

## SECOND BASE PROSPECTUS SUPPLEMENT

# Morgan Stanley

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

**MORGAN STANLEY & CO. INTERNATIONAL PLC**  
*(incorporated with limited liability in England and Wales)*

**MORGAN STANLEY B.V.**  
*(incorporated with limited liability in the Netherlands)*

### 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**”) and Morgan Stanley B.V. (“**MSBV**”, together with Morgan Stanley and MSI plc, the “**Issuers**”) and Morgan Stanley, in its capacity as guarantor (in such capacity, the “**Guarantor**”) have prepared this second base prospectus supplement (the “**Second Base Prospectus Supplement**”) to supplement and be read in conjunction with the base prospectus dated 15 December 2015 (the “**Base Prospectus**”) of Morgan Stanley, MSI plc and MSBV (each in its capacity as Issuer) and Morgan Stanley (in its capacity as Guarantor) relating to the Regulation S Program for the Issuance of Notes, Series A and Series B, Warrants and Certificates as supplemented by the supplement to the Base Prospectus dated 12 April 2016 (the “**First Base Prospectus Supplement**”).

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

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

The purpose of this Second Base Prospectus Supplement is to:

- (a) disclose the publication by Morgan Stanley of its quarterly report on Form 10-Q for the quarterly period ended 31 March 2016 (the “**Morgan Stanley March 2016 10-Q**”) and incorporate by reference, as set out in “Part A” of this Second Base Prospectus Supplement;
- (b) disclose the publication by MSI plc of its annual report and financial statements for the year ended 31 December 2015 (the “**MSI plc 2015 Annual Report**”) and incorporate by reference, as set out in “Part A” of this Second Base Prospectus Supplement;
- (c) disclose the publication by MSBV of its annual report and financial statements for the year ended 31 December 2015 (the “**MSBV 2015 Annual Report**”) and incorporate by reference, as set out in “Part A” of this Second Base Prospectus Supplement;
- (d) make certain consequential amendments to the summary in the Base Prospectus (as supplemented by the First Base Prospectus Supplement) pursuant to the publication of the Morgan Stanley March 2016 10-Q, the MSI plc 2015 Annual Report and the MSBV 2015 Annual Report as set out in “Part B” of this Second Base Prospectus Supplement;
- (e) in respect of further issuances only under the Base Prospectus (as supplemented by the First Base Prospectus Supplement), make amendments to the selected financial information of Morgan Stanley, MSI plc and

MSBV in the Base Prospectus (as supplemented by the First Base Prospectus Supplement), as set out in ‘Part C’ of this Second Base Prospectus Supplement; and

- (f) in respect of further issuances only under the Base Prospectus (as supplemented by the First Base Prospectus Supplement), make amendments to the General Information section in the Base Prospectus, as set out in “Part D” of this Second Base Prospectus Supplement.

In accordance with Article 13 paragraph 2 of the Luxembourg Law on Prospectuses dated 10 June 2005, investors who have agreed to purchase or subscribe for, or have applied to purchase or subscribe for, any Notes prior to the publication of this Second Base Prospectus Supplement shall have the right, exercisable within two Business Days following the date of publication of this Second 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 2 June 2016.

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

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

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

Any information or documents incorporated by reference into the Morgan Stanley March 2016 10-Q, the MSI plc 2015 Annual Report and the MSBV 2015 Annual Report does not form part of this Second Base Prospectus Supplement and any information or documents which are not incorporated by reference are either not relevant for the investor or covered in another part of this Second Base Prospectus Supplement.

This Second Base Prospectus Supplement, the Morgan Stanley March 2016 10-Q, the MSI plc 2015 Annual Report and the MSBV 2015 Annual Report are available for viewing, and copies may be obtained from, the offices of the Issuers and the Paying Agents.

This Second Base Prospectus Supplement is available on Morgan Stanley's website at [www.morganstanleyiq.eu](http://www.morganstanleyiq.eu) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu)

The Morgan Stanley March 2016 10-Q is available on Morgan Stanley's website at [www.morganstanley.com/about-us-ir](http://www.morganstanley.com/about-us-ir) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

The MSI plc 2015 Annual Report and the MSBV 2015 Annual Report are available on Morgan Stanley's website at [www.morganstanleyiq.eu](http://www.morganstanleyiq.eu) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

27 May 2016

**MORGAN STANLEY**

**MORGAN STANLEY & CO. INTERNATIONAL PLC**

**MORGAN STANLEY B.V.**

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## PART A

### INCORPORATION BY REFERENCE: MORGAN STANLEY MARCH 2016 10-Q, MSI PLC 2015 ANNUAL REPORT AND MSBV 2015 ANNUAL REPORT

This Second Base Prospectus Supplement incorporates by reference the Morgan Stanley March 2016 10-Q, the MSI plc 2015 Annual Report and the MSBV 2015 Annual Report and supplements the section entitled “*Incorporation by Reference*” contained on pages 119-128 of the Base Prospectus.

The Morgan Stanley March 2016 10-Q is available on Morgan Stanley's website at [www.morganstanley.com/about-us-ir](http://www.morganstanley.com/about-us-ir) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

The MSI plc 2015 Annual Report and the MSBV 2015 Annual Report are available on Morgan Stanley's website at [www.morganstanleyiq.eu](http://www.morganstanleyiq.eu) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

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 119-128 of the Base Prospectus.

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

<b>Document filed</b>	<b>Information incorporated by reference</b>	<b>Page(s)</b>
<b>Morgan Stanley</b>		
Quarterly Report on Form 10-Q for the quarter ended 31 March 2016	(1) Condensed Consolidated Statements of Income (unaudited)	1
	(2) Condensed Consolidated Statements of Comprehensive Income (unaudited)	2
	(3) Condensed Consolidated Balance Sheet (unaudited)	3
	(4) Condensed Consolidated Statements of Changes in Total Equity (unaudited)	4
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**Morgan Stanley & Co. International plc**

Report and Financial Statements for the year ended 31 December 2015	(1)	Independent Auditor's Report	19-20
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Report and Financial Statements for the year ended 31 December 2015	(1)	Statement of Comprehensive Income	9
	(2)	Statement of Changes in Equity	10
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This Second Base Prospectus Supplement expressly does not incorporate by reference the documents and/or information identified in the cross-reference table below and supplements the section entitled "Incorporation by Reference" contained on pages 119-128 of the Base Prospectus.

**Document incorporated by reference****Morgan Stanley**

Quarterly Report on Form 10-Q for the quarter ended 31 March 2016

**MSI plc**

Report and Financial Statements for the year ended 31 December 2015

**MSBV**

Report and Financial Statements for the year ended 31 December 2015

**Information not incorporated by reference**

Exhibits

Pages 1 to 18

Pages 1 to 8

**PART B**

**AMENDMENTS TO THE SUMMARY**

**Sub-Section I – Changes to Element B.12**

The selected key financial information relating to Morgan Stanley at Element B.12 of the summary in the Base Prospectus (set out on pages 4-5 of the Base Prospectus) shall be replaced with the information below:

B.12	<b>Selected historical key financial information:</b>	<p><b>[Selected key financial information relating to Morgan Stanley:</b></p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th style="text-align: center;">31 December 2014</th> <th style="text-align: center;">31 December 2015</th> <th colspan="2" style="text-align: center;">At 31 March (unaudited)</th> </tr> <tr> <th></th> <th></th> <th style="text-align: center;">2015</th> <th style="text-align: center;">2016</th> </tr> </thead> <tbody> <tr> <td>Consolidated Balance Sheet (\$ in millions)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><i>Total assets</i></td> <td style="text-align: right;">801,510</td> <td style="text-align: right;">787,465</td> <td style="text-align: right;">829,099</td> <td style="text-align: right;">807,497</td> </tr> <tr> <td><i>Total liabilities and equity</i></td> <td style="text-align: right;">801,510</td> <td style="text-align: right;">787,465</td> <td style="text-align: right;">829,099</td> <td style="text-align: right;">807,497</td> </tr> <tr> <td colspan="5"> </td> </tr> <tr> <th></th> <th style="text-align: center;">31 December 2014</th> <th style="text-align: center;">31 December 2015</th> <th colspan="2" style="text-align: center;">Three months ended 31 March (unaudited)</th> </tr> <tr> <td>Consolidated Income Statement (\$ in millions)</td> <td></td> <td></td> <th style="text-align: center;">2015</th> <th style="text-align: center;">2016</th> </tr> <tr> <td><i>Net revenues</i></td> <td style="text-align: right;">34,275</td> <td style="text-align: right;">35,155</td> <td style="text-align: right;">9,907</td> <td style="text-align: right;">7,792</td> </tr> <tr> <td><i>Income from continuing operations before income taxes</i></td> <td style="text-align: right;">3,591</td> <td style="text-align: right;">8,495</td> <td style="text-align: right;">2,855</td> <td style="text-align: right;">1,738</td> </tr> <tr> <td><i>Net income</i></td> <td style="text-align: right;">3,667</td> <td style="text-align: right;">6,279</td> <td style="text-align: right;">2,463</td> <td style="text-align: right;">1,157</td> </tr> </tbody> </table> <p>There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2015, the date of the latest published annual audited accounts of Morgan Stanley</p> <p>There has been no significant change in the financial or trading position of Morgan Stanley since 31 March 2016, the date of the latest published interim (unaudited) financial statements of Morgan Stanley.]</p> <p><b>[Selected key financial information relating to MSI plc:</b></p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">31 Dec 2014</th> <th style="text-align: center;">31 Dec 2015</th> </tr> </thead> <tbody> <tr> <td>Consolidated Balance Sheet (<i>in \$ millions</i>)</td> <td></td> <td></td> </tr> <tr> <td><i>Total assets</i></td> <td style="text-align: right;">448,526</td> <td style="text-align: right;">394,084</td> </tr> <tr> <td><i>Total liabilities and equity</i></td> <td style="text-align: right;">448,526</td> <td style="text-align: right;">394,084</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">31 Dec 2014</th> <th style="text-align: center;">31 Dec 2015</th> </tr> </thead> <tbody> <tr> <td>Consolidated Income Statement (<i>in \$ millions</i>)</td> <td></td> <td></td> </tr> <tr> <td><i>Net gains on financial instruments classified as held</i></td> <td style="text-align: right;">2,775</td> <td style="text-align: right;">3,508</td> </tr> </tbody> </table>		31 December 2014	31 December 2015	At 31 March (unaudited)				2015	2016	Consolidated Balance Sheet (\$ in millions)					<i>Total assets</i>	801,510	787,465	829,099	807,497	<i>Total liabilities and equity</i>	801,510	787,465	829,099	807,497							31 December 2014	31 December 2015	Three months ended 31 March (unaudited)		Consolidated Income Statement (\$ in millions)			2015	2016	<i>Net revenues</i>	34,275	35,155	9,907	7,792	<i>Income from continuing operations before income taxes</i>	3,591	8,495	2,855	1,738	<i>Net income</i>	3,667	6,279	2,463	1,157		31 Dec 2014	31 Dec 2015	Consolidated Balance Sheet ( <i>in \$ millions</i> )			<i>Total assets</i>	448,526	394,084	<i>Total liabilities and equity</i>	448,526	394,084		31 Dec 2014	31 Dec 2015	Consolidated Income Statement ( <i>in \$ millions</i> )			<i>Net gains on financial instruments classified as held</i>	2,775	3,508
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<i>for trading</i>		
<i>Profit (loss) before tax</i>	(677)	710
<i>Profit (loss) for the year/period</i>	(713)	401

There has been no material adverse change in the prospects of MSI plc since 31 December 2015, the date of the latest published annual audited accounts of MSI plc.

There has been no significant change in the financial or trading position of the MSI plc Group since 31 December 2015, the date of the latest published annual audited accounts of MSI plc.]

**[Selected key financial information relating to MSBV:**

Statement of financial position (in EUR '000)	31 Dec 2014	31 Dec 2015
<i>Total assets</i>	8,081,802	8,770,208
<i>Total liabilities and equity</i>	8,081,802	8,770,208

Statement of comprehensive income (in EUR '000)	31 Dec 2014	31 Dec 2015
<i>Net gains/ (losses) on financial instruments classified as held for trading</i>	185,570	(478,444)
<i>Net gains/ (losses) on financial instruments designated at fair value through profit or loss</i>	(185,570)	482,884
<i>Profit before income tax</i>	6,658	10,151
<i>Profit and total comprehensive income for the year/period</i>	4,993	7,620

There has been no material adverse change in the prospects of MSBV since 31 December 2015, the date of the latest published annual audited accounts of MSBV.

There has been no significant change in the financial or trading position of MSBV since 31 December 2015, the date of the latest published annual audited accounts of MSBV.]

**Sub-Section II – Changes to Element B.19 (B.12)**

The selected key financial information relating to Morgan Stanley at Element B.19 (B.12) of the summary in the Base Prospectus (set out on page 8 of the Base Prospectus) shall be replaced with the information below:

B.19 (B.12)	<b>Selected historical key financial information:</b>	<b>[Selected key financial information relating to Morgan Stanley:</b>				
		<hr/>				
		Consolidated Balance Sheet (\$ in millions)	<b>31 December 2014</b>	<b>31 December 2015</b>	<b>At 31 March (unaudited)</b>	
			<b>2015</b>	<b>2016</b>		
		<i>Total assets</i>	801,510	787,465	829,099	807,497
		<i>Total liabilities and equity</i>	801,510	787,465	829,099	807,497
		<hr/>				
		Consolidated Income Statement (\$ in millions)	<b>31 December 2014</b>	<b>31 December 2015</b>	<b>Three months ended 31 March (unaudited)</b>	
			<b>2015</b>	<b>2016</b>		
		<i>Net revenues</i>	34,275	35,155	9,907	7,792
		<i>Income from continuing operations before income taxes</i>	3,591	8,495	2,855	1,738
		<i>Net income</i>	3,667	6,279	2,463	1,157
		There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2015, the date of the latest published annual audited accounts of Morgan Stanley				
		Not applicable, there has been no significant change in the financial or trading position of Morgan Stanley since 31 March 2016, the date of the latest published interim (unaudited) financial statements of Morgan Stanley.]				



### Sub-Section III – Changes to Element B.10

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

B.10	<b>Audit report qualifications:</b>	Not Applicable. There are no qualifications in the auditor's reports [ <i>insert for MSBV / MSI plc: on the financial statements of [MSI plc] / [MSBV] for the years ended 31 December 2014 and 31 December 2015</i> ] / [ <i>insert for MS: on the financial statements of Morgan Stanley for the years ended 31 December 2014 and 31 December 2015, as contained in Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2015</i> ].
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## PART C

### AMENDMENTS TO SELECTED FINANCIAL INFORMATION

The section titled “*Selected Financial Information of Morgan Stanley*”, “*Selected Financial Information of MSIP*” and “*Selected Financial Information of MSBV*” set out on pages 107 to 109 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

#### SELECTED FINANCIAL INFORMATION OF MORGAN STANLEY

This section contains selected financial information of Morgan Stanley relating to the years ended 31 December 2014 and 31 December 2015 and the three months ended 31 March 2015 and 31 March 2016.

The information in respect of the years ended 31 December 2014 and 31 December 2015 set out below is derived from the financial statements in the audited financial statements included in Morgan Stanley’s Annual Report on Form 10-K for the years ended 31 December 2014 and 31 December 2015, respectively.

The information in respect of the three months ended 31 March 2015 and 31 March 2016 set out below is derived from the unaudited financial statements included in the Morgan Stanley Quarterly Report for the quarterly periods ended 31 March 2015 and 31 March 2016, respectively.

Balance Sheet (\$ <i>in millions</i> )	31 December 2014	31 December 2015	At 31 March (unaudited)	
			2015	2016
<i>Total assets</i>	801,510	787,465	829,099	807,497
<i>Total liabilities and equity</i>	801,510	787,465	829,099	807,497

Consolidated Income Statement (\$ <i>in millions</i> )	31 December 2014	31 December 2015	Three months ended 31 March (unaudited)	
			2015	2016
<i>Net revenues</i>	34,275	35,155	9,907	7,792
<i>Income from continuing operations before income taxes</i>	3,591	8,495	2,855	1,738
<i>Net income</i>	3,667	6,279	2,463	1,157

### SELECTED FINANCIAL INFORMATION OF MSIP

This section contains selected financial information of MSIP relating to the years ended 31 December 2014 and 31 December 2015.

The information in respect of the years ended 31 December 2014 and 31 December 2015 set out below is derived from the financial statements in the audited financial statements included in MSIP's Report and Financial Statements for the years ended 31 December 2014 and 31 December 2015.

Balance Sheet ( <i>in \$ millions</i> )	<b>31 Dec 2014</b>	<b>31 Dec 2015</b>
<i>Total assets</i>	448,526	394,084
<i>Total liabilities and equity</i>	448,526	394,084

Consolidated Income Statement ( <i>in \$ millions</i> )	<b>31 Dec 2014</b>	<b>31 Dec 2015</b>
<i>Net gains on financial instruments classified as held for trading</i>	2,775	3,508
<i>Profit (loss) before tax</i>	(677)	710
<i>Profit (loss) for the year/period</i>	(713)	401

### SELECTED FINANCIAL INFORMATION OF MSBV

This section contains selected financial information of MBSV relating to the years ended 31 December 2014 and 31 December 2015.

The information in respect of the years ended 31 December 2014 and 31 December 2015 set out below is derived from the financial statements in the audited financial statements included in MSBV's Report and Financial Statements for the years ended 31 December 2014 and 31 December 2015.

Statement of financial position ( <i>in EUR '000</i> )	<b>31 Dec 2014</b>	<b>31 Dec 2015</b>
<i>Total assets</i>	8,081,802	8,770,208
<i>Total liabilities and equity</i>	8,081,802	8,770,208

Statement of comprehensive income ( <i>in EUR '000</i> )	<b>31 Dec 2014</b>	<b>31 Dec 2015</b>
<i>Net gains/ (losses) on financial instruments classified as held for trading</i>	185,570	(478,444)
<i>Net gains/ (losses) on financial instruments designated at fair value through profit or loss</i>	(185,570)	482,884
<i>Profit before income tax</i>	6,658	10,151
<i>Profit and total comprehensive income for the year/period</i>	4,993	7,620

## PART D

### AMENDMENTS TO GENERAL INFORMATION SECTION

1. Sub-paragraph (f) set out on page 771 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

“(f) Annual Report of Morgan Stanley on Form 10-K for the year ended 31 December 2015, Morgan Stanley Current Reports on Form 8-K, Morgan Stanley Proxy Statement date 1 April 2016 and Quarterly Report of Morgan Stanley on Form 10-Q for the three months ended 31 March 2016;”

2. Sub-paragraph (g) set out on page 771 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

“(g) Annual Reports of MSI plc for the financial years ended 31 December 2013, 31 December 2014 and 31 December 2015 (these shall not be available at the registered office of Morgan Stanley or MSBV);”

3. Sub-paragraph (h) set out on page 771 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

“(h) Annual Reports of MSBV for the financial years ended 31 December 2013, 31 December 2014 and 31 December 2015 (these shall not be available at the registered office of MSI plc);”

4. The sub section titled “*Morgan Stanley*” within the section “*No material adverse change in the prospects and no significant change in the financial or trading position*” set out on page 772 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

#### **“Morgan Stanley**

There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2015, the date of the last published annual audited accounts of Morgan Stanley.

There has been no significant change in the financial or trading position of Morgan Stanley since 31 March 2016, the date of the latest published interim (unaudited) financial statements of Morgan Stanley.”

5. The sub section titled “*MSIP*” within the section “*No material adverse change in the prospects and no significant change in the financial or trading position*” set out on page 772 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

#### **“MSIP**

There has been no material adverse change in the prospects of MSIP since 31 December 2015, the date of the last published annual audited accounts of MSIP.

There has been no significant change in the financial or trading position of MSIP since 31 December 2015, the date of the last published annual audited accounts of MSIP.”

6. The sub section titled “*MSBV*” within the section “*No material adverse change in the prospects and no significant change in the financial or trading position*” set out on pages 772-773 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

#### **“MSBV**

There has been no material adverse change in the prospects of MSBV since 31 December 2015, the date of the last published annual audited accounts of MSBV.

There has been no significant change in the financial or trading position of MSBV since 31 December 2015, the date of the last published annual audited accounts of MSBV.”

7. The sub section titled “*Legal and arbitration proceedings*” set out on pages 773 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

**“Legal and arbitration proceedings**

Save as disclosed in:

- a) the section entitled "Legal Proceedings" in Part I - Item 3 at pages 24-32 and in the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" in Part II - Item 8 at pages 202-205 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2015 (the "**Form 10-K**");
- b) the section entitled "Legal Settlement" under the heading "24. Subsequent Events" in "Notes to the Consolidated Financial Statements" in Part II – Item 8 at page 250 of the Form 10-K;
- c) the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Condensed Consolidated Financial Statements" in Part I – Item 1 at pages 47-50 and the section entitled “Legal Proceedings” in Part II – Item 1 at page 126 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended 31 March 2016; and
- d) the Registration Document (as supplemented by the First Registration Document Supplement dated 6 November 2015 and the Second Registration Document Supplement dated 31 March 2016),

there are no, nor have there been, any governmental, legal or arbitration proceedings involving Morgan Stanley (including any such proceedings which are pending or threatened of which Morgan Stanley is aware) during the 12-month period before the date of this Base Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley or the Morgan Stanley Group.”