

MORGAN STANLEY
 Form 424B2
 February 27, 2019

CALCULATION OF REGISTRATION FEE

<i>Title of Each Class of Securities Offered</i>	<i>Maximum Aggregate Offering Price</i>	<i>Amount of Registration Fee</i>
Equity-Linked Partial Principal at Risk Securities due 2022	\$544,000	\$65.93

February 2019

Pricing Supplement No. 1,637

Registration Statement Nos. 333-221595; 333-221595-01

Dated February 25, 2019

Filed pursuant to Rule 424(b)(2)

Morgan Stanley Finance LLC

Structured Investments

Opportunities in U.S. Equities

Equity-Linked Partial Principal at Risk Securities due March 2, 2022

Based on the Performance of the S&P 500® Index

Fully and Unconditionally Guaranteed by Morgan Stanley

Equity-Linked Partial Principal at Risk Securities, which we refer to as the securities, are unsecured obligations of Morgan Stanley Finance LLC (“MSFL”) and are fully and unconditionally guaranteed by Morgan Stanley. The securities will pay no interest, provide for a minimum payment amount of only 95% of principal at maturity and have the terms described in the accompanying product supplement, index supplement and prospectus, as supplemented and modified by this document. At maturity, if the underlying index has appreciated in value, investors will receive the stated principal amount of their investment plus 73.50% of the appreciation of the underlying index from the initial index value to the final index value. If the underlying index appreciates, your upside return will in all cases be less than the index percent change. However, if at maturity the underlying index has depreciated in value, investors will lose 1% for every 1% decline of the final index value from the initial index value, subject to the minimum payment amount. **Investors may lose up to 5% of the stated principal amount of the securities.** The securities are for investors who are concerned about principal risk, but seek an equity index-based return, and who are willing to risk 5% of their principal and to forgo current income and full participation in any appreciation of the underlying index in exchange for the repayment of at least 95% of the principal at maturity and the opportunity to earn a return reflecting 73.50% of the appreciation of the underlying index from the initial index value to the final index value. The securities are securities issued as part of MSFL’s Series A Global Medium-Term Notes program.

All payments on the securities, including the payment of the minimum payment amount at maturity, 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.

FINAL TERMS

Issuer: Morgan Stanley Finance LLC
Guarantor: Morgan Stanley
Issue price: \$1,000 per security (see “Commissions and issue price” below)
Stated principal amount: \$1,000 per security
Aggregate principal amount: \$544,000
Pricing date: February 25, 2019
Original issue date: February 28, 2019 (3 business days after the pricing date)
Maturity date: March 2, 2022
Interest: None
Underlying index: S&P 500® Index

If the final index value is *greater than* the initial index value:

\$1,000 + supplemental redemption amount

If the final index value is *less than or equal to* the initial index value:

Payment at maturity: \$1,000 x (final index value / initial index value), subject to the minimum payment amount

Under these circumstances, the payment at maturity will be less than the stated principal amount of \$1,000 per security by an amount that is proportionate to the percentage decline of the underlying index. However, under no circumstances will the payment due at maturity be less than the minimum payment amount of \$950 per security. Because the participation rate is less than 100%, you will not participate fully in any appreciation of the underlying index.

Supplemental redemption amount: (i) \$1,000 *times* (ii) the index percent change *times* (iii) the participation rate

Minimum payment amount: \$950 per security (95% of the stated principal amount)

Participation rate: 73.50%

Index percent change: (final index value – initial index value) / initial index value

Initial index value: 2,796.11, which is the index closing value on the pricing date

Final index value: The index closing value on the determination date

Determination date: February 25, 2022, subject to postponement for non-index business days and certain market disruption events

CUSIP / ISIN: 61768DU45 / US61768DU455

Listing: The securities will not be listed on any securities exchange.

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: \$979.60 per security. See “Investment Summary” beginning on page 2.

	Commissions and issue price:	Price to public Agent’s commissions⁽¹⁾	Proceeds to us⁽²⁾
Per security	\$1,000	\$10	\$990
Total	\$544,000	\$5,440	\$538,560

Selected dealers and their financial advisors will collectively receive from the agent, MS & Co., a fixed sales commission of \$10 for each security they sell. See “Supplemental information regarding plan of distribution; (1) conflicts of interest.” For additional information, see “Plan of Distribution (Conflicts of Interest)” in the accompanying product supplement.

(2) See “Use of proceeds and hedging” on page 14.

The securities involve risks not associated with an investment in ordinary debt securities. See “Risk Factors” beginning on page 6.

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 Terms of the Securities” and “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 Equity-Linked Partial Principal at Risk Securities dated November 16, 2017](#)

[Index Supplement dated November 16, 2017](#) [Prospectus dated November 16, 2017](#)

Morgan Stanley Finance LLC
Equity-Linked Partial Principal at Risk Securities due March 2, 2022

Based on the Performance of the S&P 500® Index
Investment Summary

Equity-Linked Partial Principal at Risk Securities

The Equity-Linked Partial Principal at Risk Securities due March 2, 2022 Based on the Performance of the S&P 500® Index (the “securities”) provide investors with an opportunity to receive a return reflecting 73.50% of the positive performance of the underlying index while maintaining 1:1 downside exposure to any depreciation of the underlying index, subject to the minimum payment amount at maturity of \$950 per security.

If the final index value is **greater than** the initial index value, the securities will pay the stated principal amount of \$1,000 plus a supplemental redemption amount. The supplemental redemption amount provides 73.50% upside participation (e.g., if the underlying index appreciates 10% from the initial index value to the final index value, the investor receives 100% of principal plus 7.35% at maturity) in the performance of the underlying index. If the final index value is **equal to or less than** the initial index value, the payment at maturity per security will be equal to or less than the \$1,000 principal amount of securities by an amount proportionate to the decline in the underlying index as of the determination date, subject to the minimum payment amount of \$950 per security. Because the participation rate is less than 100%, you will not participate fully in any appreciation of the underlying index. The securities do not pay interest, and all payments on the securities, including the payment of the minimum payment amount at maturity, are subject to our credit risk.

Maturity:	Approximately 3 years
Minimum payment amount:	\$950 per security (95% of the stated principal amount). You could lose up to 5% of the stated principal amount of the securities.
Participation rate:	73.50%
Interest:	None

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Morgan Stanley Finance LLC
Equity-Linked Partial Principal at Risk Securities due March 2, 2022

Based on the Performance of the S&P 500® Index

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 is less than \$1,000. We estimate that the value of each security on the pricing date is \$979.60.

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 index. The estimated value of the securities is determined using our own pricing and valuation models, market inputs and assumptions relating to the underlying index, instruments based on the underlying index, 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 minimum payment amount and the participation rate, 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 index, 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 6 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 index, 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.

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Morgan Stanley Finance LLC
 Equity-Linked Partial Principal at Risk Securities due March 2, 2022

Based on the Performance of the S&P 500® Index
 Key Investment Rationale

The securities offer 73.50% participation in the positive performance of the underlying index, while providing for a minimum repayment of 95% of the stated principal amount if the securities are held to maturity, in exchange for forgoing current income and interest. If the underlying index appreciates, your upside return will in all cases be less than the index percent change. All payments on the securities, including the payment of the minimum payment amount at maturity, are subject to our credit risk.

Minimum Payment Amount of 95% of Principal at Maturity

The securities provide for the minimum payment amount of 95% of principal if held to maturity.

Upside Scenario

Aggregate Amount Beneficially Owned by Each Reporting Person
 273,924 shares

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)
 5.48%

14. Type of Reporting Person (See Instructions)
 PN

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CUSIP No. 583185103

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
James M. Hoak & Co.

(75-2574026)
2. Check the Appropriate Box if a Member of a Group (See Instructions)
(a)
(b)
3. SEC Use Only
4. Source of Funds (See Instructions)
AF
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
Texas

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

7. Sole Voting Power
0
8. Shared Voting Power
273,924 shares
9. Sole Dispositive Power
0
10. Shared Dispositive Power
273,924 shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person
273,924 shares
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
13. Percent of Class Represented by Amount in Row (11)
5.48%
14. Type of Reporting Person (See Instructions)
CO

4

Edgar Filing: MORGAN STANLEY - Form 424B2

CUSIP No. 583185103

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only)
James M. Hoak
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input type="radio"/>
(b)	<input checked="" type="radio"/>
 3. SEC Use Only
 4. Source of Funds (See Instructions)
AF
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Texas
- | | | |
|---|-----|--|
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 7. | Sole Voting Power
0 |
| | 8. | Shared Voting Power
273,924 shares |
| | 9. | Sole Dispositive Power
0 |
| | 10. | Shared Dispositive Power
273,924 shares |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
273,924 shares
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
5.48%
 14. Type of Reporting Person (See Instructions)
IN

Item 1. Security and Issuer

The class of equity securities to which this Schedule 13D relates is the common stock, \$0.001 par value per share (Common Stock), of Meadow Valley Corporation, a Nevada corporation (the Company). The principal executive office of the Company is located at 4411 South 40th Street Suite D-11, Phoenix, AZ 85040.

Item 2. Identity and Background

This Schedule 13D is being filed pursuant to Rule 13d-1 under the Securities Exchange Act of 1934, as amended (the Exchange Act), by Hoak Public Equities, L.P., a Texas limited partnership (HPE), Hoak Fund Management, L.P. (HFM), a Texas limited partnership (HPE s general partner), James M. Hoak & Co. (Hoak & Co.), a Texas corporation (HFM s general partner) and James M. Hoak (Hoak & Co. s controlling shareholder). The address of the principal business and the principal office of HPE, HFM, Hoak & Co. and James M. Hoak is 500 Crescent Court, Suite 230, Dallas, Texas 75201. HPE is principally engaged in the business of acquiring, holding, voting and disposing of various public and private securities investments.

During the last five years, none of HPE, HFM, Hoak & Co. nor James M. Hoak, have been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or have been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration

All purchases of Common Stock were made in open market transactions. The total amount of funds used for such purchases was \$3,142,734. All of the shares of Common Stock beneficially held by the Reporting Persons were paid for using working capital.

Item 4. Purpose of Transaction

The Reporting Persons made the investment decision to acquire shares of Common Stock because they believe they are substantially undervalued and represent an attractive investment opportunity. The Reporting Persons intend to monitor and evaluate the Issuer s business, corporate governance and financial performance and will continue to communicate their opinions with the management and the Board of Directors of the Issuer. Accordingly, the Reporting Persons reserve the right to propose or take any or all of the actions set forth in subparagraphs (a)-(j) of Item 4 of Form Schedule 13D.

Item 5. Interest in Securities of the Issuer

(a) As of February 27, 2007, the Reporting Persons beneficially owned 273,924 shares of Common Stock, representing approximately 5.48% of the shares of Common Stock outstanding based upon the 4,998,416 shares of Common Stock reported by the Issuer to be outstanding as of February 27, 2007 in the Issuer s Quarterly Report on Form 10-Q for its fiscal quarter ended September 30, 2006 filed with the Securities and Exchange Commission (the Commission) on November 9, 2006 (the Outstanding Shares).

(b) HPE, HFM, Hoak & Co. and James M. Hoak have shared power to vote or to direct the vote, shared power to dispose or to direct the disposition of 273,924 shares of Common Stock.

(c) Schedule A annexed hereto lists all transactions in the Issuer s Common Stock in the last 60 days by the Reporting Persons.

(d) Inapplicable.

(e) Inapplicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Inapplicable

Item 7. Material to Be Filed as Exhibits

Inapplicable

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Hoak Public Equities, L.P.

By Hoak Fund Management, L.P. (its general partner)

By James M. Hoak & Co. (its general partner)

By: /s/ J. Hale Hoak
J. Hale Hoak
President

Hoak Fund Management, L.P.

By James M. Hoak & Co. (its general partner)

By: /s/ J. Hale Hoak
J. Hale Hoak
President

James M. Hoak & Co.

By: /s/ J. Hale Hoak
J. Hale Hoak
President

/s/ James M. Hoak

James M. Hoak (individually)

Dated: March 6, 2007

Schedule A

This schedule sets forth information with respect to each purchase and sale of Common Stock which was effectuated by a Reporting Person within the last 60 days. All transactions were effectuated in the open market through a broker.

Date	Number of Shares Purchased (Sold)	Price per Share	Aggregate Price (1)
1/30/2007	1,500	\$11.7467	\$17,620.01
1/31/2007	992	\$11.7419	\$11,648.00
2/1/2007	500	\$11.7480	\$5,874.00
2/2/2007	20,000	\$11.7881	\$235,762.00
2/12/2007	9,899	\$12.4375	\$123,118.42
2/14/2007	2,309	\$12.4495	\$28,745.99
2/15/2007	500	\$12.4000	\$6,200.00
2/16/2007	1,000	\$12.2000	\$12,200.00
2/27/2007	31,924	\$11.8537	\$378,416.24

(1) Excludes commissions and other execution-related costs.

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complex and its application may depend on your particular circumstances, including whether you enter into other transactions with respect to an Underlying Security. **If withholding is required, we will not be required to pay any additional amounts with respect to the amounts so withheld.** You should consult your tax adviser regarding the potential application of Section 871(m) to the securities.

In addition, as discussed in the accompanying product supplement, withholding rules commonly referred to as "FATCA" apply to certain financial instruments (including the securities) with respect to payments of amounts treated as interest and to any payment of gross proceeds of a disposition (including retirement) of such an instrument. However, recently proposed regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization) eliminate the withholding requirement on payments of gross proceeds of a taxable disposition.

You should consult your tax adviser regarding all aspects of the U.S. federal income tax consequences of an investment in the securities, as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction. Moreover, neither this document nor the accompanying product supplement addresses the consequences to taxpayers subject to special tax accounting rules under Section 451(b) of the Code.

The discussion in the preceding paragraphs under "Tax considerations" and the discussion contained in the section entitled "United States Federal Taxation" in the accompanying product supplement, insofar as they purport to describe provisions of U.S. federal income tax laws or legal conclusions with respect thereto, constitute the full opinion of Davis Polk & Wardwell LLP regarding the material U.S. federal tax consequences of an investment in the securities.

Use of proceeds and hedging: The proceeds from the sale of the securities will be used by us for general corporate purposes. We will receive, in aggregate, \$1,000 per security issued, because, when we enter into hedging transactions in order to meet our obligations under the securities, our hedging counterparty will reimburse the cost of the agent's commissions. The costs of the securities borne by you and

described on page 2 above comprise the agent's commissions and the cost of issuing, structuring and hedging the securities.

On or prior to the pricing date, we hedged our anticipated exposure in connection with the securities by entering into hedging transactions with our affiliates and/or third-party dealers. We expect our hedging counterparties to have taken positions in the stocks constituting the underlying index and in futures and/or options contracts on the underlying index or the component stocks of the underlying index listed on major securities markets. Such purchase activity could have increased the value of the underlying index on the pricing date, and, therefore, could have increased the value at or above which the underlying index must close on the determination date so that investors do not suffer a loss on their initial investment in the securities. In addition, through our affiliates, we are likely to modify our hedge position throughout the term of the securities, including on the determination date, by purchasing and selling the stocks constituting the underlying index, futures or options contracts on the underlying index or its component stocks listed on major securities markets or positions in any other available securities or instruments that we may wish to use in connection with such hedging activities. 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 determination date approaches. We cannot give any assurance that our hedging activities will not affect the value of the underlying index, and, therefore, adversely affect the value of the securities or the payment you will receive at maturity. For further information on our use of proceeds and hedging, see "Use of Proceeds and Hedging" in the accompanying product supplement.

Each fiduciary of a pension, profit-sharing or other employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") (a "Plan"), should consider the fiduciary standards of ERISA in the context of the Plan's particular circumstances before authorizing an investment in the securities. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the Plan.

Benefit plan investor considerations: In addition, we and certain of our affiliates, including MS & Co., may each be considered a "party in interest" within the meaning of ERISA, or a "disqualified person" within the meaning of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to many Plans, as well as many individual retirement accounts and Keogh plans (such accounts and plans, together with other plans, accounts and arrangements subject to Section 4975 of the Code, also "Plans"). ERISA Section 406 and Code Section 4975 generally prohibit transactions between Plans and parties in interest or disqualified persons. Prohibited transactions within the meaning of ERISA or the Code would likely arise, for example, if the securities are acquired by or with the assets of a Plan with respect to which MS & Co. or any of its affiliates is a service provider or other party in interest, unless the securities are acquired pursuant to an exemption from the "prohibited

Morgan Stanley Finance LLC
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Based on the Performance of the S&P 500[®] Index

transaction” rules. A violation of these “prohibited transaction” rules could result in an excise tax or other liabilities under ERISA and/or Section 4975 of the Code for those persons, unless exemptive relief is available under an applicable statutory or administrative exemption.

The U.S. Department of Labor has issued five prohibited transaction class exemptions (“PTCEs”) that may provide exemptive relief for direct or indirect prohibited transactions resulting from the purchase or holding of the securities. Those class exemptions are PTCE 96-23 (for certain transactions determined by in-house asset managers), PTCE 95-60 (for certain transactions involving insurance company general accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 90-1 (for certain transactions involving insurance company separate accounts) and PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers). In addition, ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code provide an exemption for the purchase and sale of securities and the related lending transactions, provided that neither the issuer of the securities nor any of its affiliates has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of the Plan involved in the transaction and provided further that the Plan pays no more, and receives no less, than “adequate consideration” in connection with the transaction (the so-called “service provider” exemption). There can be no assurance that any of these class or statutory exemptions will be available with respect to transactions involving the securities.

Because we may be considered a party in interest with respect to many Plans, the securities may not be purchased, held or disposed of by any Plan, any entity whose underlying assets include “plan assets” by reason of any Plan’s investment in the entity (a “Plan Asset Entity”) or any person investing “plan assets” of any Plan, unless such purchase, holding or disposition is eligible for exemptive relief, including relief available under PTCEs 96-23, 95-60, 91-38, 90-1, 84-14 or the service provider exemption or such purchase, holding or disposition is otherwise not prohibited. Any purchaser, including any fiduciary purchasing on behalf of a Plan, transferee or holder of the securities will be deemed to have represented, in its corporate and its fiduciary capacity, by its purchase and holding of the securities that either (a) it is not a Plan or a Plan Asset Entity and is not purchasing such securities on behalf of or with “plan assets” of any Plan or with any assets of a governmental, non-U.S. or church plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code (“Similar Law”) or (b) its purchase, holding and disposition of these securities will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or violate any Similar Law.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering purchasing the securities on behalf of or with “plan assets” of any Plan consult with their counsel regarding the availability of exemptive relief.

The securities are contractual financial instruments. The financial exposure provided by the securities is not a substitute or proxy for, and is not intended as a substitute or proxy for, individualized investment management or

advice for the benefit of any purchaser or holder of the securities. The securities have not been designed and will not be administered in a manner intended to reflect the individualized needs and objectives of any purchaser or holder of the securities.

Each purchaser or holder of any securities acknowledges and agrees that:

(i)

the purchaser or holder or its fiduciary has made and shall make all investment decisions for the purchaser or holder and the purchaser or holder has not relied and shall not rely in any way upon us or our affiliates to act as a fiduciary or adviser of the purchaser or holder with respect to (A) the design and terms of the securities, (B) the purchaser or holder's investment in the securities, or (C) the exercise of or failure to exercise any rights we have under or with respect to the securities;

(ii)

we and our affiliates have acted and will act solely for our own account in connection with (A) all transactions relating to the securities and (B) all hedging transactions in connection with our obligations under the securities;

(iii)

any and all assets and positions relating to hedging transactions by us or our affiliates are assets and positions of those entities and are not assets and positions held for the benefit of the purchaser or holder;

(iv)

our interests are adverse to the interests of the purchaser or holder; and

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Based on the Performance of the S&P 500® Index
(v)

neither we nor any of our affiliates is a fiduciary or adviser of the purchaser or holder in connection with any such assets, positions or transactions, and any information that we or any of our affiliates may provide is not intended to be impartial investment advice.

Each purchaser and holder of the securities has exclusive responsibility for ensuring that its purchase, holding and disposition of the securities do not violate the prohibited transaction rules of ERISA or the Code or any Similar Law. The sale of any securities to any Plan or plan subject to Similar Law is in no respect a representation by us or any of our affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by plans generally or any particular plan, or that such an investment is appropriate for plans generally or any particular plan. In this regard, neither this discussion nor anything provided in this document is or is intended to be investment advice directed at any potential Plan purchaser or at Plan purchasers generally and such purchasers of the securities should consult and rely on their own counsel and advisers as to whether an investment in the securities is suitable.

However, individual retirement accounts, individual retirement annuities and Keogh plans, as well as employee benefit plans that permit participants to direct the investment of their accounts, will not be permitted to purchase or hold the securities if the account, plan or annuity is for the benefit of an employee of Morgan Stanley, Morgan Stanley Wealth Management or a family member and the employee receives any compensation (such as, for example, an addition to bonus) based on the purchase of the securities by the account, plan or annuity.

Additional considerations:

Client accounts over which Morgan Stanley, Morgan Stanley Wealth Management or any of their respective subsidiaries have investment discretion are not permitted to purchase the securities, either directly or indirectly.

Supplemental information regarding plan of distribution; conflicts of interest:

Selected dealers, which may include our affiliates, and their financial advisors will collectively receive from the agent a fixed sales commission of \$10 for each security they sell.

MS & Co. is an affiliate of MSFL and a wholly owned subsidiary of Morgan Stanley, and it and other affiliates of ours expect to make a profit by selling, structuring and, when applicable, hedging the securities.

MS & Co. will conduct this offering in compliance with the requirements of FINRA Rule 5121 of the Financial Industry Regulatory Authority, Inc., which is commonly referred to as FINRA, regarding a FINRA member firm's distribution of the securities of an affiliate and related conflicts of interest. MS & Co. or any of our other affiliates may not make sales in this offering to any

discretionary account. See “Plan of Distribution (Conflicts of Interest)” and “Use of Proceeds and Hedging” in the accompanying product supplement.

Validity of the securities:

In the opinion of Davis Polk & Wardwell LLP, as special counsel to MSFL and Morgan Stanley, when the securities offered by this pricing supplement have been executed and issued by MSFL, authenticated by the trustee pursuant to the MSFL Senior Debt Indenture (as defined in the accompanying prospectus) and delivered against payment as contemplated herein, such securities will be valid and binding obligations of MSFL and the related guarantee will be a valid and binding obligation of Morgan Stanley, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors’ rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith), *provided* that such counsel expresses no opinion as to (i) the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law on the conclusions expressed above and (ii) any provision of the MSFL Senior Debt Indenture that purports to avoid the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law by limiting the amount of Morgan Stanley’s obligation under the related guarantee. This opinion is given as of the date hereof and is limited to the laws of the State of New York, the General Corporation Law of the State of Delaware and the Delaware Limited Liability Company Act. In addition, this opinion is subject to customary assumptions about the trustee’s authorization, execution and delivery of the MSFL Senior Debt Indenture and its authentication of the securities and the validity, binding nature and enforceability of the MSFL Senior Debt Indenture with respect to the trustee, all as stated in the letter of such counsel dated November 16, 2017, which is Exhibit 5-a to the Registration Statement on Form S-3 filed by Morgan Stanley on November 16, 2017.

Contact:

Morgan Stanley clients may contact their local Morgan Stanley branch office or our principal executive offices at 1585 Broadway, New York, New York 10036 (telephone number (866) 477-4776). All other clients may contact their local brokerage representative. Third-party distributors may contact Morgan Stanley Structured Investment Sales at (800) 233-1087. Morgan Stanley and MSFL have filed a registration statement (including a prospectus, as supplemented by the product supplement for Equity-Linked Securities and the index supplement) with the Securities and Exchange Commission, or SEC, for the offering to which this communication relates. You should read the prospectus in that registration statement, the product

Where you can find more information:

Morgan Stanley Finance LLC
Equity-Linked Partial Principal at Risk Securities due March 2, 2022

Based on the Performance of the S&P 500® Index supplement for Equity-Linked Partial Principal at Risk Securities, the index supplement and any other documents relating to this offering that Morgan Stanley and MSFL have filed with the SEC for more complete information Morgan Stanley, MSFL and this offering. You may get these documents without cost by visiting EDGAR on the SEC web site at www.sec.gov. Alternatively, Morgan Stanley, MSFL, any underwriter or any dealer participating in the offering will arrange to send you the prospectus, the product supplement for Equity-Linked Partial Principal at Risk Securities and the index supplement if you so request by calling toll-free 800-584-6837.

You may access these documents on the SEC web site at www.sec.gov as follows:

Product Supplement for Equity-Linked Partial Principal at Risk Securities dated November 16, 2017

Index Supplement dated November 16, 2017

Prospectus dated November 16, 2017

Terms used but not defined in this document are defined in the product supplement for Equity-Linked Partial Principal at Risk Securities, in the index supplement or in the prospectus.

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