MORGAN STANLEY
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Morgan Stanley Finance LLC

Structured Investments

Opportunities in U.S. and International Equities

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Fully and Unconditionally Guaranteed by Morgan Stanley

Principal at Risk Securities

The securities offered are unsecured obligations of Morgan Stanley Finance LLC ("MSFL") and are fully and unconditionally guaranteed by Morgan Stanley. The securities have the terms described in the accompanying product supplement, index supplement and prospectus, as supplemented or modified by this document. The securities do not guarantee the repayment of principal and do not provide for the regular payment of interest after the first three years. For the first three years, the securities will pay a fixed quarterly coupon at the rate specified below. Thereafter, the securities will pay a contingent quarterly coupon **but only if** the index closing value of **each** of the S&P 500® Index**,** EURO STOXX 50® Index and Russell 2000® Index is **at or above** its respective **initial index value** on the related observation date. If the index closing value of **any** underlying index is **less than** its **initial index value** on any observation date after the first three years, we will pay no interest for the related quarterly period. However, if the index closing value of each underlying index is **greater than or equal to** its respective **initial index value** on an observation date after the first three years, investors will receive, in addition to the contingent quarterly coupon for that quarterly period, any previously unpaid contingent quarterly coupons from prior observation dates. In addition, starting five and a half years after the original issue date, the securities will be automatically redeemed if the index closing value of **each** underlying index is **greater than or equal to** its respective initial index value on any quarterly redemption determination date, for the early redemption payment equal to the sum of the stated principal amount plus the related quarterly coupon (including any contingent quarterly coupon(s) with respect to any prior observation date(s) for which a contingent quarterly coupon was not paid). At maturity, if the securities have not previously been redeemed and the final index value of **each** underlying index is **greater than or equal to** the downside threshold level of 50% of the respective **initial index value**, the payment at maturity will be the stated principal amount. If the final index value of **each** underlying index is also **greater than or equal to** its respective **initial index value**, investors will also receive the related contingent quarterly coupon and the previously unpaid contingent quarterly coupons. If, however, the final index value of **any** underlying index is **less than** its downside threshold level, investors will be fully exposed to the decline in the worst performing underlying index on a 1-to-1 basis and will receive a payment at maturity that is **less than** 50% of the stated principal amount of the securities and could be zero. **Accordingly, investors in the securities must be willing to accept the risk of losing their entire initial investment and also the risk of not receiving any quarterly coupons after the first three years.** Because all payments on the securities are based on the worst performing of the underlying indices, a decline beyond the respective initial index value or respective downside threshold level, as applicable, of any underlying index will result in few or no contingent coupon payments or a significant loss of your investment, even if the other underlying indices have appreciated or have not declined as much. Because the redemption determination dates will also be coupon observation dates, and because the threshold for both early redemption and the payment of coupons will be the initial index value of each underlying index, if the securities are not automatically redeemed following any redemption determination date, no contingent quarterly coupon will be payable with respect to that quarterly period. These long-dated securities are for investors who are willing to risk their principal and seek an opportunity to earn interest at a potentially above-market rate in exchange for the risk of receiving no quarterly coupons after the first three years, with no possibility of being called out of the securities until after the initial 5.5-year non-call period. Investors will not participate in any appreciation of any underlying index. The securities are notes issued as part of MSFL's Series A Global Medium-Term Notes program.

All payments are subject to our credit risk. If we default on our obligations, you could lose some or all of your investment. These securities are not secured obligations and you will not have any security interest in, or otherwise have any access to, any underlying reference asset or assets.

SUMMARY TERMS

Issuer:	Morgan Stanley Finance LLC
Guarantor:	Morgan Stanley
Underlying indices:	S&P 500® Index (the "SPX Index"), EURO STOXX 50® Index (the "SX5E Index") and Russell 2000® Index (the "RTY Index")
Aggregate principal amount:	$
Stated principal amount:	$1,000 per security
Issue price:	$1,000 per security (see "Commissions and issue price" below)
Pricing date:	August 28, 2018
Original issue date:	August 31, 2018 (3 business days after the pricing date)
Maturity date:	September 1, 2033
Quarterly coupon:	Years 1-3: On each coupon payment date through September 2021, a fixed coupon at an annual rate of 9.00% (corresponding to approximately $22.50 per quarter per security) is paid quarterly. Years 4-15: Beginning with the December 2021 coupon payment date, a *contingent* coupon plus any previously unpaid contingent quarterly coupons with respect to any prior observation dates will be paid on the securities on each coupon payment date ***but only if*** the index closing value of **each** underlying index is at or above its respective initial index value on the related observation date. If payable, the contingent quarterly coupon will be an amount in cash per stated principal amount corresponding to a return of 9.00% *per annum* for each interest payment period for each applicable observation date.

If the contingent quarterly coupon is not paid on any coupon payment date after the first three years (because the index closing value of any underlying index is less than its respective initial index value on the related observation date), such unpaid contingent quarterly coupon will be paid on a later coupon payment date but only if the index closing value of each underlying index on such later observation date is greater than or equal to its respective initial index value; *provided, however,* in the case of any such payment of a previously unpaid contingent quarterly coupon, no additional interest shall accrue or be payable in respect of such unpaid contingent quarterly coupon from and after the end of the original interest period for such unpaid contingent quarterly coupon. You will not receive such unpaid contingent quarterly coupons if the index closing value of any underlying index is less than its respective initial index value on each subsequent observation date. If the index closing value of any underlying index is less than its respective initial index value on each observation date, you will not receive any quarterly coupons after the first three years.

Because the redemption determination dates will also be coupon observation dates, and because the threshold for both early redemption and the payment of coupons will be the initial index value of each underlying index, if the securities are not automatically redeemed following any redemption determination date, no contingent quarterly coupon will be payable with respect to that quarterly period.

Payment at maturity:

If the securities have not been automatically redeemed prior to maturity, that will necessarily mean that the index closing value of at least one underlying index was below its initial index value on every quarterly observation date during the last nine and a half years of the term of the securities, and therefore no contingent quarterly coupon payments will have been made in the last nine and a half years of the term of the securities. In such a case, the payment at maturity will be determined as follows:

If the final index value of **each** underlying index is **greater than or equal to** its respective downside threshold level, investors will receive the stated principal amount. If the final index value of **each** underlying index is also **greater than or equal to** its respective **initial index value**, investors will also receive the contingent quarterly coupon with respect to the final observation date and the previously unpaid contingent quarterly coupons with respect to the prior observation dates.

	If the final index value of **any** underlying index is **less than** its respective downside threshold level, investors will receive (i) the stated principal amount *multiplied by* (ii) the index performance factor of the worst performing underlying index. Under these circumstances, the payment at maturity will be less than 50% of the stated principal amount of the securities and could be zero.
	Terms continued on the following page
Agent:	Morgan Stanley & Co. LLC ("MS & Co."), an affiliate of MSFL and a wholly owned subsidiary of Morgan Stanley. See "Supplemental information regarding plan of distribution; conflicts of interest."
Estimated value on the pricing date:	Approximately $935.50 per security, or within $40.00 of that estimate. See "Investment Summary" beginning on page 4.

Commissions and issue price:	**Price to public**[(1)]	**Agent's commissions**[(2)]	**Proceeds to us**[(3)]
Per security	$1,000	$	$
Total	$	$	$

(1) *The price to public for investors purchasing the securities in fee-based advisory accounts will be $970 per security.*

(2) *Selected dealers and their financial advisors will collectively receive from the agent, Morgan Stanley & Co. LLC., a fixed sales commission of $ for each security they sell; provided that dealers selling to investors purchasing the securities in fee-based advisory accounts will receive a sales commission of $ per security. See "Supplemental information regarding plan of distribution; conflicts of interest." For additional information, see "Plan of Distribution (Conflicts of Interest)" in the accompanying product supplement.*

(3) *See "Use of proceeds and hedging" on page 32.*

The securities involve risks not associated with an investment in ordinary debt securities. See "Risk Factors" beginning on page 15.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these securities, or determined if this document or the accompanying product supplement, index supplement and prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The securities are not deposits or savings accounts and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality, nor are they obligations of, or guaranteed by, a bank.

You should read this document together with the related product supplement, index supplement and prospectus, each of which can be accessed via the hyperlinks below. Please also see "Additional Information About the Securities" at the end of this document.

As used in this document, "we," "us" and "our" refer to Morgan Stanley or MSFL, or Morgan Stanley and MSFL collectively, as the context requires.

Product Supplement for Auto-Callable Securities dated November 16, 2017	**Index Supplement dated November 16, 2017**	**Prospectus dated November 16, 2017**

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

Terms continued from previous page:

Early redemption:	**The securities are not subject to automatic early redemption until five and a half years after the original issue date.** Following the initial 5.5-year non-call period, if, on any redemption determination date, beginning on February 28, 2024, the index closing value of **each** underlying index is **greater than or equal to** its respective initial index value, the securities will be automatically redeemed for an early redemption payment on the related early redemption date. No further payments will be made on the securities once they have been redeemed. **The securities will not be redeemed early on any early redemption date if the index closing value of any underlying index is below the respective initial index value for such underlying index on the related redemption determination date.**
Early redemption payment:	The early redemption payment will be an amount equal to (i) the stated principal amount for each security you hold *plus* (ii) the related quarterly coupon (including any contingent quarterly coupon(s) with respect to any prior observation date(s) for which a contingent quarterly coupon was not paid).
Redemption determination dates:	Quarterly, beginning on February 28, 2024, as set forth under “Observation Dates, Redemption Determination Dates, Coupon Payment Dates and Early Redemption Dates” below, subject to postponement for non-index business days and certain market disruption events.
Early redemption dates:	Quarterly, beginning on March 4, 2024, as set forth under “Observation Dates, Redemption Determination Dates, Coupon Payment Dates and Early Redemption Dates” below. If any such day is not a business day, that early redemption payment will be made on the next succeeding business day and no adjustment will be made to any early redemption payment made on that succeeding business day
Downside threshold level:	With respect to the SPX Index: , which is 50% of its initial index value With respect to the SX5E Index: , which is 50% of its initial index value With respect to the RTY Index: , which is 50% of its initial index value
Initial index value:	With respect to the SPX Index: , which is its index closing value on the pricing date With respect to the SX5E Index: , which is its index closing value on the pricing date With respect to the RTY Index: , which is its index closing value on the pricing date
Final index value:	With respect to each index, the respective index closing value on the final observation date
Worst performing underlying:	The underlying index with the largest percentage decrease from the respective initial index value to the respective final index value

Index performance factor:	Final index value *divided by* the initial index value
Coupon payment dates:	Quarterly, as set forth under "Observation Dates, Redemption Determination Dates, Coupon Payment Dates and Early Redemption Dates" below. If any such day is not a business day, that coupon payment will be made on the next succeeding business day and no adjustment will be made to any coupon payment made on that succeeding business day. The contingent quarterly coupon, if any, with respect to the final observation date will be paid on the maturity date
Observation dates:	Quarterly, beginning on November 29, 2021, as set forth under "Observation Dates, Redemption Determination Dates, Coupon Payment Dates and Early Redemption Dates" below, subject to postponement for non-index business days and certain market disruption events. We also refer to August 29, 2033 as the final observation date.
CUSIP / ISIN:	61768DAT2 / US61768DAT28
Listing:	The securities will not be listed on any securities exchange.

Observation Dates, Redemption Determination Dates, Coupon Payment Dates and Early Redemption Dates

Observation Dates / Redemption Determination Dates	Coupon Payment Dates / Early Redemption Dates
N/A	December 3, 2018*
N/A	March 5, 2019*
N/A	May 31, 2019*
N/A	September 3, 2019*
N/A	December 4, 2019*
N/A	March 4, 2020*
N/A	June 2, 2020*
N/A	September 2, 2020*
N/A	December 3, 2020*
N/A	March 4, 2021*
N/A	June 3, 2021*
N/A	September 2, 2021*
November 29, 2021*	December 2, 2021*
February 28, 2022*	March 3, 2022*
May 31, 2022*	June 3, 2022*
August 29, 2022*	September 1, 2022*
November 28, 2022*	December 1, 2022*
February 28, 2023*	March 3, 2023*
May 30, 2023*	June 2, 2023*
August 28, 2023*	August 31, 2023*
November 28, 2023*	December 1, 2023*
February 28, 2024	March 4, 2024
May 28, 2024	May 31, 2024
August 28, 2024	September 3, 2024
November 29, 2024	December 4, 2024
February 28, 2025	March 5, 2025

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

May 28, 2025	June 2, 2025
August 28, 2025	September 3, 2025
November 28, 2025	December 3, 2025
March 2, 2026	March 5, 2026
May 28, 2026	June 2, 2026
August 28, 2026	September 2, 2026
November 30, 2026	December 3, 2026
March 1, 2027	March 4, 2027
May 28, 2027	June 3, 2027
August 30, 2027	September 2, 2027
November 29, 2027	December 2, 2027
February 28, 2028	March 2, 2028
May 30, 2028	June 2, 2028
August 28, 2028	August 31, 2028
November 28, 2028	December 1, 2028
February 28, 2029	March 5, 2029
May 29, 2029	June 1, 2029
August 28, 2029	August 31, 2029
November 28, 2029	December 3, 2029
February 28, 2030	March 5, 2030
May 28, 2030	May 31, 2030
August 28, 2030	September 3, 2030
November 29, 2030	December 4, 2030
February 28, 2031	March 5, 2031
May 28, 2031	June 2, 2031
August 28, 2031	September 3, 2031
November 28, 2031	December 3, 2031
March 1, 2032	March 4, 2032
May 28, 2032	June 3, 2032
August 30, 2032	September 2, 2032
November 29, 2032	December 2, 2032
February 28, 2033	March 3, 2033
May 31, 2033	June 3, 2033
August 29, 2033 (final observation date)	September 1, 2033 (maturity date)

* The securities are not subject to automatic early redemption until the 22nd coupon payment date, which is March 4, 2024.

August 2018 Page 3

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

Investment Summary

Contingent Income Auto-Callable Securities

Principal at Risk Securities

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index (the “securities”) do not provide for the regular payment of interest after the first three years. For the first three years, the securities will pay a fixed quarterly coupon at the rate specified below. Thereafter, the securities will pay a contingent quarterly coupon **but only if** the index closing value of **each** underlying index is **at or above** its respective **initial index value** on the related observation date. If the index closing value of **any underlying index** is **less than** its **initial index value** on any observation date after the first three years, we will pay no interest for the related quarterly period. However, if the index closing value of each underlying index is **greater than or equal to** its respective **initial index value** on an observation date, investors will receive, in addition to the contingent quarterly coupon for that quarterly period, any previously unpaid contingent quarterly coupons from prior observation dates. You will not receive such unpaid contingent quarterly coupon if the index closing value of **any underlying index** is **less than** its respective **initial index value** on each subsequent observation date. If the index closing value of **any underlying index** is **less than** its respective **initial index value** on each observation date, you will not receive any contingent quarterly coupon after the first three years. We refer to the quarterly coupons after the first three years as contingent, because there is no guarantee that you will receive a coupon payment on any coupon payment date after the first three years. Even if each underlying index were to be at or above its respective initial index values on some quarterly observation dates after the first three years, one or more underlying indices may fluctuate below the respective initial index value(s) on others, and they may not each close at or above their respective initial index values on any subsequent observation date, in which case you will not receive payment of any previously unpaid contingent quarterly coupons. In addition, if the securities have not been automatically called prior to maturity and the final index value of **any underlying index** is **less than** 50% of the respective initial index value, which we refer to as the downside threshold level, investors will be fully exposed to the decline in the worst performing underlying index on a 1-to-1 basis, and will receive a payment at maturity that is less than 50% of the stated principal amount of the securities and could be zero. **Accordingly, investors in the securities must be willing to accept the risk of losing their entire initial investment and also the risk of not receiving any contingent quarterly coupons after the first three years.**

Maturity:	Approximately 15 years
Quarterly coupon:	Years 1-3: On each coupon payment date through September 2021, a fixed coupon at an annual rate of 9.00% (corresponding to approximately $22.50 per quarter per security) is paid quarterly.

Years 4-15: Beginning with the December 2021 coupon payment date, a *contingent* coupon plus any previously unpaid contingent quarterly coupons with respect to any prior observation dates will be paid on the securities on each coupon payment date ***but only if*** the index closing value of **each** underlying index is at or above its respective initial index value on the related observation date. If payable, the contingent quarterly coupon will be an amount in cash per stated principal amount corresponding to a return of 9.00% *per annum* for each interest payment period for each applicable observation date.

If the contingent quarterly coupon is not paid on any coupon payment date after the first three years (because the index closing value of any underlying index is less than its respective initial index value on the related observation date), such unpaid contingent quarterly coupon will be paid on a later coupon payment date but only if the index closing value of each underlying index on such later observation date is greater than or equal to its respective initial index value. You will not receive such unpaid contingent quarterly coupon if the index closing value of any underlying index is less than its respective initial index value on each subsequent observation date. If the index closing value of any underlying index is less than its respective initial index value on each observation date, you

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

	will not receive any quarterly coupon after the first three years.
Automatic early redemption starting after 5.5 years:	Starting after 5.5 years, if the index closing value of **each** underlying index is **greater than or equal to** its initial index value on any quarterly redemption determination date, the securities will be automatically redeemed for an early redemption payment equal to the stated principal amount *plus* the related quarterly coupon (including any contingent quarterly coupon(s) with respect to any prior observation date(s) for which a contingent quarterly coupon was not paid). No further payments will be made on the securities once they have been redeemed.
	If the securities have not been automatically redeemed prior to maturity, that will necessarily mean that the index closing value of at least one underlying index was below its initial index value on every quarterly observation date during the last nine and a half years of the term of the securities, and therefore no contingent quarterly coupon payments will have been made in the last nine and a half years of the term of the securities. In such a case, the payment at maturity will be determined as follows:
Payment at maturity:	If the final index value of **each** underlying index is **greater than or equal to** the respective downside threshold level, investors will receive at maturity the stated principal amount. If the final index value of **each** underlying index is also **greater than or equal to** its respective **initial index value**, investors will also receive the contingent quarterly coupon with respect to the final observation date and the previously unpaid contingent quarterly coupons with respect to the prior observation dates.
	If the final index value of **any underlying index** is **less than** its downside threshold level, investors will receive a payment at maturity equal to the stated principal amount *times* the index performance factor of the worst performing underlying index. Under these circumstances, the payment at maturity will be less than 50% of the stated principal amount of the securities and could be zero. No quarterly coupon will be payable at maturity, and investors will not receive payment of the previously unpaid contingent quarterly coupons. **Accordingly, investors in the securities must be willing to accept the risk of losing their entire initial investment.**

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

The original issue price of each security is $1,000. This price includes costs associated with issuing, selling, structuring and hedging the securities, which are borne by you, and, consequently, the estimated value of the securities on the pricing date will be less than $1,000. We estimate that the value of each security on the pricing date will be approximately $935.50, or within $40.00 of that estimate. Our estimate of the value of the securities as determined on the pricing date will be set forth in the final pricing supplement.

What goes into the estimated value on the pricing date?

In valuing the securities on the pricing date, we take into account that the securities comprise both a debt component and a performance-based component linked to the underlying indices. The estimated value of the securities is determined using our own pricing and valuation models, market inputs and assumptions relating to the underlying indices, instruments based on the underlying indices, volatility and other factors including current and expected interest rates, as well as an interest rate related to our secondary market credit spread, which is the implied interest rate at which our conventional fixed rate debt trades in the secondary market.

What determines the economic terms of the securities?

In determining the economic terms of the securities, including the quarterly coupon rate and the downside threshold levels, we use an internal funding rate, which is likely to be lower than our secondary market credit spreads and therefore advantageous to us. If the issuing, selling, structuring and hedging costs borne by you were lower or if the internal funding rate were higher, one or more of the economic terms of the securities would be more favorable to you.

What is the relationship between the estimated value on the pricing date and the secondary market price of the securities?

The price at which MS & Co. purchases the securities in the secondary market, absent changes in market conditions, including those related to the underlying indices, may vary from, and be lower than, the estimated value on the pricing date, because the secondary market price takes into account our secondary market credit spread as well as the bid-offer spread that MS & Co. would charge in a secondary market transaction of this type and other factors. However, because the costs associated with issuing, selling, structuring and hedging the securities are not fully deducted upon issuance, for a period of up to 18 months following the issue date, to the extent that MS & Co. may buy or sell the securities in the secondary market, absent changes in market conditions, including those related to the underlying indices, and to our secondary market credit spreads, it would do so based on values higher than the estimated value. We expect that those higher values will also be reflected in your brokerage account statements.

MS & Co. may, but is not obligated to, make a market in the securities, and, if it once chooses to make a market, may cease doing so at any time.

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

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Principal at Risk Securities

Key Investment Rationale

The securities provide for fixed quarterly coupon payments at the rate specified herein for the first three years. Thereafter, the securities do not provide for the regular payment of interest and instead will pay a contingent quarterly coupon **but only if** the index closing value of each underlying index is **at or above** its respective **initial index value** on the related observation date. If the index closing value of **any underlying index** is **less than** the respective **initial index value** on any observation date after the first three years, we will pay no interest for the related quarterly period. However, if the index closing value of **each** underlying index is **greater than or equal to** its respective **initial index value** on an observation date, investors will receive, in addition to the contingent quarterly coupon for that quarterly period, any previously unpaid contingent quarterly coupons from prior observation dates. The securities are for investors who are willing to risk their principal and seek an opportunity to earn interest at a potentially above-market rate in exchange for the risk of receiving no quarterly coupons after the first three years, with no possibility of being called out of the securities until after the initial 5.5-year non-call period. Because the redemption determination dates will also be coupon observation dates, and because the threshold for both early redemption and the payment of coupons will be the initial index value of each underlying index, if the securities are not automatically redeemed following any redemption determination date, no contingent quarterly coupon will be payable with respect to that quarterly period.

The following scenarios are for illustrative purposes only to demonstrate how the coupon and the payment at maturity (if the securities have not previously been redeemed) are calculated, and do not attempt to demonstrate every situation that may occur. Accordingly, the securities may or may not be redeemed, the contingent coupon may be payable in none of, or some but not all of, the quarterly periods after the first three years and the payment at maturity may be less than 50% of the stated principal amount of the securities and may be zero.

Scenario 1: The securities are redeemed prior to maturity	Investors receive the 9.00% per annum fixed quarterly coupon for each interest period during the first three years of the term of the securities. Investors receive the contingent quarterly coupon, corresponding to a return of 9.00% per annum, as well as any previously unpaid contingent quarterly coupons from prior observation dates, for the quarterly periods for which each index closing value is at or above the respective initial index value on the related observation date after the first three years of the term of the securities, but not for the quarterly periods for which any index closing value is below the respective initial index value on the related observation date.

Starting after 5.5 years, when each underlying index closes at or above its initial index value on a quarterly redemption determination date, the securities will be automatically redeemed for the stated principal amount *plus* the related quarterly coupon (including any contingent quarterly coupon(s) with respect to any prior observation date(s) for which a contingent quarterly coupon was not paid).

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

	Investors receive the 9.00% per annum fixed quarterly coupon for each interest period during the first three years of the term of the securities. During the subsequent two and a half years, investors receive the contingent quarterly coupon, as well as any previously unpaid contingent quarterly coupons, for each quarterly period for which the index closing value of each underlying index is at or above the respective initial index value on the related observation date, but not for the quarterly periods for which the index closing value of any underlying index is below the respective initial index value on the related observation date.
Scenario 2: The securities are not redeemed prior to maturity, and investors receive principal back at maturity	This scenario assumes that each underlying index closes below the respective initial index value on every quarterly redemption determination date. Consequently, the securities are not automatically redeemed prior to maturity. Because the securities were not automatically redeemed prior to maturity, the index closing value of at least one underlying index must have been below the respective initial index value on every quarterly observation date during the last nine and a half years of the term of the securities. Therefore, investors do not receive any coupon payments in the last nine and a half years of the term of the securities.
	On the final observation date, each underlying index closes at or above its downside threshold level. At maturity, investors will receive the stated principal amount. If the final index value of each underlying index is also greater than or equal to its respective initial index value, investors will also receive the contingent quarterly coupon with respect to the final observation date and the previously unpaid contingent quarterly coupons with respect to the prior observation dates. Note that in order for this to occur, the final index values of **each** underlying index would have to be greater than or equal to its respective **initial index value**, although the index closing value of at least one underlying index was below its initial index value on every prior quarterly observation date during the last nine and a half years of the term of the securities.
Scenario 3: The securities are not redeemed prior to maturity, and investors suffer a substantial loss of principal at maturity	Investors receive the 9.00% per annum fixed quarterly coupon for each interest period during the first three years of the term of the securities. During the last nine and a half years, investors receive the contingent quarterly coupon, as well as any previously unpaid contingent quarterly coupons, for each quarterly period for which the index closing value of each underlying index is at or above the respective initial index value on the related observation date, but not for the quarterly periods for which the index closing value of any underlying index is below the respective initial index value on the related observation date.

This scenario assumes that each underlying index closes below the respective initial index value on every quarterly redemption determination date. Consequently, the securities are not automatically redeemed prior to maturity. Because the securities were not automatically redeemed prior to maturity, the index closing value of at least one underlying index must have been below the respective initial index value on every quarterly observation date during the last nine and a half years of the term of the securities. Therefore, investors do not receive any coupon payments in the last nine and a half years of the term of the securities.

On the final observation date, one or more underlying indices close below the respective downside threshold level(s). At maturity, investors will receive an amount equal to the stated principal amount multiplied by the index performance factor of the worst performing underlying index. Under these circumstances, the payment at maturity will be less than 50% of the stated principal amount and could be zero. No coupon will be paid at maturity in this scenario. Additionally, investors will not receive the contingent quarterly coupon with respect to the final observation date, and will not receive payment of the previously unpaid contingent quarterly coupons from the prior observation dates.

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

How the Securities Work

The following diagrams illustrate the potential outcomes for the securities depending on (1) the index closing values on each quarterly observation date, (2) the index closing values on each quarterly redemption determination date (starting after 5.5 years) and (3) the final index values. Please see "Hypothetical Examples" beginning on page 10 for illustration of hypothetical payouts on the securities.

Diagram #1: Contingent Quarterly Coupons After the First Three Years (Beginning with the December 2021 Coupon Payment Date until Early Redemption or Maturity)

Diagram #2: Automatic Early Redemption (Starting after 5.5 years)

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Diagram #3: Payment at Maturity if No Automatic Early Redemption Occurs

For more information about the payout upon an early redemption or at maturity in different hypothetical scenarios, see "Hypothetical Examples" starting on page 11.

Morgan Stanley Finance LLC

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Principal at Risk Securities

Hypothetical Examples

The following hypothetical examples illustrate how to determine whether a contingent quarterly coupon is paid with respect to an observation date and how to calculate the payment at maturity if the securities have not been automatically redeemed early. The following examples are for illustrative purposes only. For the first three years, you will receive a fixed quarterly coupon at a rate of 9.00% per annum, regardless of the performance of the underlying indices. Whether you receive a contingent quarterly coupon after the first three years will be determined by reference to the index closing value of each underlying index on each quarterly observation date, and the amount you will receive at maturity, if any, will be determined by reference to the final index value of each underlying index on the final observation date. The actual initial index value and downside threshold level for each underlying index will be determined on the pricing date. All payments on the securities are subject to our credit risk. The numbers in the hypothetical examples below may have been rounded for the ease of analysis. The below examples are based on the following terms:

Quarterly Coupon:	Years 1-3: On each coupon payment date through September 2021, a fixed coupon at an annual rate of 9.00% (corresponding to approximately $22.50 per quarter per security*) is paid quarterly. Years 4-15: Beginning with the December 2021 coupon payment date, a *contingent* coupon plus any previously unpaid contingent quarterly coupons with respect to any prior observation dates will be paid on the securities on each coupon payment date ***but only if*** the index closing value of **each** underlying index is at or above its respective initial index value on the related observation date. If payable, the contingent quarterly coupon will be an amount in cash per stated principal amount corresponding to a return of 9.00% *per annum* for each interest payment period for each observation date (corresponding to approximately $22.50 per quarter per security*).
Automatic Early Redemption (starting after 5.5 years):	If the index closing value of **each** underlying index is greater than or equal to its **initial index value** on any quarterly redemption determination date, the securities will be automatically redeemed for an early redemption payment equal to the stated principal amount *plus* the related quarterly coupon (including any contingent quarterly coupon(s) with respect to any prior observation date(s) for which a contingent quarterly coupon was not paid).
Payment at Maturity (if the securities have not been automatically	If the final index value of **each** underlying index is **greater than or equal to** its respective downside threshold level, investors will receive the stated principal amount. If the final index value of **each** underlying index is also **greater than or equal to** its respective **initial index**

redeemed early):	**value**, investors will also receive the contingent quarterly coupon with respect to the final observation date and the previously unpaid contingent quarterly coupons with respect to the prior observation dates. If the final index value of **any underlying index** is **less than** its respective downside threshold level, investors will receive (i) the stated principal amount *multiplied by* (ii) the index performance factor of the worst performing underlying index. Under these circumstances, the payment at maturity will be less than 50% of the stated principal amount of the securities and could be zero.
Stated Principal Amount:	$1,000
Hypothetical Initial Index Value:	With respect to the SPX Index: 2,000 With respect to the SX5E Index: 3,000 With respect to the RTY Index: 1,200
Hypothetical Downside Threshold Level:	With respect to the SPX Index: 1,000, which is 50% of the hypothetical initial index value for such index With respect to the SX5E Index: 1,500, which is 50% of the hypothetical initial index value for such index

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Principal at Risk Securities

With respect to the RTY Index: 600, which is 50% of the hypothetical initial index value for such index
* The actual quarterly coupon will be an amount determined by the calculation agent based on the number of days in the applicable payment period, calculated on a 30/360 basis. The hypothetical contingent quarterly coupon of $22.50 is used in these examples for ease of analysis.

How to determine whether a contingent quarterly coupon is payable with respect to an observation date during years 4-15:

	Index Closing Value			Contingent Quarterly Coupon
	SPX Index	SX5E Index	RTY Index	
Hypothetical Observation Date 1	2,300 (**at or above** the initial index value)	3,800 (**at or above** the initial index value)	1,750 (**at or above** the initial index value)	$22.50
Hypothetical Observation Date 2	1,100 (**below** the initial index value)	3,400 (**at or above** the initial index value)	1,400 (**at or above** the initial index value)	$0
Hypothetical Observation Date 3	2,450 (**at or above** the initial index value)	3,300 (**at or above** the initial index value)	1,300 (**at or above** the initial index value)	Contingent quarterly coupon with respect to hypothetical observation date 3 and the previously unpaid contingent quarterly coupon with respect to hypothetical observation date 2 = $22.50 + $22.50 = $45.00
Hypothetical Observation Date 4	1,100 (**below** the initial index value)	2,800 (**below** the initial index value)	800 (**below** the initial index value)	$0

On hypothetical observation date 1, each underlying index closes at or above its respective initial index value. Therefore a contingent quarterly coupon of $22.50 is paid on the relevant coupon payment date.

On hypothetical observation date 2, two underlying indices close at or above their initial index values, but the other underlying index closes below its initial index value. Therefore, no contingent quarterly coupon is paid on the relevant coupon payment date.

On hypothetical observation date 3, each underlying index closes at or above its respective initial index value. Therefore a contingent quarterly coupon of $22.50 and the previously unpaid contingent quarterly coupon with respect to hypothetical observation date 2 are paid on the relevant coupon payment date.

On hypothetical observation date 4, each underlying index closes below its respective initial index value, and, accordingly, no contingent quarterly coupon is paid on the relevant coupon payment date.

If the contingent quarterly coupon is not paid on any coupon payment date (because the index closing value of any underlying index is less than its respective initial index value on the related observation date), such unpaid contingent quarterly coupon will be paid on a later coupon payment date but only if the index closing value of each underlying index on such later observation date is greater than or equal to its respective initial index value. You will not receive such unpaid contingent quarterly coupons if the index closing value of any underlying index is less than its respective initial index value on each subsequent observation date. If the index closing value of any underlying index is less than its respective initial index value on each observation date, you will not receive any quarterly coupons after the first three years.

How to calculate the payment at maturity (if the securities have not been automatically redeemed):

Starting in March 2024, if the index closing value of each underlying index is greater than or equal to its respective initial index value on any quarterly redemption determination date, the securities will be automatically redeemed for an early redemption payment equal to (i) the stated principal amount for each security you hold *plus* (ii) the related quarterly coupon (including any contingent quarterly coupon(s) with respect to any prior observation date(s) for which a contingent quarterly coupon was not paid).

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Principal at Risk Securities

The examples below illustrate how to calculate the payment at maturity if the securities have not been automatically redeemed prior to maturity. If no early redemption has taken place prior to the maturity date, that will necessarily mean that no contingent quarterly coupon payments will have been made in years 5.5 through 15 of the term of the securities.

	Final Index Value			Payment at Maturity
	SPX Index	SX5E Index	RTY Index	
Example 1:	2,500 (**at or above the** downside threshold level and the initial index value)	2,900 (**at or above the** downside threshold level but **below** the initial index value)	900 (**at or above the** downside threshold level but **below** the initial index value)	The stated principal amount
Example 2:	800 (**below** downside threshold level)	2,500 (**at or above the** downside threshold level)	750 (**at or above the** downside threshold level)	$1,000 x index performance factor of the worst performing underlying index = $1,000 x (800 / 2,000) = $400
Example 3:	1,260 (**at or above the** downside threshold level)	1,200 (**below** the downside threshold level)	650 (**at or above the** downside threshold level)	$1,000 x (1,200 / 3,000) = $400
Example 4:	800 (**below** the downside threshold level)	900 (**below** the downside threshold level)	480 (**below** the downside threshold level)	$1,000 x (900 / 3,000) = $300
Example 5:	400 (**below** the downside threshold level)	1,200 (**below** the downside threshold level)	480 (**below** the downside threshold level)	$1,000 x (400 / 2,000) = $200
Example 6:	2,500 (**at or above** the downside threshold level and the initial index value)	3,200 (**at or above the** downside threshold level and the initial index value)	1,300 (**at or above the** downside threshold level and the initial index value)	The stated principal amount + the contingent quarterly coupon with respect to the final observation date + the previously unpaid contingent quarterly coupons with respect to the prior observation dates. For more information, please see above under "How to determine whether a contingent quarterly coupon is payable with respect to an observation date."

In example 1, the final index value of one underlying index is above its respective downside threshold level and initial index value, while the final index value of each of the other two underlying indices is above its respective downside threshold level but below its respective initial index value. Therefore, investors receive at maturity only the stated principal amount of the securities. Investors do not receive the contingent quarterly coupon for the final quarterly period, and do not receive the previously unpaid contingent quarterly coupons with respect to the prior observation dates. Therefore, in this example, investors do not receive contingent quarterly coupon payments for any quarterly period during, at a minimum, the last nine and a half years of the term of the securities.

In examples 2 and 3, the final index values of two underlying indices are at or above their respective downside threshold levels, but the final index value of the other underlying index is below its downside threshold level. Therefore, investors are exposed to the downside performance of the worst performing underlying index at maturity and receive at maturity an amount equal to the stated principal amount *times* the index performance factor of the worst performing underlying index. Moreover, investors do not receive the contingent quarterly coupon for the final quarterly period, and do not receive the previously unpaid contingent quarterly coupons with respect to the prior observation dates. Therefore, in this example, investors do not receive contingent quarterly coupon payments for any quarterly period during, at a minimum, the last nine and a half years of the term of the securities.

Similarly, in examples 4 and 5, the final index value of each underlying index is below its respective downside threshold level, and investors receive at maturity an amount equal to the stated principal amount *times* the index performance factor of the worst performing underlying index. In example 4, the SPX Index has declined 60% from its initial index value to its final index value, the SX5E Index has declined 70% from its initial index value to its final index value and the RTY Index has declined 60% from its initial index value to its final index value. Therefore, the payment at maturity equals the stated principal amount *times* the index performance factor of the SX5E Index, which is the worst performing underlying index in this example. In example 5, the SPX Index has declined 80% from its initial index value to its final index value, the SX5E Index has declined 60% from its initial index value and the RTY Index has declined 60% from its initial index value to its final index value. Therefore, the payment at maturity equals the stated principal amount *times* the index performance factor of the SPX Index, which is the worst performing underlying index in this example. Moreover, investors do not receive the contingent quarterly coupon for the final quarterly period, and do not receive the previously unpaid contingent quarterly coupons with respect to the prior observation dates. Therefore, in this example, investors do not receive contingent quarterly coupon payments for any quarterly period during, at a minimum, the last nine and a half years of the term of the securities.

In example 6, the final index values of the SPX Index, the SX5E Index and the RTY Index are at or above their respective downside threshold levels and initial index values. Therefore, investors receive at maturity the stated principal amount of the securities, and the contingent quarterly coupon with respect to the final observation date and the previously unpaid contingent quarterly coupons with respect to the prior observation dates. Note that in order for this to occur, the final index values of **each** underlying index would have to be greater than or equal to its respective **initial index value**, although the index closing value of at least one underlying index was below its initial index value on every quarterly observation date during the last nine and a half years of the term of the securities.

If the securities are not called prior to maturity and the final index value of ANY underlying index is below its respective downside threshold level, you will be exposed to the downside performance of the worst performing underlying index at maturity, and your payment at maturity will be less than $500 per security and could be zero.

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Principal at Risk Securities

Risk Factors

The following is a list of certain key risk factors for investors in the securities. For further discussion of these and other risks, you should read the section entitled "Risk Factors" in the accompanying product supplement, index supplement and prospectus. We also urge you to consult with your investment, legal, tax, accounting and other advisers in connection with your investment in the securities.

§ **The securities do not guarantee the return of any principal.** The terms of the securities differ from those of ordinary debt securities in that they do not guarantee the repayment of any principal. If the securities have not been automatically redeemed prior to maturity, and if the final index value of any underlying index is less than its downside threshold level of 50% of its initial index value, you will be exposed to the decline in the index closing value of the worst performing underlying index, as compared to its initial index value, on a 1-to-1 basis, and you will receive for each security that you hold at maturity an amount equal to the stated principal amount *times* the index performance factor of the worst performing underlying index. **In this case, the payment at maturity will be less than 50% of the stated principal amount and could be zero.**

§ **After the first three years, the securities do not provide for the regular payment of interest.** The terms of the securities differ from those of ordinary debt securities in that they do not provide for the regular payment of interest after the first three years. For the first three years, the securities will pay a fixed quarterly coupon at the rate specified herein. Thereafter, the securities will pay a contingent quarterly coupon **but only if** the index closing value of **each** underlying index is **at or above** its respective **initial index value** on the related observation date. If the index closing value of **any underlying index** is lower than its **initial index value** on the relevant observation date for any interest period after the first three years, we will pay no coupon on the applicable coupon payment date. However, if the contingent quarterly coupon is not paid on any coupon payment date because the index closing value of any underlying index is less than its respective **initial index value** on the related observation date, such unpaid contingent quarterly coupon will be paid on a later coupon payment date **but only if** the index closing value of each underlying index on such later observation date is greater than or equal to its respective **initial index value**. Therefore, you will not receive such unpaid contingent quarterly coupon if the index closing value of **any underlying index** is less than its respective **initial index value** on each subsequent observation date. **If the index closing value of any underlying index is less than its respective initial index value on each observation date, you will not receive any quarterly coupon during years 4 through 15 of the term of the securities.** If you do not earn sufficient contingent quarterly coupons over the term of the securities, the overall return on the securities may be less than the amount that would be paid on a conventional debt security of ours of comparable maturity.

§ **If the securities are not automatically redeemed prior to the maturity date, you will have received no contingent quarterly coupon payments, during, at a minimum, the last nine and a half years of the term of the securities.** Because the redemption determination dates will also be coupon observation dates, and because the threshold for both early redemption and the payment of coupons will be the initial index value of each underlying index, if the securities are not automatically redeemed following any redemption determination date, no contingent quarterly coupon will be payable with respect to that quarterly period. Therefore, if the securities are not automatically redeemed prior to, and remain outstanding until, the maturity date, that will necessarily mean that you will have received no contingent quarterly coupon payments during, at a minimum, the last nine and a half years of the term of the securities. Under these circumstances, your only possibility of receiving payments in respect of the missed coupon payments during those years will be if the index values of the underlying indices recover during the last three months of the term of the securities such that **each** final index value is greater than or equal to its respective **initial index value**. If this does not occur, you will have received no coupon payments for a minimum of 9.5 of the 15 years of the term of the securities.

§ **You are exposed to the price risk of each underlying index, with respect to both the contingent quarterly coupons after the first three years, if any, and the payment at maturity, if any.** Your return on the securities is not linked to a basket consisting of all of the underlying indices. Rather, it will be contingent upon the independent performance of each underlying index. Unlike an instrument with a return linked to a basket of underlying assets, in which risk is mitigated and diversified among all the components of the basket, you will be exposed to the risks related to each underlying index. Poor performance by **any underlying index** during years 4 through 15 of the term of the

Morgan Stanley Finance LLC

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Principal at Risk Securities

securities will negatively affect your return and will not be offset or mitigated by any positive performance by the other underlying indices. To receive **any** contingent quarterly coupons, **each** underlying index must close at or above its respective initial index value on the applicable observation date. In addition, if the securities have not been automatically redeemed early and **any underlying index** has declined to below its respective downside threshold level as of the final observation date, you will be **fully exposed** to the decline in the worst performing underlying index over the term of the securities on a 1-to-1 basis, even if the other underlying indices have appreciated or have not declined as much. Under this scenario, the value of any such payment will be less than 50% of the stated principal amount and could be zero. Accordingly, your investment is subject to the price risk of each underlying index.

§ **Because the securities are linked to the performance of the worst performing underlying index, you are exposed to greater risks of receiving no contingent quarterly coupons and sustaining a significant loss on your investment than if the securities were linked to just one index.** The risk that you will not receive any contingent quarterly coupons, or that you will suffer a significant loss on your investment, is greater if you invest in the securities as opposed to substantially similar securities that are linked to the performance of just one underlying index. With three underlying indices, it is more likely that any underlying index will close below its initial index value on any observation date, or below its downside threshold level on the final observation date, than if the securities were linked to only one or two underlying indices. Therefore, it is more likely that you will not receive any contingent quarterly coupons, or any previously unpaid coupons, and that you will suffer a significant loss on your investment. In addition, because each underlying index must close above its initial index value on a quarterly determination date in order for the securities to be called prior to maturity, the securities are less likely to be called on any redemption determination date than if the securities were linked to just one underlying index.

§ **The contingent quarterly coupon, if any, is based on the value of each underlying index on only the related quarterly observation date at the end of the related interest period.** Whether the contingent quarterly coupon will be paid on any coupon payment date during years 4-15 will be determined at the end of the relevant interest period based on the index closing value of each underlying index on the relevant quarterly observation date. As a result, you will not know whether you will receive the contingent quarterly coupon on any coupon payment date until near the end of the relevant interest period. Moreover, because the contingent quarterly coupon is based solely on the value of each underlying index on quarterly observation dates, if the index closing value of any underlying index on any observation date is below the initial index value for such index, you will receive no coupon for the related interest period, or any previously unpaid coupons, even if the level of such underlying index was at or above its respective initial index value on other days during that interest period and even if the index closing value of the other underlying indices are at or above their respective initial index values.

§ **Investors will not participate in any appreciation in any underlying index.** Investors will not participate in any appreciation in any underlying index from the initial index value for such index, and the return on the securities will be limited to the fixed quarterly coupons, and the contingent quarterly coupons, if any, that are paid with respect to each observation date during years 4-15 on which the index closing value of each underlying index is greater than or equal to its respective initial index value, if any.

§ **The market price will be influenced by many unpredictable factors.** Several factors, many of which are beyond our control, will influence the value of the securities in the secondary market and the price at which MS & Co. may be willing to purchase or sell the securities in the secondary market. We expect that generally the level of interest rates available in the market and the value of each underlying index on any day, including in relation to its respective initial index value and downside threshold level, will affect the value of the securities more than any other factors. Other factors that may influence the value of the securities include:

o the volatility (frequency and magnitude of changes in value) of the underlying indices,

o whether the index closing value of any underlying index has been below its respective initial index value on any observation date,

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Principal at Risk Securities

- o geopolitical conditions and economic, financial, political, regulatory or judicial events that affect the component stocks of the underlying indices or securities markets generally and which may affect the value of each underlying index,
- o dividend rates on the securities underlying the underlying indices,
- o the time remaining until the securities mature,
- o interest and yield rates in the market,
- o the availability of comparable instruments,
- o the composition of the underlying indices and changes in the constituent stocks of such indices, and
- o any actual or anticipated changes in our credit ratings or credit spreads.

Some or all of these factors will influence the price that you will receive if you sell your securities prior to maturity. Generally, the longer the time remaining to maturity, the more the market price of the securities will be affected by the other factors described above. In particular, if any underlying index has closed below its initial index value, and especially if any underlying index has closed near or below its downside threshold level, the market value of the securities is expected to decrease substantially, and you may have to sell your securities at a substantial discount from the stated principal amount of $1,000 per security.

You cannot predict the future performance of any underlying index based on its historical performance. The value of any underlying index may decrease and be below the initial index value for such index on each observation date so that you will receive no return on your investment after the first three years, and one or more underlying indices may close below the respective downside threshold level(s) on the final observation date so that you will lose more than 50% or all of your initial investment in the securities. There can be no assurance that the index closing value of each underlying index will be at or above the respective initial index value on any observation date so that you will receive a coupon payment on the securities for the applicable interest period, or that it will be at or above its respective downside threshold level on the final observation date so that you do not suffer a significant loss on your initial investment in the securities. See "S&P 500® Overview," "EURO STOXX 50® Index Overview" and "Russell 2000® Index Overview" below.

§ **The securities are subject to our credit risk, and any actual or anticipated changes to our credit ratings or credit spreads may adversely affect the market value of the securities.** You are dependent on our ability to pay all amounts due on the securities at maturity, upon early redemption or on any coupon payment date, and therefore you are subject to our credit risk. The securities are not guaranteed by any other entity. If we default on our obligations under the securities, your investment would be at risk and you could lose some or all of your investment. As a result, the market value of the securities prior to maturity will be affected by changes in the market's view of our creditworthiness. Any actual or anticipated decline in our credit ratings or increase in the credit spreads charged by the market for taking our credit risk is likely to adversely affect the market value of the securities.

§ **As a finance subsidiary, MSFL has no independent operations and will have no independent assets**. As a finance subsidiary, MSFL has no independent operations beyond the issuance and administration of its securities and will have no independent assets available for distributions to holders of MSFL securities if they make claims in respect of such securities in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related guarantee by Morgan Stanley and that guarantee will rank *pari passu* with all other unsecured, unsubordinated obligations of Morgan Stanley. Holders will have recourse only to a single claim against Morgan Stanley and its assets under the guarantee. Holders of securities issued by MSFL should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley-issued securities.

§ **There are risks associated with investments in securities linked to the value of foreign equity securities.** As the EURO STOXX 50® Index is one of the underlying indices, the securities are linked to the value of foreign equity securities. Investments in securities linked to the value of foreign equity securities involve risks associated with the securities markets in those countries, including risks of volatility in those markets, governmental intervention in those markets and cross-shareholdings in companies in certain countries. Also, there is generally less publicly available information about foreign companies than about U.S. companies that are subject to the reporting requirements of the United States Securities and Exchange Commission, and foreign companies are subject to accounting, auditing and financial reporting standards and requirements different from those applicable to U.S. reporting companies. The prices of securities issued in foreign markets may be affected by political, economic, financial and social factors in those countries, or global regions, including changes in government, economic and fiscal policies and currency exchange laws. Local securities markets may trade a small number of securities and may be unable to respond effectively to increases in trading volume, potentially making prompt liquidation of holdings difficult or impossible at times. Moreover, the economies in such countries may differ favorably or unfavorably from the economy in the United States in such respects as growth of gross national product, rate of inflation, capital reinvestment, resources, self-sufficiency and balance of payment positions.

§ **The securities are linked to the Russell 2000® Index and are subject to risks associated with small-capitalization companies.** As the Russell 2000® Index is one of the underlying indices, and the Russell 2000® Index consists of stocks issued by companies with relatively small market capitalization, the securities are linked to the value of small-capitalization companies. These companies often have greater stock price volatility, lower trading volume and less liquidity than large-capitalization companies and therefore the Russell 2000® Index may be more volatile than indices that consist of stocks issued by large-capitalization companies. Stock prices of small-capitalization companies are also more vulnerable than those of large-capitalization companies to adverse business and economic developments, and the stocks of small-capitalization companies may be thinly traded. In addition, small capitalization companies are typically less well-established and less stable financially than large-capitalization companies and may depend on a small number of key personnel, making them more vulnerable to loss of personnel. Such companies tend to have smaller revenues, less diverse product lines, smaller shares of their product or service markets, fewer financial resources and less competitive strengths than large-capitalization companies and are more susceptible to adverse developments related to their products.

§ **Not equivalent to investing in the underlying indices.** Investing in the securities is not equivalent to investing in any underlying index or the component stocks of any underlying index. Investors in the securities will not participate in any positive performance of any underlying index, and will not have voting rights or rights to receive dividends or other distributions or any other rights with respect to stocks that constitute any underlying index.

§ **Reinvestment risk.** The term of your investment in the securities may be shortened due to the automatic early redemption feature of the securities. If the securities are redeemed prior to maturity, you will receive no more contingent quarterly coupons and may be forced to invest in a lower interest rate environment and may not be able to reinvest at comparable terms or returns. However, under no circumstances will the securities be redeemed in the first

5.5 years of the term of the securities.

§ **The securities will not be listed on any securities exchange and secondary trading may be limited. Accordingly, you should be willing to hold your securities for the entire 15-year term of the securities.** The securities will not be listed on any securities exchange. Therefore, there may be little or no secondary market for the securities. MS & Co. may, but is not obligated to, make a market in the securities and, if it once chooses to make a market, may cease doing so at any time. When it does make a market, it will generally do so for transactions of routine secondary market size at prices based on its estimate of the current value of the securities, taking into account its bid/offer spread, our credit spreads, market volatility, the notional size of the proposed sale, the cost of unwinding any related hedging positions, the time remaining to maturity and the likelihood that it will be able to resell the securities. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the securities easily. Since other broker-dealers may not participate significantly in the secondary market for the securities, the price at which you may be able to trade your securities is likely to depend on the price, if any, at which MS & Co. is willing to transact. If, at any time, MS & Co. were to cease making a market in the securities, it is likely that there would be no secondary market for the securities. Accordingly, you should be willing to hold your securities to maturity.

- § **The rate we are willing to pay for securities of this type, maturity and issuance size is likely to be lower than the rate implied by our secondary market credit spreads and advantageous to us. Both the lower rate and the inclusion of costs associated with issuing, selling, structuring and hedging the securities in the original issue price reduce the economic terms of the securities, cause the estimated value of the securities to be less than the original issue price and will adversely affect secondary market prices.** Assuming no change in market conditions or any other relevant factors, the prices, if any, at which dealers, including MS & Co., may be willing to purchase the securities in secondary market transactions will likely be significantly lower than the original issue price, because secondary market prices will exclude the issuing, selling, structuring and hedging-related costs that are included in the original issue price and borne by you and because the secondary market prices will reflect our secondary market credit spreads and the bid-offer spread that any dealer would charge in a secondary market transaction of this type as well as other factors.

The inclusion of the costs of issuing, selling, structuring and hedging the securities in the original issue price and the lower rate we are willing to pay as issuer make the economic terms of the securities less favorable to you than they otherwise would be.

However, because the costs associated with issuing, selling, structuring and hedging the securities are not fully deducted upon issuance, for a period of up to 18 months following the issue date, to the extent that MS & Co. may buy or sell the securities in the secondary market, absent changes in market conditions, including those related to the underlying indices, and to our secondary market credit spreads, it would do so based on values higher than the estimated value, and we expect that those higher values will also be reflected in your brokerage account statements.

- § **The estimated value of the securities is determined by reference to our pricing and valuation models, which may differ from those of other dealers and is not a maximum or minimum secondary market price.** These pricing and valuation models are proprietary and rely in part on subjective views of certain market inputs and certain assumptions about future events, which may prove to be incorrect. As a result, because there is no market-standard way to value these types of securities, our models may yield a higher estimated value of the securities than those generated by others, including other dealers in the market, if they attempted to value the securities. In addition, the estimated value on the pricing date does not represent a minimum or maximum price at which dealers, including MS & Co., would be willing to purchase your notes in the secondary market (if any exists) at any time. The value of your securities at any time after the date of this document will vary based on many factors that cannot be predicted with accuracy, including our creditworthiness and changes in market conditions. See also “The market price will be influenced by many unpredictable factors” above.

§ **Hedging and trading activity by our affiliates could potentially affect the value of the securities.** One or more of our affiliates and/or third-party dealers expect to carry out hedging activities related to the securities (and to other instruments linked to the underlying indices or their component stocks), including trading in the stocks that constitute the underlying indices as well as in other instruments related to the underlying indices. As a result, these entities may be unwinding or adjusting hedge positions during the term of the securities, and the hedging strategy may involve greater and more frequent dynamic adjustments to the hedge as the final observation date approaches. Some of our affiliates also trade the stocks that constitute the underlying indices and other financial instruments related to the underlying indices on a regular basis as part of their general broker-dealer and other businesses. Any of these hedging or trading activities on or prior to the pricing date could potentially increase the initial index value of an underlying index, and, therefore, could increase (i) the value at or above which such underlying index must close on the redemption determination dates so that the securities are redeemed prior to maturity for the early redemption payment (depending also on the performance of the other underlying indices), (ii) the value at or above which such underlying index must close on the observation dates in order for you to earn a contingent quarterly coupon (depending also on the performance of the other underlying indices) and (iii) the downside threshold level for such underlying index, which is the value at or above which such underlying index must close on the final observation date so that you are not exposed to the negative performance of the worst performing underlying index at maturity (depending also on the performance of the other underlying indices). Additionally, such hedging or trading activities during the term of the securities could affect the value of an underlying index on the redemption determination dates and the observation dates, and, accordingly, whether we redeem the securities prior to maturity, whether we pay a contingent quarterly coupon on the

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

securities and the amount of cash you receive at maturity, if any (depending also on the performance of the other underlying indices).

§ **The calculation agent, which is a subsidiary of Morgan Stanley and an affiliate of MSFL, will make determinations with respect to the securities.** As calculation agent, MS & Co. will determine the initial index value and the downside threshold level for each underlying index, whether you receive a contingent quarterly coupon on each coupon payment date after the first three years and/or at maturity, whether you receive any previously unpaid contingent quarterly coupons, whether the securities will be redeemed on any early redemption date and the payment at maturity, if any. Moreover, certain determinations made by MS & Co., in its capacity as calculation agent, may require it to exercise discretion and make subjective judgments, such as with respect to the occurrence or non-occurrence of market disruption events and the selection of a successor index or calculation of the index closing value in the event of a market disruption event or discontinuance of an underlying index. These potentially subjective determinations may adversely affect the payout to you at maturity, if any. For further information regarding these types of determinations, see "Description of Auto-Callable Securities—Postponement of Determination Dates," "—Alternate Exchange Calculation in Case of an Event of Default," "—Discontinuance of Any Underlying Index; Alternation of Method of Calculation" and "—Calculation Agent and Calculations" in the accompanying product supplement In addition, MS & Co. has determined the estimated value of the securities on the pricing date.

§ **Adjustments to the underlying indices could adversely affect the value of the securities.** The publisher of each underlying index may add, delete or substitute the component stocks of such underlying index or make other methodological changes that could change the value of such underlying index. Any of these actions could adversely affect the value of the securities. The publisher of each underlying index may also discontinue or suspend calculation or publication of such underlying index at any time. In these circumstances, MS & Co., as the calculation agent, will have the sole discretion to substitute a successor index that is comparable to the discontinued index. MS & Co. could have an economic interest that is different than that of investors in the securities insofar as, for example, MS & Co. is permitted to consider indices that are calculated and published by MS & Co. or any of its affiliates. If MS & Co. determines that there is no appropriate successor index on any observation date, the determination of whether a contingent quarterly coupon will be payable on the securities on the applicable coupon payment date, and/or the amount payable at maturity, will be based on the value of such underlying index, based on the closing prices of the stocks constituting such underlying index at the time of such discontinuance, without rebalancing or substitution, computed by MS & Co. as calculation agent in accordance with the formula for calculating such underlying index last in effect prior to such discontinuance, as compared to the initial index value or downside threshold level, as applicable (depending also on the performance of the other underlying indices).

§

The U.S. federal income tax consequences of an investment in the securities are uncertain. There is no direct legal authority as to the proper treatment of the securities for U.S. federal income tax purposes, and, therefore, significant aspects of the tax treatment of the securities are uncertain.

Please read the discussion under "Additional Provisions—Tax considerations" in this document concerning the U.S. federal income tax consequences of an investment in the securities. We intend to treat a security for U.S. federal income tax purposes as a single financial contract that provides for a coupon that will be treated as gross income to you at the time received or accrued, in accordance with your regular method of tax accounting. Under this treatment, the ordinary income treatment of the coupon payments, in conjunction with the capital loss treatment of any loss recognized upon the sale, exchange or settlement of the securities, could result in adverse tax consequences to holders of the securities because the deductibility of capital losses is subject to limitations. We do not plan to request a ruling from the Internal Revenue Service (the "IRS") regarding the tax treatment of the securities, and the IRS or a court may not agree with the tax treatment described herein. If the IRS were successful in asserting an alternative treatment for the securities, the timing and character of income or loss on the securities might differ significantly from the tax treatment described herein. For example, under one possible treatment, the IRS could seek to recharacterize the securities as debt instruments. In that event, U.S. Holders (as defined below) would be required to accrue into income original issue discount on the securities every year at a "comparable yield" determined at the time of issuance (as adjusted based on the difference, if any, between the actual and the projected amount of any contingent payments on the securities) and recognize all income and gain in respect of the securities as ordinary income. The risk that financial instruments providing for buffers, triggers or similar downside protection features, such as the securities, would be recharacterized as debt is greater than the risk of recharacterization for comparable financial instruments that do not have such features.

Non-U.S. Holders (as defined below) should note that we currently intend to withhold on any coupon paid to Non-U.S. Holders generally at a rate of 30%, or at a reduced rate specified by an applicable income tax treaty under an "other income" or similar provision, and will not be required to pay any additional amounts with respect to amounts withheld.

In 2007, the U.S. Treasury Department and the IRS released a notice requesting comments on the U.S. federal income tax treatment of "prepaid forward contracts" and similar instruments. While it is not clear whether the securities would be viewed as similar to the prepaid forward contracts described in the notice, it is possible that any Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the securities, possibly with retroactive effect. The notice focuses on a number of issues, the most relevant of which for holders of the securities are the character and timing of income or loss and the degree, if any, to which income realized by non-U.S. investors should be subject to withholding tax. Both U.S. and Non-U.S. Holders should consult their tax advisers regarding the U.S. federal income tax consequences of an investment in the securities, including possible alternative treatments, the issues presented by this notice and any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

S&P 500® Index Overview

The S&P 500® Index, which is calculated, maintained and published by S&P Dow Jones Indices LLC ("S&P"), consists of stocks of 500 component companies selected to provide a performance benchmark for the U.S. equity markets. The calculation of the S&P 500® Index is based on the relative value of the float adjusted aggregate market capitalization of the 500 component companies as of a particular time as compared to the aggregate average market capitalization of 500 similar companies during the base period of the years 1941 through 1943. For additional information about the S&P 500® Index, see the information set forth under "S&P 500® Index" in the accompanying index supplement.

Information as of market close on July 26, 2018:

Bloomberg Ticker Symbol:	SPX	**52 Week High (on 1/26/2018):**	2,872.87
Current Index Value:	2,837.44	**52 Week Low (on 8/18/2017):**	2,425.55
52 Weeks Ago:	2,477.83		

The following graph sets forth the daily index closing values of the SPX Index for the period from January 1, 2008 through July 26, 2018. The related table sets forth the published high and low index closing values, as well as end-of-quarter index closing values, of the SPX Index for each quarter for the period from January 1, 2013 through July 26, 2018. The index closing value of the SPX Index on July 26, 2018 was 2,837.44. We obtained the information in the table below from Bloomberg Financial Markets, without independent verification. The SPX Index has experienced periods of high volatility, and you should not take the historical values of the SPX Index as an indication of its future performance.

SPX Index Daily Index Closing Values

January 1, 2008 to July 26, 2018
** The red solid line in the graph indicates the hypothetical downside threshold level, assuming the index closing value on July 26, 2018 were the initial index value.*

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

S&P 500® Index	**High**	**Low**	**Period End**
2013			
First Quarter	1,569.19	1,457.15	1,569.19
Second Quarter	1,669.16	1,541.61	1,606.28
Third Quarter	1,725.52	1,614.08	1,681.55
Fourth Quarter	1,848.36	1,655.45	1,848.36
2014			
First Quarter	1,878.04	1,741.89	1,872.34
Second Quarter	1,962.87	1,815.69	1,960.23
Third Quarter	2,011.36	1,909.57	1,972.29
Fourth Quarter	2,090.57	1,862.49	2,058.90
2015			
First Quarter	2,117.39	1,992.67	2,067.89
Second Quarter	2,130.82	2,057.64	2,063.11
Third Quarter	2,128.28	1,867.61	1,920.03
Fourth Quarter	2,109.79	1,923.82	2,043.94
2016			
First Quarter	2,063.95	1,829.08	2,059.74
Second Quarter	2,119.12	2,000.54	2,098.86
Third Quarter	2,190.15	2,088.55	2,168.27
Fourth Quarter	2,271.72	2,085.18	2,238.83
2017			
First Quarter	2,395.96	2,238.83	2,362.72
Second Quarter	2,453.46	2,328.95	2,423.41
Third Quarter	2,480.91	2,409.75	2,519.36
Fourth Quarter	2,690.16	2,529.12	2,673.61
2018			
First Quarter	2,872.87	2,581.00	2,640.87
Second Quarter	2,786.85	2,581.88	2,718.37
Third Quarter (through July 26, 2018)	2,846.07	2,713.22	2,837.44

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Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

EURO STOXX 50® Index Overview

The EURO STOXX 50® Index was created by STOXX Limited, which is owned by Deutsche Börse AG and SIX Group AG. Publication of the EURO STOXX 50® Index began on February 26, 1998, based on an initial index value of 1,000 at December 31, 1991. The EURO STOXX 50® Index is composed of 50 component stocks of market sector leaders from within the STOXX 600 Supersector Indices, which includes stocks selected from the Eurozone. The component stocks have a high degree of liquidity and represent the largest companies across all market sectors. For additional information about the EURO STOXX 50® Index, see the information set forth under “EURO STOXX 50® Index” in the accompanying index supplement.

Information as of market close on July 26, 2018:

Bloomberg Ticker Symbol:	SX5E	**52 Week High (on 11/1/2017):**	3,697.40
Current Index Value:	3,509.26	**52 Week Low (on 3/26/2018):**	3,278.72
52 Weeks Ago:	3,491.19		

The following graph sets forth the daily index closing values of the SX5E Index for the period from January 1, 2008 through July 26, 2018. The related table sets forth the published high and low index closing values, as well as end-of-quarter index closing values, of the SX5E Index for each quarter for the period from January 1, 2013 through July 26, 2018. The index closing value of the SX5E Index on July 26, 2018 was 3,509.26. We obtained the information in the table and graph below from Bloomberg Financial Markets, without independent verification. The SX5E Index has experienced periods of high volatility, and you should not take the historical values of the SX5E Index as an indication of its future performance.

SX5E Index Daily Index Closing Values
January 1, 2008 to July 26, 2018

** The red solid line in the graph indicates the hypothetical downside threshold level, assuming the index closing value on July 26, 2018 were the initial index value.*

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

EURO STOXX 50® Index	**High**	**Low**	**Period End**
2013			
First Quarter	2,749.27	2,570.52	2,624.02
Second Quarter	2,835.87	2,511.83	2,602.59
Third Quarter	2,936.20	2,570.76	2,893.15
Fourth Quarter	3,111.37	2,902.12	3,109.00
2014			
First Quarter	3,172.43	2,962.49	3,161.60
Second Quarter	3,314.80	3,091.52	3,228.24
Third Quarter	3,289.75	3,006.83	3,225.93
Fourth Quarter	3,277.38	2,874.65	3,146.43
2015			
First Quarter	3,731.35	3,007.91	3,697.38
Second Quarter	3,828.78	3,424.30	3,424.30
Third Quarter	3,686.58	3,019.34	3,100.67
Fourth Quarter	3,506.45	3,069.05	3,267.52
2016			
First Quarter	3,178.01	2,680.35	3,004.93
Second Quarter	3,151.69	2,697.44	2,864.74
Third Quarter	3,091.66	2,761.37	3,002.24
Fourth Quarter	3,290.52	2,954.53	3,290.52
2017			
First Quarter	3,500.93	3,230.68	3,500.93
Second Quarter	3,658.79	3,409.78	3,441.88
Third Quarter	3,527.83	3,388.22	3,594.85
Fourth Quarter	3,697.40	3,503.96	3,503.96
2018			
First Quarter	3,672.29	3,278.72	3,361.50
Second Quarter	3,592.18	3,340.35	3,395.60
Third Quarter (through July 26, 2018)	3,509.26	3,372.21	3,509.26

“EURO STOXX®” and “STOXX®” are registered trademarks of STOXX Limited. For more information, see “EURO STOXX 50® Index” in the accompanying index supplement.

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due September 1, 2033, With 5.5-year Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the S&P 500® Index, the EURO STOXX 50® Index and the Russell 2000® Index

Principal at Risk Securities

Russell 2000® Index Overview

The Russell 2000® Index is an index calculated, published and disseminated by FTSE Russell, and measures the composite price performance of stocks of 2,000 companies incorporated in the U.S. and its territories. All 2,000 stocks are traded on a major U.S. exchange and are the 2,000 smallest securities that form the Russell 3000® Index. The Russell 3000® Index is composed of the 3,000 largest U.S. companies as determined by market capitalization and represents approximately 98% of the U.S. equity market. The Russell 2000® Index consists of the smallest 2,000 companies included in the Russell 3000® Index and represents a small portion of the total market capitalization of the Russell 3000® Index. The Russell 2000® Index is designed to track the performance of the small capitalization segment of the U.S. equity market. For additional information about the Russell 2000® Index, see the information set forth under "Russell 2000® Index" in the accompanying index supplement.

Information as of market close on July 26, 2018:

Bloomberg Ticker Symbol:	RTY	**52 Week High (on 6/20/2018):**	1,706.985
Current Index Value:	1,695.360	**52 Week Low (on 8/21/2017):**	1,356.905