

Notes issued pursuant to these Final Terms are securities to be listed under Listing Rule 19

**Final Terms dated 31 August 2012**

**Morgan Stanley BV**

Issue of up to SEK 200,000,000 Equity linked Notes

Guaranteed by Morgan Stanley

under the Program for the Issuance of Notes, Series A and B, Warrants and Certificates

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") (will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (a) in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (b) in those Public Offer Jurisdictions mentioned in Paragraph 53 of Part A below, provided such person is one of the persons mentioned in Paragraph 53 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

**THE NOTES ARE SENIOR UNSECURED OBLIGATIONS OF MORGAN STANLEY, AND ALL PAYMENTS ON THE NOTES, INCLUDING THE REPAYMENT OF PRINCIPAL, ARE SUBJECT TO THE CREDIT RISK OF MORGAN STANLEY. THE NOTES ARE NOT BANK DEPOSITS AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.**

**PART A – CONTRACTUAL TERMS**

THE NOTES DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES, AND ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. THE NOTES DESCRIBED HEREIN MAY NOT BE OFFERED, SOLD OR DELIVERED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN EITHER REGULATIONS UNDER THE SECURITIES ACT OR, IN THE CASE OF FTRO NOTES, THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED). SEE "*SUBSCRIPTION AND SALE*" AND "*NO OWNERSHIP BY U.S. PERSONS*" IN THE BASE PROSPECTUS DATED 7 JUNE 2012. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH PERSON. THE NOTES ARE NOT RATED.

This document constitutes Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the English Law Notes set forth in the Base Prospectus dated 7 June 2012 and the supplemental Base Prospectus dated 25 June 2012 which together constitute a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. Copies of the Base Prospectus are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA.

## INFORMATION CONCERNING INVESTMENT RISK

Noteholders and prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. The amount payable on redemption of the Notes is linked to the performance of the Underlying (as defined herein). Given the highly specialised nature of these Notes, Morgan Stanley BV (the "Issuer") and Morgan Stanley & Co. International plc ("MSI plc") consider that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment linked to the Underlying. Consequently, if you are not an investor who falls within the description above you should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

Potential investors are urged to consult with their legal, regulatory, investment, accounting, tax and other advisors with regard to any proposed or actual investment in these Notes. Please see the Base Prospectus for a full detailed description of the Notes and in particular, please review the Risk Factors associated with these Notes.

In purchasing any Notes, purchasers will be deemed to represent and undertake to the Issuer, the Dealer and each of their affiliates that (i) such purchaser understands the risks and potential consequences associated with the purchase of the Notes, (ii) that such purchaser has consulted with its own legal, regulatory, investment, accounting, tax and other advisers to extent it believes is appropriate to assist it in understanding and evaluating the risks involved in, and the consequences of, purchasing the Notes and (iii) in accordance with the terms set out in Annex 2.

Morgan Stanley is not qualified to give legal, tax or accounting advice to its clients and does not purport to do so in this document. Clients are urged to seek the advice of their own professional advisers about the consequences of the proposals contained herein.

US Treasury Circular 230 Notice - Morgan Stanley does not render advice on tax and tax accounting matters to clients. This material was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws.

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|----|------|--|---|
| 1. | (i)  | Issuer:                                | Morgan Stanley B.V.   |
|    | (ii) | Guarantor:                             | Morgan Stanley  |
| 2. | (i)  | Series Number:                         | 6166  |
|    | (ii) | Tranche Number:                        | 1   |
| 3. |      | Specified Currency or Currencies:      | Swedish krona ("SEK")   |
| 4. |      | Aggregate Nominal Amount of the Notes: |   |
|    | (i)  | Series:                                | The indicative Nominal Amount is SEK 200,000,000, the Issuer shall confirm the final Notional Amount to be issued upon the closing of the Subscription Period |
|    | (ii) | Tranche:                               | The indicative Nominal Amount is SEK 200,000,000, the Issuer shall confirm the final Notional Amount to be issued upon the closing of the Subscription Period |
| 5. |      | Issue Price                            | 100 per cent. of Par per Note   |
| 6. | (i)  | Specified Denominations (Par):         | SEK 10,000  |
|    | (ii) | Calculation Amount:                    | SEK 10,000  |
| 7. | (i)  | Issue Date:                            | 12 November 2012  |

(ii)	Trade Date:	22 October 2012
(iii)	Interest Commencement Date:	Not Applicable
(iv)	Strike Date:	23 October 2012
(v)	Determination Date:	23 October 2017
8.	Maturity Date:	13 November 2017
9.	Interest Basis:	Not Applicable
10.	Redemption/Payment Basis:	Equity-Linked Redemption
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	Redemption at the option of the Issuer: (Condition 16.7)	Not Applicable
14.	Redemption at the option of the Noteholders: (Condition 16.9)	Not Applicable
15.	Other Put/Call Options:	Not Applicable
16.	(i) Status of the Notes: (Condition 4)	Condition 4.1 applies.
	(ii) Status of the Guarantee:	Condition 4.2 applies
17.	Method of distribution:	Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

18.	Fixed Rate Note Provisions: (Condition 5)	Not Applicable
19.	Floating Rate Note Provisions: (Condition 6)	Not Applicable
20.	Zero Coupon Note Provisions: (Condition 7)	Not Applicable
21.	Dual Currency-Linked Note Interest Provisions: (Condition 8)	Not Applicable
22.	Equity Linked Note Interest Provisions:	Not Applicable
23.	Commodity-Linked Note Interest Provisions:	Not Applicable
24.	Currency-Linked Interest Note Provisions:	Not Applicable

- |     |  |                |
|-----|--|----------------|
| 25. | Inflation-Linked Note Interest Provisions: | Not Applicable |
| 26. | Credit-Linked Interest Note Provisions:    | Not Applicable |
| 27. | Property-Linked Interest Note Provisions:  | Not Applicable |
| 28. | Fund-Linked Interest Note Provisions:      | Not Applicable |

**PROVISIONS RELATING TO REDEMPTION**

- |     |  |   |
|-----|--|---|
| 29. | Call Option:<br>(Condition 16.7)   | Not Applicable  |
| 30. | Put Option:<br>(Condition 16.9)  | Not Applicable  |
| 31. | Final Redemption Amount of each Note:<br>(Condition 16)                                | Linked Redemption Amount specified below  |
| 32. | Dual Currency Redemption Provisions:<br>(Condition 8)                                  | Not Applicable  |
| 33. | Equity-Linked Redemption Provisions:<br>(Condition 10)                                 | Applicable  |
| (B) | Index/Index Basket Notes:  |   |
|     | (i) Types of Notes:  | Index Notes<br><br>OMX Stockholm 30 Index with Bloomberg Code<br>OMX Index (the “ <b>Underlying</b> ”)  |
|     | (ii) Exchange[s]:  | Stockholm Stock Exchange  |
|     | (iii) Related Exchange[s]:   | All Exchanges   |
|     | (iv) Averaging Date[s]:  | Monthly on the 23 <sup>rd</sup> from and including 24 <sup>th</sup> October<br>2016 to and including the Determination Date. In total<br>13 Observations, subject to adjustment if such date is<br>not a Scheduled Trading Day or is a Disrupted Day.<br>Modified Postponement applies.   |
|     | (v) Observation Date:  | Not Applicable  |
|     | (vi) Observation Period:   | Not Applicable  |
|     | (vii) Determination Time[s]:   | As set out in the Conditions  |
|     | (viii) Determination Agent responsible for<br>calculating the Final Redemption Amount: | Morgan Stanley & Co. International plc (the<br>“ <b>Determination Agent</b> ”). The Determination Agent<br>shall act as an expert and not as an agent for the Issuer<br>or the Noteholders. All determinations, considerations<br>and decisions made by the Determination Agent shall,<br>in the absence of manifest error, wilful default or bad<br>faith, be final and conclusive and the Determination<br>Agent shall have no liability in relation to such<br>determinations except in the case of its wilful default |

or bad faith.

(ix) Provisions for determining Final Redemption Amount:

Unless previously redeemed, or purchased and cancelled in accordance with the Conditions, the Issuer shall redeem the Notes on the Maturity Date at the Final Redemption Amount per Note as determined by the Determination Agent as follows:

**Par x [100% + Participation x Max(0%, Index Performance)]**

Where:

“**Participation**” means indicatively 100%, subject to a minimum of 85%;

“**Index Performance**” means [(Final Average Price - Initial Reference Price) / Initial Reference Price];

“**Final Average Price**” means the arithmetic average of the official closing level of the Underlying on each Averaging Date t; and

“**Initial Reference Price**” means the official closing level of the Underlying on the Strike Date.

(x) Provisions for determining Final Redemption Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted:

Determination Agent Determination

(xi) Weighting for each Index:

Not Applicable

(xii) Potential Adjustment Events:

As per the Conditions

(xiii) Additional Disruption Events:

Change in Law, Hedging Disruption and Increased Cost of Hedging shall apply

(xiv) Other special terms and conditions:

“**Business Days**” means London and Stockholm; and

“**Business Day Convention**” means Modified Following.

34. Commodity-Linked Redemption Provisions: Not Applicable

(Condition 11)

35. Currency-Linked Redemption Provisions: Not Applicable

(Condition 12)

36. Inflation-Linked Redemption Provisions: Not Applicable

(Condition 13)

37. Credit-Linked Redemption Provisions: Not Applicable

(Condition 20)

38. Property-Linked Redemption Provisions: Not Applicable

(Condition 14)

39. Fund-Linked Redemption Provisions: Not Applicable  
(Condition 15)
40. a. Early Redemption Amount upon Event of Default (Condition 22): The fair value of such Note on such day as is selected by the Determination Agent acting in good faith and in a commercially reasonable manner, less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent acting in good faith and in a commercially reasonable manner.
- b. Early Redemption Amount payable upon an event described in Condition 10/ 11/ 12/ 13/ 14/ 15 As provided in Condition 10
- c. Early Redemption Amount upon Early Redemption:  
(Conditions 16.2, 16.3, 16.5, 16.10 and 21)
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): The fair value of such Note on such day as is selected by the Determination Agent acting in good faith and in a commercially reasonable manner, less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent acting in good faith and in a commercially reasonable manner.
41. Governing Law: English law

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

42. Form of Notes: Swedish Notes  
(Condition 3)
43. Additional Business Centre(s) or other special provisions relating to Payment Dates: Stockholm only
44. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No
45. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
46. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: Not Applicable
47. Redenomination, renominatisation and Not Applicable

reconventioning provisions:

48. Restrictions on free transferability of the Notes: None
49. Other final terms: Not Applicable

## DISTRIBUTION

50. (i) If syndicated, names of Managers: Not Applicable  
and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)
- (ii) Date of [Subscription] Agreement: Not Applicable
- (iii) Stabilising Manager(s) (if any): Not Applicable
51. If non-syndicated, name and address of Dealer: Morgan Stanley & Co. International plc  
25 Cabot Square  
London E14 4QA
52. U.S. Selling Restrictions: Not applicable
53. Non-exempt offer: An offer of the Notes may be made by the Distributor other than pursuant to Article 3(2) of the Prospective Directive in Sweden (Public Offer Jurisdiction) during the period from 3 September 2012 to 12 October 2012 (Subscription Period), the Issuer has the right to adjustment the Subscription Period.
54. Total commission and concession: In connection with the offer and sale of the Notes, the Issuer or the Dealer will pay to the Distributor (as defined below) a one time or recurring distribution fee. The total discount offered, or total distribution fees payable, will not exceed 1.50 % per annum. The investor acknowledges and agrees that such fees will be retained by the Distributor. Further information is available from the Distributor upon request.
55. Additional selling restrictions: Not Applicable

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdictions and admission to trading on the London Stock Exchange's Regulated Market of the Notes described herein pursuant to the Program for the Issuance of Notes, Series A and B, Warrants and Certificates of Morgan Stanley B.V.

**RESPONSIBILITY**


The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:

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Duly authorised



TMF Management B.V.  
Managing Director



## PART B – OTHER INFORMATION

### 1. LISTING

Listing and admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market and to be listed on the Official List of the FSA with effect from the Issue Date. No assurance can be given that such listing will be obtained.

### 2. RATINGS

Ratings: The Notes will not be rated

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer".]

### 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: The net proceeds from the sale of Notes will be used by the Issuer for general corporate purposes, in connection with hedging the Issuer's obligations under the Notes, or both
- (ii) Estimated net proceeds: Up to SEK 200,000,000 - the Issuer shall confirm the final Notional Amount to be issued upon the closing of the Subscription Period

### 5. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Past and future performance including the volatility of the Underlying can be obtained from Bloomberg: OMX Index and <https://indexes.nasdaqomx.com/Data.aspx?IndexSymbol=OMXS30>

### 6. OPERATIONAL INFORMATION

ISIN Code: SE0004803369

New Global Note: No

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking société anonyme and the relevant identification number(s): Swedish Notes: Swedish CSD: Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent(s): Skandinaviska Enskilda Banken AB  
Kungsträdgårdsgatan 8  
SE-106 40 Stockholm  
Sweden

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: No

## 7. TERMS AND CONDITIONS OF THE OFFER

Offer Price:	The Issue Price + a subscription surcharge at the discretion of the Distributor of up to 2% of Par
Conditions to which the offer is subject:	Offers of the Notes are conditional upon their issue
Description of the application process:	<p>A prospective investor should contact the Distributor (as defined below) during the Subscription Period. The Distributor has the right to close the Subscription Period early. A prospective investor will acquire the Notes in accordance with the arrangements existing between the Distributor and its customers relating to the subscription of securities generally and not directly with the Issuer or the Dealer.</p> <p>Persons interested in purchasing Notes should contact their financial adviser. If an investor in any jurisdiction other than Sweden wishes to purchase Notes, such investor should (a) be aware that sales in the relevant jurisdiction may not be permitted; and (b) contact its financial adviser, bank or financial intermediary for more information.</p>
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	Not Applicable
Details of the minimum and/or maximum amount of application:	Not Applicable
Details of the method and time limited for paying up and delivering the Notes:	The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys
Manner in and date on which results of the offer are to be made public:	The results of the offer will be communicated to the applicants by the Distributor
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	Offers may be made by the Distributor in Sweden to retail investors. In other EEA countries, offers will only be made pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus.
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	<p>At the end of the Subscription Period, the Distributor will proceed to notify the prospective Noteholders as to the amount of their allotment of the Notes.</p> <p>Off-market dealing may not commence prior to such notification of allotment being made.</p>
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	Not Applicable
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer	Distributor: Mangold Fondkommission AB (the “Distributor”) at , P.O. Box

takes place.

55691, 102 14 Stockholm, Sweden will be the sole placer of the Notes to the Dealer.

## ANNEX 1

### STATEMENT CONCERNING THE UNDERLYING

This Note is not in any way sponsored, endorsed, sold or promoted by OMX AB (publ) ("OMX") and OMX makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the OMXS30 index and/or the figure at which the said OMXS30 index stands at any particular time on any particular day or otherwise. The OMXS30 index is compiled and calculated solely by Stockholm Stock Exchange Ltd. However, Stockholm Stock Exchange Ltd. shall not be liable (whether in negligence or otherwise) to any person for any error in the OMXS30 index and the Exchange shall not be under any obligation to advise any person of any error therein.

All rights to the trademarks OMX, OMXS30 and OMXS30 INDEX are vested in OMX and are used under license from OMX or a subsidiary of OMX.

## ANNEX 2

Any investment in the Notes made with the intention to offer, sell or otherwise transfer (together, “distribute” and each a “distribution”) such Notes to prospective investors will be deemed to include, without limitation, the following representations, undertakings and acknowledgements:

- a) (i) you are purchasing the instruments as principal (and not as agent or in any other capacity); (ii) none of the Issuer, the Dealer or their affiliates is acting as a fiduciary or an advisor to it in respect of the instruments; (iii) you are not relying upon any representations made by the Issuer, the Guarantor or any of their affiliates; (iv) you have consulted with your own legal, regulatory, tax, business, investments, financial, and accounting advisers to the extent that you have deemed necessary, and you have made your own investments, hedging and trading decisions based upon your own judgement and upon any advice from such advisors as you have deemed necessary and not upon any view expressed by the Issuer or any of its affiliates or agents and (v) you are purchasing the instruments with a full understanding of the terms, conditions and risks thereof and you are capable of and willing to assume those risks;
- b) you shall only distribute as principal or, alternatively, acting on a commission basis in your own name for the account of your investors and will not do so as agent for any Morgan Stanley entity (together “Morgan Stanley”) who shall assume no responsibility or liability whatsoever in relation to any such distribution. You shall distribute the product in your own name and to such customers as you identify in your own discretion, at your own risk and under your sole responsibility. You shall make such enquiries you deem relevant in order to satisfy yourself that prospective investors have the requisite capacity and authority to purchase the product and that the product is suitable for those investors;
- c) you shall not make any representation or offer any warranty to investors regarding the product, the Issuer or Morgan Stanley or make any use of the Issuer’s or Morgan Stanley’s name, brand or intellectual property which is not expressly authorised and you shall not represent you are acting as an agent of Morgan Stanley in such distribution. You acknowledge that neither the Issuer nor Morgan Stanley assume any responsibility or liability whatsoever in relation to any representation or warranty you make in breach hereof;
- d) if you distribute any material prepared and transmitted by the Issuer or by Morgan Stanley, you shall only distribute the entire material and not parts thereof. Any material you, or any third party you engage on your behalf, prepare shall be true and accurate in all material respects and consistent in all material respects with the content of the Base Prospectus and the Final Terms and shall not contain any omissions that would make them misleading. You shall only prepare and distribute such material in accordance with all applicable laws, regulations, codes, directives, orders and/or regulatory requirements, rules and guidance in force from time to time (“Regulations”). You acknowledge that neither the Issuer nor Morgan Stanley shall have any liability in respect of such material which shall, for the avoidance of doubt, at all times be your sole responsibility;
- e) you will not, directly or indirectly, distribute or arrange the distribution of the product or disseminate or publish (which for the avoidance of doubt will include the dissemination of any such materials or information via the internet) any materials or carry out any type of solicitation in connection with the product in any country or jurisdiction, except under circumstances that will result in compliance with all applicable Regulations and selling practices, and will not give rise to any liability for the Issuer or Morgan Stanley. For the avoidance of doubt, this includes compliance with the selling restrictions mentioned herein;
- f) if you receive any fee, rebate or discount, you shall not be in breach of any Regulation or customer or contractual requirements or obligations and you shall, where required to do so (whether by any applicable Regulation, contract, fiduciary obligation or otherwise), disclose such fees, rebates and discounts to your investors. You acknowledge that where fees are payable, or rebates or discounts applied, the Issuer and Morgan Stanley are obliged to disclose the amounts and/or basis of such fees, rebates or discounts at the request of any of your investors or where required by any applicable Regulations.
- g) you will be committed to purchase at the issue price stated in the term sheet (or at the price otherwise agreed between us) instruments, when issued, in the agreed quantity and having terms, as

provided in the definitive documentation, consistent with those in this term sheet (subject to any modifications agreed between us);

- h) we may enter into hedging or other arrangements in reliance upon your commitment, and, if you fail to comply with your commitment, your liability to us shall include liability for our costs and losses in unwinding such hedging or other arrangements;
- i) you agree and undertake to indemnify and hold harmless and keep indemnified and held harmless the Issuer, the Dealer and each of their respective affiliates and their respective directors, officers and controlling persons from and against any and all losses, actions, claims, damages and liabilities (including without limitation any fines or penalties and any legal or other expenses incurred in connection with defending or investigating any such action or claim) caused directly or indirectly by you or any of your affiliates or agents to comply with any of the provisions set out in (a) to (h) above, or acting otherwise than as required or contemplated herein.
- j) You are not purchasing the Notes as an extension of credit to Morgan Stanley pursuant to a loan agreement entered into in the ordinary course of your trade or business.