

Notes issued pursuant to these Final Terms are securities to be listed under Listing Rule 17.

Final Terms dated 23 September 2010

Morgan Stanley

Issue of EUR 200,000,000 Floating Rate Notes due 2019

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 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 in that Relevant Member State of the Notes may only do so 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. 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 are subject to the credit risk of Morgan Stanley. The Notes are not bank deposits and are not insured or guaranteed 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 REGULATION S UNDER THE SECURITIES ACT OR 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 15 JUNE 2010. 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 15 June 2010 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 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. Noteholders and prospective purchasers of Notes should conduct their own investigations and, in deciding whether or not to purchase Notes, prospective purchasers should form their own views of the merits of an investment linked to the 10 Year CMS Rate based upon such investigations and not in reliance on any information given in these Final Terms.

Given the highly specialised nature of these Notes, the Issuer and Morgan Stanley & Co. International plc ("MSI plc") consider that they are only suitable for sophisticated investors who are able to determine for themselves the risk of an investment linked to the 10 Year CMS Rate. 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.

Adjustments: The terms and conditions of the Notes will allow the Determination Agent to make adjustments or take any other appropriate action if circumstances occur where the Notes or any exchanges are affected by market disruption, corporate events or circumstances affecting normal activities.

Credit Risk: The holder of the Notes will be exposed to the credit risk of the Issuer.

Exit Risk: The secondary market price of the Notes will depend on many factors, including interest rates, exchange rates, time remaining to maturity and the creditworthiness of the Issuer. Therefore the holder may receive an amount which may be less than the then intrinsic market value of the Notes and which may also be less than the amount the holder would have received had the holder held the Notes through to maturity.

Liquidity Risk: Any secondary market in the Notes made by the Dealer will be made on a reasonable efforts basis only and subject to market conditions, law, regulation and internal policy. Even whilst there may be a secondary market in the Notes it may not be liquid enough to facilitate a sale by the holder.

Potential Conflict of Interest: The Determination Agent (MSI plc) is an affiliate of the Issuer and the economic interests of the Determination Agent may be adverse to the interests of holders of the Notes. Determinations made by the Determination Agent, may affect the amount payable to holders pursuant to the terms of the 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 1.

1.	(i)	Issuer:	Morgan Stanley
	(ii)	Guarantor:	Not Applicable
2.	(i)	Series Number:	4164
	(ii)	Tranche Number:	1
3.		Specified Currency or Currencies:	Euros (“EUR”)
4.		Aggregate Nominal Amount of the Notes:	
	(i)	Series:	EUR 200,000,000
	(ii)	Tranche:	EUR 200,000,000
5.		Issue Price	100 per cent. of par per Note
6.	(i)	Specified Denominations (Par):	EUR 50,000
	(ii)	Calculation Amount:	EUR 50,000
7.	(i)	Issue Date:	23 September 2010
	(ii)	Interest Commencement Date:	Issue Date
8.		Maturity Date:	23 September 2019, subject to adjustment in accordance with the Following Business Day Convention
9.		Interest Basis:	Floating Rate
10.		Redemption/Payment Basis:	At Par
11.		Change of Interest or Redemption/Payment Basis:	Not Applicable
12.		Put/Call Options:	
	(i)	Redemption at the option of the Issuer:	Not Applicable
		(Condition 15.7)	
	(ii)	Redemption at the option of the Noteholders:	Not Applicable
		(Condition 15.9)	
	(iii)	Other Put/Call Options:	Not Applicable
13.	(i)	Status of the Notes:	Unsecured and unsubordinated, which rank <i>pari passu</i> among themselves and all other outstanding unsecured and unsubordinated obligations
		(Condition 4)	
	(ii)	Status of the Guarantee:	Not Applicable
14.		Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions (Condition 5)	Not Applicable
16.	Floating Rate Note Provisions (Condition 6)	Applicable
(i)	Interest Payment Dates:	Annually on 23 September of each year from and including the First Interest Payment Date to and including the Maturity Date, subject to Following Business Day Convention.
(ii)	First Interest Payment Date:	23 September 2011
(iii)	Interest Period:	As defined under Condition 2, annually in arrears ending on each scheduled Interest Payment Date, Unadjusted, the first Interest Period is from and including the Issue Date to but excluding the First Interest Payment Date.
(iv)	Manner in which the Rate(s) of Interest is/are to be determined:	10 Year CMS Rate subject to a floor of 4.40% “ 10 Year CMS Rate ” means the 10-year EUR CMS rate as observed by the Determination Agent and published on Reuters page ISDAFIX2 at 11:00 am Frankfurt time (the “ Price Source ”) and set 2 (two) TARGET Business Days prior to the start of the relevant Interest Period.
(v)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent):	Morgan Stanley & Co. International plc. The Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders. All determinations, considerations and decisions made by the Determination Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Determination Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.
(vi)	Screen Rate Determination:	Not Applicable
(vii)	ISDA Determination	Not Applicable
(viii)	Margin(s):	Not Applicable
(ix)	Minimum Rate of Interest:	Not Applicable
(x)	Maximum Rate of Interest:	Not Applicable
(xi)	Day Count Fraction:	30/360
(xii)	Fallback provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	The Determination Agent shall determine the Interest Rate if there is any disruption of the Price Source

17.	Zero Coupon Note Provisions (Condition 7)	Not Applicable
18.	Dual Currency-Linked Note Interest Provisions (Condition 8)	Not Applicable
19.	Equity Linked Note Interest Provisions	Not Applicable
20.	Commodity Linked Note Interest Provisions	Not Applicable
21.	Currency Linked Interest Note Provisions	Not Applicable
22.	Inflation-Linked Note Interest Provisions	Not Applicable
23.	Credit-Linked Interest Note Provisions	Not Applicable
24.	Property-Linked Interest Note Provisions	Not Applicable

REDEMPTION

25.	Call Option (Condition 15.7)	Not Applicable
26.	Put Option (Condition 15.9)	Not Applicable
27.	Final Redemption Amount of each Note (Condition 16.1)	At Par per Note
28.	Dual Currency Redemption Provisions (Condition 8)	Not Applicable
29.	Equity-Linked Redemption Provisions (Condition 10)	Not Applicable
30.	Commodity-Linked Redemption Provisions (Condition 11)	Not Applicable
31.	Currency-Linked Redemption Provisions (Condition 12)	Not Applicable
32.	Inflation-Linked Redemption Provisions (Condition 13)	Not Applicable

33.	Credit Linked Redemption Provisions (Condition 19)	Not Applicable
34.	Property-Linked Redemption Provisions (Condition 14)	Not Applicable
35.	Early Redemption Amount upon early redemption Early Redemption Amount payable upon redemption following an event of default: (Condition 21) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons: (Conditions 15.2, 15.3, 15.4 and 15.5)	As defined in Condition 2 An amount which the Determination Agent, in its sole and absolute discretion, determines is equal to the fair value of a Note, on such day as is selected by the Determination Agent in its sole and absolute discretion (provided that such day is not more than 15 days before the date fixed for redemption of the Note), less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realized by the Issuer and/or any Affiliate on, unwinding any related underlying hedging arrangements, the amount of such cost or loss being as determined by the Determination Agent in its sole and absolute discretion.
36.	Governing Law:	English law
GENERAL PROVISIONS APPLICABLE TO THE NOTES		
37.	Form of Notes: (Condition 3)	Bearer Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on 30 days' notice in the limited circumstances specified in the Permanent Global Note
38.	Additional Business Centre(s) or other special provisions relating to Payment Dates:	TARGET and London
39.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
40.	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

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| 41. | Details relating to Instalment Notes:
amount of each instalment, date on which
each payment is to be made: | Not Applicable |
| 42. | Redenomination, renominatisation and
reconventioning provisions: | Not Applicable |
| 43. | Restrictions on free transferability of the
Notes: | None |
| 44. | Other final terms: | Not Applicable |

DISTRIBUTION

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| 45. | (i) If syndicated, names of
Managers: | Not Applicable |
| | (ii) [Date of [Subscription]
Agreement: | Not Applicable |
| | (iii) Stabilising Manager(s) (if any): | Not Applicable |
| 46. | If non-syndicated, name and address of
Dealer: | Morgan Stanley & Co. International plc

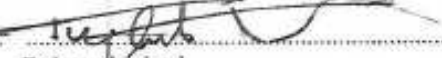
25 Cabot Square

London E14 4QA |
| 47. | U.S. Selling Restrictions: | Reg. S Compliance Category 3; / TEFRA D |
| 48. | Additional Selling Restrictions: | None |
| 49. | Non-exempt offer: | Not Applicable |
| 50. | Total commission and concession: | Not Applicable |

RESPONSIBILITY

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

Signed on behalf of the Issuer:

By: 
Duly authorised

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

2. RATINGS

Ratings: The Notes to be issued have not been rated.

3. OPERATIONAL INFORMATION

ISIN Code: XS0542590855

Common Code: 054259085

New Global Note: Yes

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking *société anonyme* and the relevant identification number(s): Not Applicable

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent(s): The Bank of New York Mellon
One Canada Square
London E14

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

Intended to be held in a manner which would allow Eurosystem eligibility: Yes

ANNEX 1

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

- a) 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;
- b) 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;
- c) 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;
- d) 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;
- e) 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.
- f) (i) except to the extent permitted under United States Treasury Regulations Section 1.163-5(c)(2)(i)(D) (the D Rules), you have not (A) offered or sold and will not offer or sell during the Restricted Period any Securities to a person who is within the United States or its possessions or to any United States person and (B) delivered and will not deliver within the United States or its possessions definitive Securities that are sold during the Restricted Period; (ii) you have, and throughout the Restricted Period will have, in effect procedures reasonably designed to ensure that your employees or agents who are directly engaged in selling Securities are aware that such Securities may not be offered or sold during the Restricted Period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules; (iii) if you are a United States person, you are acquiring Securities for purposes of resale in connection with their original

issuance and if you retain Securities for your own account, you will only do so in accordance with the requirements of United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(6); (iv) if you transfer Securities to any affiliate for the purpose of offering or selling such securities during the Restricted Period, you will either (A) obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in clauses (i), (ii) and (iii) above or (B) repeat and confirm the representations and agreements contained in clauses (i), (ii) and (iii) above on such affiliate's behalf and obtain from such affiliate the authority to so obligate you; and (v) you will obtain for the benefit of the Issuer the representations and agreements contained in clauses (i), (ii), (iii) and (iv) above from any person other than your affiliate with whom you enter into a written contract, within the meaning of United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(4), for the offer or sale of Securities during the Restricted Period. For the purposes of this paragraph an offer or sale of Securities will be considered to be made to a person who is within the United States or its possessions if the offeror or seller of such Securities has an address within the United States or its possessions for the offeree or purchaser of such Securities with respect to the offer or sale. Terms used in this paragraph shall have the meaning given to them by the U.S. Internal Revenue Code and the United States Treasury Regulations thereunder, including the D Rules.

- g) g) 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;
- h) 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.
- 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.