

BASE PROSPECTUS SUPPLEMENT

Morgan Stanley

*as issuer and guarantor
(incorporated under
the laws of the State of Delaware in the United States of America)*

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

MORGAN STANLEY (JERSEY) LIMITED
*as issuer
(incorporated with limited liability in Jersey, Channel Islands)*

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

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

Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley (Jersey) Limited ("**Morgan Stanley Jersey**") and Morgan Stanley B.V. ("**MSBV**", and together with Morgan Stanley, MSI plc and Morgan Stanley Jersey, the "**Issuers**") have prepared this base prospectus supplement (the "**Base Prospectus Supplement**"), which constitutes a supplementary prospectus for the purposes of 87G of the Financial Services and Markets Act 2000 ("**FSMA**") and has been approved by the Financial Services Authority in its capacity as the competent authority in the United Kingdom as a prospectus supplement for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**"), to supplement and be read in conjunction with the base prospectus dated 10 June 2011 prepared by the Issuers (the "**Base Prospectus**") (and any documents incorporated by reference therein and any supplements thereto) and used in connection with the program (the "**Program**") under which any of the Issuers may offer from time to time notes (the "**Notes**"), warrants (the "**Warrants**") and certificates (the "**Certificates**"). **Investors should be aware of their rights under Section 87Q(4) of FSMA.**

Defined terms used in the Base Prospectus shall have the same meaning when used in this Base Prospectus Supplement.

To the extent that there is any inconsistency between any statement in this Base Prospectus Supplement and any other statement in or incorporated by reference in the Base Prospectus or any previous Base Prospectus Supplement thereto, the statements in this Base Prospectus Supplement will prevail.

The purpose of this Base Prospectus Supplement is to provide information regarding Danish taxation on Program Securities.

DANISH TAXATION

The following paragraphs are added after page 341 of the Base Prospectus:

"

DANISH TAXATION

The following is a summary description of the taxation in Denmark of Notes, Warrants or Certificates according to the Danish tax laws in force at the date of this Base Prospectus and is subject to any

changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of Notes, Warrants or Certificates and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of Notes, Warrants or Certificates. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Notes, Warrants or Certificates.

Taxation of Notes

Taxation at source

Under existing Danish tax laws no general withholding tax or coupon tax will apply to payments of interest or principal or other amounts due on the Notes, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to in consolidated Act No. 1376 of 7 December 2010, as amended. This will not have any impact on Noteholders who are not in a relationship whereby they control, or are controlled by, the Issuer, or where the Noteholders and the Issuer are not controlled by the same group of shareholders.

Moreover, Danish withholding tax on payments of interest or principal or other amounts due on the Notes will not apply where the payment does not have a Danish source.

Resident Noteholders

Private individuals, including persons who are engaged in financial trade, companies and similar enterprises resident in Denmark for tax purposes or receiving interest on the Notes through their permanent establishment in Denmark are liable to pay tax on such interest.

Capital gains are taxable to individuals and corporate entities in accordance with the Danish act on taxation of debt, debt claims and financial contracts (in Danish "*Kursgevinstloven*"). Gains and losses on Notes held by corporate entities are generally taxed in accordance with a mark-to-market principle (in Danish "*lagerprincippet*"), i.e. on an unrealised basis. Gains and losses on Notes held by individuals are generally taxed on a realised basis and if the annual gains or losses do not exceed DKK 2,000, the gains or losses will be exempt from taxation.

Pension funds and other entities governed by the Danish act on taxation of pension yield (in Danish "*Pensionsafkastbeskatningsloven*") would, irrespective of realisation, be taxed on annual value increase or decrease of the Notes according to a mark-to-market principle (in Danish "*lagerprincippet*") as specifically laid down in the act.

Non-Resident Noteholders

Under existing Danish tax laws, payments of interest or principal amounts to any non-resident Noteholders are not subject to taxation in Denmark, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to under "Taxation at source" above. Thus, no Danish withholding tax will be payable with respect to such payments and any capital gain realised upon the sale, exchange or retirement of a Note will not be subject to taxation in Denmark, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to under "Taxation at source" above.

This tax treatment applies solely to Noteholders who are not subject to full tax liability in Denmark or included in a Danish joint taxation scheme and do not carry on business in Denmark through a permanent establishment.

Taxation of Warrants and Certificates

Warrants and Certificates can be issued with a large number of different underlying financial instruments (Share Securities, Share Basket Securities, Index Securities, Index Basket Securities, ETF Securities, ETF Basket Securities, Currency Securities, Commodity Securities, Bond Securities) or other assets as the underlying reference.

The taxation of the Warrants and Certificates will depend on the underlying financial instrument or asset. Most of the underlying financial instruments listed in the Base Prospectus are of a kind that will lead to a similar taxation of the Warrants and Certificates as for holding of Notes, as described above. If the underlying financial instrument is instead covered by the Danish Act on Capital Gains Tax (in Danish: "Aktieavancebeskatningsloven"), the holder of Warrants and Certificates will be deemed a shareholder for Danish tax purpose and different rules will apply, which are described below.

Resident personal holders of Warrants and Certificates

Sale, redemption or other disposals of Warrants and Certificates covered by the Danish Act on Capital Gains Tax are considered a realisation for Danish tax purposes. A capital gain or loss obtained by a Danish resident personal shareholder through a disposal of Warrants or Certificates is taxable or tax deductible in Denmark, respectively.

Capital gains will be subject to taxation as share income at a rate of 28% (27% as of 2012) on annual share income up to DKK 48,300 and 42% of share income exceeding DKK 48,300. The stated amount limits are applicable for 2011 and adjusted annually (however, no adjustment will take place in 2012 to 2013). The amount limits are doubled for married couples co-habiting at the end of the income year.

Losses upon the realisation of Warrants and Certificates can be deducted.

Resident corporate holders of Warrants and Certificates

Danish resident holders of shares are subject to capital gains tax and tax on dividends. Companies holding at least 10 per cent of a Danish company (subsidiary shares) are, however, not liable to pay capital gains tax and tax on dividends irrespective of the period of ownership. Dividends and capital gains on shareholdings of less than 10 per cent (portfolio shares) will on the other hand be subject to tax for company shareholders.

For corporate entities, the tax on portfolio shares will be calculated and paid annually based on a mark-to-market principle. A realisation principle may be elected for shareholdings in non-listed companies. The corporate tax rate is 25 per cent.

Non-Resident holders of Warrants and Certificates

For non-tax residents, capital gains on shareholdings remain tax free irrespective of ownership percentage and ownership period. Generally, company shareholders are also exempt from tax on dividends if holding 10 per cent or more in a Danish company however exceptions apply. Dividends paid to company shareholders holding less than 10 per cent or dividends paid to individuals are subject to Danish withholding tax at a rate of 28 per cent (27 per cent as per 2012)."

Save as disclosed in this Base Prospectus Supplement, no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen since the publication of the Base Prospectus dated 10 June 2011.

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

This Base Prospectus Supplement is available for viewing, and copies may be obtained from the offices of the Issuers, the Paying Agents and the Securities Agents.

MORGAN STANLEY

MORGAN STANLEY & CO. INTERNATIONAL PLC

MORGAN STANLEY (JERSEY) LIMITED

MORGAN STANLEY B.V.

22 November 2011