendments to the "*Description of Morgan Stanley*" section in the Base Prospectus, as set out in "Part C" of this Seventh Base Prospectus Supplement;

(e) make certain consequential amendments to the "*Description of Morgan Stanley & Co. International plc*" section in the Base Prospectus, as set out in "Part D" of this Seventh Base Prospectus Supplement;

(f) make certain consequential amendments to the "*Description of Morgan Stanley B.V.*" section in the Base Prospectus, as set out in "Part E" of this Seventh Base Prospectus Supplement;

(g) make certain consequential amendments to the "*General Information*" section in the Base Prospectus, as set out in "Part F" of this Seventh Base Prospectus Supplement.

In accordance with Article 23.2 of the UK Prospectus Regulation and PRR 3.4.1 of the Prospectus Regulation Rulebook, 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 Seventh Base Prospectus Supplement and where Notes had not yet been delivered to the investors at the time when the significant new factor, material mistake or material inaccuracy arose or was noted, shall have the right, exercisable within two working days following the date of publication of this Seventh Base 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 21 March 2024.

Save as disclosed in this Seventh Base Prospectus Supplement, no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen since the publication of the sixth supplement to the Base Prospectus on 22 January 2024.

Each Responsible Person (as defined below) accepts responsibility for the information contained in the relevant document and confirms that, to the best of its knowledge, having taken all reasonable care to ensure that such is the case, the information contained in the relevant document is in accordance with the facts and does not omit anything likely to affect the import of such information.

"**Responsible Person**" means:

(i) Morgan Stanley with regard to this Seventh Base Prospectus Supplement which comprises this Seventh Base Prospectus Supplement with the exception of Part D and Part E hereto;

(ii) MSI plc with regard to this Seventh Base Prospectus Supplement which comprises this Seventh Base Prospectus Supplement with the exception of Part A, Part B, Part C, Part E and Part F hereto;

(iii) MSBV with regard to this Seventh Base Prospectus Supplement which comprises this Seventh Base Prospectus Supplement with the exception of Part A, Part B, Part C, Part D and Part F hereto; and

(iv) MSFL with regard to this Seventh Base Prospectus Supplement which comprises this Seventh Base Prospectus Supplement with the exception of Part A, Part B, Part C, Part D, Part E and Part F hereto.

Any information or documents which are not incorporated by reference are either not relevant for the investor or covered in another part of this Seventh Base Prospectus Supplement.

This Seventh Base Prospectus Supplement is available for viewing, and copies may be obtained from the offices of the Responsible Person and is available on Morgan Stanley's website at https://sp.morganstanley.com/EU/Documents and on the website of the Luxembourg Stock Exchange at www.luxse.com.

The Morgan Stanley 2023 Form 10-K is available on Morgan Stanley's website at https://www.morganstanley.com/content/dam/msdotcom/en/about-us-ir/shareholder/10k2023/10k1223.pdf and on the website of the Luxembourg Stock Exchange at www.luxse.com.

19 March 2024

CONTENTS

PART A - INCORPORATION BY REFERENCE

This Seventh Base Prospectus Supplement incorporates by reference the Morgan Stanley 2023 Form 10-K and supplements the section entitled "*Incorporation by Reference*" contained on pages 89-95 of the Base Prospectus.

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 89-95 of the Base Prospectus.

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

Documents filed	**Information incorporated by reference**	**Page(s)**
1. Morgan Stanley Annual Report on Form 10-K for the year ended 31 December 2023 https://www.morganstanley.com/content/dam/msdotcom/en/about-us-ir/shareholder/10k2023/10k1223.pdf	(1) Business	5-12
	(2) Cybersecurity	26-27
	(3) Management's Discussion and Analysis of Financial Condition and Results of Operation	28-60
	(4) Quantitative and Qualitative Disclosures about Risk	61-79
	(5) Financial Statements and Supplementary Data	80-149
	(6) Report of Independent Registered Public Accounting Firm	80-81
	(7) Consolidated Income Statement	82
	(8) Consolidated Comprehensive Income Statement	82
	(9) Consolidated Balance Sheet	83
	(10) Consolidated Statement of Changes in Total Equity	84
	(11) Consolidated Cash Flow Statement	85
	(12) Notes to Consolidated Financial Statements	86-149
	(13) Financial Data Supplement (Unaudited)	150-152
	(14) Glossary of Common Terms and Acronyms	153
	(15) Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	154

Any non-incorporated parts of the documents referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in the Base Prospectus. Any documents incorporated by reference into the documents listed above do not form part of the Base Prospectus.

PART B – AMENDMENTS TO THE "RISK FACTORS RELATING TO THE NOTES" SECTION

1. Each paragraph under the section titled "*Morgan Stanley's results of operations may be materially affected by market fluctuations and by global financial market and economic conditions and other factors.*" at pages 18 and 19 shall be deleted in their entirety and the following substituted therefor:

   "*Morgan Stanley's results of operations have been in the past and may, in the future, be materially affected by global financial market and economic conditions, including in particular by periods of low or slowing economic growth in the United States and other major markets, both directly and indirectly through their impact on client activity levels. These include the level and volatility of equity, fixed income and commodity prices; the level, term structure and volatility of interest rates; inflation and currency values; the level of other market indices, fiscal or monetary policies established by central banks and financial regulators; and uncertainty concerning the future path of interest rates, government shutdowns, debt ceilings or funding, which may be driven by economic conditions, recessionary fears, market uncertainty or lack of confidence among investors and clients due to the effects of widespread events such as global pandemics, natural disasters, climate related incidents, acts of war or aggression, geopolitical instability, changes in U.S. presidential administrations or Congress, changes to global trade policies, supply chain complications and the implementation of tariffs or protectionist trade policies and other factors, or a combination of these or other factors.*

   The results of Morgan Stanley's Institutional Securities business segment, particularly results relating to its involvement in primary and secondary markets for all types of financial products, are subject to substantial market fluctuations due to a variety of factors that we cannot control or predict with great certainty. These fluctuations impact results by causing variations in business flows and activity and in the fair value of securities and other financial products. Fluctuations also occur due to the level of global market activity, which, among other things, can be impacted by market uncertainty or lack of investor and client confidence due to unforeseen economic, geopolitical or market conditions that in turn affect the size, number and timing of investment banking client assignments and transactions and the realization of returns from our principal investments.

   Periods of unfavorable market or economic conditions, including equity market levels and the level and pace of changes in interest rates and asset valuation, may have adverse impacts on the level of individual investor confidence and participation in the global markets and/or the level of and mix of client assets, including deposits, which would negatively impact the results of Morgan Stanley's Wealth Management business segment.

   Substantial market fluctuations could also cause variations in the value of Morgan Stanley's investments in its funds, the flow of investment capital into or from AUM, and the way customers allocate capital among money market, equity, fixed income or other investment alternatives, which could negatively impact the results of Morgan Stanley's Investment Management business segment.

   The value of Morgan Stanley's financial instruments may be materially affected by market fluctuations. Market volatility, illiquid market conditions and disruptions in the markets may make it difficult to value and monetize certain of Morgan Stanley's financial instruments, particularly during periods of market uncertainty or displacement. Subsequent valuations in future periods, in light of factors then prevailing, may result in significant changes in the value of these instruments and may adversely impact historical or prospective fees and performance-based income (also known as incentive fees, which include carried interest) in respect of certain businesses. In addition, at the time of any sales and settlements of these financial instruments, the price Morgan Stanley ultimately realizes will depend on the demand and liquidity in the market at that time and may be materially lower than their current fair value. Any of these factors could cause a decline in the value of Morgan Stanley's financial instruments, which may adversely affect its results of operations in future periods.

   In addition, financial markets are susceptible to severe events evidenced by rapid depreciation in asset values accompanied by a reduction in asset liquidity. Under these extreme conditions, hedging and other risk management strategies may not be as effective at mitigating trading losses as they would be under more normal market conditions. Moreover, under these conditions, market participants are particularly exposed to trading strategies employed by many market participants simultaneously and on a large scale, which could lead to increased individual counterparty risk for Morgan Stanley's businesses. Although Morgan Stanley's risk management and monitoring processes seek to quantify and mitigate risk to more extreme market moves, severe market events have historically been difficult to predict, and Morgan Stanley could realize significant losses if extreme market events were to occur."

2. Each paragraph under the section titled "*Morgan Stanley is exposed to the risk that third parties that are indebted to it will not perform their obligations.*" at pages 19 and 20 shall be deleted in their entirety and the following substituted therefor:

"*Morgan Stanley incurs significant credit risk exposure through its Institutional Securities business segment. This risk may arise from a variety of business activities, including, but not limited to: extending credit to clients through various lending commitments; entering into swap or other derivative contracts under which counterparties have obligations to make payments to Morgan Stanley; acting as clearing broker for listed and over-the-counter derivatives whereby Morgan Stanley guarantees client performance to clearinghouses; providing short- or long-term funding that is secured by physical or financial collateral, including, but not limited to, real estate and marketable securities, whose value may at times be insufficient to fully cover the loan repayment amount; posting margin and/or collateral and other commitments to clearinghouses, clearing agencies, exchanges, banks, securities firms and other financial counterparties; and investing and trading in securities and loan pools, whereby the value of these assets may fluctuate based on realized or expected defaults on the underlying obligations or loans.*

*Morgan Stanley also incurs credit risk in its Wealth Management business segment lending to mainly individual investors, including, but not limited to, margin- and securities-based loans collateralized by securities, residential mortgage loans, including home equity lines of credit ("**HELOCs**"), and structured loans to ultra-high net worth clients, that are in most cases secured by various types of collateral whose value may at times be insufficient to fully cover the loan repayment amount, including marketable securities, private investments, commercial real estate and other financial assets.*

Morgan Stanley's valuations related to, and reserves for losses on, credit exposures rely on complex models, estimates and subjective judgments about the future. While Morgan Stanley believes current valuations and reserves adequately address its perceived levels of risk, future economic conditions, including inflation and changes in real estate and other asset values, that differ from or are more severe than forecast, inaccurate models or assumptions, or external factors such as global pandemics, natural disasters, or geopolitical events, could lead to inaccurate measurement of or deterioration of credit quality of Morgan Stanley's borrowers and counterparties or the value of collateral and result in unexpected losses. Morgan Stanley may also incur higher-than anticipated credit losses as a result of (i) disputes with counterparties over the valuation of collateral or (ii) actions taken by other lenders that may negatively impact the valuation of collateral. In cases where Morgan Stanley forecloses on collateral, sudden declines in the value or liquidity of collateral may result in significant losses to Morgan Stanley despite its (i) credit monitoring, (ii) over-collateralization, (iii) ability to call for additional collateral or (iv) ability to force repayment of the underlying obligation, especially where there is a single type of collateral supporting the obligation. In addition, in the longer term, climate change may have a negative impact on the financial condition of Morgan Stanley's clients, which may decrease revenues from those clients and increase the credit risk associated with loans and other credit exposures to those clients. Certain of Morgan Stanley's credit exposures may be concentrated by counterparty, product, sector, portfolio, industry or geographic region. Although Morgan Stanley's models and estimates account for correlations among related types of exposures, a change in the market or economic environment for a concentrated product or an external factor impacting a concentrated counterparty, sector, portfolio, industry or geographic region may result in credit losses in excess of amounts forecast.

In addition, as a clearing member of several central counterparties, Morgan Stanley is responsible for the defaults or misconduct of its customers and could incur financial losses in the event of default by other clearing members. Although Morgan Stanley regularly reviews its credit exposures, default risk may arise from events or circumstances that are difficult to detect or foresee."

3. The paragraph under the section titled "*A default by a large financial institution could adversely affect financial markets.*" at page 20 shall be deleted in its entirety and the following substituted therefor:

"*The commercial soundness of many financial institutions and certain other large financial services firms may be closely interrelated as a result of credit, trading, clearing or other relationships among such entities. Increased centralization of trading activities through particular clearinghouses, central agents or exchanges may increase Morgan Stanley's concentration of risk with respect to these entities. As a result, concerns about, or a default or threatened default by, one or more such entities could lead to significant market-wide liquidity and credit problems, losses or defaults by other institutions, or require financial commitments to multi-lateral actions intended to support market stability. This is sometimes referred to as systemic risk and may adversely affect financial intermediaries, such as clearinghouses, clearing agencies, exchanges, banks and securities firms, with which we interact on a daily basis and, therefore, could adversely affect Morgan Stanley. If such risks materialises, this could have a negative effect on the financial position of Morgan Stanley which, in turn, may result in Morgan Stanley failing to meet its payment obligations to Holders under the relevant Notes*."

4. Each paragraph under the section titled "*Liquidity is essential to Morgan Stanley's businesses and Morgan Stanley relies on external sources to finance a significant portion of its operations.*" at pages 20 and 21 shall be deleted in their entirety and the following substituted therefor:

   "*Liquidity is essential to Morgan Stanley's businesses. Morgan Stanley's liquidity could be negatively affected by its inability to raise funding in the long-term or short-term debt capital markets or its inability to access the secured lending markets, its inability to attract and retain deposits, or unanticipated outflows of cash or collateral by customers or clients. Factors that Morgan Stanley cannot control, such as disruption of the financial markets or negative views about the financial services industry generally, including concerns regarding fiscal matters in the U.S. and other geographic areas, could impair Morgan Stanley's ability to raise funding.*

   In addition, Morgan Stanley's ability to raise funding could be impaired if investors, depositors or lenders develop a negative perception of Morgan Stanley's long-term or short-term financial prospects due to factors such as an incurrence of large trading , credit or operational losses, a downgrade by the rating agencies, a decline in the level of its business activity, or if regulatory authorities take significant action against Morgan Stanley or its industry, or if Morgan Stanley discovers significant employee misconduct or illegal activity.

   If Morgan Stanley is unable to raise funding using the methods described above, it would likely need to finance or liquidate unencumbered assets, such as its investment portfolios or trading assets, to meet maturing liabilities or other obligations. Morgan Stanley may be unable to sell some of its assets, or it may have to sell assets at a discount to market value, either of which could adversely affect Morgan Stanley's results of operations, cash flows and financial condition."

5. Each paragraph under the section titled "*Morgan Stanley's borrowing costs and access to the debt capital markets depends on its credit ratings.*" at page 21 shall be deleted in their entirety and the following substituted therefor:

   "*The cost and availability of unsecured financing generally are impacted by (among other things) Morgan Stanley's long-term and short-term credit ratings. The rating agencies continue to monitor certain company-specific and industry- wide factors that are important to the determination of Morgan Stanley's credit ratings. These include governance, capital adequacy, the level and quality of earnings, liquidity and funding, risk appetite and management, asset quality, strategic direction, business mix, regulatory or legislative changes, macroeconomic environment and perceived levels of support, and it is possible that the rating agencies could downgrade Morgan Stanley's ratings and those of similar institutions.*

   *Morgan Stanley's credit ratings also can have an adverse impact on certain trading revenues, particularly in those businesses where longer term counterparty performance is a key consideration, such as over-the- counter ("**OTC**") and other derivative transactions, including credit derivatives and interest rate swaps. In connection with certain OTC trading agreements and certain other agreements associated with Morgan Stanley's Institutional Securities business segment, Morgan Stanley may be required to provide additional collateral to, or immediately settle any outstanding liability balance with, certain counterparties in the event of a credit rating downgrade.*

   *Termination of Morgan Stanley's trading agreements could cause Morgan Stanley to sustain losses and impair its liquidity by requiring it to find other sources of financing or to make significant payments in the form of cash or securities. The additional collateral or termination payments that may occur in the event of a future credit rating downgrade vary by contract and can be based on ratings by Moody's Investors Service, Inc. ("**Moody's**"), S&P Global Ratings ("**S&P**") and other ratings agencies*."

6. Each paragraph under the section titled "*Morgan Stanley is a holding company and depends on payments from its subsidiaries.*" at pages 21 and 22 shall be deleted in their entirety and the following substituted therefor:

   "*Morgan Stanley has no business operations and depends on dividends, distributions, loans and other payments from its subsidiaries to fund dividend payments and to fund all payments on its obligations, including debt obligations. Regulatory restrictions, tax restrictions or elections and other legal restrictions may limit Morgan Stanley's ability to transfer funds freely, either to or from its subsidiaries. In particular, many of Morgan Stanley's subsidiaries, including its bank and broker-dealer subsidiaries, are subject to laws, regulations and self-regulatory organisation rules that, in certain circumstances, limit, as well as permit regulatory bodies to block or reduce the flow of funds to Morgan Stanley, or that prohibit such transfers or dividends altogether, including steps to "ring fence" entities by regulators outside of the U.S. to protect clients and creditors of such entities in the event of financial difficulties involving such entities.*

*These laws, regulations and rules may hinder Morgan Stanley's ability to access funds that it may need to make payments on its obligations. Furthermore, as a bank holding company, Morgan Stanley may become subject to a prohibition or to limitations on its ability to pay dividends. The Board of Governors of the Federal Reserve System (the "**Federal Reserve**"), the Office of the Comptroller of the Currency ("**OCC**") and the Federal Deposit Insurance Corporation ("**FDIC**") have the authority, and under certain circumstances the duty, to prohibit or to limit the payment of dividends or other capital actions by the banking organisations they supervise, including Morgan Stanley and its U.S. Bank Subsidiaries*.

If any of the above specified risks materialise, it may have a negative effect on Morgan Stanley's financial situation which in turn could result in Morgan Stanley failing to meet its payment obligations to Holders of the Notes."

7. Each paragraph under the section titled "*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) as well as human error or malfeasance, which could adversely affect its business or reputation.*" at pages 22 to 24 shall be deleted in their entirety and the following substituted therefor:

"*Morgan Stanley's businesses are highly dependent on its ability to process and report, on a daily basis, a large number of transactions across numerous and diverse markets in many currencies. Morgan Stanley may introduce new products or services or change processes or reporting, including in connection with new regulatory requirements, or integration of processes or systems of acquired companies, resulting in new operational risk that Morgan Stanley may not fully appreciate or identify.*

The trend toward direct access to automated, electronic markets and the move to more automated trading platforms has resulted in the use of increasingly complex technology that relies on the continued effectiveness of the programming code and integrity of the data to process the trades. Morgan Stanley relies on the ability of its employees, Morgan Stanley's consultants, its internal systems and systems at technology centres maintained by unaffiliated third parties to operate its different businesses and process a high volume of transactions. Unusually high trading volumes or site usage could cause Morgan Stanley's systems to operate at an unacceptably slow speed or even fail. Disruptions to, destruction of, instability of or other failure to effectively maintain Morgan Stanley's information technology systems or external technology that allows its clients and customers to use its products and services (including its self-directed brokerage platform) could harm Morgan Stanley's business and its reputation.

As a major participant in the global capital markets, Morgan Stanley faces the risk of incorrect valuation or risk management of its trading positions due to flaws in data, models, electronic trading systems or processes or due to fraud or cyber attack. Morgan Stanley also faces the risk of operational failure or disruption of any of the clearing agents, exchanges, clearing houses or other financial intermediaries it uses to facilitate its lending, securities and derivatives transactions. In addition, in the event of a breakdown or improper operation or disposal of Morgan Stanley's or a direct or indirect third party's systems (or third parties thereof), processes or information assets, or improper or unauthorised action by third parties, including consultants and subcontractors or Morgan Stanley's employees, Morgan Stanley has in the past received, and may receive in the future regulatory sanctions, and could suffer financial loss, an impairment to its liquidity position, a disruption of its businesses, or damage to its reputation.

In addition, the interconnectivity of multiple financial institutions with central agents, exchanges and clearing houses, and the increased importance of these entities, increases the risk that an operational failure at one institution or entity may cause an industry-wide operational failure that could materially impact Morgan Stanley's ability to conduct business. Furthermore, the concentration of company and personal information held by a small number of third parties increases the risk that a breach or disruption at a key third party may cause an industry-wide event that could significantly increase the cost and risk of conducting business. These risks may be heightened to the extent that we rely on third parties that are concentrated in a geographic area.

There can be no assurance that Morgan Stanley's business contingency and security response plans fully mitigate all potential risks to Morgan Stanley. Morgan Stanley's ability to conduct business may be adversely affected by a disruption in the infrastructure that supports its businesses and the communities where Morgan Stanley is located. This may include a disruption involving physical site access; software flaws and vulnerabilities; cybersecurity incidents; terrorist activities; political unrest; disease pandemics; catastrophic events; climate-related incidents and natural disasters (such as earthquakes, tornadoes, floods, hurricanes and wildfires); electrical outage; environmental hazard; computer servers; communications or other services Morgan Stanley uses; new technologies (such as generative artificial intelligence); and its employees or third parties with whom Morgan Stanley conducts business. Although Morgan Stanley employs backup systems for *its data, those backup systems may be unavailable following a disruption, the affected data may not have been backed up or may not be recoverable from the backup, or the backup data may be costly to recover, which could adversely affect Morgan Stanley's business.*

Notwithstanding evolving technology and technology-based risk and control systems, Morgan Stanley's businesses ultimately rely on people, including Morgan Stanley employees and those of third parties with which Morgan Stanley conducts business. As a result of human error or engagement in violations of applicable policies, laws, rules or procedures, certain errors or violations are not always discovered immediately by Morgan Stanley's technological processes or by Morgan Stanley's controls and other procedures, that are intended to prevent and detect such errors or violations. These can include calculation or input errors, inadvertent or duplicate payments, mistakes in addressing emails or other communications, errors in software or model development or implementation, or errors in judgment, as well as intentional efforts to disregard or circumvent applicable policies, laws, rules or procedures. Our use of new technologies may be undermined by such human errors or misconduct due to undetected flaws or biases in the algorithms or data utilized by such technologies. Human errors and malfeasance, even if promptly discovered and remediated, can result in material losses and liabilities for Morgan Stanley and negatively impact our reputation in the future.

Morgan Stanley conducts business in various jurisdictions outside the U.S., including jurisdictions that may not have comparable levels of protection for their corporate assets such as intellectual property, trademarks, trade secrets, know-how and customer information and records. The protection afforded in those jurisdictions may be less established and/or predictable than in the U.S. or other jurisdictions in which Morgan Stanley operates. As a result, there may also be heightened risks associated with the potential theft of their data, technology and intellectual property in those jurisdictions by domestic or foreign actors, including private parties and those affiliated with or controlled by state actors. Additionally, Morgan Stanley is subject to complex and evolving U.S. and international laws and regulations governing cybersecurity, privacy and data governance, transfer and protection, which may differ and potentially conflict, in various jurisdictions. Any theft of data, technology or intellectual property may negatively impact Morgan Stanley's operations and reputation, including disrupting the business activities of Morgan Stanley's subsidiaries, affiliates, joint ventures or clients conducting business in those jurisdictions."

8. Each paragraph under the section titled "*A cyberattack, information or security breach or a technology failure of Morgan Stanley or a third party 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.*" at pages 24 and 25 shall be deleted in their entirety and the following substituted therefor:

"*Cybersecurity risks for financial institutions have significantly increased in recent years in part because of the proliferation of new technologies; the use of the internet, mobile telecommunications and cloud technologies to conduct financial transactions; and the increased sophistication and activities of organized crime, hackers, terrorists, nation-states, state-sponsored actors and other parties. Any of these parties may also attempt to fraudulently induce employees, customers, clients, vendors or other third parties or users of Morgan Stanley's systems to disclose sensitive information in order to gain access to Morgan Stanley's networks, systems or data or those of its employees or clients, and such parties may see their effectiveness enhanced by the use of artificial intelligence. Global events and geopolitical instability have also led to increased nation-state targeting of financial institutions in the U.S. and abroad.*

Information security risks may also derive from human error, fraud or malice on the part of Morgan Stanley's employees or third parties, software bugs, server malfunctions, software or hardware failure or other technological failure. For example, human error has led to the loss of Morgan Stanley's physical data-bearing devices in the past. These risks may be heightened by several factors, including remote work, reliance on new technologies (such as generative artificial intelligence) or as a result of the integration of acquisitions and other strategic initiatives that may subject Morgan Stanley to new technology, customers or third-party providers. In addition, third parties with whom Morgan Stanley does business or shares information, and each of their service providers, Morgan Stanley's regulators and the third parties with whom Morgan Stanley's customers and clients share information used for authentication, may also be sources of cybersecurity and information security risks, particularly where activities of customers are beyond Morgan Stanley's security and control systems. There is no guarantee that the measures Morgan Stanley takes will provide absolute security or recoverability given that the techniques used in cyberattacks are complex, frequently change and are difficult to anticipate.

Like other financial services firms, Morgan Stanley, its third-party providers and its clients continue to be the subject of unauthorized access attacks; mishandling, loss, theft or misuse of information; computer viruses or *malware; cyberattacks designed to obtain confidential information, destroy data, disrupt or degrade service, sabotage systems or networks or cause other damage; ransomware; denial of service attacks; data breaches; social engineering attacks; phishing attacks; and other events. There can be no assurance that such unauthorized access, mishandling or misuse of information, or cybersecurity incidents will not occur in the future and they could occur more frequently and on a more significant scale.*

Morgan Stanley maintains a significant amount of personal and confidential information on its customers, clients and certain counterparties that Morgan Stanley are required to protect under various state, federal and international data protection and privacy laws. These laws may be in conflict with one another or courts and regulators may interpret them in ways that Morgan Stanley had not anticipated or that adversely affect Morgan Stanley's business. A cyberattack, information or security breach, or a technology failure of Morgan Stanley's or of a third party could jeopardize Morgan Stanley or our clients', employees', partners', vendors' or counterparties' personal, confidential, proprietary or other information processed and stored in, and transmitted through, Morgan Stanley's and our third parties' computer systems and networks. Furthermore, such events could cause interruptions or malfunctions in Morgan Stanley's clients', employees', partners', vendors', counterparties' or third parties' operations, as well as the unauthorized release, gathering, monitoring, misuse, loss or destruction of personal, confidential, proprietary and other information of Morgan Stanley, Morgan Stanley's employees, customers or of other third parties. Any of these events could result in reputational damage with Morgan Stanley's clients and the market, client dissatisfaction, additional costs to Morgan Stanley to maintain and update its operational and security systems and infrastructure, violation of the applicable data protection and privacy laws, regulatory investigations and enforcement actions, litigation exposure, or fines or penalties, any of which could adversely affect Morgan Stanley's business, financial condition or results of operations.

Given Morgan Stanley's global footprint and the high volume of transactions it processes; the large number of clients, partners, vendors and counterparties with which Morgan Stanley does business; and the increasing sophistication of cyberattacks, a cyberattack or information or security breach could occur and persist for an extended period of time without detection. It could take considerable time for Morgan Stanley to determine the scope, extent, amount and type of information compromised, and the impact of such an attack may not be fully understood. During such time Morgan Stanley would not necessarily know the extent of the harm or how best to remediate it, and certain errors or actions could be repeated or compounded before they are discovered and remediated, if at all, all or any of which would further increase the costs and consequences of a cyberattack or information security incident.

While many of Morgan Stanley's agreements with partners and third-party vendors include indemnification provisions, Morgan Stanley may not be able to recover sufficiently, or at all, under such provisions to adequately offset any losses it may incur. In addition, although Morgan Stanley maintains insurance coverage that may, subject to policy terms and conditions, cover certain aspects of cyber and information security risks, such insurance coverage may be insufficient to cover any or all losses Morgan Stanley may incur, and Morgan Stanley cannot be sure that such insurance will continue to be available to Morgan Stanley on commercially reasonable terms, or at all, or that Morgan Stanley's insurers will not deny coverage as to any future claim.

Morgan Stanley continues to make investments with a view toward maintaining and enhancing its cybersecurity, resilience and information security posture, including investments in technology and associated technology risk management activities. The cost of managing cybersecurity and information security risks and attacks along with complying with new, increasingly expansive and evolving regulatory requirements could adversely affect Morgan Stanley's results of operations and business."

9. Each paragraph under the section titled "*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, which could result in unexpected losses.*" at pages 25 and 26 shall be deleted in their entirety and the following substituted therefor:

"*Morgan Stanley has devoted significant resources to develop its risk management capabilities and expects to continue to do so in the future. Nonetheless, Morgan Stanley's risk management strategies, models and processes, including its use of various risk models for assessing market, credit, liquidity and operational exposures and hedging strategies, stress testing and other analysis, may not be fully effective in mitigating Morgan Stanley's risk exposure in all market environments or against all types of risk, including risks that are unidentified or unanticipated.*

As Morgan Stanley's businesses change and grow, including through acquisitions and the introduction and application of new technologies, such as artificial intelligence, and the markets in which Morgan Stanley operates evolve, its risk management strategies, models and processes may not always adapt with those changes. Some of Morgan Stanley's methods of managing risk are based upon its use of observed historical *market behaviour and management's judgment. As a result, these methods may not predict future risk exposures, which could be significantly greater than the historical measures indicate.*

In addition, many models Morgan Stanley uses are based on assumptions or inputs regarding correlations among prices of various asset classes or other market indicators, and therefore, cannot anticipate sudden, unanticipated, or unidentified market or economic movements, such as the impact of a pandemic or a sudden geopolitical conflict, which could cause Morgan Stanley to incur losses.

Management of market, credit, liquidity, operational, model, legal, regulatory and compliance risks requires, among other things, policies and procedures to record properly and verify a large number of transactions and events, and these policies and procedures may not be fully effective. Morgan Stanley's trading risk management strategies and techniques also seek to balance its ability to profit from trading positions with its exposure to potential losses.

Morgan Stanley employs a broad and diversified set of risk monitoring and risk mitigation techniques, those techniques and the judgments that accompany their application cannot anticipate every economic and financial outcome or the timing of such outcomes. For example, to the extent that Morgan Stanley's trading or investing activities involve less liquid trading markets or are otherwise subject to restrictions on sales or hedging, Morgan Stanley may not be able to reduce its positions and therefore reduce its risk associated with such positions. Morgan Stanley may, therefore, incur losses in the course of its trading or investing activities."

10. The title and each paragraph of the section titled "*Replacement of London Interbank Offered Rate and replacement or reform of other interest rate benchmarks could adversely affect Morgan Stanley's business, financial condition and results of operations.*" at page 26 and 27 shall be deleted in their entirety and the following substituted therefor:

"***Replacement or reform of certain interest rate benchmarks could adversely affect our business, securities, financial conditions and results of operations.***

*Central banks around the world, including the Federal Reserve, have sponsored initiatives in recent years to replace LIBOR and replace or reform other interest rate benchmarks (collectively, the "**IBORs**"). A transition away from use of the IBORs to alternative rates and other potential interest rate benchmark reforms has been underway for a number of years.*

These reforms have caused and may in the future cause such rates to perform differently than in the past, or to cease entirely, or have other consequences that are contrary to market expectations.

The ongoing market transition from these interest rate benchmarks to alternative reference rates is complex and could have a range of adverse impacts on Morgan Stanley's business, securities, financial condition and results of operations including:

- *Adversely impacting the pricing, liquidity, value of, return on and trading for a broad array of financial products, including securities, loans and derivatives that are included in its financial assets and liabilities that are linked to these interest rate benchmarks;*
- *Inquiries, reviews or other actions from regulators in respect of Morgan Stanley's (or the market's) preparation, readiness, transition plans and actions regarding the replacement of a legacy interest rate benchmark with one or more alternative reference rates;*
- *Disputes, litigation or other actions with clients, counterparties and investors in various scenarios, such as regarding the interpretation and enforceability of provisions in IBOR-based products such as fallback language or other related provisions, including in the case of fallbacks to the alternative reference rates, any economic, legal, operational or other impact resulting from the fundamental differences between the IBORs and the various alternative reference rates or regarding the interpretation of applicable legislation, regulations or rules; and*
- *Causing Morgan Stanley to incur additional costs in relation to any of the above factors.*

Other factors include the pace of the transition to the alternative reference rates, timing mismatches between cash and derivative markets, the specific terms and parameters for and market acceptance of any alternative reference rate market conventions for the use of any alternative reference rate in connection with a particular product (including the timing and market adoption of any conventions proposed or recommended by any industry or other group), prices of and the liquidity of trading markets for products based on alternative reference rates, and Morgan Stanley's ability to further transition and develop appropriate systems and analytics for one or more alternative reference rates."

11. Each paragraph under the section titled "*The financial services industry is subject to extensive regulation, and changes in regulation will impact Morgan Stanley's business.*" at page 27 shall be deleted in their entirety and the following substituted therefor:

"Like other major financial services firms, Morgan Stanley is subject to extensive regulation by U.S. federal and state regulatory agencies and securities exchanges and by regulators and exchanges in each of the major markets where Morgan Stanley conducts its business, including an increasing number of complex sanctions and disclosure regimes. These laws and regulations, which continue to increase in volume and complexity, significantly affect the ways and costs of doing business and can restrict the scope of its existing businesses and limit its ability to expand its product offerings and pursue certain investments.

*Morgan Stanley and its employees are subject to wide-ranging regulation and supervision, which, among other things, subject Morgan Stanley to intensive scrutiny of its businesses and any plans for expansion of those businesses through acquisitions or otherwise, limitations on activities, a systemic risk regime that imposes heightened capital and liquidity and funding requirements and other enhanced prudential standards, resolution regimes and resolution planning requirements, requirements for maintaining minimum amounts of total loss-absorbing capacity ("**TLAC**") and external longterm debt, restrictions on activities and investments imposed by a section of the Bank Holding Company Act of 1956, as amended (the "**BHC Act**") added by the Dodd-Frank Act referred to as the "Volcker Rule", comprehensive derivatives regulation, interest rate benchmark requirements, commodities regulation, market structure regulation, consumer protection regulation, tax regulations and interpretations, antitrust laws, trade and transaction reporting obligations, broadened fiduciary obligations and disclosure requirements.*

New laws, rules, regulations and guidelines, as well as ongoing implementation of Morgan Stanley's efforts to comply with, and/or changes to laws, rules, regulations and guidelines, including changes in the breadth, application or enforcement of, laws, rules, regulations and guidelines, could materially impact the profitability of Morgan Stanley's businesses and the value of assets it holds, impact our income tax provision and effective tax rate, expose it to additional theories of liability and additional costs, require changes to business practices or force it to discontinue businesses, adversely affect its ability to pay dividends and repurchase its stock, or require it to raise capital, including in ways that may adversely impact its shareholders or creditors.

In addition, regulatory requirements that are imposed by foreign policymakers and regulators may be inconsistent or conflict with regulations that Morgan Stanley is subject to in the U.S. and may adversely affect it."

12. Each paragraph under the section titled "*The financial services industry faces substantial litigation and is subject to extensive regulatory and law enforcement investigations and Morgan Stanley may face damage to its reputation and legal liability.*" at pages 29 and 30 shall be deleted in their entirety and the following substituted therefor:

"As a global financial services firm, Morgan Stanley faces the risk of investigations and proceedings by governmental and self regulatory organizations in all countries in which it conducts its business. These investigations and proceedings, as well as the amount of penalties and fines sought, continue to impact the financial services industry. Certain U.S. and international governmental entities have brought criminal actions against, or have sought criminal convictions, pleas, deferred prosecution agreements or non-prosecution agreements from financial institutions. Significant regulatory or law enforcement action against Morgan Stanley could materially adversely affect its business, reputation, financial condition or results of operations, and increase its exposure to civil litigation.

Investigations and proceedings initiated by these authorities may result in adverse judgments, settlements, fines, penalties, disgorgement, restitution, forfeiture, injunctions or other relief, and have included and may in the future include requirements that Morgan Stanley admits certain conduct, which may result in increased exposure to civil litigation. In addition, these measures have caused and may in the future cause collateral consequences. For example, such matters could impact Morgan Stanley's ability to engage in, or impose limitations on, certain of its businesses.

As part of the resolution of certain investigations and proceedings, Morgan Stanley has been and may in the future be required to undertake certain measures and failure to do so may result in adverse consequences, such as further investigations or proceedings—both civil and criminal—and additional penalties, fines, judgments or other relief.

The Dodd-Frank Act also provides compensation to whistleblowers who present the SEC or CFTC with information related to securities or commodities law violations that leads to a successful enforcement action.

As a result of this compensation, it is possible Morgan Stanley could face an increased number of investigations by the SEC or CFTC.

Morgan Stanley has been named, from time to time, as a defendant in various legal actions, including arbitrations, class actions and other litigation, as well as investigations or proceedings brought by regulatory agencies, arising in connection with its activities as a global diversified financial services institution. Certain of the actual or threatened legal or regulatory actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages, or may result in material penalties, fines or other results adverse to Morgan Stanley.

In some cases, the third-party entities that would otherwise be the primary defendants in such cases are bankrupt, in financial distress or may not honor applicable indemnification obligations. In other cases, including antitrust litigation, Morgan Stanley may be subject to claims for joint and several liability with other defendants for treble damages or other relief related to alleged conspiracies involving other institutions. Like any large corporation, Morgan Stanley are also subject to risk from potential employee misconduct, including noncompliance with policies, laws, rules and regulations, and improper use or disclosure of confidential information, or improper sales practices or other conduct."

13. Each paragraph under the section titled "*Morgan Stanley may be responsible for representations and warranties associated with commercial and residential real estate loans and may incur losses in excess of its reserves.*" At page 30 shall be deleted in their entirety and the following substituted therefor:

    "Morgan Stanley originate loans secured by commercial and residential properties. Further, Morgan Stanley securitize and trade in a wide range of commercial and residential real estate and real estate-related assets and products. In connection with these activities, Morgan Stanley has provided, or otherwise agreed to be responsible for, certain representations and warranties. Under certain circumstances, Morgan Stanley may be required to repurchase such assets or make other payments related to such assets if such representations and warranties were breached, and may incur losses as a result. Morgan Stanley has also made representations and warranties in connection with our role as an originator of certain loans that we securitized in CMBS and RMBS."

14. Each paragraph under the section titled "*Morgan Stanley faces strong competition from financial services firms and others which could lead to pricing pressures that could materially adversely affect its revenues and profitability.*" At page 31 shall be deleted in their entirety and the following substituted therefor:

    "The financial services industry and all aspects of Morgan Stanley's businesses are intensely competitive, and Morgan Stanley expects them to remain so. Morgan Stanley competes with commercial banks, investment banking firms, brokerage firms, insurance companies, exchanges, electronic trading and clearing platforms, financial data repositories, investment advisers and sponsors of mutual funds, hedge funds, real assets funds and private credit and equity funds, energy companies, financial technology firms and other companies offering financial and ancillary services in the U.S. and globally, including, in certain instances, through the internet. Morgan Stanley also competes with companies that provide online trading and banking services, investment advisory services, robo-advice capabilities, access to digital asset capabilities and services, and other financial products and services. Morgan Stanley competes on the basis of several factors, including transaction execution, capital or access to capital, products and services, innovation, technology, reputation, risk appetite and price.

    Over time, certain sectors of the financial services industry have become more concentrated, as institutions involved in a broad range of financial services have left businesses, been acquired by or merged into other firms or have declared bankruptcy. Such changes could result in Morgan Stanley's remaining competitors gaining greater capital and other resources, such as the ability to offer a broader range of products and services and geographic diversity, or new competitors may emerge.

    Morgan Stanley has experienced and may continue to experience pricing pressures as a result of these factors and as some of its competitors seek to obtain market share by reducing prices, eliminating commissions or other fees, or providing more favourable terms of business. In addition, certain of Morgan Stanley's competitors may be subject to different, and, in some cases, less stringent, legal and regulatory regimes, than Morgan Stanley is, thereby putting it at a competitive disadvantage. Some new competitors in the financial technology sector have sought to target existing segments of Morgan Stanley's businesses that could be susceptible to disruption by innovative or less regulated business models."

15. Each paragraph under the section titled "*Automated trading markets and the introduction and application of new technologies may adversely affect Morgan Stanley's business and may increase competition.*" At pages 31 and 32 shall be deleted in their entirety and the following substituted therefor:

"Morgan Stanley continues to experience price competition in some of its businesses. In particular, the ability to execute securities, derivatives and other financial instrument trades electronically on exchanges, swap execution facilities and other automated trading platforms, and the introduction and application of new technologies, including generative artificial intelligence, will likely continue the pressure on revenues. The trend toward direct access to automated, electronic markets will likely continue as additional markets move to more automated trading platforms. Morgan Stanley has experienced and will likely continue to experience competitive pressures in these and other areas in the future which could have an adverse effect on Morgan Stanley's financial position."

16. Each paragraph under the section titled "*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.*" At page 32 shall be deleted in their entirety and the following substituted therefor:

    "Morgan Stanley's people are its most important asset. Morgan Stanley competes with various other companies in attracting and retaining qualified and skilled personnel. If Morgan Stanley is unable to continue to attract, integrate and retain highly qualified employees or successfully transition key roles, or do so at levels or in forms necessary to maintain its competitive position, its performance, including our competitive position and results of operations, could be materially adversely affected. Morgan Stanley's ability to attract and retain qualified and skilled personnel depends on numerous factors, some of which are outside of its control.

    Compensation costs required to attract and retain employees may increase or the competitive market for talent may further intensify due to factors such as low unemployment, a strong job market and changes in employees' expectations, concerns and preferences. The financial industry has experienced and may continue to experience more stringent regulation of employee compensation than other industries, which may or may not impact competitors. These more stringent regulations have shaped Morgan Stanley's compensation practices, which could have an adverse effect on its ability to hire or retain the most qualified employees."

17. Each paragraph under the section titled "*Morgan Stanley is subject to numerous political, economic, legal, tax, operational, franchise and other risks as a result of its international operations that could adversely impacts its business in many ways.*" At pages 32 and 33 shall be deleted in their entirety and the following substituted therefor:

    "Morgan Stanley is subject to numerous political, economic, legal, tax, operational, franchise and other risks that are inherent in operating in many countries, including risks of possible nationalization, expropriation, price controls, capital controls, exchange controls, increased taxes and levies, minimum global tax regimes, cybersecurity, data transfer and outsourcing restrictions, regulatory scrutiny regarding the use of new technologies, prohibitions on certain types of foreign and capital market activities, limitations on cross-border listings and other restrictive governmental actions, as well as the outbreak of hostilities or political and governmental instability, including tensions between China and the U.S., the expansion or escalation of hostilities between Russia and Ukraine or in the Middle East or the initiation or escalation of hostilities or terrorist activity around the world and the potential associated impacts on global and local economies and Morgan Stanley's operations. In many countries, the laws and regulations applicable to the securities and financial services industries and multinational corporations are uncertain, evolving and subject to sudden change or may be inconsistent with U.S. law. It may also be difficult for Morgan Stanley to determine the exact requirements of local laws in every market or adapt to changes in law, which could adversely impact Morgan Stanley's businesses. Morgan Stanley's inability to remain in compliance with local laws in a particular market could have a significant and negative effect not only on Morgan Stanley's business in that market but also on its reputation generally. Morgan Stanley are also subject to the risk that transactions we structure might not be legally enforceable in all cases.

    Various emerging market countries have experienced severe political, economic or financial disruptions, including significant devaluations of their currencies, defaults or potential defaults on sovereign debt, capital and currency exchange controls, high rates of inflation and low or negative growth rates in their economies. Crime and corruption, as well as issues of security and personal safety, also exist in certain of these countries. These conditions could adversely impact Morgan Stanley's businesses and increase volatility in financial markets generally.

    A disease pandemic, such as COVID-19 and its variants, or other widespread health emergencies, natural disasters, climate-related incidents, terrorist activities or military actions, or social or political tensions, could create economic and financial disruptions in emerging markets or in other areas of the global economy that could adversely affect Morgan Stanley's businesses, or could lead to operational difficulties, including travel limitations and supply chain complications, that could impair Morgan Stanley's ability to manage or conduct its businesses around the world.

As a U.S. company, Morgan Stanley is required to comply with the economic sanctions and embargo programs administered by OFAC and similar multinational bodies and governmental agencies worldwide, which may be inconsistent with local law. Morgan Stanley and certain of its subsidiaries are also subject to applicable AML and/or anti-corruption laws in the U.S., as well as in the jurisdictions in which Morgan Stanley operates, including the Bank Secrecy Act, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act. A violation of a sanction, embargo program, AML or anti-corruption law could subject Morgan Stanley, and individual employees, to a regulatory enforcement action, as well as significant civil and criminal penalties."

18. Each paragraph under the section titled "*Morgan Stanley may be unable to fully capture the expected value from acquisitions, divestitures, joint ventures, partnerships, minority stakes or strategic alliances, and certain acquisitions may subject its business to new or increased risk.*" At page 33 shall be deleted in their entirety and the following substituted therefor:

    "In connection with past or future acquisitions, divestitures, joint ventures, partnerships, minority stakes or strategic alliances (including with Mitsubishi UFJ Financial Group, Inc. ("MUFG")), Morgan Stanley faces numerous risks and uncertainties in combining, transferring, separating or integrating the relevant businesses and systems that may present operational and other risks, including the need to combine or separate accounting, data processing and other systems, management controls and legal entities, and to integrate relationships with clients, trading counterparties and business partners. Certain of these strategic initiatives, and integration thereof, may cause Morgan Stanley to incur incremental expenses and may also require incremental financial, management and other resources.

    In the case of joint ventures, partnerships and minority stakes, Morgan Stanley is subject to additional risks and uncertainties because it may be dependent upon, and subject to liability, losses or reputational damage relating to systems, controls and personnel that are not under Morgan Stanley's control, and conflicts or disagreements between Morgan Stanley and any of our joint venture partners or partners may negatively impact the benefits to be achieved by the relevant joint venture or partnership, respectively.

    There is no assurance that any of Morgan Stanley's acquisitions, divestitures or investments will be successfully integrated or disaggregated or yield all of the positive benefits and synergies anticipated. If Morgan Stanley is not able to integrate or disaggregate successfully its past and future acquisitions or dispositions, including aligning the processes, policies and procedures of the acquired entities with its standards, there is a risk that Morgan Stanley's results of operations, financial condition and cash flows may be materially and adversely affected.

    Certain of Morgan Stanley's business initiatives, including expansions of existing businesses, may change its client or account profile or bring it into contact, directly or indirectly, with individuals and entities that are not within Morgan Stanley's traditional client and counterparty base and may expose it to new asset classes, services, competitors and new markets. These business activities expose Morgan Stanley to new and enhanced risks, greater regulatory scrutiny of these activities, increased credit-related, sovereign, compliance and operational risks, as well as franchise and reputational concerns regarding the manner in which these assets are being operated or held, or services are being delivered."

19. Each paragraph under the section titled "*Climate change manifesting as physical or transition risks could result in increased costs and risks and adversely affect Morgan Stanley's operations, businesses and clients.*" At pages 33 and 34 shall be deleted in their entirety and the following substituted therefor:

    "There continues to be increasing concern over the risks of climate change and related environmental sustainability matters. The physical risks of climate change include harm to people and property arising from acute, climate-related events, such as floods, hurricanes, heatwaves, droughts, wildfires, and chronic, longer-term shifts in climate patterns, such as higher global average temperatures, rising sea levels, and droughts. Such events could disrupt Morgan Stanley's operations or those of its clients or third parties on which Morgan Stanley relies, including through direct damage to physical assets and indirect impacts from supply chain disruption and market volatility. These events could impact the ability of certain of Morgan Stanley's clients or customers to repay their obligations, reduce the value of collateral, increase costs, including the cost and availability of insurance coverage and result in other adverse effects.

    The transition risks of climate change include policy, legal, technology and market changes. Examples of these transition risks, include changes in consumer and business sentiment, related technologies, shareholder preferences and additional regulatory and legislative requirements, including increased disclosure or carbon taxes. These risks could increase Morgan Stanley's expenses and adversely impact its strategies, including by limiting Morgan Stanley's ability to pursue certain business activities or offer certain products and services. Negative impacts to certain of Morgan Stanley's clients, such as decreased profitability and asset write-downs, could also lead to increased credit, counterparty and liquidity risk to Morgan Stanley.

In addition, Morgan Stanley's reputation and client relationships may be adversely impacted as a result of Morgan Stanley's or their clients' involvement, in certain practices that may have, or are associated with having, an adverse impact on climate change. Legislative or regulatory change regarding climate-related risks, including inconsistent requirements and uncertainties, could result in loss of revenue, or increased credit, market, liquidity, regulatory, compliance, reputational and other risks and costs.

Morgan Stanley's ability to achieve its climate-related targets and commitments and the way we go about this could also result in reputational harm as a result of public sentiment, legislative and regulatory scrutiny (including from U.S. federal and state governments and foreign policymakers and regulators), litigation and reduced investor and stakeholder confidence. If Morgan Stanley is unable to achieve its objectives relating to climate change or its current response to climate change is perceived to be ineffective or insufficient, or the way we respond is perceived negatively. Morgan Stanley's business and reputation may suffer.

The risks associated with, and the perspective of regulators, governments, shareholders, employees and other stakeholders regarding, climate change as well as geopolitical events, continue to evolve rapidly, making it difficult to assess the ultimate impact on Morgan Stanley of climate related risks and uncertainties. As climate risk is interconnected with other risks, including geopolitical risks, Morgan Stanley has developed and continues to enhance processes to embed climate risk considerations into its risk management practices and governance structures. Despite Morgan Stanley's risk management practices, the unpredictability surrounding the timing and severity of climate related events and societal or political changes in reaction to them make it difficult to predict, identify, monitor and mitigate climate risks.

In addition, the methodologies and data used to manage and monitor climate risk continue to evolve. Current approaches utilize information and estimates that have been derived from information or factors released by third-party sources, which may not reflect the latest or most accurate data. Climate-related data, particularly greenhouse gas emissions for clients and counterparties, remains limited in availability and variable in quality. Certain third-party information may also change over time as methodologies evolve and are refined. While Morgan Stanley believes this information is the best available at the time, Morgan Stanley may only be able to complete limited validation. Furthermore, modelling capabilities and methodologies to analyse climate-related risks, although improving, remain nascent and emerging. These and other factors could cause results to differ materially , which could impact our ability to manage climate-related risks."

PART C – AMENDMENT TO THE "DESCRIPTION OF MORGAN STANLEY" SECTION

1. The first paragraph immediately preceding the sub-section entitled "*Business Segments*" on page 791 of the Base Prospectus shall be deemed to be deleted in its entirety and the following substituted therefor:

   "The following is an extract from the section entitled "Business Segments", "Competition" and "Supervision and Regulation" on pages 5-10 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2023. References to "Parent Company", "we" and "our" are references to Morgan Stanley."

2. The section entitled "*Competition*" on pages 791 and 792 of the Base Prospectus shall be deemed to be deleted in its entirety and the following substituted therefor:

   "All aspects of Morgan Stanley's businesses are highly competitive, and Morgan Stanley expects them to remain so. Morgan Stanley competes in the U.S. and globally for clients, market share and human talent. Operating within the financial services industry on a global basis presents, among other things, technological, risk management, regulatory, infrastructure and other challenges that require effective resource allocation in order for Morgan Stanley to remain competitive. Morgan Stanley's competitive position depends on a number of factors, including its reputation, client experience, the quality and consistency of its long-term investment performance, innovation, execution, relative pricing and other factors, including entering into new or expanding current businesses as a result of acquisitions and other strategic initiatives. Morgan Stanley's ability to sustain or improve its competitive position also depends substantially on its ability to continue to attract and retain highly qualified employees while managing compensation and other costs. Morgan Stanley competes with commercial banks, investment banking firms, brokerage firms, insurance companies, exchanges, electronic trading and clearing platforms, financial data repositories, investment advisers and sponsors of mutual funds, hedge funds, real assets funds and private credit and equity funds, energy companies, financial technology firms and other companies offering financial and ancillary services in the U.S. and globally, including, in certain instances, through the internet. In addition, restrictive laws and regulations applicable to certain global financial services institutions, which have been increasing in complexity and volume, may prohibit Morgan Stanley from engaging in certain transactions, impose more stringent capital and liquidity requirements, and increase costs, and can put Morgan Stanley at a competitive disadvantage to competitors in certain businesses not subject to these same requirements.

   Morgan Stanley competes directly in the U.S. and globally with other securities and financial services firms and broker-dealers and with others on a regional or product basis. Additionally, there is increased competition driven by established firms and asset managers, as well as the emergence of new firms, nonfinancial companies and business models, including innovative uses of technology, competing for the same clients and assets, or offering similar products and services to retail and institutional customers. Morgan Stanley also competes with companies that provide online trading and banking services, investment advisory services, robo-advice capabilities, access to digital asset capabilities and services, and other financial products and services.

   Morgan Stanley's ability to access capital at competitive rates (which is generally impacted by, among other things, our credit spreads and ratings) and to commit and deploy capital efficiently, particularly in its more capital-intensive businesses, including underwriting and sales, trading, financing and market-making activities, also affects its competitive position. Morgan Stanley expects clients to continue to request that it provide loans or lending commitments in connection with certain investment banking activities.

   It is possible that competition may become even more intense as Morgan Stanley continues to compete with financial or other institutions that may be larger, or better capitalized, or may have a stronger local presence and longer operating history in certain geographies or products. Many of these firms have the ability to offer a wide range of products and services through different platforms that may enhance their competitive position and could result in additional pricing pressure on Morgan Stanley's businesses.

   Morgan Stanley continues to experience price competition in some of its businesses. In particular, the ability to execute securities, derivatives and other financial instrument trades electronically on exchanges, swap execution facilities and other automated trading platforms, and the introduction and application of new technologies will likely continue the pressure on Morgan Stanley's revenues. The trend toward direct access to automated, electronic markets will likely continue as additional markets move to more automated trading platforms. Morgan Stanley has experienced and will likely continue to experience competitive pressures in these and other areas in the future.

   Morgan Stanley's ability to compete successfully in the investment management industry is affected by several factors, including its reputation, quality of investment professionals, performance of investment strategies or product offerings relative to peers and appropriate benchmark indices, advertising and sales promotion efforts, fee levels, the effectiveness of and access to distribution channels and investment pipelines, the types of *products offered, and regulatory restrictions specific to FHCs. Morgan Stanley's investment products, including alternative investment products, may compete with investments offered by other investment managers, including by investment managers who may be subject to less stringent legal and regulatory regimes than Morgan Stanley."*

3. The paragraph beginning with "*Systemic Risk Regime*" and the three paragraphs immediately thereafter on page 794 of the Base Prospectus shall be deemed to be deleted in their entirety and the following substituted therefor:

   "Systemic Risk Regime. Under rules issued by the Federal Reserve, large BHCs, including Morgan Stanley, must conduct internal liquidity stress tests, maintain unencumbered highly liquid assets to meet projected net cash outflows for 30 days over the range of liquidity stress scenarios used in internal stress tests, and comply with various liquidity risk management requirements. These large BHCs also must comply with a range of risk management and corporate governance requirements.

   The Federal Reserve also imposes single-counterparty credit limits ("SCCL") for large banking organizations. U.S. Global systemically important banks ("G-SIBs"), including Morgan Stanley, are subject to a limit of 15% of Tier 1 capital for aggregate net credit exposures to any "major counterparty" (defined to include other U.S. G-SIBs, foreign G-SIBs and non-bank systemically important financial institutions supervised by the Federal Reserve). In addition, Morgan Stanley is subject to a limit of 25% of Tier 1 capital for aggregate net credit exposures to any other unaffiliated counterparty.

   The Federal Reserve may establish additional prudential standards for large BHCs, including with respect to an early remediation framework, contingent capital, enhanced public disclosures and limits on short-term debt, including off-balance sheet exposures.

   If the Federal Reserve or the Financial Stability Oversight Council determines that a BHC with $250 billion or more in consolidated assets poses a "grave threat" to U.S. financial stability, the institution may be, among other things, restricted in its ability to merge or offer financial products and/or required to terminate activities and dispose of assets."

4. The paragraph underneath the heading "*Institutional Securities and Wealth Management*" on page 796 of the Base Prospectus shall be deemed to be deleted in its entirety and the following substituted therefor:

   "Broker-Dealer and Investment Adviser Regulation. Morgan Stanley's primary U.S. broker-dealer subsidiaries, MS&Co. and MSSB are registered broker-dealers with the SEC and in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands and are members of various self-regulatory organizations, including the Financial Industry Regulatory Authority ("FINRA"), and various securities exchanges and clearing organizations. Broker-dealers are subject to laws and regulations covering all aspects of the securities business, including sales and trading practices, securities offerings, publication of research reports, use of customers' funds and securities, capital structure, risk management controls in connection with market access, recordkeeping and retention, and the conduct of their directors, officers, representatives and other associated persons. Broker-dealers are also regulated by securities administrators in those states where they do business. Morgan Stanley's significant broker-dealer subsidiaries are members of the Securities Investor Protection Corporation."

5. The final paragraph underneath the heading "*Principal Markets*" in the section titled "*Organisational Structure*" on page 799 of the Base Prospectus shall be deemed to be deleted in its entirety and the following substituted therefor:

   "Morgan Stanley is a global financial services firm that maintains significant market positions in each of its business segments – Institutional Securities, Wealth Management and Investment Management. Morgan Stanely, through its subsidiaries and affiliates, provides a wide variety of products and services to a large and diversified group of clients and customers, including corporations, governments, financial institutions and individuals.

   Morgan Stanley conducts its business from its headquarters in and around New York City, its regional offices and branches throughout the U.S. and its principal offices in London, Frankfurt, Tokyo, Hong Kong and other world financial centres. As of 31 December 2023, Morgan Stanley had approximately 80,000 employees worldwide.

   *Morgan Stanley's significant regulated U.S. and international subsidiaries include MS&Co., MSSB LLC, MSI plc, Morgan Stanley MUFG Securities Co. Ltd ("**MSMS**"), MSBNA, MSPBNA, Morgan Stanley Europe SE ("MSESE"), Morgan Stanley Capital Services LLC ("**MSCS**") and Morgan Stanley Capital Group Inc. ("**MSCG**")."*

6. Sub-paragraphs (a) and (b) (inclusive) under the section titled "*Legal Proceedings and Contingencies*" set out

on page 813 of the Base Prospectus shall be deemed to be deleted in their entirety and the following substituted therefor as a new sub-paragraph (a) (and the remaining sub-paragraphs re-ordered accordingly):

"(a) the paragraphs under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" at pages 123-129 and the section entitled "Legal Proceedings" at page 156 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2023;"

7. The paragraph headed "*Auditors*" under the section titled "*Additional Information*" set out on page 813 of the Base Prospectus shall be deemed to be deleted in its entirety and the following substituted therefor:

   "The consolidated financial statements of Morgan Stanley and subsidiaries as of 31 December 2022 and 31 December 2023 and each of the three years in the period ended 31 December 2023, and the effectiveness of internal control over financial reporting as of 31 December 2023, which are incorporated in the Registration Document, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm registered with the Public Company Accounting Oversight Board (United States of America) as stated in their reports dated 22 February 2024."

8. The paragraph headed "*Trend Information*" under the section titled "*Additional Information*" set out on pages 813 and 814 of the Base Prospectus shall be deemed to be deleted in its entirety and the following substituted therefor:

   *"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, commercial and residential mortgage lending, real estate 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; the level and volatility of equity, fixed income and commodity prices, interest rates, inflation and currency values, other market indices or other market factors, such as market liquidity; the availability and cost of both credit and capital, as well as the credit ratings assigned to Morgan Stanley's unsecured short-term and long-term debt; technological changes instituted by Morgan Stanley, Morgan Stanley's competitors or counterparties and technological risks, business continuity and related operational risks, including breaches or other disruptions of Morgan Stanley's or a third party's (or third parties thereof) operations or systems; risk associated with cybersecurity threats, including data protection and cybersecurity risk management; Morgan Stanley's ability to effectively manage its capital and liquidity, including under stress tests designed by Morgan Stanley's banking regulators; the impact of current, pending and future legislation or changes thereto, regulation (including capital, leverage, funding, liquidity, consumer protection, and recovery and resolution requirements) and Morgan Stanley's ability to address such requirements; uncertainty concerning fiscal or monetary policies established by central banks and financial regulators, government shutdowns, debt ceilings or funding; changes to global trade policies, tariffs, interest rates, replacements of LIBOR and replacement or reform of other interest rate benchmarks; legal and regulatory actions, including litigation and enforcement, in the U.S. and worldwide; changes in tax laws and regulations globally; the effectiveness of Morgan Stanley's risk management processes and related controls, including climate risk; Morgan Stanley's ability to effectively respond to an economic downturn, or other market disruptions; the effect of social, economic, and political conditions and geopolitical events, including as a result of changes in U.S. presidential administrations or Congress, and sovereign risk; the actions and initiatives of current and potential competitors, as well as governments, central banks, regulators and self-regulatory organisations; Morgan Stanley's ability to provide innovative products and services and execute Morgan Stanley's strategic initiatives, and costs related thereto, including with respect to the operational or technological integration related to such innovative and strategic initiatives; the performance and results of Morgan Stanley's acquisitions, divestitures, joint ventures, partnerships, minority stakes or strategic alliances, or other strategic arrangements and related integrations; investor, consumer and business sentiment and confidence in the financial markets; Morgan Stanley's reputation and the general perception of the financial services industry; Morgan Stanley's ability to retain, integrate and attract qualified employees; climate-related incidents and other environmental and sustainability matters, global pandemics (including impacts of the coronavirus disease ("**COVID-19**")), acts of war or aggression (including the war between Russia and Ukraine), and terrorist activities or military actions.*

   There has been no material change in the prospects of Morgan Stanley since 31 December 2023."

9. The paragraph headed "*Significant Change*" under the section titled "*Additional Information*" set out on pages

814 of the Base Prospectus shall be deemed to be deleted in its entirety and the following substituted therefor:

"There has been no significant change in the financial performance or financial position of Morgan Stanley or the Morgan Stanley Group since 31 December 2023, (the date of the last annual report and accounts of Morgan Stanley)."

10. The two paragraphs under the section titled "*Share Capital*" set out on page 814 of the Base Prospectus shall be deemed to be deleted in their entirety and the following substituted therefor:

    "The authorised share capital of Morgan Stanley at 31 December 2023 comprised 3,500,000,000 ordinary shares of nominal value U.S. $ 0.01 and $8,750,000,000 preferred stock of nominal value of $0.01.

    The issued, non-assessable and fully paid-up share capital of Morgan Stanley at 31 December 2023 comprised 2,038,893,979 ordinary shares of nominal value U.S. $0.01."

PART D – AMENDMENTS TO THE "DESCRIPTION OF MORGAN STANLEY & CO. INTERNATIONAL PLC" SECTION

1. Sub-paragraphs (a) to (c) (inclusive) under the section titled "*Legal Proceedings and Contingencies*" set out on pages 821 and 822 of the Base Prospectus shall be deemed to be deleted in their entirety and the following substituted therefor as a new sub-paragraph (a) (and the remaining sub-paragraphs re-ordered accordingly):

   "(a) the paragraphs under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" at pages 123-129 and the section entitled "Legal Proceedings" at page 156 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2023;"

PART E – AMENDMENTS TO THE "DESCRIPTION OF MORGAN STANLEY B.V." SECTION

1. The table under the section titled "*Management of MSBV*" set out on page 825 on page 825 of the Base Prospectus shall be deemed to be deleted in its entirety and the following substituted therefor:

"

Name	Title	Principal Outside Activity
B.A. Carey	Director	Executive Director of Morgan Stanley
D. Diab Abboud	Director	Managing Director of Morgan Stanley
P.J.G. de Reus	Director	Employee of TMF Netherlands B.V. Director of Archimedes Investments Cooperatieve U.A.
A. Doppenberg	Director	Employee of TMF Netherlands B.V.
TMF Management B.V.	Director	Dutch corporate service provider
Directors of TMF Management B.V.		
J.E. Hardeveld	Director	Employee and managing director of TMF Netherlands B.V.
K.A. Groenendijk	Director	Employee and managing director of TMF Netherlands B.V.
T.M.A. Kamphuijs	Director	Employee and managing director of TMF Netherlands B.V.

"

PART F – AMENDMENT TO THE "GENERAL INFORMATION" SECTION

1. Sub-paragraph (g) of the section titled "*General Information*" on page 856 of the Base Prospectus shall be deemed to be deleted in its entirety and the following substituted therefor:

   "(g) Morgan Stanley's Quarterly Reports on Form 10-Q for the quarterly periods ended 31 March 2023, 30 June 2023 and 30 September 2023, Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2023, Morgan Stanley's Current Reports on Form 8-K dated 19 April 2023, 18 July 2023, 18 October 2023 and 16 January 2024 and Morgan Stanley's Proxy Statement dated 6 April 2023."