

Supplement dated 20 December 2013 to the Base Prospectus for Fixed Income Notes dated 27 June 2013, the Base Prospectus for Equity linked Notes and Certificates dated 27 June 2013, the Base Prospectus for Index linked Notes and Certificates dated 27 June 2013 and the Base Prospectus for Commodity and Currency linked Notes and Certificates dated 7 October 2013

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

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

and

MORGAN STANLEY
(incorporated under the laws of the State of Delaware in the United States of America)
as Guarantor

**Euro 2,000,000,000 German Programme for Medium Term Notes and Certificates
(Programme for the Issuance of Notes and Certificates)**

MORGAN STANLEY IQ

This supplement to the Original Base Prospectuses (as defined below) (the "**Supplement**") is prepared in connection with the EUR 2,000,000,000 German Programme for Medium Term Notes and Certificates (Programme for the Issuance of Notes and Certificates) (the "**Programme**") of Morgan Stanley & Co. International plc ("**MSI plc**") and Morgan Stanley B.V. ("**MSBV**" and MSI plc and MSBV, each an "**Issuer**" and, together, the "**Issuers**") and is supplemental to, and should be read in conjunction with the following base prospectuses:

- (a) the base prospectus for fixed income notes dated 27 June 2013 as supplemented by supplement No. 1 dated 25 September 2013;
- (b) the base prospectus for equity linked notes and certificates dated 27 June 2013 as supplemented by supplement No. 1 dated 23 August 2013, supplement No. 2 dated 25 September 2013 and supplement No. 3 dated 24 October 2013;
- (c) the base prospectus for index linked notes and certificates dated 27 June 2013 as supplemented by supplement No. 1 dated 25 September 2013; and
- (d) the base prospectus for commodity and currency linked notes and certificates dated 7 October 2013.

(each of the base prospectuses listed above under (a) to (d) to be an "**Original Base Prospectus**" and together referred to the "**Original Base Prospectuses**") in respect of the Programme.

Notes issued by MSBV will benefit from a guarantee dated on or around 27 June 2013 (the "**Guarantee**") by Morgan Stanley ("**Morgan Stanley**" or the "**Guarantor**").

This Supplement is a supplement within the meaning of article 13 of the Luxembourg Act on Securities Prospectuses (*loi relative aux prospectus pour valeurs mobilières*) which implements article 16 of the Prospectus Directive. The purpose of this Supplement is to disclose the following information with regard to the ratings of Morgan Stanley and MSI plc

as specified in an announcement made on 14 November 2013 by Moody's Investors Service, Inc. ("**Moody's**").

Unless otherwise stated or the context otherwise requires, terms defined in the Original Base Prospectuses have the same meaning when used in this Supplement. As used herein, "**Base Prospectus**" means an Original Prospectus and "**Base Prospectuses**" means the Original Prospectuses each as supplemented by this Supplement (whereas this Supplement shall be construed as supplement No. 2 with respect to the base prospectus for fixed income notes dated 27 June 2013 and to the base prospectus for index linked notes and certificates dated 27 June 2013, as supplement No. 4 with respect to the base prospectus for equity linked notes and certificates dated 27 June 2013, as supplement No. 1 with respect to the base prospectus for commodity and currency linked notes and certificates dated 7 October 2013).

The Original Base Prospectuses have been and this Supplement will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

In accordance with article 13 of the Luxembourg Act on Securities Prospectuses (*loi relative aux prospectus pour valeurs mobilières*), investors who have already submitted purchase orders in relation to instruments issued under the Programme prior to the publication of this Supplement are entitled to withdraw their orders within two days of this Supplement having been published (the "**Withdrawal Right End Date**") if not yet credited in their respective securities account for the instruments so subscribed. Withdrawal Right End Date means 24 December 2013. A withdrawal, if any, of an order must be communicated in writing to the relevant Issuer at its registered office specified in the Address List hereof.

IMPORTANT NOTICE

This Supplement should be read and construed with the Original Base Prospectuses and with any documents incorporated by reference therein and, in relation to any issue of Notes, with the relevant Final Terms. In the case of any inconsistency between (i) any statement contained in this Supplement or any statement incorporated by reference into the Base Prospectuses through this Supplement; and (ii) any other statement in or incorporated by reference in the Original Base Prospectuses as supplemented, the statement contained in this Supplement or the statement incorporated by reference into the Base Prospectuses through this Supplement shall prevail.

Any managers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any managers as to the accuracy or completeness of the information contained in this Supplement or any other information provided by the Issuers and the Guarantor in connection with the Programme.

No person has been authorised by any of the Issuers or the Guarantor to issue any statement which is not consistent with or not contained in this document, any other document entered into in relation to the Programme or any information supplied by the Issuers or the Guarantor or any information as in the public domain and, if issued, such statement may not be relied upon as having been authorised by the Issuers, the Guarantor or any managers.

The distribution of this Supplement, the Original Base Prospectuses, any Final Terms, any simplified prospectus in the case Notes in Switzerland are not publicly distributed by their listing at SIX/Scoach/EUREX but by publishing a simplified prospectus ("**Simplified Prospectus**") pursuant to article 5 of the CISA and any offering material relating to the Notes and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Nobody may use this Supplement, the Original Base Prospectuses or any Final Terms or any Simplified Prospectus for the purpose of an offer or solicitation if in any jurisdiction such use would be unlawful. In particular, this document may only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 does not apply. Additionally, Notes issued under this Programme will not be registered under the United States Securities Act of 1933, as amended. Therefore, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

For a more detailed description of some restrictions, see the paragraph "*Subscription and Sale*" of the relevant the Original Base Prospectus.

Neither this Supplement, the Original Base Prospectuses nor any Final Terms nor any Simplified Prospectus constitute an offer to purchase any Notes and should not be considered as a recommendation by the Issuers, the Guarantor or any manager that any recipient of this Supplement, the Original Base Prospectuses or any Final Terms or any Simplified Prospectus should purchase any Notes. Each such recipient shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of each of the Issuers and the Guarantor (see paragraph "*Risk Factors*" of the relevant Original Base Prospectus).

RESPONSIBILITY STATEMENT

Each of Morgan Stanley & Co. International plc, London, United Kingdom, Morgan Stanley B.V., Amsterdam, The Netherlands, and Morgan Stanley, Delaware, United States of America, assumes responsibility for the content of this Supplement and declares that the information contained in this Supplement is to the best of their respective knowledge in accordance with the facts and that no material circumstances have been omitted.

Dated: 20 December 2013

AMENDMENTS TO THE ORIGINAL BASE PROSPECTUSES

Part I – Recent Events:

On 14 November 2013, Moody's announced that it had reviewed its credit ratings for eight large US banking groups. Based on Moody's updated views on US government support and standalone bank considerations, Moody's lowered by one notch the long-term credit rating of Morgan Stanley from Baa1 to Baa2 and affirmed the short-term credit rating of P-2, with outlook stable.

As part of the same review, Moody's also upgraded the long-term credit rating of Morgan Stanley & Co. International plc by one notch from Baa1 to A3, with affirmed short-term credit rating of P-2, with outlook stable.

Morgan Stanley and MSI plc's ratings are issued by Moody's. Moody's is not established in the EEA but the rating it has assigned to Morgan Stanley is endorsed by Moody's Investors Service Limited, which is established in the EEA and registered under the CRA Regulation by the relevant competent authority.

Part 2 – Amendments to the Base Prospectuses:

A. In the section "Summary of the Base Prospectus", under paragraph "B. Issuers and Guarantors – Morgan Stanley & Co. International plc" of the Original Base Prospectuses, item B.17 shall be deleted in its entirety and replaced as follows:

- B.17 Credit ratings assigned to the Issuer or its debt securities: MSIP's short-term and long-term debt has been respectively rated (i) P-2 and A3, with a stable outlook, by Moody's Investors Service, Inc. ("**Moody's**") and (ii) A1 and A, with a negative outlook, by Standard & Poor's Ratings Services ("**S&P**").

Moody's is not established in the EEA but the ratings it has assigned to MSIP may be endorsed by DBRS Ratings Limited, a rating agency established in the EEA and registered under Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**") by the relevant competent authority and is included in the list of credit rating agencies published by the European Securities and Market Authority ("**ESMA**") on its website (www.esma.europa.eu) in accordance with the CRA Regulation.

S&P is not established in the EEA but the ratings it has assigned to MSIP is endorsed by Standard and Poor's Credit Market Services Europe Limited, a rating agency established in the EEA and registered under the CRA Regulation by the relevant competent authority and is included in the list of credit rating agencies published by ESMA.

Securities issued under the Programme may be rated or unrated. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.]

B. In the section “Summary of the Base Prospectus”, under paragraph “B. Issuers and Guarantors – Morgan Stanley” of the Original Base Prospectuses, item B.19/B.17 shall be deleted in its entirety and replaced as follows:

B.19 Credit ratings Morgan Stanley's short-term and long-term debt has been respectively
B.17 assigned to the Guarantor and its Inc. ("**DBRS**"), (ii) F1 and A, with a stable outlook, by Fitch, Inc. ("**Fitch**"), (iii) P-2 and Baa2, with a stable outlook, by Moody's Investors Service, Inc. ("**Moody's**"), (iv) a-1 and A, with a negative outlook, by Ratings and Investment Information Inc. ("**R&I**") and (v) A-2 and A-, with a negative outlook, by Standard & Poor's Financial Services LLC ("**S&P**").
debt securities:

DBRS:

DBRS, Inc. is not established in the EEA but the ratings it has assigned to Morgan Stanley may be endorsed by DBRS Ratings Limited which is established in the EEA and registered under Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "**CRA Regulation**"), as amended from time to time, by the relevant competent authority and is included in the list of credit rating agencies published by the European Securities and Market Authority ("**ESMA**") on its website (www.esma.europa.eu) in accordance with the CRA Regulation.

Fitch:

Fitch is not established in the EEA but the rating it has assigned to Morgan Stanley is endorsed by Fitch Ratings Limited, a rating agency established in the EEA and registered under the CRA Regulation by the relevant competent authority and is included in the list of credit rating agencies published by ESMA.

Moody's (EU Endorsed):

Moody's is not established in the EEA but the ratings it has assigned to Morgan Stanley is endorsed by Moody's Investors Service Limited which is established in the EEA and registered under the CRA Regulation by the relevant competent authorities and are included in the list of credit rating agencies published by ESMA.

R&I:

Ratings and Investment Information Inc. is not incorporated in the EEA and is not registered under the CRA Regulation in the EU.

S&P:

S&P is not established in the EEA but the ratings it has assigned to Morgan Stanley is endorsed by Standard and Poor's Credit Market Services Europe Limited, a rating agency established in the EEA and registered under the CRA Regulation by the relevant competent authority and is included in the list of credit rating agencies published by ESMA.

Securities issued under the Programme may be rated or unrated. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the

assigning rating agency.

C. In the section “Deutsche Fassung der Zusammenfassung des Basisprospekts”, under paragraph “B. Emittentinnen und Garantin – Morgan Stanley & Co. International plc” of the Original Base Prospectuses, item B.17 shall be deleted in its entirety and replaced as follows:

- B.17 Credit Rating der Emittentin oder ihrer Schuldtitel: Die kurzfristigen und langfristigen Verbindlichkeiten von MSIP wurden (i) von Moody's Investors Service, Inc. ("**Moody's**") mit P-2 und A3 mit einer stabilen Zukunftsprognose und (ii) von Standard & Poor's Ratings Services ("**S&P**") mit A1 und A, mit einer negativen Zukunftsprognose, bewertet.

Moody's hat ihren Sitz nicht in der Europäischen Union, allerdings kann das Rating, das sie MSIP zugeteilt hat, durch DBRS Rating Limited, eine Rating Agentur, welche ihren Sitz in der Europäischen Union hat, entsprechend den Bestimmungen der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rats vom 16. September 2009 über Ratingagenturen, in der jeweils geänderten Fassung (die "**CRA Verordnung**") durch die zuständige Aufsichtsbehörde registriert wurde und in die von der Europäischen Wertpapier- und Marktaufsichtsbehörde ("**ESMA**") auf ihrer Webseite (www.esma.europa.eu) entsprechend den Bestimmungen der CRA Verordnung veröffentlichte Liste von Rating Agenturen aufgenommen wurde, übernommen werden.

S&P hat ihren Sitz nicht in der Europäischen Union, allerdings werden die Ratings, die sie MSIP zugeteilt hat, durch Standard and Poor's Market Services Europe Limited, eine Rating Agentur, welche ihren Sitz in der Europäischen Union hat, entsprechend den Bestimmungen der CRA Verordnung durch die zuständige Aufsichtsbehörde registriert wurde und in die durch ESMA veröffentlichte Liste von Rating Agenturen aufgenommen wurde, übernommen.

Die Wertpapiere, welche nach diesem Programm emittiert werden, können bewertet werden oder nicht. Ein Rating stellt keine Empfehlung zum Kauf, Verkauf oder Halten von Wertpapieren dar und kann von der jeweiligen Rating Agentur jeder Zeit aufgehoben, geändert oder zurückgenommen werden.]

D. In the section “Deutsche Fassung der Zusammenfassung des Basisprospekts”, under paragraph “B. Emittentinnen und Garantin – Morgan Stanley” of the Original Base Prospectuses, item B.19/B.17 shall be deleted in its entirety and replaced as follows:

- B.19 Credit Rating der B.17 Garantin oder ihrer Schuldtitel: Die kurzfristigen und langfristigen Verbindlichkeiten von Morgan Stanley wurden (i) von DBRS, Inc. ("**DBRS**") mit R-1 (middle) und A (high) mit einer negativen Zukunftsprognose, (ii) von Fitch, Inc. ("**Fitch**") mit F1 und A, mit einer stabilen Zukunftsprognose, (iii) von Moody's Investors Service, Inc. ("**Moody's**") mit P-2 und Baa2, mit einer stabilen Zukunftsprognose, (iv) von Ratings and Investment Information Inc. ("**R&I**") mit a-1 und A, mit einer negativen Zukunftsprognose, und (v) von Standard & Poor's Financial Services LLC ("**S&P**") mit A-2 und A- mit einer negativen

Zukunftsprognose, bewertet.

DBRS:

DBRS, Inc. hat ihren Sitz nicht in der Europäischen Union, allerdings kann das Rating, das sie Morgan Stanley zugeteilt hat, durch DBRS Rating Limited, die ihren Sitz in der Europäischen Union hat, entsprechend den Bestimmungen der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rats vom 16. September 2009 über Ratingagenturen (die "**CRA Verordnung**"), in der jeweils geänderten Fassung durch die zuständige Aufsichtsbehörde registriert wurde und in die von der Europäischen Wertpapier- und Marktaufsichtsbehörde ("**ESMA**") auf ihrer Webseite (www.esma.europa.eu) entsprechend den Bestimmungen der CRA Verordnung veröffentlichte Liste von Rating Agenturen aufgenommen wurde, übernommen werden.

Fitch:

Fitch hat ihren Sitz nicht in der Europäischen Union, allerdings wird das Rating, das sie Morgan Stanley zugeteilt hat, durch Fitch Rating Limited, eine Rating Agentur, welche ihren Sitz in der Europäischen Union hat, entsprechend den Bestimmungen der CRA Verordnung durch die zuständige Aufsichtsbehörde registriert wurde und in die durch ESMA veröffentlichte Liste von Rating Agenturen aufgenommen wurde, übernommen.

Moody's (EU Endorsed):

Moody's hat ihren Sitz nicht in der Europäischen Union, allerdings werden die Ratings, die sie Morgan Stanley zugeteilt hat, durch Moody's Investors Service Limited, die ihren Sitz in der Europäischen Union hat, entsprechend den Bestimmungen der CRA Verordnung durch die zuständigen Aufsichtsbehörden registriert wurden und in die durch ESMA veröffentlichte Liste von Rating Agenturen aufgenommen wurden, übernommen.

R&I:

Ratings and Investment Information Inc. hat keinen Sitz in der europäischen Union und ist nicht entsprechenden den Bestimmungen der CRA Verordnung in der Europäischen Union registriert.

S&P:

S&P hat ihren Sitz nicht in der Europäischen Union, allerdings werden die Ratings, die sie Morgan Stanley zugeteilt hat, durch Standard and Poor's Market Services Europe Limited, eine Rating Agentur, welche ihren Sitz in der Europäischen Union hat, entsprechend den Bestimmungen der CRA Verordnung durch die zuständige Aufsichtsbehörde registriert wurde und in die durch ESMA veröffentlichte Liste von Rating Agenturen aufgenommen wurde, übernommen.

Die Wertpapiere, welche nach diesem Programm emittiert werden, können bewertet werden oder nicht. Ein Rating stellt keine Empfehlung zum Kauf, Verkauf oder Halten von Wertpapieren dar und kann von der jeweiligen Rating Agentur jeder Zeit aufgehoben, geändert oder zurückgenommen werden.

E. In the section "GENERAL DESCRIPTION OF THE PROGRAMME AND THE NOTES – I. Description of the Programme", under "Ratings" of the Original Base Prospectuses, after the second paragraph, the following new paragraph shall be included:

"On 14 November 2013, Moody's announced that it had reviewed its credit ratings for eight large US banking groups. Based on Moody's updated views on US government support and standalone bank considerations, Moody's lowered by one notch the long-term credit rating of Morgan Stanley from Baa1 to Baa2 and affirmed the short-term credit rating of P-2, with outlook stable.

As part of the same review, Moody's also upgraded the long-term credit rating of MSIP by one notch from Baa1 to A3, with affirmed short-term credit rating of P-2, with outlook stable."

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