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BASE PROSPECTUS FOR NOTES DATED 10 OCTOBER 2017

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 B.V.

as issuer
(incorporated with limited liability in The Netherlands)

MORGAN STANLEY FINANCE LLC

as issuer
(formed under the laws of the State of Delaware in the United States of America)

REGULATION S PROGRAM FOR THE ISSUANCE OF NOTES, SERIES A AND SERIES B, WARRANTS AND CERTIFICATES

This Base Prospectus

This document is a base prospectus ("**Base Prospectus**") prepared for purposes of Article 5.4 of Directive 2003/71/EC, as amended (the "**Prospectus Directive**") for the purpose of the offering of Notes (as described below) from time to time. It should be read together with (i) any supplements to it from time to time (available on the web-site of the Luxembourg Stock Exchange (*www.bourse.lu*)), (ii) the information incorporated by reference into it (see "*Incorporation by Reference*" below) and (iii) in relation to a Tranche of Notes, the Final Terms (described below) relating to that Tranche of Notes. This Base Prospectus shall supersede and replace entirely the Base Prospectus dated 21 October 2016.

The Program

Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley B.V. ("**MSBV**") and Morgan Stanley Finance LLC ("**MSFL**") established the Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates (the "**Program**"). Under the Program, Morgan Stanley, MSI plc, MSBV and MSFL may offer from time to time Series A Notes and Series B Notes (together, the "**Notes issued under the Program**"), Warrants (the "**Warrants**") and Certificates (the "**Certificates**", and together with the Notes issued under the Program and the Warrants, the "**Program Securities**"). Only certain of the Notes issued under the Program are described in this Base Prospectus, being those (i) issued pursuant to the Issue and Paying Agency Agreement (as defined under "General Description of the Notes" below), (ii) issued in dematerialised and uncertificated book-entry form with a Nordic central securities depositary (as described under "General Description of the Notes" below) pursuant to the SEB Issuing and Paying Agent Agreement (as defined under "General Description of the Notes" below) or (iii) issued pursuant to the Euroclear Agreement (as defined under "General Description of the Notes" below) (hereafter referred to collectively as the "**Notes**"). For the avoidance of doubt, this Base Prospectus does not relate to or describe any Program Securities other than the Notes.

The Notes

Under this Base Prospectus, securities in the form of Notes may be offered.

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Conditions of the Notes

The terms and conditions applicable to a Tranche of Notes (the "**Conditions**") are the General Terms and Conditions (set out in the section entitled "*Part 1: General Terms and Conditions*" below) and the applicable provisions of the Additional Terms and Conditions (set out in the section entitled "*Part 2: Additional Terms and Conditions*" below) as completed by the applicable Final Terms (described below). Alternatively, a Tranche of Notes may be issued on the terms set forth in a separate prospectus specific to such Tranche (a "**Drawdown Prospectus**").

Final Terms and Drawdown Prospectuses

A "final terms" document (the "**Final Terms**") or a Drawdown Prospectus will be prepared in respect of each Tranche of Notes. The Final Terms will complete the General Terms and Conditions and specify the Additional Terms and Conditions, if any, applicable in relation to such Notes. The Drawdown Prospectus will amend and/or replace the Conditions in relation to the relevant Series in the manner as set forth in the Drawdown Prospectus and will also set out or incorporate by reference the necessary information relating to the Issuer and if applicable, the Guarantor. The Final Terms and the Drawdown Prospectus therefore contain vital information in regard to the Notes. The Final Terms and the Drawdown Prospectus will be available on the web-site of the Luxembourg Stock Exchange (www.bourse.lu).

The Issuers

The issuers (each an "**Issuer**") of Notes under this Base Prospectus from time to time may be any of Morgan Stanley, MSI plc, MSBV and MSFL. Information on each Issuer is included in this Base Prospectus, including information incorporated by reference.

The Guarantor of MSBV Notes and MSFL Notes

Unless otherwise stated in the applicable Final Terms, the payment of all amounts due in respect of Notes issued by MSBV ("**MSBV Notes**") are unconditionally and irrevocably guaranteed by Morgan Stanley (the "**Guarantor**"). The payment of all amounts due in respect of Notes issued by MSFL ("**MSFL Notes**") are unconditionally and irrevocably guaranteed by the Guarantor. However, the payment of amounts due in respect of Notes issued by MSI plc are **not** guaranteed by Morgan Stanley. In any event, all payments under the Notes are subject to the credit risk of the Issuer and (if applicable) the Guarantor. Information on the Guarantor is included in this Base Prospectus, including information incorporated by reference.

Status of the Notes

The Notes are unsecured and unsubordinated general obligations of the Issuer and not of any affiliate of the Issuer. The Notes are not deposits or savings accounts and are not insured by the U.S. Federal Deposit Insurance Corporation, the UK Financial Services Compensation Scheme or any other governmental agency or instrumentality or deposit protection scheme anywhere, nor are they obligations of, or guaranteed by, a bank.

Relevant Underlyings

The return on the Notes may depend on the performance of one or more of any of the following types of underlying reference assets (referred to as the "**Relevant Underlyings**" in the terms and conditions): interest rates, swap rates, shares, equity indices, exchange traded funds, commodities or commodity indices, inflation indices, other indices, currencies, funds and one or more preference shares issued by an entity which is not Morgan Stanley, MSI plc, MSBV or MSFL or any legal entity belonging to the same group as Morgan Stanley, MSI plc, MSBV or MSFL. The Relevant Underlying(s) (if any) in relation to any Notes will be set out in the Final Terms or Drawdown Prospectuses applicable to such Notes.

Noteholders will have no beneficial interest in any Relevant Underlyings.

Risk Factors

Notes offered from time to time under this Base Prospectus may not provide for scheduled repayment in full at maturity of the amount paid for them, and you could therefore lose some and up to all of your investment, depending on the performance of the Relevant Underlying(s). Also, in any event, payments under the Notes are subject to the credit risk of the Issuer (and, if applicable, the Guarantor). Investing in the Notes involves risks. Before purchasing the Notes, you should carefully consider, in particular, "*Risk Factors*" below.

IMPORTANT NOTICES

Risk Warning

The Notes may not be a suitable investment for all investors

An investment in the Notes entails certain risks, which vary depending on the specification and type or structure of the Notes.

Each potential investor should determine whether an investment in the Notes is appropriate in such potential investor's particular circumstances. An investment in the Notes requires a thorough understanding of the nature of the relevant transaction. Potential investors should be experienced with respect to an investment in the Notes and be aware of the related risks.

An investment in the Notes is only suitable for potential investors who:

- have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Notes and the information contained in, or incorporated by reference into, this document;
- have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of the potential investor's particular financial situation and to evaluate the impact the Notes will have on their overall investment portfolio;
- understand thoroughly the terms of the Notes and are familiar with the behaviour of the Relevant Underlying (as defined below) and financial markets;
- are capable of bearing the economic risk of an investment in the Notes until the maturity date of the Notes;
- recognise that it may not be possible to dispose of the Notes for a substantial period of time, if at all before the maturity date; and
- are familiar with the behaviour of the Relevant Underlying and relevant financial markets and be able to evaluate (either alone or with the help of a financial and legal adviser) possible scenarios for economic, interest rate and other factors that may affect the potential investor's investment and its ability to bear the applicable risks.

The Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in any Notes unless such potential investor has the expertise (either alone or with a financial and legal adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio. Each Issuer, The Guarantor and MSI plc as Distribution Agent, disclaims any responsibility to advise prospective investors of any matters arising under the law of the country in which they reside that may affect the purchase of, or holding of, or the receipt of payments or deliveries on, the Notes.

Investing in the Notes involves risks. See the section entitled "*Risk Factors Relating to the Notes*" below.

Important US securities and tax law considerations

THE NOTES, ANY INTEREST THEREIN AND ANY GUARANTEE IN RESPECT THEREOF, AND THE SECURITIES TO BE DELIVERED ON EXERCISE OR REDEMPTION OF THE NOTES (IF ANY), 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 OR OTHER JURISDICTION OF THE UNITED STATES, ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS AND MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, EXERCISED OR REDEEMED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES (WHICH TERM INCLUDES THE TERRITORIES, THE POSSESSIONS AND ALL OTHER AREAS SUBJECT

TO THE JURISDICTION OF THE UNITED STATES) OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT). SEE "*SUBSCRIPTION AND SALE*" AND "*NO OWNERSHIP BY U.S. PERSONS*".

For payments in respect of a Note issued by Morgan Stanley or MSFL, in order to avoid U.S. withholding taxes, the beneficial owner of the Note that is not a United States person (or a financial institution holding the Note on behalf of the beneficial owner that is not a United States person) is required under current law to comply with certain tax identification and certification requirements, generally by furnishing the appropriate U.S. Internal Revenue Service Form W-8BEN or W-8BEN-E on which the beneficial owner certifies under penalty of perjury that it is not a United States person. Certain tax identification and certification requirements apply as well to holders of Notes of all Issuers with respect to "FATCA" as more fully described under "United States Federal Taxation".

Each investor must comply with all applicable laws and regulations in each country or jurisdiction in or from which the investor purchases, offers, sells or delivers the Notes or has in the investor's possession or distributes this Base Prospectus or any accompanying Final Terms, or any Drawdown Prospectus.

No deposits and no deposit protection insurance

THE NOTES ARE NOT DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION, THE UK FINANCIAL SERVICES COMPENSATION SCHEME, OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

Important – EEA Retail Investors

If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of:

(A) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II");

(B) a customer within the meaning of Directive 2002/92/EC (the "IMD"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(C) not a qualified investor as defined in the Prospectus Directive.

Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

No or limited secondary market

Potential investors should be willing to hold the Notes until maturity. The nature and extent of any secondary market in the Notes cannot be predicted and there may be little or no secondary market in the Notes. If Morgan Stanley & Co. International plc or other affiliate does make a market for the Notes, it may cease to do so at any time.

Currency definitions

All references in this Base Prospectus to "Sterling" and "£" are to the lawful currency of the United Kingdom, all references to "U.S. Dollars", "U.S.$ " and "$" are to the lawful currency of the United States of America, all references to "Japanese Yen" and "¥" are to the lawful currency of Japan, all references to "Australian Dollars" and "AUD" are to the lawful currency

of the Commonwealth of Australia, all references to "New Zealand Dollars" and "NZD" are to the lawful currency of New Zealand, all references to "Renminbi" or "CNY" are to the lawful currency of the People's Republic of China (which, for the purpose of this Base Prospectus, shall exclude the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan) and all references to "euro", "€" and "EUR" are to the lawful single currency of the member states of the European Union who have adopted and continue to retain a common single currency through monetary union in accordance with European Union treaty law (as amended from time to time).

Language

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

US Securities disclosures

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE RELEVANT ISSUER AND, WHERE APPLICABLE, THE GUARANTOR AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Stabilisation legend

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES UNDER THE PROGRAM, ANY DISTRIBUTION AGENT OR ANY OTHER AGENT SPECIFIED FOR THAT PURPOSE IN THE APPLICABLE FINAL TERMS AS THE STABILISING MANAGER (OR ANY PERSON ACTING FOR THE STABILISING MANAGER) MAY OVER-ALLOT OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF ANY OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL FOR A LIMITED PERIOD. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISING ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF COMMENCED, MAY CEASE AT ANY TIME, BUT MUST BE BROUGHT TO AN END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. ANY STABILISING ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGER (OR ANY PERSON ACTING FOR THE STABILISING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

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SUMMARY

*Summaries are made up of disclosure requirements known as "**Elements**". These elements are numbered in Sections A – E (A.1 – E.7).*

This Summary contains all the Elements required to be included in a Summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the Summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the Summary with the mention of "Not Applicable".

		Section A – Introduction and warnings
A.1	**Introduction and warnings:**	This summary should be read as an introduction to the Base Prospectus. Any decision to invest in the Notes should be based on consideration of this Base Prospectus as a whole by the investor. Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in such Notes.
A.2	**Consent:**	[*insert if any authorised financial intermediaries are given consent to use the Base Prospectus:* The Issuer [and the Guarantor] consent to the use of the Base Prospectus in connection with an offer of Notes which is not made within an exemption to publish a prospectus under the Prospectus Directive (Directive 2003/71/EC, as amended) (a "**Non-exempt Offer**") during the offer period, being from [and including]/[but excluding] [*date*] to [and including/but excluding] [*date*], in [Austria][,/and] [Belgium][,/and] [Czech Republic][,/and] [Denmark][,/and] [Finland][,/and] [France][,/and] [Germany][,/and] [Ireland][,/and] [Italy][,/and] [Luxembourg][,/and] [Norway][,/and] [Portugal][,/and] [Spain][,/and] [Sweden][,/and] [The Netherlands][,/and] [the United Kingdom]], by any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) (each such person an "**Authorised Offeror**"), subject to the following conditions: [●]. **Any Authorised Offeror who wishes to use the Base Prospectus in connection with a Non-exempt Offer as set out above is required, for the duration of the relevant offer period, to publish on its website that it is using the Base Prospectus for such Non-exempt Offer in accordance with the consent of the Issuer and the conditions attached thereto.]** [*insert if only specified financial intermediaries are given consent to use the Base Prospectus:* The Issuer [and the Guarantor] consent to the use of the Base Prospectus in connection with an offer of Notes which is not made within an exemption to publish a prospectus under the Prospectus Directive (Directive 2003/71/EC, as amended) (a "**Non-exempt Offer**") during the offer period, being from [and including]/[but excluding] [*date*] to [and including/but excluding] [*date*] in [Austria][,/and] [Belgium][,/and] [Czech Republic][,/and] [Denmark][,/and] [Finland][,/and] [France][,/and] [Germany][,/and] [Ireland][,/and] [Italy][,/and] [Luxembourg][,/and] [Norway][,/and] [Portugal][,/and]

		[Spain][,/and] [Sweden][,/and] [The Netherlands][,/and] [United Kingdom]] by [each of] [●][,[●]... and [●]] (which [is]/[are each] authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC)) (each such person an "**Authorised Offeror**"), subject to the following conditions: [●]] An investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such investor including as to price, allocation, settlement arrangements and any expenses or taxes to be charged to the investor (the "**Terms and Conditions of the Non-exempt Offer**"). Neither the Issuer [nor the Guarantor] will be a party to any such arrangements with investors (other than [●] (the "**Distribution Agent**")) in connection with the offer or sale of the Notes and, accordingly, this Base Prospectus and the final terms of the Notes (the "**Final Terms**") will not contain such information. **In the event of a Non-exempt Offer being made by an Authorised Offeror, the Terms and Conditions of the Non-exempt Offer shall be provided to Investors by that Authorised Offeror at the time the offer is made.** None of the Issuers, the Guarantor, the Distribution Agent or other Authorised Offerors has any responsibility or liability for such information.
		Section B – Issuer [and Guarantor]
B.1	**Legal name and commercial name of the Issuer:**	[Morgan Stanley ("**Morgan Stanley**")] [Morgan Stanley & Co. International plc ("**MSI plc**")] [Morgan Stanley B.V. ("**MSBV**")] [Morgan Stanley Finance LLC ("**MSFL**")]
B.2	**Domicile and legal form of the Issuer, the legislation under which the Issuer operates and its country of incorporation:**	[Morgan Stanley is incorporated under the laws of the State of Delaware. As a financial holding company, it is regulated by the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956, as amended. Morgan Stanley has its registered office in Delaware, U.S.A.] [MSI plc was incorporated as a company limited by shares under the Companies Act 1985 and operates under the Companies Act 2006 in England and Wales. MSI plc was re-registered as a public limited company. MSI plc has its registered office in London, UK] [MSBV was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands. MSBV is registered at the commercial register of the Chamber of Commerce and Industries (*Kamer van Koophandel*) for Amsterdam. It has its corporate seat at Amsterdam, The Netherlands and is subject to the laws of The Netherlands.] [MSFL is a wholly-owned finance subsidiary of Morgan Stanley and a limited liability company formed pursuant to the Delaware Limited Liability Company Act on 27 March 2002 for an unlimited duration under the name of Morgan Stanley Tower LLC. On 8 January 2016 Morgan Stanley Tower LLC changed its name to Morgan Stanley Finance, LLC. On 12 January 2016 Morgan Stanley Finance, LLC changed its name to Morgan Stanley Finance LLC. MSFL'S registered address is at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801. MSFL's principal place of business is 1585 Broadway, New York, NY 10036. MSFL is formed under, and subject to, the laws of the state of Delaware, United States.]
B.4b	**Trends:**	[The business of Morgan Stanley[, the ultimate holding company of [MSI plc] / [MSBV] / [MSFL],] in the past has been, and in the future may continue to be, materially affected by many factors, including: the effect

		of economic and political conditions and geopolitical events, including the United Kingdom's (the "**UK**") anticipated withdrawal from the European Union (the "**EU**"); sovereign risk; the effect of market conditions, particularly in the global equity, fixed income, currency, credit and commodities markets, including corporate and mortgage (commercial and residential) lending and commercial real estate markets and energy markets; the impact of current, pending and future legislation (including with respect to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**")) or changes thereto, regulation (including capital, leverage, funding, liquidity and tax requirements), policies (including fiscal and monetary policies established by central banks and financial regulators, and changes to global trade policies), and other legal and regulatory actions in the United States of America ("**U.S.**") and worldwide; the level and volatility of equity, fixed income and commodity prices (including oil prices), interest rates, currency values and other market indices; the availability and cost of both credit and capital as well as the credit ratings assigned to Morgan Stanley's unsecured short-term and long-term debt; investor, consumer and business sentiment and confidence in the financial markets; the performance and results of Morgan Stanley's acquisitions, divestitures, joint ventures, strategic alliances or other strategic arrangements; Morgan Stanley's reputation and the general perception of the financial services industry; inflation, natural disasters, pandemics and acts of war or terrorism; the actions and initiatives of current and potential competitors as well as governments, central banks, regulators and self-regulatory organizations; the effectiveness of Morgan Stanley's risk management policies; technological changes instituted by Morgan Stanley, its competitors or counterparties and technological risks, including cybersecurity, business continuity and related operational risks; Morgan Stanley's ability to provide innovative products and services and execute its strategic objectives; or a combination of these or other factors. In addition, legislative, legal and regulatory developments related to Morgan Stanley's businesses are likely to increase costs, thereby affecting results of operations.]
B.5	**The group and the Issuer's position within the group:**	[Morgan Stanley is the ultimate parent undertaking of the group comprising Morgan Stanley and its consolidated subsidiaries (the "**Morgan Stanley Group**").] [MSI plc forms part of a group of companies including MSI plc and all of its subsidiary and associated undertakings ("**MSI plc Group**"). MSI plc's ultimate UK parent undertaking is Morgan Stanley International Limited and MSI plc's ultimate parent undertaking and controlling entity is Morgan Stanley.] [MSBV has no subsidiaries. It is ultimately controlled by Morgan Stanley.] [MSFL has no subsidiaries. It is a wholly-owned finance subsidiary of Morgan Stanley.]
B.9	**Profit forecast:**	Not Applicable. [Morgan Stanley] / [MSI plc] / [MSBV] / [MSFL] does not provide profit forecasts.
B.10	**Audit report qualifications:**	Not Applicable. There are no qualifications in the auditor's reports [*insert for MSBV / MSI plc / MSFL:* on the financial statements of [MSI plc] / [MSBV] / [MSFL] for the years ended 31 December 2015 and 31 December 2016] / [*insert for MS:* on the financial statements of Morgan Stanley for the years ended 31 December 2015 and 31 December 2016, as contained in Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2016].
B.12	**Selected**	[**Selected key financial information relating to Morgan Stanley**:

	historical key financial information:	

Consolidated Balance Sheets (U.S.$ *in millions*)	**At 31 December 2015**	**At 31 December 2016**	**At 30 June (unaudited)**	
			2016	**2017**
Total assets	787,465	814,949	828,873	841,016
Total liabilities and equity	787,465	814,949	828,873	841,016

Consolidated Income Statements *(U.S.$ in millions)*	**2015**	**2016**	**Six months ended 30 June (unaudited)**	
			2016	**2017**
Net revenues	35,155	34,631	16,701	19,248
Income from continuing operations before income taxes	8,495	8,848	4,221	5,450
Net income	6,279	6,123	2,803	3,762

There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2016, the date of the latest published annual audited financial statements of Morgan Stanley.

There has been no significant change in the financial or trading position of Morgan Stanley since 30 June 2017, the date of the latest published interim (unaudited) financial statements of Morgan Stanley.]

[**Selected key financial information relating to MSI plc**:

Consolidated Balance Sheet (*in U.S.$ millions*)	**31 Dec 2015**	**31 Dec 2016**	**Six months ended 30 June**	
			2016	**2017**
Total assets	394,084	423,346	470,491	439,296
Total liabilities and equity	394,084	423,346	470,491	439,296

Consolidated Income Statement *(in U.S.$ millions)*	**31 Dec 2015**	**31 Dec 2016**	**Six months ended 30 June**	
			2016 (restated)	**2017**
Net gains on financial instruments classified as held for trading	3,508	3,816	1,911	3,252
Profit (loss) before tax	710	735	468	999
Profit (loss) for the year/period	401	451	296	695

There has been no material adverse change in the prospects of MSI plc since 31 December 2016, the date of the latest published annual audited financial statements of MSI plc.

There has been no significant change in the financial or trading position of the MSI plc since 30 June 2017, the date of the latest published interim (unaudited) financial statements of MSI plc.]

[**Selected key financial information relating to MSBV**:

Statement of financial position (*in EUR '000*)	**31 Dec 2015**	**31 Dec 2016**	**Six months ended 30 June**	
			2016	**2017**
Total assets	8,770,208	9,569,083	9,300,670	10,193,799
Total liabilities and equity	8,770,208	9,569,083	9,300,670	10,193,799

Statement of comprehensive income *(in EUR '000)*	**31 Dec 2015**	**31 Dec 2016**	**Six months ended 30 June**	
			2016 (restated)	**2017**
Net gains/ (losses) on financial instruments classified as held for trading	(478,444)	31,323	(310,651)	359,254
Net gains/ (losses) on financial instruments designated at fair value through profit or loss	482,884	(31,323)	310,651	(359,254)
Profit before income tax	10,151	5,160	2,858	3,783
Profit and total comprehensive income for the year/period	7,620	546	133	2,837

There has been no material adverse change in the prospects of MSBV since 31 December 2016, the date of the latest published annual audited financial statements of MSBV.

There has been no significant change in the financial or trading position of MSBV since 30 June 2017, the date of the latest published interim (unaudited) financial statements of MSBV.]

[**Selected key financial information relating to MSFL**:

Statement of Financial Position (*in U.S.$*)	**31 December 2015**	**31 December 2016**	**30 June 2016**	**30 June 2017**
Net Income	110,072,000	10,771,000	10,920,801	(458,000)
Total Assets	6,942,318,599	2,143,572,000	355,668,713	5,403,529,000

		<table><tr><td>**Total Liabilities**</td><td>1,713,099,832</td><td>2,154,905,000</td><td>357,207,736</td><td>5,430,060,000</td></tr></table> There has been no material adverse change in the prospects of MSFL since 31 December 2016, the date of the latest published annual audited financial statements of MSFL. There has been no significant change in the financial or trading position of MSFL since 30 June 2017, the date of the latest published interim (unaudited) financial statements of MSFL.]
B.13	**Recent events materially relevant to evaluation of solvency of the Issuer:**	Not Applicable. [Morgan Stanley] / [MSI plc] / [MSBV] / [MSFL] considers that no event particular to itself and which is to a material extent relevant to the evaluation of its solvency has taken place since the publication of its last annual financial statements.
B.14	**Dependence upon other entities within the group:**	See Element B.5 for the group and the Issuer's position within the group. [Morgan Stanley is a holding company and depends on dividends, distributions and other payments from its subsidiaries to fund dividend payments and to fund all payments on its obligations, including debt obligations.] [MSI plc's ultimate parent undertaking and controlling entity is Morgan Stanley. There are substantial inter-relationships between MSI plc and Morgan Stanley as well as other companies in the Morgan Stanley Group, including the provision of funding, capital, services and logistical support to or by MSI plc, as well as common or shared business or operational platforms or systems, including employees.] [MSBV is ultimately controlled by Morgan Stanley. All material assets of MSBV are obligations of one or more companies in the Morgan Stanley Group and MSBV's ability to perform its obligations is dependent upon such companies fulfilling their obligations to MSBV.] [MSFL is ultimately controlled by Morgan Stanley.]
B.15	**The Issuer's principal activities:**	[Morgan Stanley, a financial holding company, is a global financial services firm that, through its subsidiaries and affiliates, advises, and originates, trades, manages and distributes capital for, governments, institutions and individuals. Morgan Stanley maintains significant market positions in each of its business segments—Institutional Securities, Wealth Management and Investment Management.] [The principal activity of the MSI plc Group is the provision of financial services to corporations, governments and financial institutions. MSI plc operates globally. It operates branches in the Dubai International Financial Centre, South Korea, the Netherlands, Poland, the Qatar Financial Centre and Switzerland.] [MSBV's principal activity is the issuance of financial instruments and the hedging of obligations arising pursuant to such issuances.] [MSFL's principal activity is the issuance of securities.]
B.16	**Controlling persons:**	[Not applicable; Morgan Stanley is a publicly-held company listed on the New York Stock Exchange and not directly or indirectly owned or controlled by any individual shareholder or affiliated group of shareholders.] [MSI plc is wholly and directly owned by Morgan Stanley Investments UK and is ultimately controlled by Morgan Stanley.] [MSBV is ultimately controlled by Morgan Stanley.]

		[MSFL is ultimately controlled by Morgan Stanley.]
[Delete the Element B.17 if the Notes are derivative instruments to which Annex XII of the Regulation applies]		
[B.17	**Credit ratings:**	[As of 10 October 2017, Morgan Stanley's short-term and long-term debt has been respectively rated (i) R-1 (middle) and A (high), with a stable outlook, by DBRS, Inc. ("**DBRS**"), (ii) F1 and A, with a stable outlook, by Fitch Ratings, Inc. ("**Fitch**"), (iii) P-2 and A3, with a stable outlook, by Moody's Investors Service, Inc. ("**Moody's**"), (iv) a-1 and A-, with a stable outlook, by Ratings and Investment Information, Inc. ("**R&I**") and (v) A-2 and BBB+ with a stable outlook, by Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings ("**S&P**").] [MSI plc's short-term and long-term debt, as of 10 October 2017, has been respectively rated (i) P-1 and A1, with a stable outlook, by Moody's Investors Service, Inc. and (ii) A-1 and A+, with a stable outlook, by Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings.] [Not Applicable. MSBV is not rated.] [As of 10 October 2017, MSFL's long-term debt has been respectively rated (i) A3 with a stable outlook, by Moody's Investors Service, Inc. ("**Moody's**") and (ii) BBB+ with a stable outlook, by Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings ("**S&P**").] The Notes are [not rated] / [[rated [[●] by DBRS, Inc.[, / and]] [[●] by Fitch Ratings, Inc. [, / and]] [[●] by Moody's Investors Service, Inc.[, / and]] [[●] by Ratings and Investment Information Inc. [, / and]] [[●] by Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings]].]
[Delete the Elements B.18 and B.19 if Morgan Stanley or MSI plc are the Issuer of the Notes]		
[B.18	**Nature and scope of the Guarantee:**	The payment obligations of [MSBV]/[MSFL] in respect of the Notes are unconditionally and irrevocably guaranteed by Morgan Stanley pursuant to a guarantee dated as of 10 October 2017 (the "Guarantee") which is governed by New York law. The Guarantor's obligations under the Guarantee constitute direct, general and unsecured obligations of the Guarantor which rank without preference among themselves and *pari passu* with all other outstanding, unsecured and unsubordinated obligations of the Guarantor, present and future, but in the event of insolvency only to the extent permitted by laws affecting creditors' rights.
B.19	**Information about the Guarantor:**	Please see below in relation to the Guarantor.
B.19 (B.1)	**Legal name and commercial name of the Guarantor:**	Morgan Stanley
B.19 (B.2)	**Domicile and legal form of the Guarantor, the legislation under which the Guarantor**	Morgan Stanley is incorporated under the laws of the State of Delaware. As a financial holding company, it is regulated by the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956, as amended. Morgan Stanley has its registered office in Delaware, U.S.A.

<table>
<tr><td></td><td>operates and its country of incorporation:</td><td></td></tr>
<tr><td>B.19
(B.4b)</td><td>Trends:</td><td>The business of Morgan Stanley in the past has been, and in the future may continue to be, materially affected by many factors, including: the effect of economic and political conditions and geopolitical events, including the UK’s anticipated withdrawal from the EU; sovereign risk; the effect of market conditions, particularly in the global equity, fixed income, currency, credit and commodities markets, including corporate and mortgage (commercial and residential) lending and commercial real estate markets and energy markets; the impact of current, pending and future legislation (including with respect to the Dodd-Frank Act) or changes thereto, regulation (including capital, leverage, funding, liquidity and tax requirements), policies (including fiscal and monetary policies established by central banks and financial regulators, and changes to global trade policies), and other legal and regulatory actions in the U.S. and worldwide; the level and volatility of equity, fixed income and commodity prices (including oil prices), interest rates, currency values and other market indices; the availability and cost of both credit and capital as well as the credit ratings assigned to Morgan Stanley’s unsecured short-term and long-term debt; investor, consumer and business sentiment and confidence in the financial markets; the performance and results of Morgan Stanley’s acquisitions, divestitures, joint ventures, strategic alliances or other strategic arrangements; Morgan Stanley’s reputation and the general perception of the financial services industry; inflation, natural disasters, pandemics and acts of war or terrorism; the actions and initiatives of current and potential competitors as well as governments, central banks, regulators and self-regulatory organizations; the effectiveness of Morgan Stanley’s risk management policies; technological changes instituted by Morgan Stanley, its competitors or counterparties and technological risks, including cybersecurity, business continuity and related operational risks; Morgan Stanley’s ability to provide innovative products and services and execute its strategic objectives; or a combination of these or other factors. In addition, legislative, legal and regulatory developments related to Morgan Stanley’s businesses are likely to increase costs, thereby affecting results of operations.</td></tr>
<tr><td>B.19
(B.5)</td><td>The group and the Guarantor's position within the group:</td><td>Morgan Stanley is the ultimate parent undertaking of the group comprising Morgan Stanley and its consolidated subsidiaries (the "Morgan Stanley Group").</td></tr>
<tr><td>B.19
(B.9)</td><td>Profit forecast:</td><td>Not Applicable. Morgan Stanley does not provide profit forecasts.</td></tr>
<tr><td>B.19
(B.10)</td><td>Audit report qualifications:</td><td>Not Applicable. There are no qualifications in the auditor's reports on the financial statements of Morgan Stanley for the years ended 31 December 2015 and 31 December 2016, as contained in Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2016.</td></tr>
<tr><td>B.19
(B.12)</td><td>Selected historical key financial information:</td><td>Selected key financial information relating to Morgan Stanley:
<table>
<tr><td>Consolidated Balance Sheets (U.S.$ in millions)</td><td>At 31 December 2015</td><td>At 31 December 2016</td><td colspan="2">At 30 June (unaudited)</td></tr>
<tr><td></td><td></td><td></td><td>2016</td><td>2017</td></tr>
<tr><td>Total assets</td><td>787,465</td><td>814,949</td><td>828,873</td><td>841,016</td></tr>
</table></td></tr>
</table>

		Total liabilities and equity 787,465 814,949 828,873 841,016 Consolidated Income Statements *(U.S.$ in millions)* **2015** **2016** **Six months ended 30 June (unaudited)** **2016** **2017** *Net revenues* 35,155 34,631 16,701 19,248 *Income from continuing operations before income taxes* 8,495 8,848 4,221 5,450 *Net income* 6,279 6,123 2,803 3,762 There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2016, the date of the latest published annual audited financial statements of Morgan Stanley. There has been no significant change in the financial or trading position of Morgan Stanley since 30 June 2017, the date of the latest published interim (unaudited) financial statements of Morgan Stanley.
B.19 (B.13)	**Recent events materially relevant to evaluation of solvency of the Guarantor:**	Not Applicable. Morgan Stanley considers that no event particular to itself which is to a material extent relevant to the evaluation of its solvency has taken place since the publication of its last annual financial statements.
B.19 (B.14)	**Dependence upon other entities within the group:**	See Element B.19 (B.5) above for the group and the Guarantor's position within Morgan Stanley Group. Morgan Stanley is a holding company and depends on dividends, distributions and other payments from its subsidiaries to fund dividend payments and to fund all payments on its obligations, including debt obligations.
B.19 (B.15)	**The Guarantor's principal activities:**	Morgan Stanley, a financial holding company, is a global financial services firm that maintains significant market positions in each of its business segments—Institutional Securities, Wealth Management and Investment Management. Through its subsidiaries and affiliates, it provides a wide variety of products and services to a large and diversified group of clients and customers, including corporations, governments, financial institutions and individuals.
B.19 (B.16)	**Controlling Persons:**	Not applicable; Morgan Stanley is a publicly-held company listed on the New York Stock Exchange and not directly or indirectly owned or controlled by any individual shareholder or affiliated group of shareholders.
B.19 (B.17)	**Credit Rating:**	As of 10 October 2017, Morgan Stanley's short-term and long-term debt has been respectively rated (i) R-1 (middle) and A (high), with a stable outlook, by DBRS, (ii) F1 and A, with a stable outlook, by Fitch, (iii) P-2 and A3, with a stable outlook, by Moody's, (iv) a-1 and A-, with a stable outlook, by R&I and (v) A-2 and BBB+ with a stable outlook, by S&P.
		Section C - The Notes
C.1	**Type and class of the Notes and**	ISIN: [●] The Notes are [not Notes in respect of which physical settlement may

	ISIN number:	apply or may be elected to apply ("**Cash Settlement Notes**")] / [Notes in respect of which physical settlement applies or may be elected ("**Physical Settlement Notes**")]. [Interest is payable on the notes [at a fixed rate, as further described below ("**Fixed Rate Notes**")] / [calculated by reference to a floating rate, as further described below ("**Floating Rate Notes**")] / [calculated by reference to the value or performance of [share[s]] / [interests in [an] exchange traded fund[s] (an "**ETF**")] / [[an equity index] / [equity indices] ("**Equity-Linked Interest Notes**")] / [[a commodity] / [commodities] / [a commodity index] / [commodity indices] ("**Commodity-Linked Notes**")] [[an inflation index] / [inflation indices] ("**Inflation-Linked Interest Notes**")] / [[a currency] / [currencies] ("**Currency-Linked Interest Notes**")] / [interest in [a] fund[s] ("**Fund-Linked Interest Notes**")]]. [The Notes are "**Zero Coupon Notes**".] [Redemption amounts payable in respect of the Notes are linked to the value or performance of [share[s]] / [interests in [an] exchange traded fund[s] (an "**ETF**")] / [[an equity index] / [equity indices] ("**Equity-Linked Redemption Notes**")] / [[a commodity] / [commodities] / [a commodity index] / [commodity indices] ("**Commodity-Linked Redemption Notes**")] / [[an inflation index] / [inflation indices] ("**Inflation-Linked Redemption Notes**")] / [[a currency] / [currencies] ("**Currency-Linked Redemption Notes**")] / [interest in [a] fund[s] ("**Fund-Linked Redemption Notes**")] / [preference shares ("**Preference-Share Linked Notes**")].]
C.2	**Currency of Issue:**	Notes are denominated in [●].
C.5	**Restrictions on free transferability:**	The Notes cannot be offered or sold in the U.S. or to U.S. persons, nor held in the U.S. or by U.S. Persons at any time. The Notes may not be acquired or held by, or acquired with the assets of, any employee benefit plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986, or any entity whose underlying assets include "plan assets" within the meaning of Section 3(42) of ERISA by reason of any such employee benefit plan's account's or plan's investment therein. **THE NOTES, ANY INTEREST THEREIN AND ANY GUARANTEE IN RESPECT THEREOF, AND THE SECURITIES TO BE DELIVERED ON EXERCISE OR REDEMPTION OF THE NOTES (IF ANY), 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 OR OTHER JURISDICTION OF THE UNITED STATES, ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS AND MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, EXERCISED OR REDEEMED 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 REGULATION S UNDER THE SECURITIES ACT).**
C.8	**Rights attached to the Notes, Ranking and Limitations to those Rights:**	**Rights attached to the Notes:** ***Interest***: [See Element [C.9]/[C.10]/[C.18] below for interest payable in respect of the Notes] / [Not Applicable, the Notes do not bear any interest.] ***Redemption***: See Element [C.9]/[C.18] below for [the redemption amount payable on the Maturity Date] / [the amount of securities (the

		"**Physical Delivery Amount**") which the Issuer will deliver on the Settlement Date]. ***Governing Law***: The Notes will be governed by and construed in accordance with English law. [The Guarantee will be governed by and construed in accordance with New York Law.] ***Events of Default***: If an Event of Default occurs, the Notes may be redeemed prior to their Maturity Date at the Early Redemption Amount if the Noteholders of not less than 25% in aggregate principal amount of the Notes give written notice to the Issuer declaring the Notes to be immediately due and payable. The Events of Default applicable to the Notes are as follows: (1) non-payment of any amount of principal (within 30 days of the due date) or any amount of interest (within 30 days of the due date) in respect of the Notes; and (2) the Issuer becomes insolvent or is unable to pay its debts as they fall due, or an administrator or liquidator is appointed in respect of the Issuer or the whole or a substantial part of its undertaking, assets and revenues (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent), or the Issuer takes any action for a composition with or for the benefit of its creditors generally, or an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent) and such order or effective resolution has remained in force and has not been rescinded, revoked or set aside for sixty days after the date on which such order is made or effective resolution is passed. ***Early Redemption Amount***: [The Notes are Zero Coupon Notes and the Early Redemption Amount payable in respect of any Zero Coupon Note shall be an amount equal to the product of (a) the Calculation Amount of such Note, and (b) the Reference Price multiplied by (1 + Accrual Yield)^{n}, where Accrual Yield is [•], Reference Price is [•] and "n" means the number of years from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Zero Coupon Note becomes due and payable. / [The Early Redemption Amount on the Notes will be an amount per Calculation Amount equal to the product of the Specified Rate (which is [●]%) and the Calculation Amount.] / [The Early Redemption Amount will be determined by the Determination Agent to be the amount a qualified financial institution (being a financial institution organised under the laws of any jurisdiction in the USA, European Union or Japan and which satisfies certain credit ratings requirements, which the Determination Agent selects for this purposes at the time when the Early Redemption Amount is to be determined) would charge to assume all of the Issuer's obligations in respect of the Notes or to undertake obligations that would have the effect of preserving the economic equivalent of any payments by the Issuer to the Noteholder with respect to the Notes.]/[The Notes are Preference Share-Linked Notes and the Early Redemption Amount will be an amount per Calculation Amount equal to the product of (i) the Calculation Amount, (ii) the Participation Rate (which is [•]) and (iii) the Preference Share Value on the Early Redemption Valuation Date divided by the Preference Share Value on the Initial Valuation Date.]/[The Early Redemption Amount will be equal to the sum of (A) the product of (a) the Calculation Amount and (b) the percentage produced by Reference Price x (1 + Accrual Yield)^{n} and (B) accrued interest (if any) (where Accrual Yield is [•]), Reference Price is [•] and "n" means the number of years from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the

		date upon which the Zero Coupon Note becomes due and payable.)][The Early Redemption Amount of each Note will be an amount equal to the fair market value of such Note on the day that is two Business Days prior to the date of redemption of the Note, as determined by the Determination Agent, acting in good faith and in a commercially reasonable manner by reference to factors that the Determination Agent considers relevant, including without limitation, the then (a) interest rates and, (b) the value of each embedded derivative but (c) if the relevant Early Redemption Event is an Event of Default, disregarding any change in the creditworthiness of the Issuer since the Issue Date.] **Status of the Notes**: The Notes constitute direct and general obligations of the Issuer ranking *pari passu* among themselves. **Limitations to the rights**: ***Prescription.*** Claims for principal and interest on redemption in respect of the Notes shall become void unless [*insert for Registered Notes:* the relevant note certificates are surrendered for payment within 10 years of the due date for payment] / [*insert for Swedish Notes:* made, in the case of claims for principal, within a period of 10 years after the due date for payment, and in the case of claims for interest made within five years after the due date for payment] [*insert for Finnish Notes:* made within three years after the due date for payment] [i*nsert for Uncertificated Notes:* made within 10 years of the due date for payment].
[Delete the Element C.9 if the Notes are derivative instruments to which Annex XII of the Regulation applies]		
C.9	**Interest, Redemption and Representation:**	See Element C.8 above. ***Maturity Date****:* [*insert Scheduled Maturity Date*][, subject to adjustment for [valuation] [and] [non-business days]]. Final Redemption Amount: [*Insert Final Redemption Amount*] [Calculation Amount: *insert calculation amount*] Nominal Interest Rate: **[FIXED RATE NOTES AND/OR FLOATING RATE NOTES]** **[OPTION 1- NOTES DO NOT BEAR INTEREST]** The Notes [are [Zero Coupon Notes] [and] do not bear interest.] **[OPTION 2- FIXED RATE NOTES, STEP-UP NOTES, STEP-DOWN NOTES, FIXED TO FLOATING RATE NOTES, FLOATING TO FIXED RATE NOTES AND IF FIXED RATE NOTE PROVISIONS ARE APPLICABLE]** The Notes bear interest from [and including] [but excluding] the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to [and including] [but excluding] the Interest Payment Date [falling on] / [scheduled to fall on] [●] at a fixed rate of [●] % per annum payable in arrear on [●][, [●] % per annum payable in arrear on [●] and [●] % per annum payable in arrear on [●]]. *(repeat as required)* **[OPTION 3- FLOATING RATE NOTES, FLOORED FLOATING RATE NOTES, CAPPED FLOATING RATE NOTES, COLLARED FLOATING RATE NOTES, FLOATING TO FIXED RATE NOTES, FIXED TO FLOATING RATE**

NOTES, AND IF FLOATING RATE NOTE PROVISIONS ARE APPLICABLE]

The Notes bear interest from (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●]] at a rate equal to [the sum of [●] and]

(*insert the following if Screen Rate Determination, ISDA Determination or Single CMS Rate is applicable*)

[*Screen Rate/ISDA Rate/CMS Reference Rate*][plus/minus] [[*insert Margin*] per cent. per annum]/[the applicable Margin set out in the Rate Table below in the column "Margin" in the same row corresponding to the relevant Interest Payment Date]][, multiplied by the [*insert Interest Participation Rate*] per cent. per annum]/[the applicable Interest Participation Rate set out in the Rate Table below in the column "Interest Participation Rate" in the same row corresponding to the relevant Interest Payment Date]].

(*insert the following if Spread CMS Rate is applicable*)

[the amount equal to the difference between (A) CMS Reference Rate 1 [plus/minus] [[*insert Margin 1*] per cent. per annum]/[the applicable Margin 1 set out in the Rate Table below in the column "Margin 1" in the same row corresponding to the relevant Interest Payment Date]][, multiplied by the [*insert Interest Participation Rate 1*] per cent. per annum]/[the applicable Interest Participation Rate 1 set out in the Rate Table below in the column "Interest Participation Rate 1" in the same row corresponding to the relevant Interest Payment Date]] minus (B) CMS Reference Rate 2 [plus/minus] [[*insert Margin 2*] per cent. per annum]/[the applicable Margin 2 set out in the Rate Table below in the column "Margin 2" in the same row corresponding to the relevant Interest Payment Date]][, multiplied by the [*insert Interest Participation Rate 2*] per cent. per annum]/[the applicable Interest Participation Rate 2 set out in the Rate Table below in the column "Interest Participation Rate 2" in the same row corresponding to the relevant Interest Payment Date]][, subject to linear interpolation,] [subject to [a maximum rate of interest [of [●] %] / [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]]] [and] [a minimum rate of interest [of [●] %]/ [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]]].

Rate Table

Interest Payment Date	**[Margin] [1]**	**[Margin][2]**	**[Interest Participation Rate][1]**	**[Interest Participation Rate] [2]**
[●]	[●]	[●]	[●]	[●]
(repeat as required)	*(repeat as required)*	*(repeat as required)*	*(repeat as required)*	*(repeat as required)*

(*repeat as required*)

Where: ["CMS Reference Rate"]["CMS Reference Rate 1"]["CMS Reference Rate 2"] is the [the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate] for swap transactions in the [*insert Reference Currency*] with a maturity of the [*insert Designated Maturity*] which appears on the [*insert Relevant Screen Page*] as at [*insert Relevant Time*] on the [*insert Interest Determination Date*];] [ISDA Rate is the [*insert Floating Rate Option*] for a period of [*insert Designated Maturity*] in respect of the [*insert Reset Date*];] [Screen Rate is the [arithmetic mean of the] [*insert Reference Rate[s]*] which appears on the [*insert Relevant*

		Screen Page] as of the [*insert Relevant Time*] on the [*insert Interest Determination Date*];] *(repeat as required)* **[OPTION 4- RANGE ACCRUAL NOTES]** [The Notes are Range Accrual Notes and pay interest from [and including] [but excluding] the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to [and including] [but excluding] the Interest Payment Date [falling on] / [scheduled to fall on] [●], which is determined as the product of (i) the Calculation Amount, (ii) [*insert Fixed Rate determination provisions from Option 2 above*] / [*insert relevant Floating Rate determination provisions from Option 3 above*], (iii) the relevant day count fraction and (iv) the fraction determined by dividing (A) the number of [business days] / [calendar days] in an Interest Period on which the [*insert Fixed Rate determination provisions from Option 2 above*] / [*insert relevant Floating Rate determination provisions from Option 3 above*] is [[greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value in respect of that Interest Period] / [[greater than] / [greater than or equal to] the Lower Barrier Value in respect of that Interest Period and [less than] / [less than or equal to] the Upper Barrier Value in respect of that Interest Period] by (B) the total number of observation days in the relevant Accrual Period[, subject to [a maximum rate of interest [of [●] %]/ [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]]] [and] [a minimum rate of interest [of [●] %]/ [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]]]. The [Coupon Barrier Value] / [Lower Barrier Value] / [Upper Barrier Value] in respect of the Interest Period is [●] %.] (*repeat as required*) [**OPTION 5- BARRIER NOTES]** [The interest described under "Nominal Interest Rate" above is payable if (and only if) on a relevant Interest Determination Date the [*insert Fixed Rate determination provisions from Option 2 above*] / [*insert relevant Floating Rate determination provisions from Option 3 above*] is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value. The Interest Determination Dates are [●][, [●] and [●]]. The Coupon Barrier Value is [●]% [in respect of the Interest Determination Date falling on [●]].] **[OPTION 6 - STEEPENER NOTES]** [The Notes are Steepener Notes and bear interest from [●] at a rate for an interest period [,subject to a cap of [●],] / [subject to a floor of [●],] / [subject to a cap of [●] and a floor of [●],]/ [subject to a Curve Cap,] equal to (i) the *product of* [*insert Leverage 1*] and [*insert Rate 1*] *minus* (ii) the *product of* [*insert Leverage 2*] and [*insert Rate 2*] *plus* (iii) [*insert Spread*], determined in respect of each interest period]. [Where: Curve Cap is equal to the *sum of* (i) the *product of* [*insert Leverage 3*] and [*insert Rate 3*] and (ii) *[insert Curve Cap Spread]*]; Rate 1 means [*insert Fixed Rate determination provisions from Option 2 above*] / [*insert relevant Floating Rate determination provisions from Option 3 above*]. Rate 2 means [*insert Fixed Rate determination provisions from Option 2 above*] / [*insert relevant Floating Rate determination provisions from Option 3 above*]; Rate 3 means [*insert Fixed Rate determination provisions from Option 2 above*] / [*insert relevant Floating Rate determination provisions from Option 3 above*]

[OPTION 7 - DIGITAL OPTION NOTES]

[The Notes are Digital Option Notes and bear interest from [●] [at a rate for an interest period [,subject to a cap of [●],]/ [subject to a floor of [●],] / [subject to a cap of [●] and a floor of [●]], if the Digital Reference Rate on the Digital Condition Determination Date for such interest period is (i) [greater than]/[greater than or equal to]/[less than]/[less than or equal to] *[insert Strike 1]* and (ii) [greater than]/[greater than or equal to]/[less than]/[less than or equal to] *[insert Strike 2]*, equal to the *sum of* (i) the *product of* [*insert Leverage*] and [*insert relevant Floating Rate determination provisions from Option 3 above*] and (ii) *[insert Margin]*.

[If the Digital Reference Rate on the Digital Condition Determination Date for such interest period is not (i) [greater than]/[greater than or equal to]/[less than]/[less than or equal to] *[insert Strike 1]* and (ii) [greater than]/[greater than or equal to]/[less than]/[less than or equal to] *[insert Strike 2]*, the Notes will bear interest from [●] at a rate [for an interest period equal to [[●] per annum.]/[zero]]/[equal to the Digital Condition Fixed Rate corresponding to the relevant Interest Period as set out in the table below:

Interest Period	**Digital Condition Fixed Rate**
From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[[●] per cent. per annum] *(repeat as required)*

Where: Digital Condition Determination Date for an interest period is the [●]; Digital Reference Rate is equal to (i) the product of [*insert Leverage 1*] and [*insert Rate 1] minus* (ii) the product of [*insert Leverage 2*] and [*insert Rate 2*] *minus* (iii) [*insert Spread*]]; Rate 1 means [*insert Fixed Rate determination provisions from Option 2 above*] / [*insert relevant Floating Rate determination provisions from Option 3 above*]; Rate 2 means [*insert Fixed Rate determination provisions from Option 2 above*] / [*insert relevant Floating Rate determination provisions from Option 3 above*].

[OPTION 8 - INVERSE FLOATER NOTES]

[The Notes are Inverse Floater Notes and bear interest from [●] at a rate [,subject to a cap of [●],]/ [subject to a floor of [●],] / [subject to a cap of [●] and a floor of [●],] for an interest period equal to (i) [*insert Fixed Interest Rate determination provisions from Option 2 above*], less (ii) the product of [*insert Leverage*] and [*insert relevant Floating Rate determination provisions from Option 3 above*].

[OPTION 9 - SWITCHABLE NOTES]

[The Notes are Switchable Notes and bear interest from [●] at a rate for an interest period equal to, if such interest period falls:

[Insert for Fixed to Floating Switchable Notes]

[(a) prior to the exercise by the Issuer of its option to convert the rate of interest, [*insert Fixed Rate determination provisions from Option 2 above*];

(b) after the exercise of the Issuer of its option to convert the rate of interest, the [*insert relevant Floating Rate determination provisions from Option 3 above],*],

provided that if the Issuer does not exercise its option to convert the rate of interest, the rate of interest will remain as [*insert Fixed Rate determination provisions from Option 2 above*].

[Insert for Floating to Fixed Switchable Notes]

[(a) prior to the exercise by the Issuer of its option to convert the rate of interest, [*insert relevant Floating Rate determination provisions from Option 3 above],*];

(b) after the exercise of the Issuer of its option to convert the rate of interest, the [*insert relevant Fixed Rate determination provisions from Option 2 above],*],

provided that if the Issuer does not exercise its option to convert the rate of interest, the rate of interest will remain as [*insert relevant Floating Rate determination provisions from Option 3 above],*].

The Issuer may exercise its right to convert the rate of interest once and on a Conversion Exercise Date, by notice to the Noteholders on no later than the 15th business day prior to the relevant Conversion Exercise Date. The Conversion Exercise Date(s) are [●].

[NOTES WITH "AUTOMATIC CHANGE OF INTEREST BASIS"]

[The Rate of Interest in respect of an Interest Period and/or Interest Payment Date will be determined in accordance with the Interest Basis applicable to such Interest Period and/or Interest Payment Date, which will be the interest basis set forth in the Interest Basis Table in the column headed "Type of Notes" in the row corresponding to the date (specified in the column headed "Interest Payment Date(s)").

Interest Commencement Date(s)	**Interest Payment Date(s)**	**Type of Notes**
[*insert date*] *(repeat as required)*	[*insert date(s)*] *(repeat as required)*	[Zero Coupon]/ [Fixed Rate Notes]/ [Floating Rate Notes]/ [Step-Up Notes]/ [Step-Down Notes]/ [Fixed to Floating Rate Notes]/ [Floating to Fixed Rate Notes]/ [Floored Floating Rate Notes]/ [Collared Floating Rate Notes]/ [Floored] [Capped]

		[Collared] [Range Accrual Notes]/ [Barrier Notes]/ [Steepener Notes]/ [Digital Option Notes]/ [Inverse Floater Notes]/ [Switchable Notes]/ *(repeat as required)* ***Yield***: [Not Applicable. The Notes are not Fixed Rate Notes.] [The yield on the Notes is [●] and is calculated on the issue date based the issue price. It is not an indication of future yield.] ***Early Redemption.*** [**Call Option:** At any time after any Call Option Date, the Notes may be redeemed at the option of the Issuer [in whole or in part] / [in whole only] on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than [●] [calendar] [business] day[s] nor more than [●] [calendar] [business] day[s] to the Noteholders at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date). Where: Optional Redemption Amount (Call) means an amount per Calculation Amount equal to the Participation Rate (Call) multiplied by the Calculation Amount; Call Option Date(s) means [●] *(repeat as necessary)*]; Optional Redemption Date(s) (Call) means [●] *(repeat as necessary)*]; Participation Rate (Call) means [●] %] [**Put Option:** The Notes may be redeemed early at the Option of the Noteholder, such option being exercisable [on any Put Option Exercise Date] / [at any time during the Put Option Exercise Period], and if so exercised, the Issuer will pay the Noteholder the Optional Early Redemption Amount (Put) on the immediately succeeding Optional Redemption Date (Put). Where: Optional Redemption Amount (Put) means an amount per Calculation Amount equal to the Participation Rate (Put) multiplied by the Calculation Amount; [Put Option Exercise Date means [●] *(repeat as necessary)*] / [Put Option Exercise Period means from (and including) [●] to (but excluding) [●] [, from (and including) [●] to (but excluding) [●]]; Participation Rate (Put) means [●] %]] ***Repayment procedure***: [*Insert for Registered Notes:* Payments of principal on the Notes shall be made by cheque drawn in the currency in which the payment is due, or upon application by a noteholder in advance of such payment, by transfer to an account of the noteholder held in the principal financial centre for the relevant currency. [*insert for Global Note Certificates:* While in global form, payments in respect of the Notes shall be made against the presentation and surrender of the global note certificate at the specified office of or to the order of a paying agent.]] [*insert for Uncertificated Notes:* Computershare Investor Services (Guernsey) limited or any successor or transferee (the "**Euroclear Registrar**") shall pay or cause to be paid payments of principal in respect of Uncertificated Notes to the relevant noteholder's cash account in accordance with the rules of the operator of the CREST system.] All payments will be made subject to the fiscal laws in force in the place of [presentation] [and] [payment]. ***Representation***: Not applicable. No representatives of debt security holders are appointed.	

[Delete the Element C.10 if the Notes are derivative instruments to which Annex XII or Annex XIII of the Regulation applies]		
C.10	**Derivative component in interest payment (explanation as to how the value of the investment is affected by the value of the Relevant Underlying, especially under circumstances where the risks are most evident):**	See Element C.9 above. [Derivative component in interest payment: **[AUTOCALLABLE NOTES (REGULAR COUPON), REVERSE CONVERTIBLE NOTES (REGULAR COUPON) LINKED NOTES (REGULAR COUPON)]** The Issuer shall pay interest on each Interest Payment Date equal to the product of (i) the Coupon Rate, and (ii) the Calculation Amount. [*insert if "Inflation Adjustment" is applicable:* The Coupon Rate will be adjusted by the Determination Agent by multiplying such rate by the fraction which is (i) the level of [*insert details of inflation index*] for the calendar month which is [●] months [before]/[after] each Interest Payment Date divided by (ii) [[●]/[the level of [*insert details of inflation index*] for [*month and year*].] The Interest Payment Dates and the corresponding Coupon Rates are as set out in the table below: **Interest Payment Date** — **Coupon Rate** [●] *(repeat as necessary)* — [●]/[100] per cent.]/ [Indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]] *(repeat as necessary)* [Interest on the Notes is linked to the Relevant Underlying.] **[*Date from which interest becomes payable and the due dates for interest:*** [Not Applicable, the Notes do not bear interest] / [Interest Commencement Date is [●] and the Interest Payment Date[s] are scheduled to fall on [●] [, [●] and [●]], [and are subject to adjustment for non-business days].] ***Description of the Relevant Underlying to which interest payments are linked***: [Interest amounts payable in respect of the Notes are linked to the value or performance of [a]/[an]/[a basket] of [share[s]] / [index] / [indices] / [interest[s] in [an] exchange traded fund[s]] / [commodity] / [commodities] / [commodity index] / [commodity indices] / [inflation index] / [inflation indices] / [currency] / [currencies] / [interest in [a] fund[s]] (such [individual underlying]/[basket of underlyings] being a "**Relevant Underlying**". See Element C.1 above for further details.] **[AUTOCALLABLE NOTES (BARRIER CONDITIONAL COUPON)]** [The Notes are "**Autocallable Notes (Barrier Conditional Coupon)**". [On an Interest Determination Date] / [On each Barrier Observation Date relating to an Interest Determination Date] / [At any time during the Barrier Observation Period relating to an Interest Determination Date], if the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Coupon Barrier Value in respect of that Interest Determination Date, the Issuer will pay the Coupon Amount on the immediately succeeding Interest Payment Date. No interest will otherwise be paid by the Issuer. The Coupon Amount, if payable, will be

an amount per Calculation Amount calculated by the Determination Agent by multiplying the Coupon Rate in respect of that Interest Determination Date and the Calculation Amount [*insert for "Memory Conditional Coupon":* and subtracting from this amount any interest which had been previously determined as being payable in respect of the Notes].

Where: [Initial Reference Value is[, in respect of [*insert Basket Component*]/[each of the Basket Components],] [●] / [the Relevant Underlying Value as of the Strike Date] *(repeat as required)*;] [Strike Date: [●];] [Knock-in Value means [the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below;] [Relevant Underlying Value means the value of the Relevant Underlying determined according to the Value Determination Terms specified below;] Interest Payment Date[s] means [●][, [●] and [●]] and the Interest Determination Date[s] and the corresponding Coupon Rate[s][,/and] Coupon Barrier Value[s] [and] [Barrier Observation Date[s]]/[Barrier Observation Period[s]] are as set out in the table below:

Interest Determination Date	Coupon Rate	Coupon Barrier Value	[Barrier Observation Date]	[Barrier Observation Period]
[●]	[●]/[100] per cent.]/ [Indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]]	[●] / [●]% of Initial Reference Value	[●][, [●] and [●]]	[●] / [From [and including]/[but excluding] [●] to [but excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including [●] and ending on (but excluding) [●]]

[AUTOCALLABLE NOTES (MEMORY DOUBLE BARRIER CONDITIONAL COUPON)]

[The Notes are "**Autocallable Notes (Memory Double Barrier Conditional Coupon)**". [On an Interest Determination Date] / [On each Barrier Observation Date relating to an Interest Determination Date] / [At any time during the Barrier Observation Period relating to an Interest Determination Date], if the Determination Agent determines that the Knock-in Value is (A) [greater than] / [greater than or equal to] the Coupon Barrier Value 1 in respect of that Interest Determination Date, and (B) / [less than] / [less than or equal to] the Coupon Barrier Value 2, the Issuer will pay the Coupon Amount on the immediately succeeding Interest Payment Date. No interest will otherwise be paid by the Issuer. The Coupon Amount, if payable, will be an amount per Calculation Amount calculated by the Determination Agent by multiplying [*insert if not "Memory Conditional Coupon"*: the Coupon Rate in respect of that Interest Determination Date and the Calculation Amount] OR [*insert for "Memory Conditional Coupon":* the Coupon Rate in respect of that Interest Determination Date, the Calculation Amount and N (which shall be an amount specified in the Final Terms) and subtracting from this amount any interest which had been previously determined as being payable in respect of the Notes].

Where: [Initial Reference Value is[, in respect of [*insert Basket Component*]/[each of the Basket Components],] [●] / [the Relevant Underlying Value as of the Strike Date] *(repeat as required)*;] [Strike Date: [●];] [Knock-in Value means [the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below;] [Relevant Underlying Value means the value of the Relevant Underlying determined according to the Value Determination Terms specified below;] Interest Payment Date[s] means [●][, [●] and [●]] and the Interest Determination Date[s] and the corresponding Coupon Rate[s][,/and] Coupon Barrier Value[s] [and] [Barrier Observation Date[s]]/[Barrier Observation Period[s]] are as set out in the table below:

Interest Determination Date	Coupon Rate	Coupon Barrier Value 1	Coupon Barrier Value 2	[Barrier Observation Date]	[Barrier Observation Period]
[●]	[●]/[100] per cent.]/ [Indicatively set at [●] but will [not be	[●] / [●]% of Initial Reference Value	[●] / [●]% of Initial Reference Value	[●][, [●] and [●]]	[●] / [From [and including]/[but excluding] [●] to [but excludin

		less than [●] per cent.] [and] [not be greater than [●] per cent.]]	g]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including [●] and ending on (but excluding) [●]]	

[REVERSE CONVERTIBLE NOTES

OPTION 1 - BARRIER ADDITIONAL COUPON AMOUNT]

["**Barrier Additional Coupon Amount**" applies. In addition to the interest calculated as above, if, [on an Interest Determination Date] / [on each Barrier Observation Date relating to an Interest Determination Date] / [at any time during the Barrier Observation Period relating to an Interest Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value in respect of that Interest Determination Date, and additional amount, being equal to the product of the Additional Rate and the Calculation Amount shall be payable in respect of the Notes.]

[OPTION 2 – REVERSE CONVERTIBLE NOTES (BARRIER CONDITIONAL COUPON)]

[The Notes are "**Reverse Convertible Notes (Barrier Conditional Coupon)**". [On an Interest Determination Date] / [On each Barrier Observation Date relating to an Interest Determination Date] / [At any time during the Barrier Observation Period relating to an Interest Determination Date], if the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value in respect of that Interest Determination Date, the Issuer will pay the Coupon Amount on the immediately succeeding Interest Payment Date. No interest will otherwise be paid by the Issuer. The Coupon Amount, if payable, will be an amount per Calculation Amount calculated by the Determination Agent by multiplying the Coupon Rate in respect of that Interest Determination Date and the Calculation Amount [*insert for "Memory Conditional Coupon":* and subtracting from this amount any interest which had been previously determined as being payable in respect of the Notes].

Where:

[Initial Reference Value is [●] / [the Relevant Underlying Value as of the Strike Date; Strike Date: [●];] [Interest Payment Date[s] means [●][, [●]… and [●]];] [Knock-in Value means the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic

average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below;] [Relevant Underlying Value means the value of the Relevant Underlying determined according to the Value Determination Terms specified below;] [and the Interest Determination Date[s] and the corresponding Coupon Barrier Value[s][,/and] Additional Rate] [and] [Barrier Observation Date[s]]/[Barrier Observation Period[s]] are as set out in the table below:

Interest Determination Date	[Coupon Barrier Value]	[Additional Rate] [Coupon Rate]	[Barrier Observation Date]	[Barrier Observation Period]
[●]	[●] / [●]% of Initial Reference Value	[●]/[100] per cent.]/ [Indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]]	[●][, [●] and [●]]	[●]

[CERTAIN LINKED NOTES

OPTION 1 – LINKED NOTES (BARRIER CONDITIONAL COUPON)]

[The Notes are "**Linked Notes (Barrier Conditional Coupon)**". ["Memory Barrier Conditional Coupon" applies]. If, [on an Interest Determination Date] / [on each Barrier Observation Date relating to an Interest Determination Date] / [at any time during the Barrier Observation Period relating to an Interest Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value in respect of that Interest Determination Date, the Issuer will pay the Coupon Amount on the immediately succeeding Interest Payment Date. No interest will otherwise be paid by the Issuer. The Coupon Amount, if payable, will be an amount per Calculation Amount equal to [*insert if "Memory Barrier Conditional Coupon" is not applicable:* the product of (i) the Coupon Rate and (ii) the Calculation Amount] / [*insert if "Memory Barrier Conditional Coupon" is applicable:* the product of Coupon Rate, the Calculation Amount and the relevant multiplier 'n' (with 'n' being equal to [•]), less any interest which had been previously determined as being payable in respect of the Notes].

[OPTION 2 – LINKED NOTES (BARRIER CONDITIONAL COUPON)]

[The Notes are "**Linked Notes (Dual Barrier Conditional Coupon)**". (I) If, [on an Interest Determination Date] / [on each Barrier Observation Date relating to an Interest Determination Date] / [at any time during the Barrier Observation Period relating to an Interest Determination Date], the Determination Agent determines that the Knock-in Value is [greater

		than] / [greater than or equal to] / [less than] / [less than or equal to] the Upper Coupon Barrier Value, the Issuer will pay an amount equal per Calculation Amount equal to the product of the Upper Coupon Rate and (ii) the Calculation Amount on the immediately succeeding Interest Payment Date, or (II) if (I) does not apply, and if, [on an Interest Determination Date] / [on each Barrier Observation Date relating to an Interest Determination Date] / [at any time during the Barrier Observation Period relating to an Interest Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Lower Coupon Barrier Value, the Issuer will pay an amount equal per Calculation Amount equal to the product of the Lower Coupon Rate and (ii) the Calculation Amount on the immediately succeeding Interest Payment Date. No interest will otherwise be paid by the Issuer.] **[OPTION 3 – LINKED NOTES (RANGE BARRIER CONDITIONAL COUPON)]** [The Notes are "**Linked Notes (Range Barrier Conditional Coupon)**". The amount of interest payable on the Notes will be calculated per Calculation Amount on each Interest Determination Date by multiplying: (A) the Coupon Rate, (B) the Calculation Amount, (C) the value determined by dividing (I) the number of exchange business days in the Interest Period preceding the relevant Interest Determination Date on which the Knock-in Value was [[greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value] / [[greater than] / [greater than or equal to] the Lower Coupon Barrier Value and [less than] / [less than or equal to] the Upper Coupon Barrier Value], by (II) the total number of exchange business days in such Interest Period, and (D) the relevant Day Count Fraction. Such interest (which may be zero) will be paid on the immediately following Interest Payment Date.] **[OPTION 4 – LINKED NOTES (RANGE ACCRUAL COUPON)]** [The Notes are "**Linked Notes (Range Accrual Coupon)**". The amount of interest payable on the Notes will be calculated per Calculation Amount on each Interest Determination Date by multiplying: (A) the Coupon Rate, (B) the Calculation Amount and (C) the value determined by dividing (I) the number of Observation Dates in the Interest Period preceding the relevant Interest Determination Date on which the Knock-in Value was [[greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value] / [[greater than] / [greater than or equal to] the Lower Coupon Barrier Value and [less than] / [less than or equal to] the Upper Coupon Barrier Value], by (II) the Relevant Factor, and (D) the relevant Day Count Fraction. Such interest (which may be zero) will be paid on the immediately following Interest Payment Date.] **[OPTION 5 – LINKED NOTES (PERFORMANCE LINKED COUPON)]** [The Notes are "**Linked Notes (Performance Linked Coupon)**". The amount of interest payable on the Notes will be calculated per Calculation Amount on each Interest Determination Date equal to the product of (A) the Calculation Amount, and (B) the greater of (I) [*Interest Floor*] [per cent.] and (II) the value determined by first dividing Final Reference Value (Coupon) by Initial Reference Value and then

		minus [*Strike*] and (C) [1]/[the value determined by dividing [the FX Rate as of the currency business day immediately succeeding the relevant Interest Determination Date]/[1] by [the FX Rate as of the currency business day immediately preceding the Strike Date]/[1]]. Such interest (which may be zero) will be paid on the immediately following Interest Payment Date.] **[OPTION 6 – LINKED NOTES (PARTICIPATION AND PERFORMANCE LINKED COUPON)]** [The Notes are "**Linked Notes (Participation and Performance Linked Coupon)**". The amount of interest payable on the Notes will be calculated per Calculation Amount on each Interest Determination Date equal to the product of (A) the Calculation Amount, and (B) the greater of (I) Interest Floor and (II) the value determined by first dividing Final Reference Value (Coupon) by Initial Reference Value and then minus Strike, and (C) Participation Rate, and (D) [the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Interest Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date]/[1]. Such interest (which may be zero) will be paid on the immediately following Interest Payment Date.] **[OPTION 7 - LINKED NOTES (INFLATION LINKED COUPON)]** ["**Linked Notes (Inflation Linked Coupon)**" and "[**Leveraged/Real/Cumulative] Inflation Coupon**" applies. The amount of interest payable on the Notes will be calculated per Calculation Amount on each Interest Determination Date equal to the product of (A) the Calculation Amount and, *[insert for Leveraged Inflation Coupon]* [(B) the sum of (i) the product of (x) Leverage and (y) the value determined by subtracting one from the value determined by dividing the CPI(n) by the CPI(m) and (ii) Spread and,] *[insert for Real Inflation Coupon]* [(B) the product of (i) Leverage and (ii) the value determined by dividing the CPI(n) by the CPI(Initial) and,] *[insert for Cumulative Inflation Coupon]* [(B) the product of (i) Leverage and (ii) the value determined by subtracting one from the value determined by dividing the CPI(n) by the CPI(Initial) and,] (C) the relevant day count fraction [,subject to a cap of [●],] / [subject to a floor of [●],] / [subject to a cap of [●] and a floor of [●].] Such interest (which may be zero) will be paid on the immediately following Interest Payment Date.] Where: [Coupon Rate: [●]/[100] per cent.]/ [Indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]] [in respect of [*date*], [●] per cent in respect of [*date*]…];] [Final Reference Value (Coupon) is the Relevant Underlying Value as of each Interest Determination Date;] [FX Rate means the rate of exchange, determined (and rounded to 4 decimal points) [as the daily fixing published on the [*specify Relevant Screen Page*] at [●] [am/pm] [*city*] time in respect of exchanging an amount in [specify Specified Currency] for an amount in [*specify Second Currency*]] / [by dividing (i) the daily fixing published on the [*specify Relevant Screen Page*] at [●] [am/pm] [*city*] time in respect of exchanging an amount in [*specify Specified Currency*] for an amount in Euro by (ii) the daily fixing published on the [*specify Relevant Screen Page*] at [●] [am/pm] [*city*] time in respect of exchanging an amount in Euro for an amount in [*specify Second Currency*];] [Initial Reference Value is [●] / [the Relevant Underlying Value as of the Strike

Date; Strike Date: [●]] [Interest Payment Date[s] means [●] [,[●]… and [●]]; [Interest Period means the period from and including [●] to but excluding [●] [, from and including [●] to but excluding [●];] [Knock-in Value means [the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below] / [the Relevant Underlying Performance];] [Lower Coupon Rate: Minimum Coupon Rate minus the Aggregate Coupon Amount, where the Specified Rate is [●]% and the Minimum Coupon Rate is [●]%.] [in respect of [*date*], [●] per cent in respect of [*date*]];] [Relevant Factor: [●];] [Relevant Underlying Value is the value of the Relevant Underlying, determined according to the Value Determination Terms specified below;] [Relevant Underlying Performance means the performance of the Relevant Underlying determined in accordance with the Performance Determination Terms;] [Upper Coupon Rate: [●]/[100] per cent.]/ [Indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]] [in respect of [date], [●] per cent in respect of [*date*]];] [CPI(Initial) is [●] / the Inflation Index published for [month, year], subject to adjustment;] [CPI(m) is, in respect of each Interest Payment Date and the relevant Interest Period, the Inflation Index published for the Determination Month (m) in respect of such Interest Payment Date, subject to adjustment;] [CPI(n) is, in respect of each Interest Payment Date and the relevant Interest Period, the Inflation Index published for the Determination Month (n) in respect of such Interest Payment Date, subject to adjustment;] [Inflation Index means [●];]

The Interest Determination Date[s] and the corresponding [Coupon Barrier Value[s] [,/ and] [Lower Coupon Barrier Value[s]] [and] [Upper Coupon Barrier Values] [and] [Barrier Observation Date[s]]/[Barrier Observation Period[s]] are as set out in the table below:

Interest Determination Date	Coupon Barrier Value	[Barrier Observation Date]	[Barrier Observation Period]	[Upper Coupon Barrier Value]	[Lower Coupon Barrier Value]
[●]	[●] / [●]% of Initial Reference Value	[●][, [●]… and [●]]	[●]	[●] / [●]% of Initial Reference Value	[●] / [●]% of Initial Reference Value

and]

[Determination Month (m) is, in respect of an Interest Period and the [Scheduled] Interest Payment Date on which such Interest Period ends, [[[●] calendar month[s] [before]/[after]] the month in which such [Scheduled] Interest Payment Date [falls]/[is scheduled to fall]]/[as specified in the table below];] [Determination Month (n) is, in respect of an Interest Period and the [Scheduled] Interest Payment Date on which such Interest Period ends, [[[●] calendar month[s] [before]/[after]] the month in which such [Scheduled] Interest Payment Date [falls]/[is scheduled to fall]]/[as specified in the table below];]

Interest Payment Date(s)	**Determination Month (n)**	**Determination Month (m)**

		[*insert date*] (*repeat as required*) [*insert calendar month and year*] (*repeat as required*) [*insert calendar month and year*] (*repeat as required*) [*Insert for Notes other than Fixed Rate Notes, Floating Rate Notes, Fixed to Floating Rate Notes, Floored Floating Rate Notes, Capped Floating Rate Notes, Collared Floating Rate Notes, Floating to Fixed Rate Notes, Range Accrual Notes*: **Value Determination Terms** for determining [Initial Reference Value][,] [Final Reference Value][,] [Final Reference Value (Coupon)] [and] [Relevant Underlying Value] [*repeat separately for each if different*]: The Determination Agent will determine the value of the Relevant Underlying [as of such time on the relevant date as the Determination Agent determines is appropriate] / [at any time during the relevant date] / [as of the scheduled weekday opening time of the exchange] / [as of the scheduled weekday closing time of the exchange] / [as of the time at which the official closing level of the Index is calculated and published by the Index Sponsor] / [the high price / low price / average of high price and low price for the relevant date] / [the closing price / opening price on the relevant date] / [the bid price / asked price / average of bid price and asked price for the relevant date] / [the settlement price / official settlement price / official price for the relevant date] [the morning fixing / afternoon fixing for the relevant date] [the spot price]] / [as of the close of business hours in [*insert Principal Financial Centre*] in respect of [*insert Reference Currency*] on the relevant day] / [as of close of business in respect of the Relevant Underlying on the Fund Business Day immediately succeeding the relevant date] / [as of the Reference Month] / [by choosing the highest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by choosing the lowest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by determining the value as of each Averaging Date and then determining the [weighted]/[arithmetic] average of such values] / [by choosing [the greater of the value as of each averaging date and the Floor Value] / [the lesser of the value as of each averaging date and the Cap Value], and then determining the [weighted]/[arithmetic] average of such values] / [by choosing the [greater of] / [lesser of] the [arithmetic] / [weighted] average of the values determined on each Averaging Date and the [Global Floor Value] / [Global Cap Value];] Where: [Reference Month means [●];] [Value Observation Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];][Fund Business Day means [●] / a day on which [*insert Fund*]/[the primary fund administrator] is open for business;] [Averaging Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];] [Floor Value means [●];] [Cap Value means [●];] [Global Floor Value means [●];] [Global Cap Value means [●]].] [The following disruption events apply in relation to the Relevant Underlying: [Change in Law] / [Hedging Disruption] / [Loss of Stock Borrow] / [Increased Cost of Hedging] / [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / Tax Disruption] / [Nationalisation;] / [Insolvency Event;] / [NAV Trigger / Restriction Event;] / [Aggregate NAV Trigger Event;] / [Changes to Fund or Fund Services Providers;] / [Fund Modification;] / [Strategy Breach;] / [Breach by Fund Service Provider;] / [General Regulatory Event;] / [Reporting Disruption;] / [Compulsory Redemption or Assignment;] / [Closure to Subscriptions; Dealing Restrictions;] / [Disposals: Material Change: Merger;] / [Hedging Disruption;] / [Fraud;] / [Special Regulatory Event;] / [Force Majeure Event;] / [Value

		Limitation;] ("**Disruption Events**") Disruption Events can affect the Relevant Underlying and lead to adjustments and/or early redemption of the Notes. The Determination Agent shall determine whether the Notes or any exchanges or price sources are affected by such events on a relevant date of valuation, and may make adjustments to the Notes, or take any other appropriate action, to account for relevant adjustments or events in relation to the Relevant Underlying. In addition, in certain circumstances, the Issuer may redeem or terminate the Notes early following any such event. In this case, in relation to each Note, the Issuer will pay an amount (which amount may, in certain circumstances, be the fair market value of the Notes which may be less than the nominal value or face value).]
[Delete the Element C.11 if the Notes are debt securities to which Annex XIII of the Regulation applies]		
C.11	**Admission to Trading:**	[Not Applicable. No application for admission to trading will be made.] / [Application has been made for Notes to be admitted to trading on the regulated market of [the Luxembourg Stock Exchange] / [*specify other exchange in the European Union*]]
[Delete the Element C.15 if the Notes are debt securities to which Annex V or Annex XIII of the Regulation applies]		
C.15	**How the value of the investment is affected by the Relevant Underlying (unless the securities have a denomination of at least EUR100,000):**	[The market price or value of Notes at any time is expected to be affected by changes in the value of the Relevant Underlying to which the Notes are linked. [[insert each of the following which applies] [The [interest] [and] [redemption] amount[s] payable on the Notes [is/are] dependent on the value or performance of the Relevant Underlying [reaching] / [not reaching] a threshold or barrier and a small increase or decrease in the value or performance of the Relevant Underlying near to the threshold or barrier may lead to a significant increase or decrease in the return of the Notes [and Noteholders may receive no interest at all].] [The [interest] [and] [redemption] amount[s] payable on the Notes [is/are] linked to the value or performance of the Relevant Underlying as of one or more predefined dates and, irrespective of the level of the Relevant Underlying between these dates, the values or performance of the Relevant Underlying on these dates will affect the value of the Notes more than any other factor.] [The [Final Redemption Amount] payable on the Notes is linked to [a specified percentage of] the performance of the Relevant Underlying and Noteholders may not receive the amount initially invested, and may receive a significantly lesser amount [subject to the minimum amount specified.] The market price or value of the Notes at any time is expected to be affected by changes in the value of the Relevant Underlying to which the Notes are linked. [The market price or value of the Notes could, in certain circumstances, be affected by fluctuations in the actual or anticipated rates of dividend (if any) or any other distributions on the Relevant Underlying.] [Determinations of amounts payable under the Notes are made by reference to the arithmetic mean of the values or performances of [all] / [the selected] Basket Components. The Basket Components are given different weightings. The higher the weighting applicable to a particular Basket Component, the more Noteholders will be exposed to the value or performance of that Basket Component in comparison with the remaining

		Basket Components.]
[Delete the Element C.16 if the Notes are debt securities to which Annex V or Annex XIII of the Regulation applies]		
C.16	**Expiration/ maturity date of the derivative securities – the exercise date/final reference date:**	Unless previously redeemed, each series of Notes will be redeemed on the applicable Maturity Date at [their Final Redemption Amount] [or] [the Physical Delivery Amount plus the Cash Residual Amount (if any)]. The value or performance of a Relevant Underlying will be determined as of the Determination Date.
[Delete the Element C.17 if the Notes are debt securities to which Annex V or Annex XIII of the Regulation applies]		
C.17	**Settlement procedure of the derivative securities:**	The Notes are [Cash Settlement Notes and will be redeemed by the payment of the Final Redemption Amount] / [Physical Settlement Notes, and will be redeemed by the payment of the Final Redemption Amount or, if the condition for the application of physical settlement is satisfied, the Notes may be redeemed by delivery of an amount of [Relevant Underlying] / [Underlying Securities] (provided that such [Relevant Underlying] / [Underlying Securities] are not affiliated with Morgan Stanley, MSI plc, MSBV or MSFL equal to the Physical Delivery Amount and the payment of an additional Cash Residual Amount (if any)]. On the relevant date for redemption of the Notes [and unless physical settlement applies], the Issuer shall pay the relevant redemption amount per Calculation Amount to the Noteholders through the relevant clearing systems, and such amounts shall be credited to the relevant Noteholders' respective accounts held either with such clearing systems or with a financial intermediary that is a member of such clearing systems. [If the Issuer is required to deliver a Physical Delivery Amount, the Issuer will deliver the [Relevant Underlying] / [Underlying Securities] as well as pay any Cash Residual Amount to the Noteholders through the relevant clearing systems, upon the payment of any relevant taxes payable by the Noteholder in respect of such delivery.]
[Delete the Element C.18 if the Notes are debt securities to which Annex V or Annex XIII of the Regulation applies]		
C.18	**How the return on the derivative securities takes place:**	Notes are not ordinary debt securities and [the interest and/or redemption amount] [is/are] linked to the performance of the [share(s)] [and/or] [index(es)] [and/or] [exchange traded fund(s)] [and/or] [commodit(y)(ies] [and/or] [commodity index(es)] [and/or][inflation index(es)] [and/or] [fund(s)] [and/or] [preference shares] identified as the Relevant Underlying. Relevant Underlying: [●] *(specify the names of each reference asset)*] [*insert provisions from Elements C.9 and C.10 as applicable*] ***Maturity Date****:* [*insert Scheduled Maturity Date*][, subject to adjustment for [valuation] [and] [non-business days]]. Final Redemption Amount: [*Insert Final Redemption Amount*] *[Insert for Preference Share-Linked Notes*: [*If Underlying Determination Event applies:* (i) if the Relevant Underlying becomes subject to redemption pursuant to the underlying determination provisions contained in the terms and conditions of the Relevant Underlying and

		redemption occurs (or which redemption but for the delay of the date for valuation or determination of the underlying asset or reference basis (or any part thereof) for the Relevant Underlying on or about such date, would have occurred), the day falling [●] business days following the Final Valuation Date (as set out below); or (ii) otherwise, [●] or, if later, the day falling [●] business days following the Final Valuation Date.] [*If Underlying Determination Event does not apply*: [●] or, if later, the day falling [●] business days following the Final Valuation Date (as set out below).]] ***Arrangements for the redemption of the Notes:*** [*Insert for Fixed Rate Notes, Floating Rate Notes, Fixed to Floating Rate Notes, Floored Floating Rate Notes, Capped Floating Rate Notes, Collared Floating Rate Notes, Floating to Fixed Rate Notes, Range Accrual Notes*: if not previously redeemed or cancelled, the Notes will be redeemed on the Maturity Date at an amount per Calculation Amount equal to [*insert if "Minimum Coupon" does not apply*: the product of the Specified Rate and the Calculation Amount, where the Specified Rate is [●]%.] / [i*nsert if "Minimum Coupon" applies*: the sum of (A) the product of the Calculation Amount and the Specified Rate and (B) the greater of (I) zero and (II) the value determined as the product of the Calculation Amount and the Minimum Coupon Rate minus the Aggregate Coupon Amount, where the Specified Rate is [●]% and the Minimum Coupon Rate is [●]%.] [Derivative component in interest payment: **[AUTOCALLABLE NOTES (REGULAR COUPON),** **REVERSE CONVERTIBLE NOTES (REGULAR COUPON)** **LINKED NOTES (REGULAR COUPON)]** The Issuer shall pay interest on each Interest Payment Date equal to the product of (i) the Coupon Rate, and (ii) the Calculation Amount. [*insert if "Inflation Adjustment" is applicable:* The Coupon Rate will be adjusted by the Determination Agent by multiplying such rate by the fraction which is (i) the level of [*insert details of inflation index*] for the calendar month which is [●] months [before]/[after] each Interest Payment Date divided by (ii) [[●]/[the level of [*insert details of inflation index*] for [*month and year*].] The Interest Payment Dates and the corresponding Coupon Rates are as set out in the table below: **Interest Payment Date** — **Coupon Rate** [●] *(repeat as necessary)* — [●]/[100] per cent.]/ [Indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]] *(repeat as necessary)* **[*Date from which interest becomes payable and the due dates for interest:*** [Not Applicable, the Notes do not bear interest] / [Interest Commencement Date is [●] and the Interest Payment Date[s] are scheduled to fall on [●] [, [●] and [●]], [and are subject to adjustment for non-business days].] ***Description of the Relevant Underlying to which interest payments are linked***: [Interest amounts payable in respect of the Notes are linked to the value or performance of [a]/[an]/[a basket] of [share[s]] / [index] /

[indices] / [interest[s] in [an] exchange traded fund[s]] / [commodity] / [commodities] / [commodity index] / [commodity indices] / [inflation index] / [inflation indices] / [currency] / [currencies] / [interest in [a] fund[s]] (such [individual underlying]/[basket of underlyings] being a "**Relevant Underlying**". See Element C.1 above for further details.]

[AUTOCALLABLE NOTES (BARRIER CONDITIONAL COUPON)]

[The Notes are "**Autocallable Notes (Barrier Conditional Coupon)**". [On an Interest Determination Date] / [On each Barrier Observation Date relating to an Interest Determination Date] / [At any time during the Barrier Observation Period relating to an Interest Determination Date], if the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Coupon Barrier Value in respect of that Interest Determination Date, the Issuer will pay the Coupon Amount on the immediately succeeding Interest Payment Date. No interest will otherwise be paid by the Issuer. The Coupon Amount, if payable, will be an amount per Calculation Amount calculated by the Determination Agent by multiplying the Coupon Rate in respect of that Interest Determination Date and the Calculation Amount [*insert for "Memory Conditional Coupon":* and subtracting from this amount any interest which had been previously determined as being payable in respect of the Notes].

Where: [Initial Reference Value is[, in respect of [*insert Basket Component*]/[each of the Basket Components],] [●] / [the Relevant Underlying Value as of the Strike Date] *(repeat as required)*;] [Strike Date: [●];] [Knock-in Value means [the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below;] [Relevant Underlying Value means the value of the Relevant Underlying determined according to the Value Determination Terms specified below;] Interest Payment Date[s] means [●][, [●] and [●]] and the Interest Determination Date[s] and the corresponding Coupon Rate[s][,/and] Coupon Barrier Value[s] [and] [Barrier Observation Date[s]]/[Barrier Observation Period[s]] are as set out in the table below:

Interest Determination Date	Coupon Rate	Coupon Barrier Value	[Barrier Observation Date]	[Barrier Observation Period]
[●]	[●]/[100] per cent.]/ [Indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater	[●] / [●]% of Initial Reference Value	[●][, [●] and [●]]	[●] / [From [and including]/ [but excluding] [●] to [but excluding] /[and including] [●]] / [Each Scheduled Trading

than [●] per cent.]]

Day beginning on (and including [●] and ending on (but excluding) [●]]

[AUTOCALLABLE NOTES

(MEMORY DOUBLE BARRIER CONDITIONAL COUPON)]

[The Notes are "**Autocallable Notes (Memory Double Barrier Conditional Coupon)**". [On an Interest Determination Date] / [On each Barrier Observation Date relating to an Interest Determination Date] / [At any time during the Barrier Observation Period relating to an Interest Determination Date], if the Determination Agent determines that the Knock-in Value is (A) [greater than] / [greater than or equal to] the Coupon Barrier Value 1 in respect of that Interest Determination Date, and (B) / [less than] / [less than or equal to] the Coupon Barrier Value 2, the Issuer will pay the Coupon Amount on the immediately succeeding Interest Payment Date. No interest will otherwise be paid by the Issuer. The Coupon Amount, if payable, will be an amount per Calculation Amount calculated by the Determination Agent by multiplying [*insert if not "Memory Conditional Coupon"*: the Coupon Rate in respect of that Interest Determination Date and the Calculation Amount] OR [*insert for "Memory Conditional Coupon":* the Coupon Rate in respect of that Interest Determination Date, the Calculation Amount and N (which shall be an amount specified in the Final Terms) and subtracting from this amount any interest which had been previously determined as being payable in respect of the Notes].

Where: [Initial Reference Value is[, in respect of [*insert Basket Component*]/[each of the Basket Components],] [●] / [the Relevant Underlying Value as of the Strike Date] *(repeat as required)*;] [Strike Date: [●];] [Knock-in Value means [the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below;] [Relevant Underlying Value means the value of the Relevant Underlying determined according to the Value Determination Terms specified below;] Interest Payment Date[s] means [●][, [●] and [●]] and the Interest Determination Date[s] and the corresponding Coupon Rate[s][,/and] Coupon Barrier Value[s] [and] [Barrier Observation Date[s]]/[Barrier Observation Period[s]] are as set out in the table below:

Interest Determination Date	Coupon Rate	Coupon Barrier Value 1	Coupon Barrier Value 2	[Barrier Observation Date]	[Barrier Observation Period]
[●]	[●]/[100] per cent.]/ [Indicatively set at [●] but will	[●] / [●]% of Initial Reference Value	[●] / [●]% of Initial Reference Value	[●][, [●] and [●]]	[●] / [From [and including]/[but excluding] [●] to [but

			[not be less than [●] per cent.] [and] [not be greater than [●] per cent.]]	excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including [●] and ending on (but excluding) [●]]

[REVERSE CONVERTIBLE NOTES

OPTION 1 - BARRIER ADDITIONAL COUPON AMOUNT]

["**Barrier Additional Coupon Amount**" applies. In addition to the interest calculated as above, if, [on an Interest Determination Date] / [on each Barrier Observation Date relating to an Interest Determination Date] / [at any time during the Barrier Observation Period relating to an Interest Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value in respect of that Interest Determination Date, and additional amount, being equal to the product of the Additional Rate and the Calculation Amount shall be payable in respect of the Notes.]

[OPTION 2 – REVERSE CONVERTIBLE NOTES (BARRIER CONDITIONAL COUPON)]

[The Notes are "**Reverse Convertible Notes (Barrier Conditional Coupon)**". [On an Interest Determination Date] / [On each Barrier Observation Date relating to an Interest Determination Date] / [At any time during the Barrier Observation Period relating to an Interest Determination Date], if the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value in respect of that Interest Determination Date, the Issuer will pay the Coupon Amount on the immediately succeeding Interest Payment Date. No interest will otherwise be paid by the Issuer. The Coupon Amount, if payable, will be an amount per Calculation Amount calculated by the Determination Agent by multiplying the Coupon Rate in respect of that Interest Determination Date and the Calculation Amount [*insert for "Memory Conditional Coupon":* and subtracting from this amount any interest which had been previously determined as being payable in respect of the Notes].

Where:

[Initial Reference Value is [●] / [the Relevant Underlying Value as of the Strike Date; Strike Date: [●];] [Interest Payment Date[s] means [●][, [●]… and [●]];] [Knock-in Value means the Relevant Underlying Value [of

		the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below;] [Relevant Underlying Value means the value of the Relevant Underlying determined according to the Value Determination Terms specified below;] [and the Interest Determination Date[s] and the corresponding Coupon Barrier Value[s][,/and] Additional Rate] [and] [Barrier Observation Date[s]]/[Barrier Observation Period[s]] are as set out in the table below:

Interest Determination Date	[Coupon Barrier Value]	[Additional Rate] [Coupon Rate]	[Barrier Observation Date]	[Barrier Observation Period]
[●]	[●] / [●]% of Initial Reference Value	[●]/[100] per cent.]/ [Indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]]	[●][, [●] and [●]]	[●]

[CERTAIN LINKED NOTES

OPTION 1 – LINKED NOTES (BARRIER CONDITIONAL COUPON)]

[The Notes are "**Linked Notes (Barrier Conditional Coupon)**". ["Memory Barrier Conditional Coupon" applies]. If, [on an Interest Determination Date] / [on each Barrier Observation Date relating to an Interest Determination Date] / [at any time during the Barrier Observation Period relating to an Interest Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value in respect of that Interest Determination Date, the Issuer will pay the Coupon Amount on the immediately succeeding Interest Payment Date. No interest will otherwise be paid by the Issuer. The Coupon Amount, if payable, will be an amount per Calculation Amount equal to [*insert if "Memory Barrier Conditional Coupon" is not applicable:* the product of (i) the Coupon Rate and (ii) the Calculation Amount] / [*insert if "Memory Barrier Conditional Coupon" is applicable:* the product of Coupon Rate, the Calculation Amount and the relevant multiplier 'n', less any interest which had been previously determined as being payable in respect of the Notes].

[OPTION 2 – LINKED NOTES (BARRIER CONDITIONAL COUPON)]

[The Notes are "**Linked Notes (Dual Barrier Conditional Coupon)**". (I) If, [on an Interest Determination Date] / [on each Barrier Observation Date relating to an Interest Determination Date] / [at any time during the

		Barrier Observation Period relating to an Interest Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Upper Coupon Barrier Value, the Issuer will pay an amount equal per Calculation Amount equal to the product of the Upper Coupon Rate and (ii) the Calculation Amount on the immediately succeeding Interest Payment Date, or (II) if (I) does not apply, and if, [on an Interest Determination Date] / [on each Barrier Observation Date relating to an Interest Determination Date] / [at any time during the Barrier Observation Period relating to an Interest Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Lower Coupon Barrier Value, the Issuer will pay an amount equal per Calculation Amount equal to the product of the Lower Coupon Rate and (ii) the Calculation Amount on the immediately succeeding Interest Payment Date. No interest will otherwise be paid by the Issuer.] **[OPTION 3 – LINKED NOTES (RANGE BARRIER CONDITIONAL COUPON)]** [The Notes are "**Linked Notes (Range Barrier Conditional Coupon)**". The amount of interest payable on the Notes will be calculated per Calculation Amount on each Interest Determination Date by multiplying: (A) the Coupon Rate, (B) the Calculation Amount, (C) the value determined by dividing (I) the number of exchange business days in the Interest Period preceding the relevant Interest Determination Date on which the Knock-in Value was [[greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value] / [[greater than] / [greater than or equal to] the Lower Coupon Barrier Value and [less than] / [less than or equal to] the Upper Coupon Barrier Value], by (II) the total number of exchange business days in such Interest Period, and (D) the relevant Day Count Fraction. Such interest (which may be zero) will be paid on the immediately following Interest Payment Date.] **[OPTION 4 – LINKED NOTES (RANGE ACCRUAL COUPON)]** [The Notes are "**Linked Notes (Range Accrual Coupon)**". The amount of interest payable on the Notes will be calculated per Calculation Amount on each Interest Determination Date by multiplying: (A) the Coupon Rate, (B) the Calculation Amount and (C) the value determined by dividing (I) the number of Observation Dates in the Interest Period preceding the relevant Interest Determination Date on which the Knock-in Value was [[greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value] / [[greater than] / [greater than or equal to] the Lower Coupon Barrier Value and [less than] / [less than or equal to] the Upper Coupon Barrier Value], by (II) the Relevant Factor, and (D) the relevant Day Count Fraction. Such interest (which may be zero) will be paid on the immediately following Interest Payment Date.] **[OPTION 5 – LINKED NOTES (PERFORMANCE LINKED COUPON)]** [The Notes are "**Linked Notes (Performance Linked Coupon)**". The amount of interest payable on the Notes will be calculated per Calculation Amount on each Interest Determination Date equal to the product of (A) the Calculation Amount, and (B) the greater of (I)

		[*Interest Floor*] [per cent.] and (II) the value determined by first dividing Final Reference Value (Coupon) by Initial Reference Value and then minus [*Strike*] and (C) [1]/[the value determined by dividing [the FX Rate as of the currency business day immediately succeeding the relevant Interest Determination Date]/[1] by [the FX Rate as of the currency business day immediately preceding the Strike Date]/[1]]. Such interest (which may be zero) will be paid on the immediately following Interest Payment Date.] **[OPTION 6 – LINKED NOTES (PARTICIPATION AND PERFORMANCE LINKED COUPON)]** [The Notes are "**Linked Notes (Participation and Performance Linked Coupon)**". The amount of interest payable on the Notes will be calculated per Calculation Amount on each Interest Determination Date equal to the product of (A) the Calculation Amount, and (B) the greater of (I) Interest Floor and (II) the value determined by first dividing Final Reference Value (Coupon) by Initial Reference Value and then minus Strike, and (C) Participation Rate, and (D) [the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Interest Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date]/[1]. Such interest (which may be zero) will be paid on the immediately following Interest Payment Date.] **[OPTION 7 - LINKED NOTES (INFLATION LINKED COUPON)]** ["**Linked Notes (Inflation Linked Coupon)**" and "**[Leveraged/Real/Cumulative] Inflation Coupon**" applies. The amount of interest payable on the Notes will be calculated per Calculation Amount on each Interest Determination Date equal to the product of (A) the Calculation Amount and, *[insert for Leveraged Inflation Coupon]* [(B) the sum of (i) the product of (x) Leverage and (y) the value determined by subtracting one from the value determined by dividing the CPI(n) by the CPI(m) and (ii) Spread and,] *[insert for Real Inflation Coupon]* [(B) the product of (i) Leverage and (ii) the value determined by dividing the CPI(n) by the CPI(Initial) and,] *[insert for Cumulative Inflation Coupon]* [(B) the product of (i) Leverage and (ii) the value determined by subtracting one from the value determined by dividing the CPI(n) by the CPI(Initial) and,] (C) the relevant day count fraction [,subject to a cap of [●],] / [subject to a floor of [●],] / [subject to a cap of [●] and a floor of [●].] Such interest (which may be zero) will be paid on the immediately following Interest Payment Date.] Where: [Coupon Rate: [●]/[100] per cent.]/ [Indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]] [in respect of [*date*], [●] per cent in respect of [*date*]…];] [Final Reference Value (Coupon) is the Relevant Underlying Value as of each Interest Determination Date;] [FX Rate means the rate of exchange, determined (and rounded to 4 decimal points) [as the daily fixing published on the [*specify Relevant Screen Page*] at [●] [am/pm] [*city*] time in respect of exchanging an amount in [specify Specified Currency] for an amount in [*specify Second Currency*]] / [by dividing (i) the daily fixing published on the [*specify Relevant Screen Page*] at [●] [am/pm] [*city*] time in respect of exchanging an amount in [*specify Specified Currency*] for an

amount in Euro by (ii) the daily fixing published on the [*specify Relevant Screen Page*] at [●] [am/pm] [*city*] time in respect of exchanging an amount in Euro for an amount in [*specify Second Currency*];] [Initial Reference Value is [●] / [the Relevant Underlying Value as of the Strike Date; Strike Date: [●]] [Interest Payment Date[s] means [●] [,[●]… and [●]]; [Interest Period means the period from and including [●] to but excluding [●] [, from and including [●] to but excluding [●];] [Knock-in Value means [the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below] / [the Relevant Underlying Performance];] [Lower Coupon Rate: Minimum Coupon Rate minus the Aggregate Coupon Amount, where the Specified Rate is [●]% and the Minimum Coupon Rate is [●]%.] [in respect of [*date*], [●] per cent in respect of [*date*]];] [Relevant Factor: [●];] [Relevant Underlying Value is the value of the Relevant Underlying, determined according to the Value Determination Terms specified below;] [Relevant Underlying Performance means the performance of the Relevant Underlying determined in accordance with the Performance Determination Terms;] [Upper Coupon Rate: [●]/[100] per cent.]/ [Indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]] [in respect of [date], [●] per cent in respect of [*date*]];] [CPI(Initial) is [●] / the Inflation Index published for [month, year], subject to adjustment;] [CPI(m) is, in respect of each Interest Payment Date and the relevant Interest Period, the Inflation Index published for the Determination Month (m) in respect of such Interest Payment Date, subject to adjustment;] [CPI(n) is, in respect of each Interest Payment Date and the relevant Interest Period, the Inflation Index published for the Determination Month (n) in respect of such Interest Payment Date, subject to adjustment;] [Inflation Index means [●];]

The Interest Determination Date[s] and the corresponding [Coupon Barrier Value[s] [,/ and] [Lower Coupon Barrier Value[s]] [and] [Upper Coupon Barrier Values] [and] [Barrier Observation Date[s]]/[Barrier Observation Period[s]] are as set out in the table below:

Interest Determination Date	Coupon Barrier Value	[Barrier Observation Date]	[Barrier Observation Period]	[Upper Coupon Barrier Value]	[Lower Coupon Barrier Value]
[●]	[●] / [●]% of Initial Reference Value	[●][, [●]… and [●]]	[●]	[●] / [●]% of Initial Reference Value	[●] / [●]% of Initial Reference Value

and]

[Determination Month (m) is, in respect of an Interest Period and the [Scheduled] Interest Payment Date on which such Interest Period ends, [[[●] calendar month[s] [before]/[after]] the month in which such [Scheduled] Interest Payment Date [falls]/[is scheduled to fall]]/[as specified in the table below];] [Determination Month (n) is, in respect of an Interest Period and the [Scheduled] Interest Payment Date on which such Interest Period ends, [[[●] calendar month[s] [before]/[after]] the month in which such [Scheduled] Interest Payment Date [falls]/[is scheduled to fall]]/[as specified in the table below];]

		Interest Payment Date(s) / **Determination Month (n)** / **Determination Month (m)** [*insert date*] (*repeat as required*) / [*insert calendar month and year*] (*repeat as required*) / [*insert calendar month and year*] (*repeat as required*) [*Insert for Notes other than Fixed Rate Notes, Floating Rate Notes, Fixed to Floating Rate Notes, Floored Floating Rate Notes, Capped Floating Rate Notes, Collared Floating Rate Notes, Floating to Fixed Rate Notes, Range Accrual Notes*: **Value Determination Terms** for determining [Initial Reference Value][,] [Final Reference Value][,] [Final Reference Value (Coupon)] [and] [Relevant Underlying Value] [*repeat separately for each if different*]: The Determination Agent will determine the value of the Relevant Underlying [as of such time on the relevant date as the Determination Agent determines is appropriate] / [at any time during the relevant date] / [as of the scheduled weekday opening time of the exchange] / [as of the scheduled weekday closing time of the exchange] / [as of the time at which the official closing level of the Index is calculated and published by the Index Sponsor] / [the high price / low price / average of high price and low price for the relevant date] / [the closing price / opening price on the relevant date] / [the bid price / asked price / average of bid price and asked price for the relevant date] / [the settlement price / official settlement price / official price for the relevant date] [the morning fixing / afternoon fixing for the relevant date] [the spot price]] / [as of the close of business hours in [*insert Principal Financial Centre*] in respect of [*insert Reference Currency*] on the relevant day] / [as of close of business in respect of the Relevant Underlying on the Fund Business Day immediately succeeding the relevant date] / [as of the Reference Month] / [by choosing the highest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by choosing the lowest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by determining the value as of each Averaging Date and then determining the [weighted]/[arithmetic] average of such values] / [by choosing [the greater of the value as of each averaging date and the Floor Value] / [the lesser of the value as of each averaging date and the Cap Value], and then determining the [weighted]/[arithmetic] average of such values] / [by choosing the [greater of] / [lesser of] the [arithmetic] / [weighted] average of the values determined on each Averaging Date and the [Global Floor Value] / [Global Cap Value];] Where: [Reference Month means [●];] [Value Observation Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];][Fund Business Day means [●] / a day on which [*insert Fund*]/[the primary fund administrator] is open for business;] [Averaging Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];] [Floor Value means [●];] [Cap Value means [●];] [Global Floor Value means [●];] [Global Cap Value means [●]].] [The following disruption events apply in relation to the Relevant Underlying: [Change in Law] / [Hedging Disruption] / [Loss of Stock Borrow] / [Increased Cost of Hedging] / [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / Tax Disruption] / [Nationalisation;] / [Insolvency Event;] / [NAV Trigger / Restriction Event;] / [Aggregate NAV Trigger Event;] / [Changes to Fund or Fund Services Providers;] / [Fund Modification;] / [Strategy Breach;] / [Breach by Fund Service Provider;] / [General Regulatory Event;] / [Reporting Disruption;] / [Compulsory Redemption or

		Assignment;] / [Closure to Subscriptions; Dealing Restrictions;] / [Disposals: Material Change: Merger;] / [Hedging Disruption;] / [Fraud;] / [Special Regulatory Event;] / [Force Majeure Event;] / [Value Limitation;] ("**Disruption Events**") Disruption Events can affect the Relevant Underlying and lead to adjustments and/or early redemption of the Notes. The Determination Agent shall determine whether the Notes or any exchanges or price sources are affected by such events on a relevant date of valuation, and may make adjustments to the Notes, or take any other appropriate action, to account for relevant adjustments or events in relation to the Relevant Underlying. In addition, in certain circumstances, the Issuer may redeem or terminate the Notes early following any such event. In this case, in relation to each Note, the Issuer will pay an amount (which amount may, in certain circumstances, be the fair market value of the Notes which may be less than the nominal value or face value).] ***Early Redemption.*** [**Call Option:** At any time after any Call Option Date, the Notes may be redeemed at the option of the Issuer [in whole or in part] / [in whole only] on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than [●] [calendar] [business] day[s] nor more than [●] [calendar] [business] day[s] to the Noteholders at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date). Where: Optional Redemption Amount (Call) means an amount per Calculation Amount equal to the Participation Rate (Call) multiplied by the Calculation Amount; Call Option Date(s) means [●] *(repeat as necessary)*]; Optional Redemption Date(s) (Call) means [●] *(repeat as necessary)*]; Participation Rate (Call) means [●] %] [*insert for Preference Share-Linked Notes:* The Notes may be redeemed early (in whole but not in part) if the preference shares to which the Notes are linked are redeemed early in accordance with their terms.] [**Put Option:** The Notes may be redeemed early at the Option of the Noteholder, such option being exercisable [on any Put Option Exercise Date] / [at any time during the Put Option Exercise Period], and if so exercised, the Issuer will pay the Noteholder the Optional Early Redemption Amount (Put) on the immediately succeeding Optional Redemption Date (Put). Where: Optional Redemption Amount (Put) means an amount per Calculation Amount equal to the Participation Rate (Put) multiplied by the Calculation Amount; [Put Option Exercise Date means [●] *(repeat as necessary)*] / [Put Option Exercise Period means from (and including) [●] to (but excluding) [●] [, from (and including) [●] to (but excluding) [●]]; Participation Rate (Put) means [●] %]] [***Automatic Early Redemption Event*** applies in respect of the Notes. The Notes will be redeemed on the immediately succeeding Automatic Early Redemption Date at the Automatic Early Redemption Amount, if, on any Automatic Early Redemption Valuation Date, the Determination Agent determines that an Automatic Early Redemption Event has occurred. An Automatic Early Redemption Event occurs if, as of any Automatic Early Redemption Valuation Date, [the Relevant Underlying Value is] / [the total amount of interest paid on the Notes up to (and, if relevant, including) such date, calculated as an amount per Calculation Amount, is] [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Automatic Early Redemption Level. Where: Automatic Early Redemption Level means [●] [% per Calculation Amount]; Automatic Early Redemption Valuation Date[s] means [●][, [●] and [●]]; Automatic Early Redemption Date[s] means [●]

		[, [●] and [●]];Automatic Early Redemption Amount means an amount equal to [●] / [an amount determined in accordance with the provisions specified below] / [the denomination of each Note multiplied by the relevant Automatic Early Redemption Rate]; Automatic Early Redemption Rate means [●] % [in respect of [*date*], [●] per cent in respect of [*date*]…].] **[AUTOCALL NOTES (AUTOCALL 1)]** [If, [on any Automatic Early Redemption Determination Date] / [on any Barrier Observation Dates relating to any Automatic Early Redemption Determination Date] / [at any time during the Barrier Observation Period relating to any Automatic Early Redemption Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Autocall Barrier Value in respect of such Automatic Early Redemption Determination Date, the Notes will be redeemed on the immediately succeeding Automatic Early Redemption Date at an amount per Calculation Amount equal to the product of (A) the Calculation Amount and [(B) the *sum* of (i) the Specified Rate and (ii) the product of the relevant Automatic Early Redemption Rate and the Multiplier [*less* (C) the total amount of Interest determined as being payable in respect of the Notes up to and including the relevant Automatic Early Redemption Determination Date]] / [the Specified Rate]].] **[AUTOCALL NOTES (AUTOCALL 2)]** [If, [on any Automatic Early Redemption Determination Date] / [on any Barrier Observation Dates relating to the relevant Automatic Early Redemption Determination Date] / [at any time during the Barrier Observation Period relating to the relevant Automatic Early Redemption Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Autocall Barrier Value in respect of such Automatic Early Redemption Determination Date, the Notes will be redeemed on the immediately succeeding Automatic Early Redemption Date at an amount per Calculation Amount equal to the product of (i) the Calculation Amount and [*insert if such Automatic Early Redemption Determination Date is a Specified Automatic Early Redemption Date*: (ii) the sum of (a) the Specified Rate and (b) the Automatic Early Redemption Rate]] / [*insert if such Automatic Early Redemption Determination Date is not a Specified Automatic Early Redemption Date or if no Specified Automatic Early Redemption Date is specified*: (ii) the greater of (a) the sum of the (I) Specified Rate and (II) the Automatic Early Redemption Rate and (b) the sum of (I) the Specified Rate and (II) the product of (A) the Participation Rate and (B) the value determined by dividing the Final Reference Value (Autocall) by the Initial Reference Value and the subsequent subtraction of one from the result.] **[AUTOCALL NOTES (AUTOCALL 3)]** [If, [on any Automatic Early Redemption Determination Date] / [on any Barrier Observation Dates relating to the relevant Automatic Early Redemption Determination Date] / [at any time during the Barrier Observation Period relating to the relevant Automatic Early Redemption Determination Date], the Determination Agent determines that the

Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Autocall Barrier Value in respect of such Automatic Early Redemption Determination Date, the Notes will be redeemed on the immediately succeeding Automatic Early Redemption Date at an amount per Calculation Amount equal to product of the Calculation Amount and the sum of (i) the Specified Rate and (ii) the greater of the relevant Automatic Early Redemption Rate and the Relevant Underlying Performance (Autocall).]

Where: Automatic Early Redemption Date[s] means [●][, [●]… and [●]]; [Specified Automatic Early Redemption Determination Date[s] means [●][, [●]… and [●]];] Initial Reference Value means [●] / [the Relevant Underlying Value as of the Strike Date]; [Final Reference Value (Autocall) is the Relevant Underlying Value as of the relevant Automatic Early Redemption Determination Date;] [Relevant Underlying Performance means the performance of the Relevant Underlying determined in accordance with the Performance Determination Terms specified below;] [Relevant Underlying Performance (Autocall) means the Relevant Underlying Performance determined by the Determination Agent as of each Automatic Early Redemption Date;] [Relevant Underlying Value is the value of the Relevant Underlying, determined according to the Value Determination Terms specified below;] Knock-in Value means [the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below] / [the Relevant Underlying Performance]; [Participation Rate is [●]/[100] per cent.]/ [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]];] [Specified Rate is [●]%;] and the Automatic Early Redemption Determination Date[s] and the corresponding Automatic Early Redemption Rate[s][,/and] [Multiplier] [,/and] Autocall Barrier Value[s] [and] [Barrier Observation Date[s]]/[Barrier Observation Period[s]] are as set out in the table below:

Automatic Early Redemption Determination Date	**Automatic Early Redemption Rate**	**[Multiplier]**	**Autocall Barrier Value**	**[Barrier Observation Date]**	**[Barrier Observation Period]**
[●] / [Indicatively set at [●] but will [not be less than [●] [and] [not be greater than [●]]	[●]%	[●] / [Indicatively set at [●] but will [not be less than [●]] [and] [not be greater than [●]]	[●] / [[●]% of Initial Reference Value]	[●]	[●]

[VALUE DETERMINATION TERMS]

[For determining [Initial Reference Value][,] [Final Reference Value][,] [Final Reference Value (Autocall)] [and] [Relevant Underlying Value]

		[*repeat separately for each if different*]: The Determination Agent will determine the value of the Relevant Underlying [as of such time on the relevant date as the Determination Agent determines is appropriate] / [at any time during the relevant date] / [as of the scheduled weekday opening time of the exchange] / [as of the scheduled weekday closing time of the exchange] / [as of the time at which the official closing level of the Index is calculated and published by the Index Sponsor]/ [the high price / low price / average of high price and low price for the relevant date] / [the closing price / opening price on the relevant date] / [the bid price / asked price / average of bid price and asked price for the relevant date] / [the settlement price / official settlement price / official price for the relevant date] [the morning fixing / afternoon fixing for the relevant date] [the spot price]] / [as of the close of business hours in [*insert Principal Financial Centre*] in respect of [*insert Reference Currency*] on the relevant day] / [as of close of business in respect of the Relevant Underlying on the Fund Business Day immediately succeeding the relevant date] / [as of the Reference Month] / [by choosing the highest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by choosing the lowest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by determining the value as of each Averaging Date and then determining the [weighted]/[arithmetic] average of such values] / [by choosing [the greater of the value as of each averaging date and the Floor Value] / [the lesser of the value as of each averaging date and the Cap Value], and then determining the [weighted]/[arithmetic] average of such values] / [by choosing the [greater of] / [lesser of] the [arithmetic] / [weighted] average of the values determined on each Averaging Date and the [Global Floor Value] / [Global Cap Value];] Where: [Reference Month means [●];] [Value Observation Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];][Fund Business Day means [●] / a day on which [*insert Fund*]/[the primary fund administrator] is open for business;] [Averaging Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];] [Floor Value means [●];] [Cap Value means [●];] [Global Floor Value means [●];] [Global Cap Value means [●]]. [Derivative component in redemption payment: **[AUTOCALLABLE NOTES]** **[OPTION 1 - AUTOCALLABLE NOTES (FIXED REDEMPTION)]** The Notes, unless previously redeemed or cancelled, shall be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of the Specified Rate and the Calculation Amount. **[OPTION 2 - AUTOCALLABLE NOTES (CAPITALISED NON-MEMORY REDEMPTION)]** Notes, unless previously redeemed or cancelled, shall be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of the Calculation Amount and the sum of the Specified Rate and the Final Redemption Rate.

		[OPTION 3 - AUTOCALLABLE NOTES (CAPITALISED MEMORY REDEMPTION)] The Notes, unless previously redeemed or cancelled, shall be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of the Calculation Amount and the sum of the Specified Rate and the Final Redemption Rate, less any interest which has been determined in respect of the Notes. **[OPTION 4 - AUTOCALLABLE NOTES (BASIC PERFORMANCE LINKED REDEMPTION)]** The Notes, unless previously redeemed or cancelled, shall be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of the Calculation Amount, the Participation Rate and the value determined by dividing the Final Reference Value by the Initial Reference Value[, subject to [a maximum of [●][%] per Calculation Amount] [and] [a minimum of [●][%] per Calculation Amount]]. **[OPTION 5 - AUTOCALLABLE NOTES (SINGLE BARRIER FINAL REDEMPTION)]** If, [on the Determination Date] / [on each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value, the Issuer will pay an amount per Calculation Amount equal to [(i)] the product of the Calculation Amount and [the Specified Rate 1] / [the sum of the Specified Rate 1 and the Final Redemption Rate [less [(ii)] any interest which has been determined in respect of the Notes]] / [the sum of the Specified Rate 1 and the greater of (A) the Final Redemption Rate and (B) the value determined by dividing the Highest Reference Value by the Initial Reference Value and subtracting 1 from the result of such division. [*Insert if notes are not physically settled*][In all other cases, the Issuer will pay an amount per Calculation Amount equal to [the product of the Calculation Amount, the Participation Rate and the value which is the Final Reference Value divided by the Initial Reference Value] / [the product of the Calculation Amount and the sum of (A) the Specified Rate 2 and (B) the product of the Participation Rate and the value which is the Final Reference Value of the worst performing Basket Component divided by the Initial Reference Value of the worst performing Basket Component] / [(A) if the Final Reference Value is greater than or equal to the Knock-in Barrier Level, the product of the Calculation Amount and the sum of (i) the Specified Rate 2 and (ii) the product of the Participation Rate and the value which is the Final Reference Value of the worst performing Basket Component divided by the Initial Reference Value of the worst performing Basket Component; otherwise (B) the product of the Specified Rate 2 and the Calculation Amount]. [*Insert if notes are physically settled*][In all other cases, the Issuer will deliver such amount of the Relevant Underlying which comprises the Physical Delivery Amount, and pay a Cash Residual Amount (if any). The Physical Delivery Amount shall be determined by the Determination Agent [by dividing the par value of the Note held by the relevant Noteholder by the Initial Reference Value] / [in respect of each Basket

		Component, by dividing (i) the par value of the Note held by the relevant Noteholder by (ii) the product of the Initial Reference Value of such Basket Component and the total number of Basket Components comprising the Basket] / [by dividing the par value of the interest in the Notes held by the relevant Noteholder by the Initial Reference Value of the worst performing Basket Component]. The Cash Residual Amount will be arrived at by subtracting the product of the Physical Delivery Amount and the Initial Reference Value from the par value of the relevant Noteholder's holding of the Notes.] **[OPTION 6 - AUTOCALLABLE NOTES – DUAL BARRIER FINAL REDEMPTION 1]** (I) if, [as of the Determination Date] / [as of each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 1, the Issuer will pay an amount per Calculation Amount equal to the product of the Calculation Amount and the greater of (A) the sum of the Specified Rate 1 and the Final Redemption Rate and (B) the product of the Participation Rate 1 and the value which is the Final Reference Value divided by the Initial Reference Value; (II) if (I) does not apply, but if, [on the Determination Date] / [on each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 2, the Issuer will pay an amount per Calculation Amount equal to the product of the Calculation Amount and the sum of the Specified Rate 2 and the Final Redemption Rate; or (III) if neither (I) nor (II) applies, the Issuer will pay an amount equal to the product of (A) the Calculation Amount, (B) the Participation Rate 2 and (C) the value which is the Final Reference Value divided by the Initial Reference Value.] **[OPTION 7 - AUTOCALLABLE NOTES – DUAL BARRIER FINAL REDEMPTION 2]** [(I) if, [as of the Determination Date] / [as of each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 1, the Issuer will pay an amount per Calculation Amount equal to the product of the Calculation Amount and the sum of (A) Specified Rate 1, and (B) the product of (i) the Participation Rate 1, and (ii) the greater of the Final Redemption Rate and the Relevant Underlying Performance; (II) if (I) does not apply, but if, [on the Determination Date] / [on each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to]the Final Redemption Barrier Value 2, the Issuer will pay an amount per Calculation Amount equal to the product of (A) the Calculation Amount, (B) Participation Rate 2 and (C) the value which is the Final Reference Value divided by the Initial Reference Value; or (III) if neither (I) nor (II) applies, the Issuer will pay an amount equal to the product of (A) the Calculation Amount and (B) Specified Rate 2.]

		[OPTION 8 - AUTOCALLABLE NOTES – DUAL BARRIER FINAL REDEMPTION 3] [(I) if, [as of the Determination Date] / [as of each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 1, the Issuer will pay an amount per Calculation Amount equal to the product of the Calculation Amount and the sum of (A) Specified Rate 1 and (B) Final Redemption Rate 1; (II) if (I) does not apply, but if, [on the Determination Date] / [on each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 2, the Issuer will pay an amount per Calculation Amount equal to the product of the Calculation Amount and the sum of (A) Specified Rate 2 and (B) Final Redemption Rate 2; or (III) if neither (I) nor (II) applies, [*insert if "Par Redemption" applies*: the Issuer will pay an amount equal to the Calculation Amount.] / [*insert if "Par Redemption does not apply*: the Issuer will pay an amount equal to the product of (A) the Calculation Amount and (B) the value determined by dividing the Final Reference Value of the worst performing Basket Component] by the Initial Reference Value of the worst performing Basket Component].] [Where: [Barrier Observation Period means [●];] [Final Redemption Barrier Value 1: [●] [% of the Initial Reference Value]; Final Redemption Barrier Value 2: [●] [% of the Initial Reference Value];] [Final Redemption Barrier Value: [●] [% of the Initial Reference Value];] [Final Redemption Observation Date[s] means [●][,[●]…. and[●]];] [Final Redemption Rate is [●]/[100] per cent.]/ [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]];] [Final Redemption Rate 1 is [●]/[100] per cent.]/ [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]];] [Final Redemption Rate 2 is [●]/[100] per cent.]/ [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]];] [Final Reference Value is the Relevant Underlying Value as of the Determination Date; Determination Date is [●];] [Highest Reference Value means the Relevant Underlying Value determined by the Determination Agent as the highest of the Relevant Underlying Values determined on each Final Redemption Observation Date;] [Initial Reference Value is [●] / [the Relevant Underlying Value as of the Strike Date; Strike Date is [●];] [Knock In Barrier Level: [●] [% of the Initial Reference Value];] [Knock-in Value means [the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below;] [Participation Rate 1 is [●]/[100] per cent.]/ [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]] /;] [Participation Rate 2 is [●]/[100] per cent.]/ [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]];] [Relevant Underlying Value is the value of the Relevant Underlying, determined according to the Value Determination Terms specified below;] [Relevant Underlying Performance is the performance determined in accordance with the Performance Determination Terms

		below;][Specified Rate 1 is [●]%;] [Specified Rate 2 is [●]%;]][Cash Residual Amount means an amount determined by subtracting the product of (i) the Physical Delivery Amount, and (ii) the Initial Reference Value [and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date and the FX Rate as of the currency business day immediately preceding the Strike Date], from the par value of the relevant Noteholder's holdings in the Notes;] **[VALUE DETERMINATION TERMS]** **Value Determination Terms** for determining [Initial Reference Value][,] [Final Reference Value][,] [Final Reference Value (Coupon)] [and] [Relevant Underlying Value] (*repeat separately for each if different)*: The Determination Agent will determine the value of the Relevant Underlying [as of such time on the relevant date as the Determination Agent determines is appropriate] / [at any time during the relevant date] / [as of the scheduled weekday opening time of the exchange] / [as of the scheduled weekday closing time of the exchange] / [as of the time at which the official closing level of the Index is calculated and published by the Index Sponsor] / [the high price / low price / average of high price and low price for the relevant date] / [the closing price / opening price on the relevant date] / [the bid price / asked price / average of bid price and asked price for the relevant date] / [the settlement price / official settlement price / official price for the relevant date] [the morning fixing / afternoon fixing for the relevant date] [the spot price]] / [as of the close of business hours in [*insert Principal Financial Centre*] in respect of [*insert Reference Currency*] on the relevant day] / [as of close of business in respect of the Relevant Underlying on the Fund Business Day immediately succeeding the relevant date] / [as of the Reference Month] / [by choosing the highest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by choosing the lowest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by determining the value as of each Averaging Date and then determining the [weighted]/[arithmetic] average of such values] / [by choosing [the greater of the value as of each averaging date and the Floor Value] / [the lesser of the value as of each averaging date and the Cap Value], and then determining the [weighted]/[arithmetic] average of such values] / [by choosing the [greater of] / [lesser of] the [arithmetic] / [weighted] average of the values determined on each Averaging Date and the [Global Floor Value] / [Global Cap Value];] Where: [Reference Month means [●];] [Value Observation Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];][Fund Business Day means [●] / a day on which [*insert Fund*]/[the primary fund administrator] is open for business;] [Averaging Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];] [Floor Value means [●];] [Cap Value means [●];] [Global Floor Value means [●];] [Global Cap Value means [●]]. **[REVERSE CONVERTIBLE NOTES** **OPTION 1 REVERSE CONVERTIBLE NOTES (BARRIER REDEMPTION)]** [If, [on the Determination Date] / [on each Observation Date] / [at any time during the Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption

		Barrier Value, the Issuer will pay an amount per Calculation Amount equal to the product of the Calculation Amount and the Specified Rate 1. In all other cases, [*insert if Physical Settlement does not apply:* the Final Redemption Amount shall be an amount per Calculation Amount equal to the product of the Calculation Amount and the sum of (A) the Specified Rate 2 and (B) the product of the Participation Rate and the value which is (i) the Final Reference Value divided by the Initial Reference Value, *less* (ii) [●][, subject to [a maximum of [●][%] per Calculation Amount] [and] [a minimum of [●][%] per Calculation Amount].] / [*insert if Physical Settlement applies*: the Issuer will deliver an amount of Underlying Securities equal to the sum of (A) the amount determined by dividing the par value of the relevant Noteholder's holding in the Notes by the Initial Reference Value, rounded down to the nearest whole number of Underlying Securities and (B) any Cash Residual Amount.] **[OPTION 2 - REVERSE CONVERTIBLE NOTES (BASIC PARTICIPATION AND PERFORMANCE LINKED REDEMPTION]** [The Notes shall be redeemed on the Maturity Date an amount per Calculation Amount equal to the product of the Calculation Amount and the sum of (A) the Specified Rate and (B) the product of the Participation Rate and the value which is the Final Reference Value divided by the Initial Reference Value.] [Where: [Cash Residual Amount means an amount determined by subtracting the product of (i) the Physical Delivery Amount, and (ii) the Initial Reference Value[and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date and the FX Rate as of the currency business day immediately preceding the Strike Date], from the par value of the Note held by the relevant Noteholder;] [Final Redemption Barrier Value means [●] [% of the Initial Reference Value];] [Final Reference Value is the Relevant Underlying Value as of the Determination Date; Determination Date means [●];] [Initial Reference Value is [●] / [the Relevant Underlying Value as of the Strike Date]; Strike Date means [●];][Knock-in Value means [the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of the Relevant Underlying Value of [●] of the worst performing Basket Components] / [the arithmetic average of the Relevant Underlying Value of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below;] / [the Relevant Underlying Performance;] [Relevant Underlying Performance means the performance of the Relevant Underlying determined in accordance with the Performance Determination Terms specified below;] [Observation Date[s] means [●][,[●]…. and[●]];] [Observation Period: from and including Strike Date to (but excluding) the Determination Date;] [Participation Rate is [●]/[100] per cent.]/ [indicatively set at [●] but will [not be less than [●] per cent.] [and] [not be greater than [●] per cent.]];] [Relevant Underlying Value is the value of the Relevant Underlying, determined according to the Value Determination Terms specified below;] [Specified Rate 1 is [●]%;] [Specified Rate 2 is [●]%;]] [Underlying Securities: [●];] Value Determination Terms for determining [Initial Reference Value][,] [Final Reference Value][,] [Final Reference Value (Coupon)] [and] [Relevant Underlying Value] [*repeat separately for each if different*]: The Determination Agent will determine the value of the Relevant Underlying [as of such time on the relevant date as the Determination

		Agent determines is appropriate] / [at any time during the relevant date] / [as of the scheduled weekday opening time of the exchange] / [as of the scheduled weekday closing time of the exchange] / [as of the time at which the official closing level of the Index is calculated and published by the Index Sponsor] /[as of the Reference Month] / [by choosing the highest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by choosing the lowest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by determining the value as of each Averaging Date and then determining the [weighted]/[arithmetic] average of such values] / [by choosing [the greater of the value as of each averaging date and the Floor Value] / [the lesser of the value as of each averaging date and the Cap Value], and then determining the [weighted]/[arithmetic] average of such values] / [by choosing the [greater of] / [lesser of] the [arithmetic] / [weighted] average of the values determined on each Averaging Date and the [Global Floor Value] / [Global Cap Value];] Where: [Reference Month means [●];] [Value Observation Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];] [Averaging Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];] [Floor Value means [●];] [Cap Value means [●];] [Global Floor Value means [●];] [Global Cap Value means [●]]. **[CERTAIN LINKED NOTES** **[OPTION 1 - LINKED NOTES (FIXED REDEMPTION)]** [The Notes will be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of the Calculation Amount and the sum of the Specified Rate and the Final Redemption Rate.] **[OPTION 2 - LINKED NOTES (BASIC PERFORMANCE LINKED REDEMPTION)]** The Notes, unless previously redeemed or cancelled, shall be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of the Calculation Amount, the Participation Rate[,] [and] the value determined by dividing the Final Reference Value by the Initial Reference Value[and the value determined by dividing [the FX Rate as of [the currency business day]/[[•] currency business days] immediately succeeding the Determination Date by the FX Rate as of [the currency business day]/[[•] currency business days] immediately preceding the Strike Date] [plus a bonus amount] [, subject to [a maximum of [●][%] per Calculation Amount] [and] [a minimum of [●][%] per Calculation Amount]]. **[OPTION 3 - LINKED NOTES (PARTICIPATION AND PERFORMANCE-LINKED REDEMPTION)]** [The Notes will be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of (I) the Calculation Amount, (II) the sum of (A) the Specified Rate; (B) the product of (i) the Participation Rate and (ii) the greater of the Final Redemption Rate and the Relevant Underlying Performance[and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date and the FX Rate as of the currency business day immediately preceding the Strike Date].] **[OPTION 4 - LINKED NOTES (BARRIER REDEMPTION)]**

		[If, [on the Determination Date] / [on each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value, the Notes, unless previously redeemed or cancelled, will be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of the Specified Rate 1 and the Calculation Amount. Otherwise, the Notes will, unless previously redeemed or cancelled, be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of (I) the Calculation Amount, (II) the sum of (A) the Specified Rate 2 and (B) the product of (i) the Participation Rate and (ii) the value determined by dividing the Final Reference Value by the Initial Reference Value[and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date].] **[OPTION 5 - LINKED NOTES (BARRIER AND PARTICIPATION REDEMPTION)]** ["**Linked Notes (Barrier and Participation Redemption)**" applies. If, [on the Determination Date] / [on each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value, the Notes, unless previously redeemed or cancelled, will be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of *[Insert the following if Final Terms specify "Final Redemption 1" as being applicable]* [(I) the Calculation Amount, (II) the sum of (A) Specified Rate 1 and (B) the product of (i) the Participation Rate 1 and (ii) the greater of the Final Redemption Rate and the Relevant Underlying Performance and (iii) [1]/[the value determined by dividing [the FX Rate as of the currency business day immediately succeeding the Determination Date]/[1] by [the FX Rate as of the currency business day immediately preceding the Strike Date]/[1]].] *[Insert the following if Final Terms specify "Final Redemption 2" as being applicable]* [(I) the Calculation Amount, (II) the sum of (A) Final Redemption Rate and (B) the product of (i) the greater of zero and the value determined as Relevant Underlying Performance minus Performance Rate and (ii) [1] / [the value determined by dividing [the FX Rate as of the currency business day immediately succeeding the Determination Date]/[1] by [the FX Rate as of the currency business day immediately preceding the Strike Date]/[1].] Otherwise the Notes will, unless previously redeemed or cancelled, be redeemed on the Maturity Date at an amount per Calculation Amount equal to *[Insert the following if Final Terms specify "Worst Performance" to be "Not Applicable"]* [the product of (I) the Calculation Amount, (II) the sum of (A) Specified Rate 2 and (B) the product of (i) Participation Rate 2 and (ii) the value determined by dividing the Relevant Underlying Value as of the Final Redemption Determination Date[s] by the Initial Reference Value and (iii) [1] / [the value determined by dividing [the FX Rate as of the currency business day immediately succeeding the Determination Date]/[1] by [the FX Rate as of the currency business day

		immediately preceding the Strike Date]/[1].] *[Insert the following if Final Terms specify "Worst Performance" to be "Applicable"]* [the product of (I) the Calculation Amount, (II) the sum of (A) Specified Rate 2 and (B) the product of (i) Participation Rate 2 and (ii) value determined by dividing the Relevant Underlying Value as of the Final Redemption Determination Date[s] of the worst performing Basket Component, by the Initial Reference Value of the worst performing Basket Component].] **[OPTION 6 - LINKED NOTES (BARRIER AND PARTICIPATION REDEMPTION – FX PERFORMANCE ADJUSTMENT)]** ["**Linked Notes (Barrier and Participation Redemption – FX Performance Adjustment)**" applies. If, [on the Determination Date] / [on each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value, the Notes, unless previously redeemed or cancelled, will be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of (I) the Calculation Amount and (II) the sum of (A) the product of (i) Specified Rate 1 and (ii) [the value determined by dividing [the FX Rate as of [the currency business day]/[[•] currency business days] immediately succeeding the Determination Date by the FX Rate as of [the currency business day]/[[•] currency business days] immediately preceding the Strike Date and (B) the product of (i) Participation Rate 1 and (ii) the greater of the Final Redemption Rate and the Relevant Undelrying Performance and (iii) [the value determined by dividing [the FX Rate as of [the currency business day]/[[•] currency business days] immediately succeeding the Determination Date by the FX Rate as of [the currency business day]/[[•] currency business days] immediately preceding the Strike Date. Otherwise the Notes will, unless previously redeemed or cancelled, be redeemed on the Maturity Date at an amount per Calculation Amount equal to: *[Insert the following if Final Terms specify "Worst Performance" to be "Not Applicable"]* [the product of (I) the Calculation Amount and (II) the sum of (A) Specified Rate 2 and (B) the product of (i) Participation Rate 2 and (ii) the value determined by dividing the Relevant Underlying Value as of the Final Redemption Determination Date[s] by the Initial Reference Value and (iii) [1] / [the value determined by dividing [the FX Rate as of [the currency business day]/[[•] currency business days] immediately succeeding the Determination Date by the FX Rate as of [the currency business day]/[[•] currency business days] immediately preceding the Strike Date]. *[Insert the following if Final Terms specify "Worst Performance" to be "Applicable"]* [the product of (I) the Calculation Amount and (II) the sum of (A) Specified Rate 2 and (B) the product of (i) Participation Rate 2 and (ii) value determined by dividing the Relevant Underlying Value as of the Final Redemption Determination Date[s] of the worst performing Basket Component, by the Initial Reference Value of the worst performing Basket Component and (iii) [1] / [the value determined by dividing [the FX Rate as of [the currency business day]/[[•] currency business days] immediately succeeding the Determination Date by the FX Rate as of [the currency business day]/[[•] currency business days] immediately preceding the Strike Date].]

		[OPTION 7 - LINKED NOTES (DUAL BARRIER REDEMPTION)] [(a) If, [on the Determination Date] / [on each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 1, the Issuer will pay an amount per Calculation Amount equal to the product of (I) the Calculation Amount, (II) the sum of (A) the Specified Rate 1 and (B) the product of (i) the Participation Rate 1 and the greater of the Final Redemption Rate and the Relevant Underlying Performance [and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date]; (b) if (a) above does not apply, but if, [on the Determination Date] / [on each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 2, the Issuer will pay an amount per Calculation Amount equal to the product of the Specified Rate 2 and the Calculation Amount; or (c) if neither (a) nor (b) applies, the Issuer will pay an amount per Calculation Amount equal to the product of (I) the Calculation Amount, (II) the sum of (A) the Specified Rate 3 and (B) the product of (i) the Participation Rate 2 and (ii) the value determined by dividing the Final Reference Value by the Initial Reference Value [and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date].] **[OPTION 8 - LINKED NOTES (DUAL BARRIER REDEMPTION – TWIN WIN)]** [(a) If, [on the Determination Date] / [on each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 1, the Issuer will pay an amount per Calculation Amount equal to the product of (I) the Calculation Amount, (II) the sum of (A) Specified Rate 1 and (B) the product of (i) the Participation Rate 1 and (ii) the greater of the Final Redemption Rate and the Relevant Underlying Performance [and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date]; (b) if (a) above does not apply, but if, [on the Determination Date] / [on each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 2, the Issuer will pay an amount per Calculation Amount equal to the product of (I) the Calculation Amount, (II) the sum of (A) the Specified Rate 2 and (B) the product of (i) the Participation Rate 2 and (ii) the greater of the Final Redemption Rate 2 and the Relevant Underlying Performance (Put)[and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date by the FX

		Rate as of the currency business day immediately preceding the Strike Date]; (c) if neither (a) nor (b) applies, the Issuer will pay an amount per Calculation Amount equal to the product of (I) the Calculation Amount, (II) the sum of (A) the Specified Rate 3 and (B) the product of (i) Participation Rate 3 and (ii) the value determined by dividing the Final Reference Value by the Initial Reference Value[and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date].] **[OPTION 9 - LINKED NOTES (SYNTHETIC ZERO REDEMPTION)]** [The Notes will be redeemed on the Maturity Date at an amount per Calculation Amount equal to product of the Calculation Amount and (A) one *minus* (B) the greater of (I) 0 and (II) the product of the Participation Rate, and the value determined by *dividing* (i) the Specified Strike Value *minus* the Initial Reference Value *by* (ii) the Final Reference Value.] **[OPTION 10 - LINKED NOTES (LOCK IN LADDER REDEMPTION)]** [The Notes will be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of (I) the Calculation Amount, and (II) the sum of (A) the Specified Rate and (B) the product of (i) the Participation Rate and (ii) the greater of (a) the Final Redemption Rate, (b) the product of the Multiplier and the highest Lock In Step achieved as of any Lock In Observation Date (and the Lock In Step in respect of a particular Lock In Observation Date will be the highest Lock In Step exceeded (or equal to) the Relevant Underlying Performance on such Lock In Observation Date) and (c) the Relevant Underlying Performance[and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date.] **[OPTION 11 - LINKED NOTES (LOCK IN LADDER BARRIER REDEMPTION)]** [(1) If, [on the Determination Date] / [on each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value, the Issuer will pay an amount per Calculation Amount equal to the product of (I) the Calculation Amount, (II) the sum of (A) the Specified Rate 1 and (B) the product of (i) the Participation Rate 1 and (ii) the greater of (a) the Final Redemption Rate, (b) the product of the Multiplier and the highest Lock In Step achieved as of any Lock In Observation Date (and the Lock In Step in respect of a particular Lock In Observation Date will be the highest Lock In Step exceeded (or equal to) the Relevant Underlying Performance on such Lock In Observation Date) and (c) the Relevant Underlying Performance[and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date];

		(2) If, (1) above does not apply and the highest Lock In Step achieved as of any Lock In Observation Date is greater than zero (and the Lock In Step in respect of a particular Lock In Observation Date will be the highest Lock In Step exceeded (or equal to) the Relevant Underlying Performance on such Lock In Observation Date), the Issuer will pay an amount per Calculation Amount equal to the product of (I) the Calculation Amount, (II) the sum of (A) the Specified Rate 1 and (B) the product of (i) the Participation Rate 1 and (ii) the greater of (a) the Final Redemption Rate, (b) the product of the Multiplier and the highest Lock In Step achieved as of any Lock In Observation Date (and the Lock In Step in respect of a particular Lock In Observation Date will be the highest Lock In Step exceeded (or equal to) the Relevant Underlying Performance on such Lock In Observation Date) and (c) the Relevant Underlying Performance[and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date; (3) if neither (1) nor (2) above apply, the Issuer will pay an amount per Calculation Amount equal to the product of (I) the Calculation Amount, (II) the sum of (A) the Specified Rate 2, (B) the product of (i) the Participation Rate 2, (ii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date and the FX Rate as of the currency business day immediately preceding the Strike Date and (iii)][and (ii)] the value which is the Final Reference Value [*insert if "Worst Performance" applies:* of the worst performing Basket Component] divided by the Initial Reference Value [*insert if "Worst Performance" applies:* of the worst performing Basket Component]; **[OPTION 12 - LINKED NOTES (RANKED UNDERLYING REDEMPTION)]** [The Notes will be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of (I) the Calculation Amount and (II) the sum of (A) the Specified Rate and (B) the product of (i) the Participation Rate and (ii) the greater of the Final Redemption Rate and the Top Rank Underlying Performance [and (iii) the value determined by dividing the FX Rate as of the currency business day immediately succeeding the Determination Date by the FX Rate as of the currency business day immediately preceding the Strike Date].] **[OPTION 13 - LINKED NOTES (MULTIPLE BARRIER REDEMPTION)]** [If, [on the Determination Date] / [on each Final Redemption Observation Date] / [at any time during the Barrier Observation Period], the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] any Specified Final Redemption Barrier Value, the Notes will be redeemed on the Maturity Date at an amount per Calculation Amount equal to the product of the Calculation Amount and the Specified Final Redemption Rate specified in respect of such Specified Final Redemption Barrier Value.] **[OPTION 14 - LINKED NOTES (INFLATION LINKED REDEMPTION)]**

		[The Notes will be redeemed on the Maturity Date at an amount per Calculation Amount equal to the greater of (a) zero and (b) the product of (i) the Calculation Amount and (ii) the sum of (A) Specified Rate and (B) the product of (x) the Participation Rate and (y) the value determined by subtracting one from the value determined by dividing the CPI(Final) by the CPI(Initial), [,subject to a cap of [●],] / [subject to a floor of [●],] / [subject to a cap of [●] and a floor of [●].] **[END OF OPTIONS FOR CERTAIN LINKED NOTES]** Where: [Barrier Observation Period means [●];] [Determination Date is [●];] [Final Redemption Determination Date[s] means [●][,[●]…. and[●]];][Final Redemption Observation Date[s] means [●][,[●]…. and[●]];] [Final Redemption Barrier Value 1 means [●][% of the Initial Reference Value]; Final Redemption Barrier Value 2 means [●][% of the Initial Reference Value];] [Final Redemption Barrier Value means [●][% of the Initial Reference Value];] [Final Redemption Rate means [●]%;] [Final Redemption Rate 1 means [●]%;] [Final Redemption Rate 2 means [●]%;] [Final Reference Value means the Relevant Underlying Value as of the Determination Date;] [FX Rate means the rate of exchange, determined (and rounded to 4 decimal points) [as the daily fixing published on the [*specify Relevant Screen Page*] at [●] [am/pm] [*city*] time in respect of exchanging an amount in [*specify Specified Currency*] for an amount in [*specify Second Currency*]] / [by dividing (i) the daily fixing published on the [*specify Relevant Screen Page*] at [●] [am/pm] [*city*] time in respect of exchanging an amount in [*specify Specified Currency*] for an amount in Euro by (ii) the daily fixing published on the [*specify Relevant Screen Page*] at [●] [am/pm] [*city*] time in respect of exchanging an amount in Euro for an amount in [*specify Second Currency*];] [Initial Reference Value is [●] / [the Relevant Underlying Value as of the Strike Date];] [Knock-in Value means [the Relevant Underlying Value [of the worst performing Basket Component] / [the best performing Basket Component] / [the arithmetic average of [●] of the worst performing Basket Components] / [the arithmetic average of [●] of the best performing Basket Components], determined according to the Value Determination Terms specified below] / [the Relevant Underlying Performance];] [Lock In Step means [●]%[,[●]%.... and [●]%];] [Multiplier means [●];] [Participation Rate 1 [is [●]%] / [will be a percentage rate, [not lower than [●]%] [and] [not higher than [●]%] determined by the Determination Agent at the end of the offer period in respect of the Notes in accordance with market conditions at such time, and which shall be notified to the Noteholder thereafter by publication on [*insert website address*];] [Participation Rate 2 [is [●]%] / [will be a percentage rate, [not lower than [●]%] [and] [not higher than [●]%] determined by the Determination Agent at the end of the offer period in respect of the Notes in accordance with market conditions at such time, and which shall be notified to the Noteholder thereafter by publication on [*insert website address*];] [Participation Rate 3 [is [●]%] / [will be a percentage rate, [not lower than [●]%] [and] [not higher than [●]%] determined by the Determination Agent at the end of the offer period in respect of the Notes in accordance with market conditions at such time, and which shall be notified to the Noteholder thereafter by publication on [*insert website address*];] [Participation Rate [is [●]%] / [will be a percentage rate, [not lower than [●]%] [and] [not higher than [●]%] determined by the Determination Agent at the end of the offer period in respect of the Notes in accordance with market conditions at such time, and which shall be notified to the Noteholder thereafter by publication on [*insert website address*];] [Performance Barrier Level means [●]%;] [Performance Rate is [●]%;] [Relevant Underlying Performance (Put) means the Relevant Underlying Performance determined as if "Put

		Performance" were specified as being applicable in respect of the relevant Performance Determination Term specified below;] [Relevant Underlying Performance means the performance of the Relevant Underlying determined in accordance with the Performance Determination Terms specified below;] [Relevant Underlying Value is the value of the Relevant Underlying, determined according to the Value Determination Terms specified below;] [Specified Rate 1 is [●]%;][Specified Rate 2 is [●]%;][Specified Rate 3 is [●]%;] [Specified Strike Value means [●];] [Strike Date is [●];] [Top Rank Underlying Performance means the Relevant Underlying Performance determined as if Selected Average Top Rank Performance were the applicable Performance Determination Terms;] [and the Specified Final Redemption Barrier Values and the corresponding Specified Final Redemption Rates are specified in the table below: Specified Final Redemption Barrier Values — Specified Final Redemption Rate [●] / [●]% of the Initial Reference Value — [●]% [ ] — [ ] Where: Specified Rate is [●]; Participation Rate is [●]; CPI(Final) is the Inflation Index published for [month, year], subject to adjustment; CPI(Initial) is [●] / the Inflation Index published for [month, year], subject to adjustment;] [Inflation Index means [●].] **[PREFERENCE SHARE-LINKED NOTES]** [The Notes will be redeemed on the Maturity Date at an amount per Calculation Amount determined by the Determination Agent as being the product of (i) the Calculation Amount, (ii) the Participation Rate (being [●]%) and (iii) the value which is (A) the fair market value of the Relevant Underlying (as determined by the Determination Agent) as of the Final Valuation Date *divided by* (B) the fair market value of the Relevant Underlying (as determined by the Determination Agent) as of the Initial Valuation Date. For these purposes: "**Final Valuation Date**" means the day falling [●] business days following the Preference Share Determination Date; "**Initial Valuation Date**" means the Issue Date or, if such date is not a business day, the next following business day; [and] "**Preference Share Determination Date**" means [If Underlying Determination Event applies: (i) if the Relevant Underlying becomes subject to redemption pursuant to the underlying determination provisions contained in the terms and conditions of the Relevant Underlying, the Underlying Determination Event Valuation Date falling in the year in which such redemption occurs (or which but for the delay of the date for valuation or determination of the underlying asset or reference basis (or any part thereof) for the Relevant Underlying on or about such date, would have occurred); or (ii) otherwise, [●], or, in each case, if any date(s) for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Relevant Underlying falling on or about such day is to be delayed in accordance with the terms and conditions of the Relevant Underlying by

		reason of a disruption or adjustment event, the Preference Share Determination Date shall be such delayed valuation or determination date(s), all as determined by the Determination Agent; and "**Underlying Determination Event Valuation Date**" means [●][, [●]] [and [●]].] [If Underlying Determination Event does not apply: [●] or, if any date(s) for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Relevant Underlying falling on or about such day is to be delayed in accordance with the terms and conditions of the Relevant Underlying by reason of a disruption or adjustment event, the Preference Share Determination Date shall be such delayed valuation or determination date(s), all as determined by the Determination Agent.] **[VALUE DETERMINATION TERMS]** **Value Determination Terms** for determining [Initial Reference Value][,] [Final Reference Value][,] [,] [PIDD Reference Value] [and] [Relevant Underlying Value] [*repeat separately for each if different*]: The Determination Agent will determine the value of the Relevant Underlying [as of such time on the relevant date as the Determination Agent determines is appropriate] / [at any time during the relevant date] / [as of the scheduled weekday opening time of the exchange] / [as of the scheduled weekday closing time of the exchange] /[as of the time at which the official closing level of the Index is calculated and published by the Index Sponsor]/ [for Commodity-Linked Notes [the high price / low price / average of high price and low price for the relevant date] / [the closing price / opening price on the relevant date] / [the bid price / asked price / average of bid price and asked price for the relevant date] / [the settlement price / official settlement price / official price for the relevant date] [the morning fixing / afternoon fixing for the relevant date] [the spot price]] / [as of the Reference Month] / [by choosing the highest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by choosing the lowest of the values observed on each Value Observation Date [subject to a cap of [●]] / [subject to a floor of [●]] / [by determining the value as of each Averaging Date and then determining the [weighted]/[arithmetic] average of such values] / [by choosing [the greater of the value as of each averaging date and the Floor Value] / [the lesser of the value as of each averaging date and the Cap Value], and then determining the [weighted]/[arithmetic] average of such values] / [by choosing the [greater of] / [lesser of] the [arithmetic] / [weighted] average of the values determined on each Averaging Date and the [Global Floor Value] / [Global Cap Value];] Where: [Reference Month means [●];] [Value Observation Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];] [Averaging Dates means [●][in respect of [●]] [[●] [in respect of [●]].... and [●][in respect of [●]];] [Floor Value means [●];] [Cap Value means [●];] [Global Floor Value means [●];] [Global Cap Value means [●]] **[PERFORMANCE DETERMINATION TERMS]** [*Insert as applicable:* **Performance Determination Terms** for determining Relevant Underlying Performance for determining [Final Redemption Amount] [and] [Knock-in Value] (*repeat separately for each if different)* **[NOTES WHICH ARE LINKED TO A SINGLE UNDERLYING]** [*insert if Put Performance does not apply:* The Determination Agent will

		determine the performance of the Relevant Underlying by reference to the [absolute value of the] product of the Performance Rate and the value that is determined by dividing the Final Reference Value [less the Optimised Initial Reference Value] by the [Initial Reference Value]/[PIDD Reference Value]/[Optimised Initial Reference Value] [and the subsequent subtraction of the [Strike]/[OTM Rate]] from the same [**provided that** [if the value so determined is less than the Floor, the Determination Agent will choose the Floor] [and] [if the value so determined is greater than the Cap, the Determination Agent will choose the Cap].] **[INSERT IF PUT PERFORMANCE APPLIES]** [The Determination Agent will determine the performance of the Relevant Underlying [by reference to the [the absolute value of the] value which is (A) the [Strike]/[OTM Rate]] *less* (B) the product of the Performance Rate and the value that is determined by dividing the Final Reference Value [less the Optimised Initial Reference Value] by the [Initial Reference Value]/[PIDD Reference Value]/[Optimised Initial Reference Value] [**provided that** [if the value so determined is less than the Floor, the Determination Agent will choose the Floor] [and] [if the value so determined is greater than the Cap, the Determination Agent will choose the Cap].] Where: [Performance Rate means [●];] [Strike means [●];] [OTM Rate means [●];] [Floor means [●];] [Cap means [●];] [Initial Reference Value is [●] / [the Relevant Underlying Value as of the Strike Date];] [PIDD Reference Value means the Relevant Underlying Value as of the Interest Determination Date preceding the date as of which the performance is being determined;] [Final Reference Value means the Relevant Underlying Value as of the Determination Date;] [Relevant Underlying Value is the value of the Relevant Underlying, determined according to the Value Determination Terms specified above;]] **[INSERT WHERE THE NOTES ARE LINKED TO A BASKET]** [The Determination Agent will determine the performance of the Relevant Underlying by reference to the [weighted]/[arithmetic] average of the Performance Value of each [of, as determined by the Determination Agent, the [[*insert number*] of [the best performing] / [worst performing]] / [selected] Basket Component[s] [**provided that** [if the value so determined is less than the Global Floor Value, the Determination Agent will choose the Global Floor Value] [and] [if the value so determined is greater than the Global Cap Value, the Determination Agent will choose the Global Cap Value].]. Where: Performance Value means, in respect of each selected Basket Component, the [absolute value of the] value determined by the Determination Agent as being the product of (A) the Performance Rate and (B) the value which is the Final Reference Value of such Basket Component divided by the [Initial Reference Value] / [PIDD Reference Value] of such Basket Component, *less* [Strike]/[the OTM Rate in respect of such Basket Component] [**provided that** [if the value so determined is less than the Floor specified in respect of such Basket Component, the Determination Agent will choose such Floor] [and] [if the value so determined is greater than the Cap specified in respect of such Basket Component, the Determination Agent will choose such Cap;] [Performance Rate means [●]; [Global Floor Value means [●];] [Global Cap Value means [●];] [Initial Reference Value is [●] / [as set out in the table below in respect of each Basket Component] / [the Relevant Underlying Value as of the Strike Date];] [PIDD Reference

Value means the Relevant Underlying Value as of the Interest Determination Date preceding the date as of which the performance is being determined;] [Final Reference Value means the Relevant Underlying Value as of the Determination Date;] [Relevant Underlying Value is the value of the Relevant Underlying, determined according to the Value Determination Terms specified above;]] [The Basket Components and the corresponding [weightings to be applied in respect of each Basket Component][,]/ [and] [OTM Rates][,]/ [and] [Floor][,] / [and] [Cap] are set out in the table below:

Basket Component	[Weightings]	[OTM Rate]	[Floor]	[Cap]	[Initial Reference Value]
[●]	[●]	[●]	[●]	[●]	[●] / [Relevant Underlying Value as of the Strike Date determined in accordance with the Value Determination Terms specified above]

[*Insert if "Selected Average Top Rank Performance" applies:* The Relevant Underlying Performance will be determined by the Determination Agent as being the sum of (A) the product of the Default Performance and the fraction which is the number of selected Basket Components divided by the total number of Basket Components comprising the Basket and (B) the product of (i) the value determined by dividing 1 by the total number of Basket Components comprising the Basket and (ii) the arithmetic average of the values, determined in respect of each Basket Component other than a selected Basket Component, arrived at by dividing the Final Reference Value of such Basket Component by its Initial Reference Value minus (C) Strike.

Where Default Performance means [●]; Final Reference Value is the Relevant Underlying Value as of the Determination Date; Relevant Underlying Value is the value of the Relevant Underlying determined in accordance with the Value Determination terms set out above; and Initial Reference Value is as set out in the table below:

Basket Component	Initial Reference Value
[●]	[●] / [Relevant Underlying Value as of the Strike Date determined in accordance with the Value Determination Terms specified above]

Repayment procedure: [*Insert for Registered Notes:* Payments of principal on the Notes shall be made by cheque drawn in the currency in which the payment is due, or upon application by a noteholder in advance of such payment, by transfer to an account of the noteholder held in the principal financial centre for the relevant currency. [*insert for Global Note Certificates:* While in global form, payments in respect of the Notes

		shall be made against the presentation and surrender of the global note certificate at the specified office of or to the order of a paying agent.]] [*insert for Uncertificated Notes:* Computershare Investor Services (Guernsey) limited or any successor or transferee (the "**Euroclear Registrar**") shall pay or cause to be paid payments of principal in respect of Uncertificated Notes to the relevant noteholder's cash account in accordance with the rules of the operator of the CREST system.] All payments will be made subject to the fiscal laws in force in the place of [presentation] [and] [payment]. ***Representation***: Not applicable. No representatives of debt security holders are appointed. See also Element C.15 above.
[Delete the Element C.19 if the Notes are debt securities to which Annex V or Annex XIII of the Regulation applies]		
C.19	**Exercise price/final reference price of the underlying:**	The Final Reference Value for the purpose of determining the performance of a Relevant Underlying will be determined by the Determination Agent by reference to [the price for a share] / [the price for an exchange traded fund on a relevant exchange] / [level of an equity index] / [price of a commodity] / [level of a commodity index] / [level of an inflation index] / [the exchange rate in respect of a currency pair] / [the price of a fund interest] / [the price of a preference share].
[Delete the Element C.20 if the Notes are debt securities to which Annex V or Annex XIII of the Regulation applies]		
C.20	**Type of underlying and where information on the underlying can be found:**	The Notes are [Equity-Linked Interest Notes] / [Commodity-Linked Interest Notes] / [Inflation-Linked Interest Notes] / [Currency-Linked Interest Notes] / [Fund-Linked Interest Notes]. "**Relevant Underlying**" means [●] [issued by [●]] [and] / [,] [●] issued by [●]][each a "**Basket Component**", and together the "**Basket**"] [Weighting applicable to each Basket Component: [●] in respect of [●][,[●] in respect of [●] and [●] in respect of [●].] [The Notes are [Equity-Linked Redemption Notes] / [Commodity-Linked Redemption Notes] / [Inflation-Linked Redemption Notes] / [Currency-Linked Redemption Notes] / [Fund-Linked Redemption Notes] / [Preference-Share Linked Notes].] "**Relevant Underlying**" means [●] [issued by [●]] [and] / [,] [●] issued by [●]] [each a "**Basket Component**", and together the "**Basket**"].] [Weighting applicable to each Basket Component: [●] in respect of [●][,[●] in respect of [●] and [●] in respect of [●].] Information about the past and the further performance of the Relevant Underlying and its volatility can be obtained from: [●][, in respect of [●], [●] in respect of [●] and [●] in respect of [●]].
[Delete Element C.21 if the Notes are debt securities to which Annex V of the Regulation applies or if the Notes are derivative instruments to which Annex XII of the Regulation applies]		
C.21	**Indication of market where securities will be traded and for which prospectus has been published:**	Application has been made for Notes to be admitted to trading on the regulated market of [the Luxembourg Stock Exchange] / [*specify other exchange in the European Union*]

		Section D – Risks
D.2	**Key Risks Specific to the Issuers and the Guarantor:**	The following key risks affect Morgan Stanley [and, since Morgan Stanley is the ultimate holding company of [MSI plc] / [MSBV] / [MSFL], also impact [MSI plc] / [MSBV] / [MSFL]: ***Market Risk***: Morgan Stanley's results of operations may be materially affected by market fluctuations and by global and economic conditions and other factors including changes in asset values. Holding large and concentrated positions may expose Morgan Stanley to losses. These factors may result in losses for a position or portfolio owned by Morgan Stanley. ***Credit Risk:*** Morgan Stanley is exposed to the risk that third parties that are indebted to it will not perform their obligations, as well as that a default by a large financial institution could adversely affect financial markets. Such factors give rise to the risk of loss arising when a borrower, counterparty or issuer does not meet its financial obligations to Morgan Stanley. ***Operational Risk:*** Morgan Stanley is subject to the risk of loss, or of damage to its reputation, resulting from inadequate or failed processes or systems, human factors or from external events (e.g. fraud, theft, legal and compliance risks, cyber attacks or damage to physical assets). Morgan Stanley may incur operational risk across the full scope of its business activities, including revenue-generating activities (e.g. sales and trading) and support and control groups (e.g. information technology and trade processing). ***Liquidity and Funding Risk:*** Liquidity is essential to Morgan Stanley's businesses and Morgan Stanley relies on external sources to finance a significant portion of its operations. Morgan Stanley's borrowing costs and access to the debt capital markets depend on its credit ratings. Morgan Stanley is a holding company, has no operations and depends on dividends, distributions and other payments from its subsidiaries. Further, Morgan Stanley's liquidity and financial condition have in the past been, and in the future could be, adversely affected by U.S. and international markets and economic conditions. As a result of the foregoing, there is a risk that Morgan Stanley will be unable to finance its operations due to a loss of access to the capital markets or difficulty in liquidating its assets. Additionally, there is a risk that Morgan Stanley's financial condition or overall soundness is adversely affected by an inability or perceived inability to meet its financial obligations in a timely manner. Morgan Stanley also experiences associated funding risks triggered by the market or idiosyncratic stress events that may cause unexpected changes in funding needs or an inability to raise new funding. ***Legal, Regulatory and Compliance Risk:*** Morgan Stanley is subject to the risk of legal or regulatory sanctions, material financial loss including fines, penalties, judgments, damages and/or settlements, or loss to reputation it may suffer as a result of its failure to comply with laws, regulations, rules, related self-regulatory organization standards and codes of conduct applicable to its business activities. Morgan Stanley is also subject to contractual and commercial risk, such as the risk that a counterparty's performance obligations will be unenforceable. Additionally, Morgan Stanley is subject to anti-money laundering, anti-corruption and terrorist financing rules and regulations. ***Risk Management:*** Morgan Stanley's risk management strategies, models and processes may not be fully effective in mitigating its risk exposures in all market environments or against all types of risk. ***Competitive Environment***: Morgan Stanley faces strong competition from other financial services firms, which could lead to pricing pressures that could materially adversely affect its revenue and profitability.

		Further, automated trading markets may adversely affect Morgan Stanley's business and may increase competition (for example, by putting increased pressure on bid-offer spreads, commissions, markups or comparable fees). Finally, Morgan Stanley's ability to retain and attract qualified employees is critical to the success of its business and the failure to do so may materially adversely affect its performance. ***International Risk:*** Morgan Stanley is subject to numerous political, economic, legal, tax, operational, franchise and other risks as a result of its international operations (including risks of possible nationalization, expropriation, price controls, capital controls, exchange controls, increased taxes and levies and other restrictive governmental actions, as well as the outbreak of hostilities or political and governmental instability) which could adversely impact its businesses in many ways. The United Kingdom's anticipated withdrawal from the European Union could adversely affect Morgan Stanley. ***Acquisition, Divestiture and Joint Venture Risk:*** Morgan Stanley may be unable to fully capture the expected value from acquisitions, divestitures, joint ventures, minority stakes or strategic alliances. ***Risk Relating to the Exercise of Resolution Measures Powers:*** The application of regulatory requirements and strategies in the United States or other jurisdictions to facilitate the orderly resolution of large financial institutions may pose a greater risk of loss for Morgan Stanley's security holders and subject Morgan Stanley to other restrictions. [*insert for MSBV*: All material assets of MSBV are obligations of (or securities issued by) one or more Morgan Stanley Group companies. If any of these Morgan Stanley Group companies incurs losses with respect to any of its activities (irrespective of whether those activities relate to MSBV or not) the ability of such company to fulfil its obligations to MSBV could be impaired, thereby exposing holders of securities issued by MSBV to a risk of loss.] [*insert for MSFL*: MSFL has no independent operations beyond the issuance and administration of its securities and is expected to have no independent assets available for distributions to holders of MSFL Notes if they make claims in respect of the Notes in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related Guarantee by Morgan Stanley and that Guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights. Holders will have recourse only to a single claim against Morgan Stanley and its assets under the Guarantee. Holders of Notes issued by MSFL should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley-issued securities.] [*insert for MSI plc:* The existence of substantial inter-relationships (including the provision of funding, capital, services and logistical support to or by MSI plc, as well as common or shared business or operational platforms or systems, including employees) between MSI plc and other Morgan Stanley Group companies exposes MSI plc to the risk that, factors which could affect the business and condition of Morgan Stanley or other companies in the Morgan Stanley Group may also affect the business and condition of MSI plc. Further, Notes issued by MSI plc will not be guaranteed by Morgan Stanley. The application of regulatory requirements and strategies in the United Kingdom to facilitate the orderly resolution of large financial institutions may pose a greater risk of

		loss for the holders of securities issued by MSI plc.]
[Delete the Element D.3 if the Notes are derivative instruments to which Annex XII of the Regulation applies]		
D.3	**Key Risks Specific to the Notes:**	The securities are subject to the following risks: (*include all that apply)* • THE NOTES ARE NOT DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION, THE UK FINANCIAL SERVICES COMPENSATION SCHEME, OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK. • [Investors may receive no or a limited amount of interest] • [Payments may occur at a different time than expected] • [Secondary trading of the Notes may be limited. Further, if the Notes are traded via one or more electronic trading systems and these systems become partially or completely unavailable, this would affect the investor's ability to trade the Notes.] • [Because the [Global Note Certificates] may be held by or on behalf of a clearing system investors will have to rely on such clearing system's procedures for transfer, payment and communication with the relevant Issuer.] • [The terms and conditions applicable to the Notes permit defined majorities to bind all holders of the Notes, including those who did not attend and vote at the relevant meeting.] • [The Issuer may enter into distribution agreements with various financial institutions and other intermediaries as determined by the Issuer, (i) to whom a periodic fee may be payable and (ii) who may sell the Notes to investors at a price different from the price at which they purchase the Notes.] • [The occurrence of a settlement disruption event may delay the delivery of specified assets required to be delivered as the Physical Delivery Amount, and may affect the value of the Notes.] • [Payments on a Note issued by Morgan Stanley or MSFL may be subject to U.S. withholding tax of 30 per cent. if the beneficial owner of the Note does not meet the criteria for being exempt from this withholding tax including the requirement that the beneficial owner (and any financial institution holding the Note on behalf of the beneficial owner) comply with certain U.S. tax identification and certification requirements. If withholding is so required, none of the Issuers, the Guarantor or any intermediary will be required to pay any additional amounts with respect to the amounts so withheld.]

		• [U.S. federal tax rules commonly referred to as "**FATCA**" may impose a withholding tax of 30 per cent. on payments made on the Notes (including payments made by financial intermediaries), unless various U.S. information reporting and due diligence requirements have been satisfied. If withholding is so required, none of the Issuers, the Guarantor or any intermediary will be required to pay any additional amounts with respect to the amounts so withheld.] • [U.S. federal tax law may impose a withholding tax of up to 30 per cent. on payments or deemed payments made to non-U.S. persons that are contingent upon or determined directly or indirectly by reference to U.S.-source dividends. If withholding is so required, none of the Issuers, the Guarantor or any intermediary will be required to pay any additional amounts with respect to the amounts so withheld.] • [Notes may be redeemed early if the Issuer [or Guarantor] is obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes or such levies.] • [Notes may be redeemed early at the option of the Issuer.] • [If an event of default occurs in respect of the Issuer, investor would have an unsecured claim against the Issuer for the amount due on the early redemption of the Notes.] • [Unless otherwise stated in the terms and conditions applicable to the Notes, the Notes issued by MSBV and MSFL will not have the benefit of any cross-default or cross-acceleration with other indebtedness of MSBV, MSFL or Morgan Stanley (as applicable). In addition, a covenant default by Morgan Stanley, as guarantor, or an event of bankruptcy, insolvency or reorganization of Morgan Stanley, as guarantor, does not constitute an event of default with respect to any notes issued by MSBV or MSFL.] • [*insert for Morgan Stanley, MSI plc or MSBV:* [An Issuer may amend the terms and conditions of the Notes[, the Guarantee] and the deed of covenant dated 17 July 2013 (as amended or supplemented from time to time) in relation to, amongst others, the Notes, without Noteholder consent if, in its opinion, such amendments are not materially prejudicial to Noteholders]] • [*insert for MSFL:* [An Issuer may amend the terms and conditions of the Notes[, the Guarantee] and the deed of covenant dated 21 October 2016 (as amended or supplemented from time to time) in relation to, amongst others, the Notes, without Noteholder consent if, in its opinion, such amendments are not materially prejudicial to Noteholders]] • General exchange rate and exchange control risks, including the risk that exchange rates will affect an investment in the Notes, the risk of the Issuer's lack of any control over exchange rates and the risk that some

		currencies may become unavailable and of an alternative payment method used if the payment currency becomes unavailable. • [*Insert for Notes with Call Option*: The Issuer has the right to terminate the Notes on any Call Option Date at a pre-determined amount which may be less than the amount that the investors would have been entitled to receive under the terms of the Notes if such Call Option had not been exercised. The Issuer might exercise the Call Option at a time in which the termination of the Notes is least favourable for the investors, and therefore this can limit the possibility for investors to realise in full the expected returns. If the Issuer exercises the Call Option, investors generally might not be able to reinvest the termination proceeds at a rate of returns comparable with that provided by the Notes.] • [*Insert for "capitalised" notes:* The investor will not receive any periodic or other payment of interest on the Notes prior to the Maturity Date.] • [*Insert if Specified Rate is less than 100%:* The formula for calculation of [interest] [and] [redemption] amounts payable on the Notes applies a Specified Rate, which is less than 100%, and accordingly, payments on the Notes will be less than if the formula calculation applied without the application of the Specified Rate.] • An investment in the Notes bears the risk that the Issuer [or the Guarantor] is not able to fulfil its obligations in respect of such Notes at maturity or before maturity of the Notes. **In certain circumstances holders may lose all or a substantial portion of their principal or investment.** • The Issuer has the right to withdraw the offering of the Notes and cancel the issuance of the Notes prior to the end of the subscription period for any reason. Reasons for the cancellation of the offer include, in particular: (i) adverse market conditions, as determined by the Issuer in its reasonable discretion (such as, for example, increased equity market volatility and increased currency exchange rate volatility); or (ii) that the number of applications received at that time is insufficient, in the Issuer's opinion, to make an economically viable issuance.
[Delete the Element D.6 if the Notes are debt instruments to which Annex V or Annex XIII of the Regulation applies]		
D.6	**Key information on the key risks that are specific to the Notes and risk warning to the effect that investors may lose the value of their entire investment or part of it:**	The securities are subject to the following risks: (*include all that apply)* • THE NOTES ARE NOT DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION, THE UK FINANCIAL SERVICES COMPENSATION SCHEME, OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

		• [Investors may receive no or a limited amount of interest] • [Payments may occur at a different time than expected] • [**Investors may lose all or a substantial portion of their investment if the value / performance of the Relevant Underlying does not move in the anticipated direction**] • [The terms of certain Notes differ from those of ordinary debt securities because the Notes may not pay interest and, on maturity, depending on the performance of the Relevant Underlying, may return less than the amount invested or nothing, or may return assets or securities of an issuer that is not affiliated with the Issuer, the value of which is less than the amount invested.] • [Any person intending to use the Notes as a hedge instrument should recognise that the Notes may not hedge exactly a Relevant Underlying or portfolio of which a Relevant Underlying forms a part.] • [Secondary trading of the Notes may be limited. Further, if the Notes are traded via one or more electronic trading systems and these systems become partially or completely unavailable, this would affect the investor's ability to trade the Notes.] • [Potential conflicts of interest may exist between the investor and the Determination Agent, who, under the terms of the Notes, may make such adjustments as it considers appropriate as a consequence of certain events affecting the Relevant Underlying, and in doing so, is entitled to exercise substantial discretion.] • [Because the [Global Note Certificates] may be held by or on behalf of a clearing system investors will have to rely on such clearing system's procedures for transfer, payment and communication with the relevant Issuer.] • [The terms and conditions applicable to the Notes permit defined majorities to bind all holders of the Notes, including those who did not attend and vote at the relevant meeting.] • [The Issuer may enter into distribution agreements with various financial institutions and other intermediaries as determined by the Issuer, (i) to whom a periodic fee may be payable and (ii) who may sell the Notes to investors at a price different from the price at which they purchase the Notes.] • [The occurrence of a settlement disruption event may delay the delivery of specified assets required to be delivered as the Physical Delivery Amount, and may affect the value of the Notes.] • [Payments on a Note issued by Morgan Stanley or MSFL may be subject to U.S. withholding tax of 30 per cent. if the beneficial owner of the Note does not meet the criteria for being exempt from this withholding tax including the requirement that the beneficial owner (and any financial institution holding the Note on behalf of the beneficial owner) complies with certain U.S. tax identification and certification requirements.

		If withholding is so required, none of the Issuers, the Guarantor or any intermediary will be required to pay any additional amounts with respect to the amounts so withheld.] • [U.S. federal tax rules commonly referred to as "**FATCA**" may impose a withholding tax of 30 per cent. on payments made on the Notes (including payments made by financial intermediaries), unless various U.S. information reporting and due diligence requirements have been satisfied. If withholding is so required, none of the Issuers, the Guarantor or any intermediary will be required to pay any additional amounts with respect to the amounts so withheld.] • [U.S. federal tax law may impose a withholding tax of up to 30 per cent. on payments or deemed payments made to non-U.S. persons that are contingent upon or determined directly or indirectly by reference to U.S.-source dividends. If withholding is so required, none of the Issuers, the Guarantor or any intermediary will be required to pay any additional amounts with respect to the amounts so withheld.] • [Notes may be redeemed early if the Issuer [or Guarantor] is obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes or such levies.] • [Notes may be redeemed early at the option of the Issuer.] • [If an event of default occurs in respect of the Issuer, investor would have an unsecured claim against the Issuer for the amount due on the early redemption of the Notes.] • [Unless otherwise stated in the terms and conditions applicable to the Notes, the notes issued by MSBV and MSFL will not have the benefit of any cross-default or cross-acceleration with other indebtedness of MSBV, MSFL or Morgan Stanley (as applicable). In addition, a covenant default by Morgan Stanley, as guarantor, or an event of bankruptcy, insolvency or reorganization of Morgan Stanley, as guarantor, does not constitute an event of default with respect to any notes issued by MSBV or MSFL.] • [*insert for Morgan Stanley, MSI plc or MSBV:* [An Issuer may amend the terms and condition of the Notes[, the Guarantee] and the deed of covenant dated 17 July 2013 (as amended or supplemented from time to time) in relation to, amongst others, the Notes, without Noteholder consent if, in its opinion, such amendments are not materially prejudicial to Noteholders]] • [*insert for MSFL:* [An Issuer may amend the terms and condition of the Notes[, the Guarantee] and the deed of covenant dated 21 October 2016 (as amended or supplemented from time to time) in relation to, amongst others, the Notes, without Noteholder consent if, in its opinion, such amendments are not materially prejudicial to Noteholders]]

		• [*insert for all Linked Notes:* The market price of Notes may be very volatile. Further, investors in Notes may receive no interest and payment or payment of principal or interest, if applicable, may occur at a different time or in a different currency than expected. The Relevant Underlying may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices. The timing of changes in a Relevant Underlying may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Underlying the greater the effect on yield.] • [*insert for all Linked Notes:* It is impossible to predict how the level of the Relevant Underlying will vary over time. The historical performance value (if any) of the Relevant Underlying does not indicate the future performance of the Relevant Underlying. Factors such as volatility, [distributions on the Relevant Underlying,] interest rates, remaining term of the Notes or exchange rates will influence the price investors will receive if an investor sells its Notes prior to maturity.] • [Notes linked to [an emerging market [security] / [ETF] / [fund] / [currency]] / [a basket of [emerging market securities] / [indices composed, in part or in whole, of emerging market securities] / [[ETFs]/[funds] composed, in part of in whole, of emerging market [ETFs]/[funds] are subject to a higher risk of fluctuations in trading prices.] • [The Issuer's and/or its affiliates' hedging costs tend to be higher the less liquidity the Relevant Underlying has or the greater the difference between the "buy" and "sell" prices for the Relevant Underlying or derivatives contracts referenced to the Relevant Underlying, and this may impact payments on the Notes.] • [The issuer of the Relevant Underlying will not be an affiliate of the Issuer, but the Issuer and its affiliates may presently or from time to time engage in business with such issuer of the Relevant Underlying.] • General exchange rate and exchange control risks, including the risk that exchange rates will affect an investment in the Notes, the risk of the Issuer's lack of any control over exchange rates and the risk that some currencies may become unavailable and of an alternative payment method used if the payment currency becomes unavailable. • [The Determination Agent may determine that a Disruption Event has occurred and such events can affect the Relevant Underlying and lead to adjustments and/or early redemption of the Notes.] • [*Insert for Notes with Call Option*: The Issuer has the right to terminate the Notes on any Call Option Date at a pre-determined amount which may be less than the amount that the investors would have been entitled to receive under the terms of the Notes if such Call Option had not been exercised. The Issuer might exercise the Call Option at a time in which the termination of the Notes is least favourable for the investors, and therefore this can limit the possibility for investors to realise in

		full the expected returns. If the Issuer exercises the Call Option, investors generally might not be able to reinvest the termination proceeds at a rate of returns comparable with that provided by the Notes.] • [*insert for Fund-Linked Notes:* Investments offering direct or indirect exposure to the performance of funds are generally considered to be particularly risky and may bear similar risks, including but not limited to, market risks to a direct investment in funds. The risks associated with investing in Fund-Linked Notes are similar to the risks attached to a direct investment in the underlying fund or funds.] • [*insert for Index-Linked Notes:* Indices are comprised of a synthetic portfolio of other assets, and its performance may be dependent on the performance of such assets. Returns on the Notes do not reflect a direct investment in underlying shares or other assets comprising the Index. A change in the composition or discontinuance of an Index could adversely affect the market value of the Notes. Notes are not sold or promoted by an Index or the sponsor of such Index. The Issuer or its affiliates are not liable for the actions or omissions of the sponsor of an Index, any information concerning an Index, the performance of such Index or use thereof in connection with the Notes.] • [*Insert for Share-Linked Notes:* No issuer of the Share(s) has participated in the preparation of the Final Terms or in establishing the terms of the Share-Linked Notes. Macroeconomic factors affecting the performance of Shares may adversely affect the value of the Share-Linked Notes. Holders have no claim against the Share Issuer(s) or recourse to the Shares.] • [*Insert for Commodity- Linked Notes:* Macroeconomic factors affecting the value of commodities and commodity indices may adversely affect the value of the Commodity-Linked Notes. Holders have no recourse to the Commodities.] • [*Insert for Preference Share Linked Notes:* The value of the Preference Shares may fluctuate up or down depending on the performance of the relevant underlying asset(s) or basis of reference to which Preference Shares are linked. The value of the Preference Share Linked Notes is dependent on the value of the Preference Shares, which will depend in part on the creditworthiness of Preference Share Issuer. [*Insert if Underlying Determination Event applies:* If the Preference Shares become subject to redemption pursuant to the "underlying determination event" provisions contained in their terms and conditions, the Maturity Date of the Notes and thereby valuation of the Preference Shares, will be brought forward and fall earlier than would otherwise have been the case.]] • [*Insert for Notes linked to a Basket:* The investors will bear the risk of the performance of each of the Basket Components. A high correlation of Basket Components may have a significant effect on amounts payable. The negative performance of a single Basket Component may outweigh a positive performance of one or more

		other Basket Components.] • [*Insert for caps.* Amounts payable on the Notes are limited by the caps on value / performance of the Relevant Underlying applicable to the Notes.] • [*Insert for baskets with unequal weighting, small baskets and for Best of/Worst of/ Selection of Average features:* The Notes are linked to a [small] [and] [unequally weighted Basket] [and determinations of amounts payable take into account the average value and/or performance of only a limited number of the components] and this will generally leave the Basket more vulnerable to changes in the value of any particular Relevant Underlying.] • [*Insert for "Worst of Basket Performance feature:* Amounts payable in respect of the Notes are linked to the value / performance of the worst performing Basket Component, irrespective on the value / performance of the other Basket Components.] • [*Insert for "capitalised" notes:* The investor will not receive any periodic or other payment of interest on the Notes prior to the Maturity Date.] • [*Insert if Participation Rate is less than 100%:* The formula for calculation of [interest] [and] [redemption] amounts payable on the notes applies a Participation Rate, which is less than 100%, and accordingly, payments on the Notes will be less than if linked to the full value of the performance of the Relevant Underlying.] • [*Insert if Specified Rate is less than 100%:* The formula for calculation of [interest] [and] [redemption] amounts payable on the Notes applies a Specified Rate, which is less than 100%, and accordingly, payments on the Notes will be less than if the formula calculation applied without the application of the Specified Rate.] • [*Insert for Barrier feature:* Payment of [interest] [and] [redemption] and [early redemption] amounts on the Notes is conditional on the value or performance of the Relevant Underlying being [greater than [or equal to]] / [less than [or equal to]] a specified barrier value, and if such condition (a "**barrier condition**") is not satisfied, then [the amount of interest payable will be zero]/[a lower amount is payable than would otherwise have been payable on the notes. [Further, the barrier condition needs to be satisfied by the value / performance of the worst performing Basket Component, irrespective of the performance of the other Basket Components.]] • [*Insert for Memory Double Barrier feature:* Payment of interest amounts on the Notes is conditional on the value or performance of the Relevant Underlying being both (A) [greater than [or equal to]] a specified barrier value and (B) / [less than [or equal to]] a specified barrier value, and if such condition (a "**barrier condition**") is not satisfied, then the amount of interest payable will be zero. [Further, the barrier condition needs to be satisfied by the value / performance of the worst performing Basket Component, irrespective of

		the performance of the other Basket Components.]] • [*Insert for Autocall:* The Notes will be redeemed early if the Relevant Underlying Value [of the worst performing Basket Component] on any Automatic Early Redemption Valuation Date is [greater than [or equal to]] / [less than [or equal to]] a specified barrier value.] • [*Insert if Put Performance is applicable:* In certain circumstance, the performance of the Relevant Underlying will be determined by reference to the value obtained by subtracting from one the value which is the Final Reference Value divided by the Initial Reference Value. Unlike where the performance of the Relevant Underlying is determined without reference to Put Performance, this value will always be lower than 1 and the relevant payment will be less than if Put Performance was not applicable.] • [*Insert if Optimised Performance (Type 1) or (Type 2) is applicable and the highest of the Initial Reference Values across specified observation dates is to be used to determine performance*: The performance of the Relevant Underlying will be determined by reference to the highest of the Initial Reference Values observed across specified observation dates, and accordingly the performance of the Relevant Underlying will be (and any payment on the Notes which reference such performance will be) lower than if the lowest of the Initial Reference Values was used.] An investment in the Notes bears the risk that the Issuer [or the Guarantor] is not able to fulfil its obligations in respect of such Notes at maturity or before maturity of the Notes. **In certain circumstances holders may lose all or a substantial portion of their principal or investment.** [*insert if the Notes are not capital protected:* ***WARNING: INVESTORS IN NOTES CONSTITUTING DERIVATIVE SECURITIES UNDER REGULATION EC/809/2004, AS AMENDED, MAY LOSE THE VALUE OF THEIR ENTIRE INVESTMENT, OR PART OF IT***.]
		Section E - Offer
[Delete the Element E.2b if the Notes are debt securities to which Annex XIII of the Regulation applies]		
E.2b	**Reasons for the Offer and Use of Proceeds:**	The net proceeds from the sale of each issue of Notes by Morgan Stanley, MSI plc or MSBV will be used by the relevant Issuer for [general corporate purposes] [and/or] [in connection with hedging its obligations under the Notes] / [*specify other*]. [*Include if Issuer is MSBV*: In respect of MSBV, at least 95% of the proceeds will be invested (uitzetten) within the group of which it forms part.] [*Include if Issuer is MSFL:* MSFL intends to lend the net proceeds from the sale of the Notes it offers to Morgan Stanley. Morgan Stanley intends to use the proceeds from such loans for general corporate purposes] / [*specify other*].
[Delete the Element E.3 if the Notes are debt securities to which Annex XIII of the Regulation applies]		

E.3	**Terms and Conditions of the Offer:**	Conditions, offer statistics, expected timetable and action required to apply for the offer [The conditions to which the offer is subject are [●].] [The total amount of the offer is [●].] [The total size of the offer is not fixed at the time of the Issue. The arrangements and time for announcing to the public the definitive amount of the offer are: [●].] [The Offer Period is [the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●]]/[the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] for the Notes that will be offered by means of ["online selling"]/["door-to-door" selling]]] (*delete as appropriate*) [Description of the application process: [●].] [Description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants: [●].] [The minimum amount of application is [●]] [and] [[t]/[T]he maximum amount of application is [●]]. [Description of the method and time limits for paying up the securities and for delivery of the securities: [●].] [Description of the manner and date on which results of the offer are to be made public: [●].] Plan of distribution and allotment [The Notes are offered to [●].] [The Notes are being offered [simultaneously] in [●][,[●]… and [●]].] [Tranche [●] of the Notes is reserved for offer in [●][,[●]… and [●]].] [The process for notification to applicants of the amount allotted is [●]]. [Dealing in the Notes [may] / [may not] begin before applicants are notified of the amount allotted to each applicant.] Pricing [The Notes will be offered at the Issue Price, being [●]] / [The Notes will be offered at [●]] / [The price at which the Notes will be offered will be determined at the end of the period for which such Notes are offered to the public [subject to a minimum offer price of [●]] [and] [subject to a maximum offer price of [●]]. Once so determined, the price at which the Notes will be offered will be disclosed [*describe manner of disclosure*].] [**Indicative amounts**: If the Notes are being offered by way of a public offer and any specified product values are not fixed or determined at the commencement of the Offer Period, these specified product values will specify an indicative amount, indicative minimum amount, an indicative maximum amount or any combination thereof. In such case, the relevant specified product value(s) shall be the value determined based on market conditions by the Issuer on or around the end of the Offer Period. Notice of the relevant specified product value will be published [*insert website address*] prior to the Issue Date.] Placing and Underwriting [Name and address of the co-ordinator of the global offer: [●]] [Name and address of the co-ordinator of the offer in [●][, [●]… and [●]]:[●]] [To the knowledge of the Issuer, [●][, [●] and [●]] are the placers in respect of the Notes in [*specify countries*]] Paying Agent[s]: [●][, [●]…[●]]

		[Name and address of entities who have agreed to underwrite the issuance of the Notes on a firm commitment basis: [●][, [●] [●]] [Name and address of the entities who have agreed to place the issuance of the Notes [without a firm commitment] / [under "best efforts" arrangements]: [●][, [●] [●]] [Portion of the issuance of Notes which is not underwritten: [●]] [Material features of the agreements with the underwriters: [●][, [●]…[●]]. [Overall amount of [underwriting commission] [and] [placing] commission: [●]] [An underwriting agreement [has been] / [is expected to be] agreed on [●]] [Calculation Agent: [●]] [Determination Agent: [●]]
[Delete the Element E.4 if the Notes are debt securities to which Annex XIII of the Regulation applies]		
E.4	**Interests Material to the Issue:**	Subject to potential conflicts between the investor and the Determination Agent[, notably when MSI plc acts both as Issuer and Determination Agent,] [or] [when MSI plc and other affiliates or subsidiaries of Morgan Stanley carry out hedging activities or trades], [each of] [Morgan Stanley [and MSBV]/[and MSFL]] / [MSI plc] [do]/[does] not have interests material to the issue.
E.7	**Estimated Expenses charged to the investor by the Issuer or the offeror:**	[Estimated expenses charged to the investor by the relevant Issuer or the offeror are [●].] / [No expenses will be charged by the Issuer to the investor, however a subscription charge of up to [specify amount] may be charged by the Authorised Offeror] / [Not applicable. There are no estimated expenses charged to the investor by the Issuer [or the Authorised Offeror].]

RISK FACTORS RELATING TO THE NOTES

Prospective investors should read the entire Base Prospectus (and where appropriate, any relevant Final Terms). Words and expressions defined elsewhere in this Base Prospectus have the same meanings in this section.

*Prospective investors should consider the section entitled "Risk Factors" at pages 2 to 17 in the Registration Document dated 09 June 2017, as supplemented by the First Supplement to the Registration Document dated 25 August 2017, (the "**Registration Document**") in respect of Morgan Stanley, MSI plc, MSBV and MSFL referred to in the section entitled "Incorporation by Reference" in this Base Prospectus and the factors described below and consult with their own professional advisors if they consider it necessary. Each of the Issuers and the Guarantor believe that such factors represent the principal risks inherent in investing in Notes issued under the Program but the inability of an Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons, which may not be considered significant risks by such Issuer based on information currently available to it or which it may not currently be able to anticipate.*

The Issuers, the Guarantor and MSI plc as Distribution Agent, disclaim any responsibility to advise prospective purchasers of any matters arising under the laws of the country in which they reside that may affect the purchase of, or holding of, or the receipt of payments on the Notes. These persons should consult their own legal and financial advisors concerning these matters. This section describes generally the most significant risks of investing in Notes linked to one or more Relevant Underlyings such as interest rates, swap rates, shares, equity indices, exchange traded funds, commodities or commodity indices, inflation indices, other indices, currencies, funds and one or more preference shares. Each investor should carefully consider whether the Notes, as described herein and in the applicable Final Terms, are suited to its particular circumstances before deciding to purchase any Notes.

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1. *Risk Factors relating to the Issuers and Guarantor*

1.1 *Credit risk*

Holders of Notes issued by Morgan Stanley or MSI plc bear the credit risk of the relevant Issuer, that is the risk that the relevant Issuer is not able to meet its obligations under such Notes, irrespective of whether such Notes are referred to as capital or principal protected or how any principal, interest or other payments under such Notes are to be calculated. Holders of Notes issued by MSBV or MSFL bear the credit risk of the relevant Issuer and/or the Guarantor, that is the risk that the relevant Issuer and/or the Guarantor is not able to meet its obligations under such Notes, irrespective of whether such Notes are referred to as capital or principal protected or how any principal, interest or other payments under Notes are to be calculated.

1.2 ***Issuer's credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign credit ratings to the Issuer and/or the Guarantor (if applicable). The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold Notes and may be revised or withdrawn by the rating agency at any time.

1.3 ***The Issuer or the Guarantor may be substituted without the consent of the holders of Notes***

The Issuer may, without the consent of Noteholders and provided certain conditions are satisfied, agree to (i) substitute Morgan Stanley (in the case of MSBV Notes, MSFL Notes or MSI plc Notes only) or a subsidiary of Morgan Stanley in place of the Issuer or (ii) substitute a non-Morgan Stanley Group entity in place of the Issuer or the Guarantor (in the case of MSBV Notes or MSFL Notes) (provided that such non-Morgan Stanley Group entity is of at least the equivalent creditworthiness to the Issuer or Guarantor, as applicable).

2. ***Risk Factors relating to conflicts of interest***

2.1 ***Potential conflicts of interest between the investor and the Determination Agent due to the hedging and trading activities of Morgan Stanley Group.***

Potential conflicts of interest may exist between the investor and the Determination Agent, which may be an affiliate of the relevant Issuer and the Guarantor, if applicable. Certain determinations made by the Determination Agent may require it to exercise discretion and make subjective judgments. As Determination Agent for Notes linked to one or more Relevant Underlyings, Morgan Stanley & Co. International plc (or an affiliate) may make determinations under the Notes based on its determination of the performance of the Relevant Underlying(s) or of the impact of certain events in relation to the Relevant Underlying(s), including potential adjustments to the terms and conditions, potential early redemption, and the determination of the payout on the Notes. Morgan Stanley & Co. International plc (and other affiliates) may also carry out hedging activities related to any Notes linked to one or more Relevant Underlyings. Morgan Stanley & Co. International plc (and certain of Morgan Stanley's other subsidiaries) may also trade in the Relevant Underlying(s) (or the applicable underlying securities or other assets comprised in the relevant index or other Relevant Underlying) on a regular basis as part of their general broker-dealer and other businesses. Any of these hedging or trading activities could influence the Determination Agent's potentially subjective determination of whether and/or which adjustments should be made to the Notes, and any such hedging or trading activities could potentially affect the price, rate, level or other value of the Relevant Underlying(s), and, accordingly, could have a significant negative (or positive) impact on the investor's return on the Notes.

2.2 ***Effect on the Notes of hedging transactions by the Issuer***

The Issuer may use a portion of the total proceeds from the sale of the Notes for transactions to hedge the risks of the Issuer relating to the Notes. In such case, the Issuer or any of its Affiliates may conclude transactions that correspond to the obligations of the Issuer under the Notes. As a rule, such transactions are concluded prior to or on the Issue Date, but it is also possible to conclude such transactions after issue of the Notes. On or before a valuation date the Issuer or any of its Affiliates may take the steps necessary for closing out any hedging transactions. It cannot, however, be ruled out that the price of a Relevant Underlying will be influenced by such transactions. Entering into or closing out these hedging transactions may influence the probability of occurrence or non-occurrence of determining events in the case of Notes with a value based on the occurrence of a certain event in relation to a Relevant Underlying. Also, as noted above, these hedging activities could affect the price, rate, level or other value of the Relevant Underlying(s). Accordingly, the hedging activities of the Issuer and its affiliates could have a significant negative (or positive) impact on the investor's return on the Notes.

3. ***Risk Factors relating to some or all of the Notes***

3.1 ***Investors risk losing all of their investment in the Notes***

Potential investors should be aware that depending on the terms of the Relevant Notes (i) they may receive no or a limited amount of interest, (ii) payments may occur at a different time than expected and (iii) **except in the case of Notes which are scheduled to repay 100 per cent. of their principal and where the Issuer (and, where applicable, the Guarantor) does not fail to make such payment, they may lose all or a substantial portion of their investment if the value / performance of the Relevant Underlying does not move in the anticipated direction.**

3.2 ***The value of the Notes may be influenced by unpredictable factors***

The value of the Notes may be influenced by several factors beyond the Issuer's, and/or its Affiliates' and, where applicable, the Guarantor's control including:

(1) *Valuation of the Relevant Underlying*. The market price or value of a Note at any time is expected to be affected primarily by changes in the level of the Relevant Underlying to which the Notes are linked. It is impossible to predict how the level of the Relevant Underlying will vary over time. The historical performance value (if any) of the Relevant Underlying does not indicate the future performance of the Relevant Underlying. Factors which may have an effect on the value of the Relevant Underlying include the rate of return of the Relevant Underlying and, where relevant, the financial position and prospects of the issuer of the Relevant Underlying, the market price or value of the applicable underlying security, index, ETF, commodity, fund or basket of securities, indices, ETFs, commodities or funds. In addition, the level of the Relevant Underlying may depend on a number of inter-related factors, including economic, financial and political events and their effect on the capital markets generally and relevant stock exchanges. Potential investors should also note that whilst the market value of the Notes is linked to the Relevant Underlying and will be influenced (positively or negatively) by the Relevant Underlying, any change may not be comparable and may be disproportionate. It is possible that while the Relevant Underlying is increasing in value, the value of the Notes may fall. Further, the 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 or price sources are affected by market disruption, adjustment events or circumstances affecting normal activities;

(2) *Volatility*. The term "volatility" refers to the actual and anticipated frequency and magnitude of changes of the market price with respect to a Relevant Underlying. Volatility is affected by a number of factors such as macroeconomic factors (i.e. those economic factors which have broad economic effects), speculative trading and supply and demand in the options, futures and other derivatives markets. Volatility of a Relevant Underlying will move up and down over time (sometimes more sharply than at other times) and different Relevant Underlyings will most likely have separate volatilities at any particular time;

(3) *Dividend Rates and other Distributions*. The value of certain Equity-Linked Notes and Fund-Linked Notes could, in certain circumstances, be affected by fluctuations in the actual or anticipated rates of dividend (if any) or other distributions on a Relevant Underlying;

(4) *Interest Rates*. Investments in the Notes may involve interest rate risk. The interest rate level may fluctuate on a daily basis and cause the value of the Notes to change on a daily basis. The interest rate risk is a result of the uncertainty with respect to future changes of the market interest rate level. Even if the Notes are "100% principal protected" (that is, scheduled to pay back 100% of their principal at maturity), this is subject to the Issuer and, if applicable, the Guarantor not being insolvent and not failing to make its full payment obligations at maturity;

(5) *Remaining Term*. Generally, the effect of pricing factors over the term of the Notes will decrease as the maturity date approaches. However, this reduction in the effect of pricing factors will not necessarily develop consistently up until the maturity date, but may undergo temporary acceleration and/or deceleration. Even if the price of the Relevant Underlying rises or falls there may a reduction or increase, as the case may be, in the value of the Notes due to the other value determining factors. Given that the term of the

Notes is limited, investors cannot rely on the price of the Relevant Underlying or the value of the Notes recovering again prior to maturity;

(6) *Creditworthiness*. Any prospective investor who purchases the Notes is relying upon the creditworthiness of the Issuer and/or the Guarantor, if applicable, and has no rights against any other person. If the Issuer and/or the Guarantor, if applicable, becomes insolvent, investors may suffer potential loss of their entire investment irrespective of any favourable development of the other value determining factors, such as a Relevant Underlying; and

(7) *Exchange Rates*. Even where payments in respect of the Notes are not expressly linked to a rate or rates of exchange between currencies, the value of the Notes could, in certain circumstances, be affected by such factors as fluctuations in the rates of exchange between any currency in which any payment in respect of the Notes is to be made and any currency in which a Relevant Underlying is traded, appreciation or depreciation of any such currencies and any existing or future or governmental or other restrictions on the exchangeability of such currencies. There can be no assurance that rates of exchange between any relevant currencies which are current rates at the date of issue of the Notes will be representative of the relevant rates of exchange used in computing the value of the Notes at any time thereafter. Where Notes are described as being "quantoed", the value of the Relevant Underlying will be converted from one currency (the "Relevant Underlying Currency") into a new currency (the "Settlement Currency") on the date and in the manner specified in, or implied by, the Conditions using a fixed exchange rate. The cost to the Issuer of maintaining such a fixing between the Relevant Underlying Currency and the Settlement Currency will affect the payout on the Notes and their value. No assurance can be given as to whether or not, taking into account relative exchange rate and interest rate fluctuations between the Relevant Underlying Currency and the Settlement Currency, a quanto feature in a Note would enhance the return on the Note over a level of a similar security issued without such a quanto feature, and a quanto feature may worsen the return.

Some or all of the above factors will influence the price investors will receive if an investor sells its Notes prior to maturity, which is usually referred to as "secondary market practice". For example, investors may have to sell certain Notes at a substantial discount from the principal amount or investment amount if the market price or value of the applicable Relevant Underlying is at, below, or not sufficiently above the initial market price or value or if market interest rates rise. The secondary market price may be lower than the market value of the issued Notes as at the Issue Date to take into account, amongst other things, amounts paid to distributors and other intermediaries relating to the issue and sale of the Notes and amounts relating to the hedging of the Issuer's obligations. As a result of all of these factors, any investor that sells the Notes before the stated expiration or maturity date, may receive an amount in the secondary market which may be less than the then intrinsic market value of the Notes and which may also be less than the amount the investor would have received had the investor held the Notes through to maturity.

3.3 ***As a finance subsidiary, MSFL has no independent operations and is expected to have no independent assets***

The principal risks with respect to Morgan Stanley described in the Registration Document will also represent the principal risks with respect to MSFL, either as an individual entity or as part of the Morgan Stanley Group.

MSFL has no independent operations beyond the issuance and administration of its securities and is expected to have no independent assets available for distributions to holders of MSFL Notes if they make claims in respect of the Notes in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related Guarantee by Morgan Stanley and that Guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights. Holders will have recourse only to a single claim against Morgan Stanley and its assets under the Guarantee. Holders of Notes issued by MSFL should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the

claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley-issued securities.

3.4 ***Notes where denominations involve integral multiples***

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination.

In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system **would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.**

Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time **may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.**

3.5 ***Notes issued by MSBV and MSFL will not have the benefit of any cross-default or cross-acceleration with other indebtedness of MSBV, MSFL or Morgan Stanley; A Morgan Stanley covenant default or bankruptcy, insolvency or reorganization event does not constitute an Event of Default with respect to MSBV Notes or MSFL Notes***

Unless otherwise stated in the applicable Final Terms, the notes issued by MSBV and MSFL will not have the benefit of any cross-default or cross-acceleration with other indebtedness of MSBV, MSFL or Morgan Stanley (as applicable). In addition, a covenant default by Morgan Stanley, as guarantor, or an event of bankruptcy, insolvency or reorganization of Morgan Stanley, as guarantor, does not constitute an Event of Default with respect to any notes issued by MSBV or MSFL.

3.6 ***The Notes are not ordinary debt securities***

The terms of certain Notes differ from those of ordinary debt securities because the Notes may not pay interest and, on maturity, depending on the performance of the Relevant Underlying, may return less than the amount invested or nothing, or may return assets or securities of an issuer that is not affiliated with the Issuer, the value of which is less than the amount invested. Prospective investors who consider purchasing the Notes should reach an investment decision only after carefully considering the suitability of the Notes in light of their particular circumstances. **The price of the Notes may fall in value as rapidly as it may rise, and investors in the Notes may potentially lose all of their investment.**

3.7 ***Certain considerations regarding the use of the Notes as hedging instruments***

Any person intending to use the Notes as a hedge instrument should recognise the "correlation risk" of doing this. Correlation risk is the potential differences in exposure for a potential investor that may arise from the ownership of more than one financial instrument. The Notes may not hedge exactly a Relevant Underlying or portfolio of which a Relevant Underlying forms a part. In addition, it may not be possible to liquidate the Notes at a level which directly reflects the price of the Relevant Underlying or portfolio of which the Relevant Underlying forms a part. **Potential investors should not rely on the ability to conclude transactions during the term of the Notes to offset or limit the relevant risks. This depends on market conditions and the value and/or performance of the Relevant Underlying. It is possible that such transactions will only be concluded at an unfavourable market price, resulting in a corresponding loss for Noteholders.**

3.8 ***Risks in relation to the exercise of potential resolution powers***

MSI plc, as an investment firm for the purposes of the Banking Act 2009 (the "**Banking Act**"), is subject to provisions of that Act which give wide powers in respect of UK banks and investment firms (such as MSI plc) to HM Treasury, the Bank of England, the Prudential Regulation Authority and the United Kingdom Financial Conduct Authority ("**FCA**") (each a "**relevant UK Regulatory Authority**") in circumstances where the relevant UK bank or investment firm (a "**relevant financial institution**") is failing or is likely to fail. The Banking Act implements the provisions of Directive 2014/59/EU (the "**Bank Recovery and Resolution Directive**" or "**BRRD**").

These powers include powers to: (a) transfer all or some of the liability in respect of the securities issued by a relevant financial institution, or all or some of the property, rights and liabilities of a relevant financial institution (which could include instruments issued by MSI plc), to a commercial purchaser or, in the case of securities, to HM Treasury or an HM Treasury nominee, or, in the case of property, rights or liabilities, to an entity owned by the Bank of England; (b) override any default provisions in contracts or other agreements, including provisions that would otherwise allow a party to terminate a contract or accelerate the payment of an obligation; (c) commence certain insolvency procedures in relation to a relevant financial institution; and (d) override, vary or impose contractual obligations, for reasonable consideration, between a relevant financial institution and its parent, in order to enable any transferee or successor of the relevant financial institution to operate effectively. The Banking Act also gives power to HM Treasury to make further amendments to the law for the purpose of enabling it to use the special resolution regime powers effectively, potentially with retrospective effect.

By reason of its group relationship with certain other Morgan Stanley Group companies (including companies incorporated outside the UK) which are banks, investment firms, EU institutions or third–country institutions for the purposes of the Banking Act, MSI plc is a banking group company within the meaning of the Banking Act. Accordingly, the relevant UK Regulatory Authority can exercise substantially similar special resolution powers in respect of MSI plc in its capacity as a banking group company where the Prudential Regulation Authority, an EU resolution authority or third country authority having jurisdiction over the relevant Morgan Stanley Group company is satisfied that such Morgan Stanley Group company meets the relevant conditions for resolution action **(including that it is failing or likely to fail, that it is not reasonably likely that other measures would prevent its failure, and that it is in the public interest to exercise those powers) or that it satisfies an equivalent test in the relevant jurisdiction (irrespective of whether at that time MSI plc is failing or likely to fail). Additionally, where a relevant third country Morgan Stanley Group company becomes subject to resolution or similar measures, the relevant UK Regulatory Authority may recognise the application of some of those measures to MSI plc (irrespective of whether at that time MSI plc is failing or likely to fail).**

The powers granted to the relevant UK Regulatory Authority include (but are not limited to) a "bail-in" power.

The "bail-in" power gives the relevant UK Regulatory Authority the power, in relation to a failing relevant financial institution or a banking group company in respect of a bank, investment firm, EU institution or third-country institution (whether or not incorporated in the UK) **which is failing or likely to fail, to cancel all or a portion of certain of its unsecured liabilities and/or to convert certain of its liabilities into another security, including ordinary shares of the surviving entity, if any. Under the Banking Act, such power could be utilised in relation to MSI plc were it to be failing or likely to fail, or were a bank, investment firm, EU institution or third-country institution (whether or not incorporated in the UK) in respect of which MSI plc is a banking group company to be failing or likely to fail. Were such power to be utilised in relation to MSI plc, it could be utilised in relation to securities issued by MSI plc.**

The Banking Act requires the relevant UK Regulatory Authority to apply the "bail-in" power in accordance with a specified preference order which differs from the ordinary insolvency order. In particular, the relevant UK Regulatory Authority must write-down or convert debts in

the following order: (i) additional tier 1, (ii) tier 2, (iii) other subordinated claims and (iv) eligible senior claims.

Although the exercise of the bail-in power under the Banking Act is subject to certain pre-conditions, **there remains uncertainty regarding the specific factors (including, but not limited to, factors outside the control of MSI plc or not directly related to MSI plc) which the relevant UK Regulatory Authority would consider in deciding whether to exercise such power with respect to MSI plc and its securities or other liabilities.** Moreover, as the relevant UK Regulatory Authority may have considerable discretion in relation to how and when it may exercise such power, holders of securities issued by MSI plc may not be able to refer to publicly available criteria in order to anticipate a potential exercise of such power and consequently its potential effect on MSI plc and securities issued by MSI plc.

As well as a "bail-in" power, the powers of the relevant UK Regulatory Authority under the Banking Act include broad powers to (i) direct the sale of the relevant financial institution or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply, (ii) transfer all or part of the business of the relevant financial institution to a "bridge institution" (an entity created for such purpose that is wholly or partially in public control) and (iii) separate assets by transferring impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only). The Bank of England has broad powers to make one or more share transfer instruments (in the case of a transfer to a private sector purchaser described in (i) or a transfer to a "bridge institution" in the case of (ii)) or one or more property transfer instruments (in all three cases). A transfer pursuant to a share transfer instrument or a property transfer instrument will take effect despite any restriction arising by virtue of contract or legislation or in any other way.

In addition, the Banking Act gives the relevant UK Regulatory Authority power to amend the maturity date and/or any interest payment date of debt instruments or other eligible liabilities of the relevant financial institution and/or impose a temporary suspension of payments and/or discontinue the listing and admission to trading of debt instruments.

The Banking Act provides that HM Treasury must, in making regulations about compensation arrangements in the case of the exercise of a bail-in power, have regard to the "no creditor worse off" principle, and HM Treasury has made regulations governing compensation arrangements upon the exercise of a bail-in power. Notwithstanding the foregoing, the exercise by the relevant UK Regulatory Authority of any of the above powers under the Banking Act (including especially the bail-in power) could lead to the holders of securities issued by MSI plc losing some or all of their investment. Moreover, trading behaviour in relation to the securities issued by MSI plc, including market prices and volatility, may be affected by the use or any suggestion of the use of these powers and accordingly, in such circumstances, such securities are not necessarily expected to follow the trading behaviour associated with other types of securities. There can be no assurance that the taking of any actions under the Banking Act by the relevant UK Regulatory Authority or the manner in which its powers under the Banking Act are exercised will not materially adversely affect the rights of holders of securities issued by MSI plc, the market value of an investment in such securities and/or MSI plc's ability to satisfy its obligations under such securities.

3.9 ***Extraordinary public financial support to be used only as a last resort***

Subject to certain conditions being met, the BRRD also makes provision for extraordinary public financial support to be provided to an institution subject to resolution in the form of provision of capital to such institution in exchange for common equity tier 1 instruments, additional tier 1 instruments or tier 2 instruments or in the form of taking such institution into temporary public ownership. However, such extraordinary public financial support should only be used as a last resort. Therefore, if MSI plc is subject to resolution, the relevant UK Regulatory Authority is only likely (if at all) to provide extraordinary public financial support only after it has assessed and exploited, to the maximum extent practicable, all other applicable resolution tools described above.

3.10 ***Secondary trading of the Notes may be limited***

Potential investors should be willing to hold the Notes until maturity. The nature and extent of any secondary market in the Notes cannot be predicted and there may be little or no secondary market in the Notes. As a consequence any person intending to hold the Notes should consider liquidity in the Notes as a risk. Where the Notes are listed or quoted on an exchange or quotation system, this does not imply greater or lesser liquidity than if equivalent Notes were not so listed or quoted and the Issuer cannot guarantee that the listing or quotation will be permanently maintained. Where the Notes are not listed or quoted, it becomes more difficult to purchase and sell such Notes and there may also be a lack of transparency with regard to pricing information.

Further, although an Issuer may apply to have certain issuances of Notes admitted to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Regulated Market, or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system, approval for any listing is subject to meeting the relevant listing requirements. Even if there is a secondary market, it may not provide enough liquidity to allow the investor to sell or trade the Notes easily. Morgan Stanley & Co. International plc and other affiliates of Morgan Stanley may from time to time, make a market in the Notes, but they are not required to do so, save to the extent required under the rules of any stock exchange on which the Notes are listed and admitted to trading. If Morgan Stanley & Co. International plc or one or more of its affiliates does make a market for the Notes, it may cease to do so at any time without notice to investors and it is not obligated to provide any quotation of bid or offer price(s) for the Notes which is favourable to investors. If at any time Morgan Stanley & Co. International plc and other affiliates of the Issuers were to cease making a market in the Notes, it is likely that there would be little or no secondary market for the Notes.

3.11 ***Registered Notes in Global Form***

Because the Global Note Certificates (as defined below) may be held by or on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), and/or any other clearing system as may be specified in the applicable Final Terms (such system or systems hereinafter referred to as the "**Relevant Clearing System**"), investors will have to rely on their procedures for transfer, payment and communication with the relevant Issuer.

Notes (other than Uncertificated Notes) issued under the Program may be represented by, in the case of Registered Notes, interests in a global note certificate (a "**Global Note Certificate**" or "**Global Instrument**"). Such Global Instruments may be deposited with a common depositary or common safekeeper for the Relevant Clearing System. Except in the circumstances described in the relevant Global Instrument, investors will not be entitled to receive definitive Notes. The Relevant Clearing System will maintain records of the beneficial interests in the Global Instruments. While the Notes are represented by one or more Global Instruments, investors will be able to trade their beneficial interests only through the Relevant Clearing System.

While the Notes are represented by one or more Global Instruments, the Issuer will discharge its payment obligations under the Notes by making payments through the Relevant Clearing System for distribution to their account holders. A holder of an interest in a Global Instrument must rely on the procedures of the Relevant Clearing System to receive payments under the relevant Notes. Neither the relevant Issuer nor the Guarantor has responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Instruments.

Holders of beneficial interests in the Global Instruments will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the Relevant Clearing System to appoint appropriate proxies.

3.12 ***Modification and waiver***

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all

holders of the relevant Notes, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.

3.13 ***Change of law***

The Conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice in England after the date of this Base Prospectus.

3.14 ***Restricted secondary trading if the electronic trading system is unavailable***

Trading in the Notes may be conducted via one or more electronic trading systems so that "buy" and "sell" prices can be quoted for exchange and off-exchange trading. If an electronic trading system used by the Issuer and/or its Affiliates were to become partially or completely unavailable, such a development would have a corresponding effect on the ability of investors to trade the Notes.

3.15 ***Independent review and advice***

Each prospective investor must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is (i) fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. **Each of the Issuer, the Guarantor (if applicable) and the Distribution Agent disclaims any responsibility to advise prospective investors of any matters arising under the law of the country in which such prospective investors reside that may affect the purchase of, or holding of, or the receipt of payments or deliveries on the Notes.**

3.16 ***Selling Agent remuneration***

The Issuer may enter into distribution agreements with various financial institutions and other intermediaries as determined by the Issuer (each a "**Selling Agent**"). Each Selling Agent will agree, subject to the satisfaction of certain conditions, to subscribe for the Notes at a price equivalent to or below the Issue Price. Any difference between the price at which the Selling Agent subscribes the Notes and the price at which the Selling Agent sells the Notes to investors will be a remuneration of the Selling Agent. In addition, subject to compliance with all applicable laws, an upfront fee and/or a periodic fee may also be payable to the Selling Agents in respect of all outstanding Notes up to and including the maturity date at a rate determined by the Issuer and which may vary from time to time. Any remuneration received by the Selling Agent including any periodic payments may influence the Selling Agent's recommendation of the Notes to potential investors and may also increase the purchase price to be paid by the investor. Each Selling Agent will agree to comply with the selling restrictions set out in the document as amended and supplemented by the additional selling restrictions set out in the relevant distribution agreements.

3.17 ***Subscription periods***

The Issuer has the right to close the offering of the Notes prior to the end of the subscription period in its reasonable discretion.

3.18 ***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are appropriate legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should

consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

3.19 ***Payments on certain Notes may be subject to U.S. withholding tax***

Payments on a Note issued by Morgan Stanley may be subject to U.S. withholding tax of 30% if the beneficial owner of the Note does not meet the criteria for being exempt from this withholding tax including the requirement that the beneficial owner (and any financial institution holding the Note on behalf of the beneficial owner) comply with certain U.S. tax identification and certification requirements, generally by furnishing the appropriate Internal Revenue Service ("**IRS**") Form W-8BEN or W-8BEN-E on which the beneficial owner certifies under penalties of perjury that it is not a United States person, as defined in the U.S. Internal Revenue Code of 1986, as amended (the "**Code**").

As discussed in "*Taxation - United States Federal Taxation*" below, Sections 1471 through 1474 of the Code and any regulations thereunder, an agreement entered into with the IRS pursuant to such sections of the Code, or an intergovernmental agreement (an "**IGA**") between the United States and another jurisdiction in furtherance of such sections of the Code (collectively referred to as "**FATCA**") may impose a withholding tax of 30 per cent. on payments made on the Notes (including payments made by financial intermediaries), unless various U.S. information reporting and due diligence requirements have been satisfied.

In addition, as discussed in "*Taxation – United States Federal Taxation*" below, Section 871(m) of the Code and the regulations thereunder require withholding (of up to 30 per cent depending on whether an income tax treaty applies) on payments or deemed payments made to non-U.S. persons on certain financial instruments to the extent that such payments are treated, for U.S. federal income tax purposes, as being U.S.-source dividend equivalent amounts.

If U.S. withholding tax is imposed because a beneficial owner (or financial institution holding a Note on behalf of a beneficial owner) does not timely provide the required U.S. tax forms or meet the criteria for exemption from such U.S. withholding tax or if withholding is imposed under FATCA or Section 871(m) none of the Issuers, the Guarantor or any intermediary will be required to pay any additional amounts or otherwise indemnify a holder with respect to the amounts so withheld. See "*Taxation - United States Federal Taxation*" below for further discussion of these rules.

3.20 ***Issuer call option risk***

If Call Option is specified in the relevant Final Terms as being applicable, the Issuer will have the right to terminate the Notes on any Call Option Date. Following the exercise by the Issuer of such Call Option, the investors will be entitled to receive a pre-determined amount which may be less than the amount that the investors would have been entitled to receive under the terms of the Notes if such Call Option had not been exercised.

The determination to terminate the Notes will be made by the Issuer taking into account a number of factors, including the current level of the reference asset and the likelihood that such levels will be maintained, or will increase or decrease, in the future. In making such determination, the Issuer will consider whether the expected performance of the reference asset could imply that a higher amount could be payable in the future under the Notes than Optional Redemption Amount (Call). **As a result, it is likely that the Issuer will exercise the Call Option at a time in which the termination of the Notes is least favourable for the investors. The Issuer shall make such determination without taking into account the interest of the investors. The Call Option therefore can limit the possibility for investors to realise in full the expected returns.**

If the Issuer exercises the Call Option, investors in the Securities will no longer be able to participate in the performance of the reference asset.

An optional termination feature of the Notes is likely to limit their market value. During any period when the Issuer may elect to terminate the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be terminated.

If the Issuer exercises the Call Option, investors generally might not be able to reinvest the termination proceeds rate in the same market environment as it was available at the time in which they invested in the Notes and they might be unable to re-invest at a comparable rate of returns. Investors should consider reinvestment risk in light of other investments available at the time of their investment decision.

3.21 ***The Notes may be redeemed prior to maturity***

Unless in the case of any particular Tranche of Notes the relevant Final Terms specify otherwise, in the event that the relevant Issuer or the Guarantor (if applicable) would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any relevant jurisdiction, the relevant Issuer may redeem all outstanding Notes in accordance with the Conditions at the redemption price specified in the applicable Final Terms.

In addition, if in the case of any particular Tranche of Notes the relevant Final Terms specify that the Notes are redeemable at the relevant Issuer's option in certain other circumstances the relevant Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

In addition, an optional redemption feature in any particular Tranche of Notes is likely to limit their market value. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

In the case of certain Notes, if such Notes are redeemed early for any reason, the amount payable by the Issuer may be less than the amount that would have been paid had the Notes been redeemed at maturity.

In addition, in the circumstance of an event of default by the relevant Issuer and acceleration of the Notes, the investor would have an unsecured claim against the Issuer or, if applicable, the Guarantor for the amount due on the early redemption of the Notes.

3.22 ***Notes issued at a substantial discount or premium***

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

3.23 ***An Issuer may amend the terms and condition of the Notes, the Guarantee and the applicable Deed of Covenant without Noteholder consent if, in its reasonable opinion, such amendments are not materially prejudicial to Noteholders***

Condition 25.2 (*Modification*) of the "*Terms and Conditions of the Notes*" below allows an Issuer to amend the terms and conditions of the Notes, the Guarantee and the Deeds of Covenant without the consent of the Noteholders if, in that Issuers' opinion, the amendment is to correct a manifest error, where the effect of the amendment is of a formal, minor or technical nature or the amendment is not materially prejudicial to Noteholders. Prospective investors should be aware that the Issuer is not required to consult with any other party, including the Noteholders, prior to amending the terms and conditions of the Notes, the Guarantee and/or the Deeds of Covenant pursuant to this Condition. An Issuer is entitled to exercise its discretion in making these determinations and Noteholders will be bound by any such amendments made pursuant to Condition 25.2.

3.24 ***Settlement risk for Notes that are to be physically settled***

If (with respect to any Notes that are physically settled) prior to the delivery of any specified asset(s), the Determination Agent for the Notes determines that a settlement disruption event (as defined in Condition 18.3 (*Settlement Disruption of Physical Settlement*) of the "*Terms and Conditions of the Notes*" below, a "**Settlement Disruption Event**") is subsisting, then the obligation to deliver such asset(s) shall be postponed to the first following business day on which no Settlement Disruption Event is subsisting. Prospective investors should note that any such determination may affect the value of the Notes and/or may delay settlement in respect of the Notes.

Prospective investors should note that for so long as any delivery of any part of the specified asset(s) is not practicable by reason of a Settlement Disruption Event, then the Issuer may, in its reasonable discretion, satisfy its obligations to deliver such part of the specified asset(s) by payment of a disrupted cash settlement price. Prospective investors should note that the disrupted cash settlement price will reflect the fair market value of the Notes less the cost to the Issuer and/or any of its Affiliates of unwinding any Relevant Underlying related hedging arrangements and that any such determination may affect the value of the Notes.

3.25 ***Eurosystem eligibility for Registered Notes in global form***

Registered Notes in global form which are to be held under the New Safekeeping Structure may be issued with the intention that such Notes be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria as specified by the European Central Bank. **However, there is no guarantee that such Notes will be recognised as eligible collateral.** Any other Notes are not intended to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem.

3.26 ***Risk relating to the cancellation of the offer***

The Issuer has the right to withdraw the offering of the Notes and cancel the issuance of the Notes prior to the end of the subscription period for any reason. Reasons for the cancellation of the offer include, in particular and without limitation: (i) adverse market conditions, as determined by the Issuer in its reasonable discretion (such as, for example, increased equity market volatility and increased currency exchange rate volatility); or (ii) that the number of applications received at that time is insufficient, in the Issuer's opinion, to make an economically viable issuance.

3.27 ***Risks relating to the occurrence of a Regulatory Event***

Noteholders of Notes issued by MSBV should note that if Condition 21 (*Illegality and Regulatory Event*) of the "*Terms and Conditions of the Notes*" below is specified as being applicable in the relevant Final Terms, the Issuer shall have the right to redeem the Notes early (at the amount specified in the relevant Final Terms) if the Issuer has determined that a Regulatory Event has occurred.

Noteholders should note in this regard the circumstances in which a Regulatory Event may be deemed by the Issuer to have occurred pursuant to the definition of "Regulatory Event" under Condition 2.1 (*Definitions*) of the "*Terms and Conditions of the Notes*" below. There can be no assurance that a Regulatory Event will not occur and Noteholders should be aware that, should a Regulatory Event occur, it may lead to an early redemption of the Notes.

3.28 ***Risks relating to the provision of notices***

Pursuant to the Conditions, the Issuer, the Determination Agent or the Calculation Agent, as applicable, in certain circumstances have obligations to provide Noteholders with notice of the occurrence of particular events with respect to the Notes including, without limitation, (i) notice of the occurrence of an event which the Issuer has determined shall lead to the early redemption of the Notes, or (ii) notice of a determination by the Determination Agent that certain

adjustments are to be made to the terms of the Notes following the occurrence of a particular event in respect of which the Issuer has determined that the Notes shall continue. Notwithstanding any such obligation to provide notice, in accordance with Condition 27 (*Notices*) of the "*Terms and Conditions of the Notes*" below, any failure by the Issuer, the Calculation Agent, the Determination Agent or any other party to provide Noteholders with any notice due to be given to Noteholders in accordance with the Conditions shall not of itself affect the validity of the determination, adjustment, event or any other occurrence to which such notice relates.

Noteholders should also be aware of Risk Factor 5.12(d) (*Determinations made by the Issuer and the Determination Agent in respect of Potential Adjustment Events, Merger Events, Tender Offers, De-listing, Nationalisations, Insolvencies and Additional Disruption Events may have an adverse effect on the value of the Share-Linked Notes*) below in this regard.

4. ***Risk Factors relating to currencies and exchange rates***

4.1 ***Emerging markets currencies***

Where the Notes are denominated in an emerging market currency or linked to one or more emerging market currencies, such emerging market currencies can be significantly more volatile than currencies of more developed markets. Emerging markets currencies are highly exposed to the risk of a currency crisis happening in the future and this could trigger the need for the determination agent (Morgan Stanley & Co. International plc or an affiliate) to make adjustments to the terms and conditions of the Notes.

4.2 ***Exchange rates and exchange controls may affect the value or return of the Notes***

General Exchange Rate and Exchange Control Risks. An investment in a Note denominated in, or the payment of which is linked to the value of, currencies other than the investor's home currency entails significant risks. These risks include the possibility of significant changes in rates of exchange between its home currency and the other relevant currencies and the possibility of the imposition or modification of exchange controls by the relevant governmental authorities. These risks generally depend on economic and political events over which the Issuers have no control. Investors should consult their financial and legal advisors as to any specific risks entailed by an investment in Notes that are denominated or payable in, or the payment of which is linked to the value of, a currency other than the currency of the country in which such investor resides or in which such investor conducts its business, which is referred to as their home currency. Such Notes are not appropriate investments for investors who are not sophisticated in foreign currency transactions.

Exchange Rates Will Affect the Investor's Investment. In recent years, rates of exchange between some currencies have been highly volatile and this volatility may continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any Note. Depreciation against the investor's home currency or the currency in which a Note is payable would result in a decrease in the effective yield of the Note below its coupon rate and could result in an overall loss to an investor on the basis of the investor's home currency. In addition, depending on the specific terms of a Currency-Linked Note, changes in exchange rates relating to any of the relevant currencies could result in a decrease in its effective yield and in the investor's loss of all or a substantial portion of the value of that Note.

The Issuers Have No Control Over Exchange Rates. Currency exchange rates can either float or be fixed. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to each other. However, from time to time governments may use a variety of techniques, such as intervention by a country's central bank, the imposition of regulatory controls or taxes, or changes in interest rate to influence the exchange rates of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by a devaluation or revaluation of a currency. These governmental actions could change or interfere with currency valuations and currency fluctuations that would otherwise occur in response to economic forces, as well as in response to the movement of currencies across borders.

As a consequence, these government actions could adversely affect yields or payouts (i) in the investor's home currency for Notes denominated or payable in currencies other than the investor's home currency and (ii) for Currency-Linked Notes or Currency Notes.

The Issuers will not make any adjustment or change in the terms of the Notes in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting any currency. The investor will bear those risks.

Some Currencies May Become Unavailable. Governments have imposed from time to time, and may in the future impose, exchange controls that could also affect the availability of a Specified Currency (as defined herein). Even if there are no actual exchange controls, it is possible that the applicable currency for any security would not be available when payments on that security are due.

Currency Exchange Information may be provided in the Final Terms. The applicable Final Terms or base prospectus supplement, where relevant, may include information with respect to any relevant exchange controls and any relevant historic exchange rate information for any Note. The investor should not assume that any historic information concerning currency exchange rates will be representative of the range of, or trends in, fluctuations in currency exchange rates that may occur in the future.

4.3 ***Exchange rates may affect the value of a judgment***

The Notes and any non-contractual obligations arising out of or in connection with them shall be governed by English law. Although an English court has the power to grant judgment in the currency in which a Note is denominated, it may decline to do so in its discretion. If judgment were granted in a currency other than that in which a Note is denominated, the investor will bear the relevant currency risk.

4.4 ***Risks related to CNY Notes***

In this Risk Factor, references to "**CNY Notes**" are to Notes denominated in CNY or Renminbi deliverable in Hong Kong, or such other CNY Centre as specified in the applicable Final Terms.

Renminbi is not a freely convertible currency at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies. The People's Bank of China ("**PBOC**") has established Renminbi clearing and settlement systems for certain locations pursuant to settlement agreements relating to the clearing of Renminbi business between PBOC and certain clearing banks. However, the current size of Renminbi and Renminbi denominated financial assets outside the PRC remains limited, and its growth is subject to many constraints which are directly affected by PRC laws and regulations on foreign exchange and may adversely affect the liquidity of CNY Notes.

There is no assurance that the PRC government will continue to gradually liberalise control over crossborder remittance of Renminbi in the future or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that funds cannot be repatriated outside the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under the CNY Notes.

The limited availability of Renminbi outside the PRC may affect the liquidity of the CNY Notes and the Issuer's ability to source Renminbi on satisfactory terms to make payments in respect of the CNY Notes.

Investment in CNY Notes is subject to exchange rate risks

The value of Renminbi against the Hong Kong Dollar and other foreign currencies fluctuates and is affected by developments in or affecting the PRC, PBOC currency exchange policy, international political and economic conditions and many other factors. All payments with respect to the CNY Notes will be made in CNY, except in the case of CNY Inconvertibility, CNY Non-transferability or CNY Illiquidity (as defined in Condition 33 (*CNY Disruption*

Events) of the "*Terms and Conditions of the Notes*" below), in which case all payments and settlement in CNY will be made in accordance with the provisions of Condition 33 (*CNY Disruption Events*) if specified in the relevant Final Terms. As a result, the value of CNY payments may vary with the prevailing exchange rates in the marketplace. If the value of CNY depreciates against the relevant currency, the value of the investment in relevant currency will have declined. In the case of CNY Inconvertibility, CNY Non-transferability or CNY Illiquidity (as defined in Condition 33 (*CNY Disruption Events*)), such a decline may be very substantial.

Payments for the CNY Notes will only be made to investors in the manner specified in the CNY Notes

All payments to investors in respect of the Notes will be made solely (i) for so long as the CNY Notes are represented by a Registered Note held with the common depositary for Clearstream Banking société anonyme and Euroclear Bank S.A./N.V. or any alternative clearing system by transfer to a CNY bank account maintained outside the PRC, or (ii) for so long as the CNY Notes are in definitive form, by transfer to a CNY bank account maintained outside the PRC, in each case in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC). In addition, there can be no assurance that access to Renminbi for the purposes of making payments under the CNY Notes or generally may remain or will not become restricted. If it becomes impossible to convert Renminbi from/to another freely convertible currency, or transfer Renminbi between accounts in the relevant offshore CNY centre(s), or the general Renminbi exchange market in the relevant offshore CNY centre(s) becomes illiquid, any payment of Renminbi under the CNY Notes may be delayed or all payments and settlement will be made in accordance with the Disruption Fallbacks described in Condition 33 (*CNY Disruption Events*), if specified in the relevant Final Terms.

5. ***Risk Factors relating to the Relevant Underlying***

5.1 ***Notes linked to one or more securities, indices, commodities, commodity indices, funds, currencies and/or preference shares (including preference shares of Sienna Finance UK Limited)***

The Issuers may issue Notes with principal and/or interest determined by reference to a single security, index, exchange traded fund ("**ETF**") or other funds, to baskets of securities, indices, ETFs or other funds, to commodities, commodity indices, currency prices, interest rates, or to preference shares (each, a "**Relevant Underlying**"). In addition, the Issuers may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

(a) **they may lose all or a substantial portion of their principal or investment, depending on the performance of each Relevant Underlying;**

(b) the market price of such Notes may be very volatile;

(c) investors in Notes may receive no interest;

(d) payment of principal or interest, if applicable, may occur at a different time or in a different currency than expected;

(e) a Relevant Underlying may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(f) if a Relevant Underlying is applied to Notes in conjunction with a multiplier greater than one or such Relevant Underlying or Relevant Factor contains some other leverage factor, the effect of changes in the Relevant Underlying on principal or interest payable on such Notes is likely to be magnified; and

(g) the timing of changes in a Relevant Underlying may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Underlying the greater the effect on yield.

5.2 ***Notes linked to one or more Emerging Market Relevant Underlying(s)***

Fluctuations in the trading prices of the emerging market Relevant Underlying(s) will affect the value of Notes linked to such emerging market Relevant Underlying(s). Changes may result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in the related countries or member nations, including economic and political developments in other countries. **Of particular importance to potential risks are (i) rates of inflation; (ii) interest rate levels; (iii) balance of payments; and (iv) the extent of governmental surpluses or deficits in the relevant country.** All of these factors are, in turn, sensitive to the monetary, fiscal and trade policies pursued by the related countries, the governments of the related countries and member nations (if any), and other countries important to international trade and finance. **Government intervention could materially and adversely affect the value of such Notes.** Governments use a variety of techniques, such as intervention by their central bank or imposition of regulatory controls or taxes to affect the trading of the underlying equity. Thus, a special risk in purchasing such Notes is that their trading value and amount payable at maturity could be affected by the actions of governments, fluctuations in response to other market forces and the movement of currencies across borders. Emerging market Relevant Underlyings may be more volatile than the Relevant Underlyings in more developed markets.

5.3 ***Effect of the liquidity of the Relevant Underlying on Note pricing***

An Issuer's and/or its Affiliates' hedging costs tend to be higher the less liquidity the Relevant Underlying has or the greater the difference between the "buy" and "sell" prices for the Relevant Underlying or derivatives contracts referenced to the Relevant Underlying. When quoting prices for the Notes, the Issuer and/or its Affiliates will factor in such hedging costs and will pass them on to the Noteholders by incorporating them into the "buy" and "sell" prices. Thus, Noteholders selling their Notes on an exchange or on the over-the-counter market may be doing so at a price that is substantially lower than the actual value of the Notes at the time of sale.

5.4 ***No affiliation with underlying companies***

The underlying issuer, sponsor, or other responsibility for a Relevant Underlying will not be an affiliate of Morgan Stanley, MSI plc, MSBV or MSFL, unless otherwise specified in the applicable Final Terms. Morgan Stanley or its subsidiaries may presently or from time to time engage in business with any underlying company, fund, sponsor or any specified entity, including entering into loans with, or making equity investments in, the underlying company, fund, sponsor or specified entity, or its affiliates or subsidiaries or providing investment advisory services to the underlying company, fund, sponsor or specified entity, including merger and acquisition advisory services. Moreover, no Issuer has the ability to control or predict the actions of the underlying company, fund, sponsor, or specified entity, including any actions, or reconstitution of index components, of the type that would require the Determination Agent to adjust the payout to the investor. No underlying company, fund or Fund Adviser, sponsor, or specified entity, for any issuance of Notes is involved in the offering of the Notes in any way or has any obligation to consider the investor's interest as an owner of the Notes in taking any corporate actions that might affect the value of the Notes. None of the money an investor pays for the Notes will go to the underlying company, fund or Fund Adviser, sponsor or specified entity, for such Notes. However, the Issuer or any affiliate may purchase the Relevant Underlying(s) (or any securities or other assets comprising the Relevant Underlying(s)) for hedging purposes.

Fluctuations in the value of any one component of the Relevant Underlying may, where applicable, be offset or intensified by fluctuations in the value of other components. The historical value (if any) of the Relevant Underlying or the components of the Relevant Underlying does not indicate their future performance. Where the value of the components is determined in a different currency to the value of the Relevant Underlying, investors may be exposed to exchange rate risk.

5.5 ***Investors have no shareholder rights***

As an owner of Notes, investors will not have voting rights or rights to receive dividends, interest or other distributions, as applicable, or any other rights with respect to any underlying security, preference share, ETF, other fund or index.

5.6 ***Risk associated with estimating the price of the Relevant Underlying if its domestic market is closed while secondary trading in the Notes is open***

If the Relevant Underlying is traded on its domestic market during the opening hours for secondary trading in the Notes by the Issuer or its Affiliates or any stock exchange on which the Notes are listed, the price of the Relevant Underlying is incorporated into the price calculation for the Notes. In certain cases, however, the price of the Relevant Underlying may need to be estimated if the Notes are traded at a time when the market for the Relevant Underlying is closed. In general, this problem could apply to the Notes irrespective of the time at which they are traded because the Issuer and/or its Affiliates currently offer off-exchange trading in the Notes at times when the Relevant Underlying is not traded on the local markets or stock exchanges. This problem applies in particular to a Relevant Underlying that is traded in time zones different from European time zones. The same problem arises if the Notes are traded on days on which the domestic market for the Relevant Underlying is closed because of a public holiday. If the Issuer and/or any of its Affiliates estimates the price of the Relevant Underlying when the domestic market is closed, its estimate may prove to be accurate, too high or too low within just a few hours of the domestic market re-opening for trade in the Relevant Underlying. Correspondingly, the prices used by the Issuer and/or any of its Affiliates for the Notes prior to the opening of business on the domestic market may subsequently prove to be too high or too low.

5.7 ***Provision of information***

None of the Issuer or any of its Affiliates makes any representation as to the issuer for any single security or basket of securities, any preference share, fund or Fund Service Provider, or the publisher of an underlying index. Any of such persons may have acquired, or during the term of the Notes may acquire, non-public information with respect to any such issuer, publisher or specified entity, their respective affiliates or any guarantors that is or may be material in the context of the Notes. The issue of Notes will not create any obligation on the part of any such persons to disclose to the Noteholders or any other party such information (whether or not confidential).

5.8 ***Market Disruption Event, Disrupted Day, Adjustments and Early Redemption or termination of Notes***

The Determination Agent may determine that a Market Disruption Event or a failure to open of an Exchange or Related Exchange has occurred or exists on a relevant date of valuation, and any consequential postponement of such date of valuation may have an adverse effect on the value of the Notes.

In addition, the Determination Agent may make adjustments to the Notes to account for relevant adjustments or events in relation to the Relevant Underlying including, but not limited to, determining a successor to the Relevant Underlying or its sponsor (in the case of an Index). Further, in certain circumstances, the Issuer may redeem the Notes early following any such event. In this case, in relation to each Note, the Issuer will pay an amount, if any, determined as provided in the Conditions.

Prospective investors should review the Conditions to ascertain whether and how such provisions apply to the Notes and what constitutes a Market Disruption Event or relevant adjustment or early redemption event.

In making these determinations, adjustments the Determination Agent is entitled to exercise substantial discretion and may be subject to conflicts of interest, including the conflicts of interest highlighted above. The Determination Agent is not required but has the discretion to make adjustments (or to early redeem the Notes) with respect to each and every corporate action.

5.9 ***Disclosure***

Neither the issuer of any single security or basket security, an ETF, other fund, any Fund Service Provider nor the publisher of an underlying index has participated in the preparation of this document or in establishing the Conditions of the Notes and neither the Issuers nor any of their Affiliates will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer, ETF, other fund, Fund Service Provider, publisher, or specified entity contained in this document or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the issue date (including events that would affect the accuracy or completeness of any publicly available information described in this document) that would affect the trading price and/or level of the Relevant Underlying will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer, ETF, other fund, Fund Service Provider, publisher or specified entity could affect the trading price and/or level of the Relevant Underlying and therefore the trading price of the Notes.

5.10 ***Notes linked to the performance of funds***

The Issuers may issue Notes where the redemption amount or, if applicable, the interest amount in relation to Fund-Linked Notes or the return, in relation to Fund Securities (together with the Fund-Linked Notes, "**Fund-Linked Notes**") is linked to the performance of a unit, share or other interest in a fund (each a "**Fund Interest Unit**") or a basket of Fund Interest Units. Such funds may include mutual funds or any other types of fund in any jurisdiction, or any combination of the foregoing. Investments offering direct or indirect exposure to the performance of funds are generally considered to be particularly risky and may bear similar risks, including but not limited to, market risks to a direct investment in funds.

Prospective investors should note that payments on redemption or termination of Fund-Linked Notes at maturity, expiration, early redemption or early termination may be postponed, in accordance with the Conditions, up to a specified long stop date. If the specified long stop date is reached, for the purposes of determining the Redemption Amount or any other such redemption amounts, as applicable, the affected fund interest units or shares may be deemed to have a zero value. Prospective investors should also be aware that if one or more events occurs in relation to the Fund or any Fund Service Provider, including insolvency of the Fund or Fund Service Provider, then the Issuer, may in its reasonable discretion, determine whether the Fund-Linked Notes will continue or whether they will be redeemed or terminated early. If the Issuer determines that the Fund-Linked Notes will continue, this may result in the substitution of the affected Fund Interest Unit with other Fund Interest Units with similar characteristics or adjustments to the Conditions of the Notes to account for the occurrence of the relevant event. These actions may have an adverse effect on the return and risk profile of the relevant Fund-Linked Notes, and consequently, the value of such Fund-Linked Notes and if the Fund-Linked Notes are redeemed or terminated early the amount investors receive may be considerably less than their original investment and may even be zero.

The risks associated with investing in Fund-Linked Notes are similar to the risks attached to a direct investment in the underlying fund or funds. There are substantial risks in directly or indirectly investing in funds including, without limitation, the risks set out below. Prospective investors should note that references to funds below can refer both to the funds referenced in any Fund-Linked Notes and also to any funds in which any of those funds invests its assets from time to time.

Investment risks that prospective investors should be aware of include the following:

(1) different types of funds are subject to differing levels of regulatory supervision.

(2) funds may have varying restrictions on leverage. Leverage presents the potential for a higher rate of return but also increases the volatility of the fund and increases the risk of a total loss of the amount invested.

(3) funds may have differing investment restrictions and some funds may invest in assets which are illiquid or difficult to transfer. This may have an effect on the realisation of such assets and in turn, the value and performance of the fund. In addition, a fund's assets or investments may be concentrated in a few markets, countries, industries, commodities, sectors of an economy or issuers. If so, adverse movements in a particular market, country, industry, commodity, economy or industry or in the value of the securities of a particular issuer could have a severely negative effect on the value of such a fund. In addition, a fund may use a single advisor or employ a single strategy, which could mean a lack of diversification and higher risk.

(4) substantial redemptions by holders of Fund Interest Units in a fund within a short period of time could require the fund's investment manager(s) and/or adviser(s) to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the fund's assets.

(5) **the performance of a fund will be heavily dependent on the performance of investments selected by its advisers or investment managers and the skill and expertise of such fund service providers in making successful and profitable investment decisions. Such skill and expertise may be concentrated in a number of the adviser's or investment manager's key personnel.** Should these key personnel leave or become no longer associated with the fund's adviser or investment manager, the value or profitability of the fund's investments may be adversely affected as a result.

5.11 ***Risks relating to Index-Linked Notes***

(a) ***Factors affecting the performance of Indices may adversely affect the value of the Notes***

Indices are comprised of a synthetic portfolio of shares, bonds, currency exchange rates, commodities, property or other assets, and as such, the performance of an Index is dependent upon the performance of components of such Index, which may include interest rates, currency developments, political factors, market factors such as the general trends in capital markets or broad based indices and (in the case of shares) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. If an Index does not perform as expected, this will materially and adversely affect the value of Index-Linked Notes.

(b) ***Returns on the Notes do not reflect a direct investment in underlying shares or other assets comprising the Index***

The return payable on Notes that reference Indices may not reflect the return a potential investor would realise if it actually owned the relevant assets comprising the components of the Index or owned a different form of interest in the relevant Index. For example, if the components of the Indices are shares, Holders will not receive any dividends paid or distributions made on those shares and will not participate in the return on those dividends or distributions unless the relevant Index takes such dividends into account for purposes of calculating the relevant level. Similarly, Holders will not have any voting rights in the underlying shares or any other assets which may comprise the components of the relevant Index. Accordingly, Holders of Notes that reference Indices as Relevant Underlying may receive a lower payment upon redemption/settlement of such Notes than such Holder would have received if it had invested in the components of the Index directly or other comparable instruments linked to the Index.

(c) ***A change in the composition or discontinuance of an Index could adversely affect the market value of the Notes***

The sponsor of any Index can add, delete or substitute the components of such Index or make other methodological changes that could change the level of one or more components. The changing of components of any Index may affect the level of such Index as a newly added component may perform significantly worse or better than the component it replaces, which in turn may affect the payments made by the relevant Issuer to the Holders of the Index-Linked Notes. The sponsor of any such Index may also alter, discontinue or suspend calculation or dissemination of such Index. The sponsor of an Index will have no involvement in the offer and

sale of the Index-Linked Notes and will have no obligation to any Holder of such Notes. Accordingly, the sponsor of an Index may take any actions in respect of such Index without regard to the interests of the Holder of the Notes, and any of these actions could adversely affect the market value of the Index-Linked Notes.

(d) ***Exposure to Index Modification, Index Cancellation, Index Disruption and correction of Index levels***

The Determination Agent may in its reasonable discretion make certain determinations and adjustments, to replace the original Relevant Underlying with another and/or to cause early redemption/settlement of the Notes, any of which may be adverse to Holders in connection with Index Modification, Index Cancellation, and Index Disruption. The Determination Agent may determine that the consequence of any such event is to make adjustments to the Notes, or to replace such Index with another or to cause early redemption/settlement of the Notes. The Determination Agent may (subject to the terms and conditions of the relevant Notes) also amend the relevant Index level due to corrections in the level reported by the Index Sponsor. The consequences of such amendments could adversely affect the market value of the Index-Linked Notes.

(e) ***Notes are not sold or promoted by an Index or the sponsor of such Index***

Notes linked to an Index are not sponsored, endorsed, sold, or promoted by such Index or the sponsor of such Index. The sponsor of an Index makes no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of such Index or the levels at which such Index stands at any particular time on any particular date. Neither an Index nor sponsor of such Index shall be liable (whether in negligence or otherwise) to any person for any error in such Index. A sponsor of an Index is under no obligation to advise any person of any error in such Index. A sponsor of an Index does not make any representation whatsoever, whether express or implied, as to the advisability of investing or assuming any risk in connection with the Notes linked to such Index.

(f) ***The relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates are not liable for the actions or omissions of the sponsor of an Index, any information concerning an Index, the performance of such Index or use thereof in connection with the Notes***

The relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates are not liable to the Holders of Notes for any act or failure to act by a sponsor of an Index in connection with the calculation, adjustment, or maintenance of such Index. Although the Determination Agent, as applicable, will obtain information concerning an Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty, or undertaking (express or implied) is made and **no responsibility is accepted by the relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates, or the Determination Agent as to the accuracy, completeness, and timeliness of information concerning such Index.** In addition, the relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates, or the Determination Agent makes no representation whatsoever, whether express or implied, as to the performance of any Index which is linked to the Notes, any data included in, or omitted from, such Index, or the use of such Index in connection with the Index-Linked Notes.

(g) ***Reform of LIBOR and EURIBOR and Other Interest Rate Index and Equity, Commodity and Foreign Exchange Rate Index "Benchmarks"***

The London Interbank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**") and other indices which are deemed "benchmarks" are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such "benchmarks" to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any securities linked to a "benchmark."

Key international reforms of "benchmarks" include IOSCO's proposed Principles for Financial Market Benchmarks (July 2013) (the "**IOSCO Benchmark Principles**") and EU Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as "benchmarks" in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmarks Regulation**").

The IOSCO Benchmark Principles aim to create an overarching framework of principles for benchmarks to be used in financial markets, specifically covering governance and accountability, as well as the quality and transparency of benchmark design and methodologies. A review published in February 2015 on the status of the voluntary market adoption of the IOSCO Benchmark Principles noted that, as the benchmarks industry is in a state of change, further steps may need to be taken by IOSCO in the future, but that it is too early to determine what those steps should be. The review noted that there has been a significant market reaction to the publication of the IOSCO Benchmark Principles, and widespread efforts being made to implement the IOSCO Benchmark Principles by the majority of administrators surveyed.

On 17 May 2016, the Council of the European Union adopted the Benchmarks Regulation. The Benchmarks Regulation was published in the Official Journal on 29 June 2016 and entered into force on 30 June 2016. Subject to various transitional provisions, the Benchmarks Regulation will apply from 1 January 2018, except that the regime for 'critical' benchmarks has applied from 30 June 2016 and certain amendments to the Market Abuse Regulation (Regulation (EU) No 596/2014) have applied from 3 July 2016.

The Benchmarks Regulation will apply to "contributors," "administrators" and "users of" "benchmarks" in the EU, and will, among other things, (i) require benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and to comply with extensive requirements in relation to the administration of "benchmarks" and (ii) ban the use of "benchmarks" of unauthorised administrators. The scope of the Benchmarks Regulation is wide and, in addition to indices such as LIBOR and EURIBOR, it could also potentially apply to many other interest rate indices, as well as equity, commodity and foreign exchange rate indices and other indices (including "proprietary" indices or strategies) which are referenced in listed financial instruments (including listed securities), financial contracts and investment funds.

The Benchmarks Regulation could also have a material impact on any listed securities linked to a "benchmark" index, including in any of the following circumstances:

- an index which is a "benchmark" could not be used as such if its administrator does not obtain appropriate EU authorisations or is based in a non-EU jurisdiction which (subject to any applicable transitional provisions) does not have equivalent regulation. In such event, depending on the particular "benchmark" and the applicable terms of the securities, the securities could be delisted (if listed), adjusted, redeemed or otherwise impacted; and

- the methodology or other terms of the "benchmark" related to a series of securities could be changed in order to comply with the terms of the Benchmarks Regulation, and such changes could have the effect of reducing or increasing the rate or level of the "benchmark" or of affecting the volatility of the published rate or level, and could lead to adjustments to the terms of the securities, including calculation agent determination of the rate or level in its discretion.

In addition to the international reform of "benchmarks" (both proposed and actual) described above, there are numerous other proposals, initiatives and investigations which may impact "benchmarks." For example, in the United Kingdom, the national government has extended the legislation originally put in place to cover LIBOR to regulate a number of additional major UK-based financial benchmarks in the fixed income, commodity and currency markets, which could be further expanded in the future.

The UK's Financial Conduct Authority has also released "Financial Benchmarks: Thematic review of oversight and controls," which reviewed the activities of firms in relation to a much

broader spectrum of "benchmarks" that ultimately could impact inputs, governance and availability of certain "benchmarks."

Any of the international, national or other reforms (or proposals for reform) or the general increased regulatory scrutiny of "benchmarks" could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain "benchmarks," trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the disappearance of certain "benchmarks." The disappearance of a "benchmark" or changes in the manner of administration of a "benchmark" could result in adjustment to the terms and conditions, early redemption, discretionary valuation by the calculation agent, delisting (if listed) or other consequence in relation to securities linked to such "benchmark." Any such consequence could have a material adverse effect on the value of and return on any such securities.

5.12 ***Risks relating to Share-Linked Notes***

(a) ***No Share Issuer will have participated in the preparation of the applicable Final Terms or in establishing the terms of the Share-Linked Notes***

No Share Issuer(s) will have participated in the preparation of the applicable Final Terms or in establishing the terms of the Share-Linked Notes and none of the relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates will make any investigation or enquiry in connection with such offering with respect to any information concerning any such Share Issuer(s) contained in such Final Terms or in the documents from which such information was extracted. Neither the relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates controls any Share Issuer(s) and are not responsible for any disclosure made by any Share Issuer(s). Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the adequacy, accuracy or completeness of the publicly available information described in this paragraph or in any applicable Final Terms) that would affect the trading price of the relevant Share(s) will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such Share Issuer(s) could affect the trading price of the Share(s) and therefore the trading price of the Notes.

(b) ***Factors affecting the performance of Shares may adversely affect the value of the Share-Linked Notes***

The performance of Shares is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors and company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. These factors are not within the relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates' control and may result in a decline in the value of the Notes.

(c) ***Holders have no claim against the Share Issuer(s) or recourse to the Shares***

Share-Linked Notes do not represent a claim against or an investment in any Share Issuer(s) and investors will not have any right of recourse under the Share-Linked Notes to any such company or the Shares. Share-Linked Notes are not in any way sponsored, endorsed or promoted by any Share Issuer(s) and such companies have no obligation to take into account the consequences of their actions for any Holders. Accordingly, the Share Issuer(s) may take any actions in respect of such Share without regard to the interests of the investors in the Share-Linked Notes, and any of these actions could adversely affect the market value of the Share-Linked Notes.

(d) ***Determinations made by the Issuer and the Determination Agent in respect of Potential Adjustment Events, Merger Events, Tender Offers, De-listing, Nationalisations, Insolvencies and Additional Disruption Events may have an adverse effect on the value of the Share-Linked Notes***

Upon the determination by the Determination Agent, in its reasonable discretion, that a Potential Adjustment Event, Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or

Additional Disruption Event has occurred in relation to an underlying Share or Share Company, the Issuer (in the case of a Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or an Additional Disruption Event) will, in its reasonable discretion, determine whether the relevant Share-Linked Notes shall continue or shall be redeemed early, any of which determinations may have an adverse effect on the value of the Share-Linked Notes and, in the case of a Potential Adjustment Event, the Determination Agent may, in its reasonable discretion, make certain determinations to account for the occurrence of the relevant event, including to make adjustments to the terms of the Share-Linked Notes. In particular, in the event that the Share-Linked Notes are early settled/redeemed, the amount payable to Holders may be significantly less than the investor's initial investment, and may be as low as zero. If the Issuer determines that the relevant Share-Linked Notes shall be redeemed early, the Issuer shall provide notice of such early redemption to Noteholders a prescribed number of days prior to the date fixed for redemption.

If the Issuer determines that the relevant Share-Linked Notes shall continue following the occurrence of such an event, the Determination Agent may, in its reasonable discretion, make certain determinations to account for the occurrence of the relevant event, including to make adjustments to the terms of the Share-Linked Notes.

In the event that the Determination Agent determines that an adjustment shall be made to the terms of the relevant Share-Linked Notes following the occurrence of such an event, the Determination Agent shall be required to provide Noteholders with notice of such adjustment within a prescribed time period, set out in the applicable Conditions of the Notes relating to the relevant event, following such adjustment becoming effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

Potential Adjustment Events include (a) a sub-division, consolidation or re-classification of the Shares, (b) an extraordinary dividend, (c) a call of the Shares that are not fully paid, (d) a repurchase by the Share Company, or an affiliate thereof, of the Shares, (e) a separation of rights from the Shares or (f) any event having a dilutive or concentrative effect on the value of the Shares. Additional Disruption Events include (1) a change in applicable law since the Trade Date that makes it illegal to hold, acquire or dispose of the Shares or more expensive for the relevant Issuer to hedge its obligations under the relevant Share-Linked Notes, (2) an insolvency filing by or on behalf of any issuer of the relevant Share(s), (3) Increased Cost of Hedging and (4) Hedging Disruption.

5.13 ***Risks relating to Commodity-Linked Notes***

Commodity markets are influenced by, among other things, changing supply and demand relationships, weather, governmental, agricultural, commercial and trade programs and policies designed to influence commodity prices, world political and economic events, changes in interest rates and factors affecting the exchange(s) or quotation system(s) on which any such commodities may be traded.

Where a Note linked to a commodity references a futures contract, this reference should be taken as if the futures contract had the specified commodity as the underlying commodity. Investments in futures and options contracts involve additional risks including, without limitation, leverage (margin is usually a percentage of the face value of the contract and exposure can be nearly unlimited).

A holder of a futures position may find such positions become illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. Futures contract prices in various commodities occasionally have exceeded the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the liquidation of unfavourable positions and subject an investor in a Note linked to such contract prices to substantial losses.

Commodity future prices reflect the expectations of the market players as to the future value of the commodity and may not be consistent with the current prices of the relevant commodity.

Brent Commodity Reference Prices

If the Commodity Reference Price with respect to a Series of Commodity-Linked Notes a Commodity Reference Price set out under the titles "Oil-Brent" in Section 9 of the Additional Terms and Conditions (*Commodity Reference Price*), the Determination Agent may be permitted to substitute the Commodity Reference Price for another Commodity Reference Price and / or to make certain adjustments to the terms of such Series as it deems appropriate, including to the formula or other provisions for determining the Final Redemption Amount, any Interest Amount and/or the Relevant Underlying Value and any other variable relevant to the exercise, settlement, payment or other terms of the relevant Commodity-Linked Notes. Any such substitution or adjustments may result in Noteholders receiving a lesser amount than they would have received but for such substitution and may adversely affect the value of the Commodity-Linked Notes of the relevant Series

5.14 ***Risks relating to Currency-Linked Notes***

See *4 'Risk Factors relating to currencies and exchange rates*' above.

5.15 ***Notes linked to Preference Shares***

(a) ***General Risks relating to Notes linked to Preference Shares***

Morgan Stanley, MSBV and MSFL may issue Notes with principal determined by reference to the changes in the value of the preference shares ("**Preference Shares**"), which may fluctuate up or down depending on the performance of the relevant underlying asset(s) or basis of reference to which Preference Shares are linked (the "**Preference Share Underlying**") as set out in the terms and conditions of the Preference Shares (the "**Terms of the Preference Shares**"). If, as a result of the performance of the Preference Share Underlying, the performance of the Preference Shares is negative the value of the Preference Share-Linked Notes will be adversely affected. Purchasers of Preference Share-Linked Notes risk losing all or a part of their investment if the value of the Preference Shares falls.

If the Preference Shares incorporate an "underlying determination event" mechanism as described below and the Preference Shares become subject to redemption pursuant thereto, the Maturity Date of the Notes and thereby valuation of the Preference Shares, will be brought forward and fall earlier than would otherwise have been the case.

An investment in Preference Share-Linked Notes will entail significant risks not associated with a conventional debt or equity security. **Purchasers of Preference Share-Linked Notes should conduct their own investigations and, in deciding whether or not to purchase the Preference Share-Linked Notes, prospective purchasers should form their own views of the merits of an investment related to the Preference Shares based upon such investigations and not in reliance on any information given in this document.**

As set out below, Preference Share-Linked Notes will be subject to early redemption if an Extraordinary Event or, if applicable, an Additional Disruption Event occurs or if an Early Redemption Event occurs. In these circumstances the Issuer may redeem the Notes at the Early Redemption Amount or the Early Share Redemption Note Amount, as applicable. **The Early Redemption Amount or Early Preference Share Redemption Note Amount may be less (and in certain circumstances, significantly less) than investors' initial investment.**

(b) ***Exposure to the Preference Share Underlying***

The Preference Share Underlying may be a specified index or basket of indices, a specified equity or basket of equities, a specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units or such other underlying instruments, bases of reference or factors as may be determined by the issuer of the relevant Preference Shares (the "**Preference Share Issuer**") and specified in the terms and conditions of the relevant series of Preference Shares. ***Consequently potential investors should also consider the risk factors entitled "Notes***

linked to the performance of funds", "Risks relating to Index-Linked Notes" and "Risks relating to Share-Linked Notes" set out above in respect of the risks involved in investing in Notes (in this case the Preference Shares) linked to certain Relevant Underlying(s).

The Terms of the Preference Shares provide that the Preference Shares will be redeemable on their final redemption date (or otherwise in accordance with the Terms of the Preference Shares). On redemption, the Preference Shares will carry preferred rights to receive an amount calculated by reference to the Preference Share Underlying. The Preference Shares may also incorporate an "underlying determination event" mechanism, which may be triggered by certain annual changes in the value of the Preference Share Underlying. On the occurrence of such underlying determination event, the Preference Shares will cease to be exposed to the Preference Share Underlying and will be redeemed at a redemption amount equal to the issue price multiplied by the relevant percentage specified in the Terms of the Preference Shares for the year in which the underlying determination event has occurred.

Investors should review the Terms of the Preference Shares and consult with their own professional advisers if they consider it necessary.

(c) ***Credit and Fraud Risk of Preference Share Issuer***

Preference Share-Linked Notes are linked to the performance of the relevant Preference Shares. Investors bear the risk of an investment in Preference Share Issuer. The value of the Preference Share-Linked Notes is dependent on the value of the Preference Shares, which will depend in part on the creditworthiness of Preference Share Issuer, which may vary over the term of the Preference Share-Linked Notes. Preference Share Issuer is not an operating company. Its sole business activity is the issue of redeemable preference shares. Preference Share Issuer does not have any trading assets and does not generate any significant net income. As its funds are limited any misappropriation of funds or other fraudulent action by Preference Share Issuer or person acting on its behalf would have a significant effect on the value of the Preference Shares and will affect the value of the Preference Share-Linked Notes.

(d) ***Potential Conflicts of Interest***

The calculation agent in respect of the Preference Shares (the "**Preference Share Calculation Agent**") is a member of Morgan Stanley Group of companies. As a result, potential conflicts of interest may arise in acting in its capacity as Preference Share Calculation Agent and other capacities in which it acts under the Preference Share-Linked Notes. Subject to any relevant regulatory obligations, the Preference Share Calculation Agent owes no duty or responsibility to any Noteholder to avoid any conflict or to act in the interests of any Noteholder. Preference Share Issuer may also rely on members of Morgan Stanley (including the Preference Share Calculation Agent) or other service providers to perform its operational requirements. In the event any relevant Morgan Stanley entities or other service providers fail to perform any obligations, this may adversely affect the value of the Preference Shares and potentially the amounts payable under the Preference Share-Linked Notes. In addition to providing calculation agency services to Preference Share Issuer, Morgan Stanley or any of its affiliates may perform further or alternative roles relating to Preference Share Issuer and any series of Preference Shares including, but not limited to, for example, being involved in arrangements relating to any of the underlying reference assets (for example as a calculation agent). Further, Morgan Stanley or any of its affiliates may contract with Preference Share Issuer and/or enter into transactions, including hedging transactions, which relate to Preference Share Issuer or the Preference Shares and as a result Morgan Stanley may face a conflict between its obligations as Preference Share Calculation Agent and its and/or its affiliates' interests in other capacities.

(e) ***Determination of Extraordinary Events and Additional Disruption Events***

The Determination Agent may determine the occurrence of a Merger Event, Tender Offer, Insolvency or Additional Disruption Event in relation to the Preference Share-Linked Notes. Upon such determination, the relevant Issuer may, at its option redeem the Preference Share-Linked Notes in whole at the Early Redemption Amount which may be less than the amount invested in the Preference Share-Linked Notes. Noteholders will not benefit from any appreciation of the Preference Shares that may occur following such redemption.

(f) ***No ownership rights***

An investment in Preference Share-Linked Notes is not the same as an investment in the Preference Shares and does not confer any legal or beneficial interest in the Preference Shares or any Preference Share Underlying or any voting rights, right to receive dividends or other rights that a holder of the Preference Shares or any Preference Share Underlying may have. The Preference Share-Linked Notes are unsubordinated and unsecured obligations of the Issuer.

(g) ***Hedging activities of the Issuer and affiliates***

The Issuer or its affiliates may carry out hedging activities related to the Preference Share-Linked Notes, including purchasing the Preference Shares and/or the Preference Share Underlying, but will not be obliged to do so. Certain of the Issuer's affiliates may also purchase and sell the Preference Shares and/or purchase and sell the Preference Share Underlying on a regular basis as part of their securities businesses. Any of these activities could potentially affect the value of the Preference Share Underlying and, accordingly, the value of the Preference Shares and the Preference Share-Linked Notes.

5.16 ***Risks associated with Relevant Underlying comprised of a Basket***

(a) ***Exposure to performance of Basket and its components***

Where the Notes are linked to or reference a Basket of assets, the investors in such Notes are exposed to the performance of such Basket. The investors will bear the risk of the performance of each of the Basket Components.

(b) ***A high correlation of Basket Components may have a significant effect on amounts payable***

Some Notes are linked to Baskets of Relevant Underlying where the performance of such Relevant Underlying tends to move in the same direction, or correlate, as a result of changes in market conditions, such as a change in interest rates. Correlation of Basket Components indicates the level of interdependence among the individual Basket Components with respect to their performance. If, for example, all of the Basket Components originate from the same sector and the same country, a high positive correlation may generally be assumed. Past rates of correlation may not be determinative of future rates of correlation: investors should be aware that, though Basket Components may not appear to be correlated based on past performance, it may be that they suffer the same adverse performance following a general downturn or other economic or political event. Where the Basket Components are subject to high correlation, any move in the performance of the Basket Components will exaggerate the performance of the Notes.

(c) ***The negative performance of a single Basket Component may outweigh a positive performance of one or more other Basket Components***

Investors in Notes must be aware that even in the case of a positive performance of one or more Basket Components, the performance of the Basket as a whole may be negative if the performance of the other Basket Components is negative to a greater extent, subject to the terms and conditions of the relevant Notes.

(d) ***A small Basket, or an unequally weighted Basket, will generally leave the Basket more vulnerable to changes in the value of any particular Relevant Underlying***

The performance of a Basket that includes a smaller number of Relevant Underlying will generally, subject to the terms and conditions of the relevant Notes, be more affected by changes in the value of any particular Relevant Underlying included therein than a Basket that includes a greater number of Relevant Underlying.

The performance of a Basket that gives greater weight to some Relevant Underlying will generally, subject to the terms and conditions of the relevant Notes, be more affected by changes in the value of any such particular Relevant Underlying included therein than a Basket that gives relatively equal weight to each Relevant Underlying.

(e) ***A change in composition of a Basket may have an adverse effect on Basket performance***

Where the Notes grant the Determination Agent the right, in certain circumstances, to adjust the composition of the Basket, investors should be aware that any replacement Basket Component may perform differently from the original Basket Component, which may have an adverse effect on the performance of the Basket which will in turn have an adverse effect on the value of the Notes.

6. ***Risk Factors relating to Notes that include certain features***

6.1 ***Caps and floors***

Caps on value / performance of the Relevant Underlying. The formula or other basis for determining the value and/or performance of the Relevant Underlying in respect of a Series of Notes (or of individual Basket Components comprised in a Relevant Underlying which is a Basket) **may provide for a maximum value, or cap, such that any value and/or performance of the Relevant Underlying (or individual Basket Components) in excess of the applicable cap will not be taken into account for the purposes of the relevant determination.** Amounts payable on the Notes linked to such capped value and/or performance will be limited accordingly.

Floors on value / performance of the Relevant Underlying. The formula or other basis for determining the value and/or performance of the Relevant Underlying in respect of a Series of Notes (or of individual Basket Components comprised in a Relevant Underlying which is a Basket) may alternatively, or additionally, be subject to a minimum value, or floor, such that any value and/or performance of the Relevant Underlying (or individual Basket Components) below the applicable floor will not be taken into account for the purposes of the relevant determination. Amounts payable on the Notes linked to such floored value and/or performance will be limited accordingly. However, depending on the relevant formula or other basis for determination, such a floor may entitle holders to receive payment(s) greater than they would have received if the relevant determination had not been subject to the floor.

Caps and floors on interest rates. In addition, the rate of interest payable on certain Floating Rate Notes and certain Structured Rate Linked Notes may be subject to a maximum rate of interest or a minimum rate of interest specified in the applicable Final Terms. If a maximum rate of interest is specified, the rate of interest payable on such Floating Rates Notes and such Structured Rate Linked Notes will be limited to such maximum rate. However, if a floor or a minimum rate of interest is specified in respect of any Floating Rate Notes or any Structured Rate Linked Notes, the rate of interest payable on such Notes may entitle holders to receive payment(s) greater than they would have received if the relevant rate of interest had not been subject to the floor. If the applicable Final Terms specify "Curve Cap" to be applicable in respect of any Structured Rate Linked Notes, then the rate of interest payable on such Notes will be limited to a maximum rate calculated by reference to (i) the product of a reference rate and a leverage factor (which may have a value equal to one (1)), plus (ii) a spread amount (which may be negative).

6.2 ***Basket Notes - "Best of" Average/"Worst of" Average/"Selection" Average***

Determinations of amounts payable under Notes linked to the value and/or performance of a basket of Relevant Underlyings may take into account the average value and/or performance of only a limited number of the components of the relevant basket, identified by reference to their value and/or performance relative to the other components of the basket as of one or more relevant dates. For the purpose of such determinations, the Determination Agent will order the values and/or performances of the components, high to low, and the relevant determination will be based on an average of the values (or performances) of an identified number of components having the highest values or performances (in the case of Notes in respect of which "Best of Average" applies), or having the lowest values or performances (in the case of Notes in respect of which "Worst of Average" applies) or which are otherwise identified by reference to such order (in the case of Notes in respect of which "Selected Average" applies).

6.3 ***Weighting of Basket Components***

Determinations of amounts payable under Notes linked to the value and/or performance of a basket of Relevant Underlyings may be determined by reference to the arithmetic mean of the values and/or performances of all (or some only, in the case of "Best of Average", "Worst of Average" or "Selected Average") of the Basket Components, which may be equally-weighted or, if so specified in the applicable Final Terms, given different weightings. The higher the weighting applicable to a particular Basket Component, the more Noteholders will be exposed to the value and/or performance of that Basket Component in comparison with the remaining Basket Components.

6.4 ***Worst-of Basket Performance feature***

Determinations of the Final Redemption Amount payable in respect of Notes linked to the value and/or performance of a basket of Relevant Underlyings **may be made solely by reference to the worst performing Basket Component if "Worst-of Basket Performance" feature is applicable in respect of the Notes** (for instance, where Paragraph 3.5(b)(ii) (*Single Barrier Final Redemption – Worst-of Basket Performance-Linked Redemption 1*) or Paragraph 3.5(b)(iii) (*Single Barrier Final Redemption – Worst-of Basket Performance-Linked Redemption 2*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*) of the Additional Terms and Conditions is applicable). Accordingly, in relation to such Notes, the Final Redemption Amount payable may be linked to the value/performance of the worst performing Basket Component, irrespective of the value/performance of any other Basket Component.

Further, where Paragraph 3.5(c)(ii) (*Single Barrier Final Redemption - Worst-of Basket Performance-Linked Redemption*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*) of the Additional Terms and Conditions applies, upon the condition for this section to be applicable being satisfied, Physical Settlement will apply in respect of the Notes, and pursuant to the "Worst-of Basket Performance" feature being applicable, the Underlying Securities which will comprise the Physical Delivery Amount shall be the worst performing Basket Component. None of the other Basket Components will comprise the Underlying Securities delivered to the Noteholder.

6.5 ***Highest Performance***

Where "Highest Performance" is applicable (for instance where Paragraph 3.5(a)(iv) (*Single Barrier Final Redemption – Highest Performance Redemption*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*) of the Additional Terms and Conditions is applicable), determinations of amounts payable under Notes linked to the value and/or performance of a single Relevant Underlying, or a basket of Relevant Underlyings may be determined based on the highest of the values determined as of a series of Final Redemption Observation Dates. This will limit the extent to which a sudden increase or decrease in value and/or performance of the Relevant Underlying on a single date affects the relevant determination and, in addition, the investor will have the benefit of the highest of the observed values across such dates.

6.6 ***Top Rank Underlying Performance***

Where "Top Rank Underlying Performance" is applicable (for instance, where Paragraph 2.12 (*Ranked Underlying Redemption*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) of the Additional Terms and Conditions is applicable), determinations of the Final Redemption Amount payable in respect of Notes may be made by reference to (i) the performance of "top ranked" Basket Components and (ii) a specified value which is to be applied as the performance of Basket Components other than "top ranked" Basket Components. The "top ranked" Basket Components are selected by the Determination Agent by (A) determining the performance of each of the Basket Components, (B) ordering them by value, high to low, and (C) by selecting such number of the Basket Components, starting with the first, as are specified in the applicable Final Terms. Where "Top Rank Underlying Performance" applies, because the Final Redemption Amount is linked to the performance of the better performing Basket Components, the Final Redemption Amount may be higher than if the Final Redemption Amount had been linked to the performance of all the Basket Components.

6.7 ***Averaging features***

Determinations of amounts payable under Notes linked to the value and/or performance of a single Relevant Underlying or a basket of Relevant Underlyings may be determined based on the arithmetic mean of values determined as of a series of Averaging Dates. This will limit the extent to which a sudden increase or decrease in value and/or performance of the Relevant Underlying on a single date affects the relevant determination.

6.8 ***Memory feature (Interest, Automatic Early Redemption Amount or Final Redemption Amount)***

Interest - Where the determination of interest payable on the Notes includes a "Memory" feature (for instance, where Paragraph 1.3(B) (*Barrier Conditional Coupon – Memory Barrier Conditional Coupon*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*) or Paragraph 1.3(B) (*Barrier Conditional Coupon – Memory Barrier Conditional Coupon*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) of the Additional Terms and Conditions is applicable) the interest accrued with respect to each Interest Determination Date will be conditional on the value or performance of the Relevant Underlying determined as of such Interest Determination Date being (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) **less than or equal to, as specified in the applicable Final Terms, a specified barrier value, and the interest so accrued will therefore be zero if the condition (referred to herein as a "barrier condition") is not satisfied.** However, the amount of interest to be accrued if such barrier condition is satisfied will be an amount which is increased on each successive Interest Determination Date but from which is deducted the sum of all interest accrued in respect of prior Interest Determination Dates. Accordingly, if the interest accrued in respect of an Interest Determination Date (two or more successive Interest Determination Dates) is zero, the interest accrued in respect of the next following Interest Determination Date (if any) where such condition is satisfied will be in an increased amount which will typically equal the sum of the amounts which would have accrued had such condition been satisfied in respect of both (or all) such Interest Determination Dates, but without any interest or other allowance for the deferred accrual.

Automatic Early Redemption Amount – where the determination of Automatic Early Redemption Amount includes a "Memory" feature (for instance, where Paragraph 2.1(B) (*Autocall 1 – Memory Redemption*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*) of the Additional Terms and Conditions is applicable), the Automatic Early Redemption Amount payable will include all interest amounts which would have been paid on each Interest Determination Date before (and including) the relevant Automatic Early Redemption Determination Date as if the barrier condition been satisfied on each such date (but without any interest or other allowance for the deferred accrual) but from which is deducted the sum of all interest previously paid on the notes.

Final Redemption Amount - where the determination of the Final Redemption Amount includes a "Memory" feature (for instance, where Paragraph 3.5(a)(iii) (*Single Barrier Final Redemption – Capitalised Memory Redemption*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*) of the Additional Terms and Conditions is applicable), the Final Redemption Amount payable will include all interest amounts which would have been paid on each Interest Determination Date as if the barrier condition had been satisfied on each such date (but without any interest or other allowance for the deferred accrual) but from which is deducted the sum of all interest previously paid on the notes.

6.9 ***Capitalised Redemption feature***

Where "capitalised" is used to identify the terms for determining the Final Redemption Amount in respect of any Notes (for instance, where Paragraph 3.5(a)(ii) (*Single Barrier Final Redemption – Capitalised Non-Memory Redemption*) and/or Paragraph 3.5(a)(iii) (*Single Barrier Final Redemption – Capitalised Memory Redemption*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*) of the Additional Terms and Conditions is applicable), the Final Redemption Amount will include a component which will typically be equal to all interest accruing in respect of the Notes, which will be payable only on the Maturity Date and by a single

payment. Therefore, an investor may not receive any periodic or other payment of interest on such Notes prior to the Maturity Date.

6.10 ***Participation feature (Final Redemption Amount)***

Where "participation" is used to identify the terms for determining the Final Redemption Amount payable on any Notes (for instance, where Paragraph 2.3 (*Participation and Performance-Linked Redemption*), Paragraph 2.5 (*Barrier and Participation Redemption*) or Paragraph 2.6 (*Barrier and Participation Redemption – FX Performance Adjustment*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) of the Additional Terms and Conditions is applicable), the formula for determining such Final Redemption Amount may include a percentage multiplication factor (or "**Participation Rate**") applied to the calculation of the performance of the Relevant Underlying. Where such percentage is less than 100 per cent., the Final Redemption Amount will accordingly be linked to part only of such performance and may be less than the amount that would have been payable if linked to the full value of such performance, and may be less than par.

The formula for determining the Final Redemption Amount may also apply an amount which is 100 per cent. minus such a percentage (or Participation Factor) as a multiplication factor to a fixed amount in determining the Final Redemption Amount, in which case the deduction of such percentage will reduce the Final Redemption Amount that would otherwise be payable in respect of the Notes.

6.11 ***Specified Rate (interest, Automatic Early Redemption Amount and Final Redemption Amount)***

Where the formula for calculating the interest, Automatic Early Redemption Amount or Final Redemption Amount includes reference to a Specified Rate, such interest, Automatic Early Redemption Amount or Final Redemption Amount may be calculated, amongst other factors, by reference to a percentage multiplication factor (or "**Specified Rate**"). The Specified Rate shall be a percentage rate between 0 and 100 per cent., and where the Specified Rate is less than 100 per cent., the interest, Automatic Early Redemption Amount or Final Redemption Amount may be less than the amount that would have been payable if linked to 100 per cent., and, in the case of the early or final redemption amount, may be less than par.

6.12 ***Barrier (including Dual Barrier) feature (Interest and Final Redemption Amount)***

Interest - Where "barrier" is used to identify the terms for determining interest payable on any Notes (for instance, where Paragraph 1.9 (*Barrier Notes*) of Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*), Paragraph 1.3 (*Barrier Conditional Coupon*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*) or Paragraph 1.3 (*Barrier Conditional Coupon*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) of the Additional Terms and Conditions is applicable), each such payment of interest on the Notes will be conditional on the value or performance of the Relevant Underlying, as determined in accordance with the applicable Conditions as of the relevant Interest Determination Date, being (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to, as specified in the applicable Final Terms, a specified barrier value, and if such condition (referred to as a "**barrier condition**") is not satisfied, **then the amount of interest payable will be zero.**

Where "dual barrier" is used to identify the terms for determining the interest payable on any Notes (for instance, where Paragraph 1.4 (*Dual Barrier Conditional Coupon*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) of the Additional Terms and Conditions is applicable), the interest amount payable will be conditional on two barriers, and a different interest amount may be payable depending on which of the two barrier conditions is satisfied. If neither barrier condition is satisfied, **then the amount of interest payable will be zero.**

Redemption - Where "barrier" is used to identify the terms for determining the Final Redemption Amount payable on any Notes (for instance, where Paragraph 3.5 (*Single Barrier Final Redemption*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*), Paragraph

2 (*Redemption at Maturity*) of Section 4 (*Additional Terms and Conditions for Reverse Convertible Notes*), Paragraph 2.4 (*Barrier Redemption*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*), Paragraph 2.5 (*Barrier and Participation Redemption*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*), Paragraph 2.6 (*Barrier and Participation Redemption – FX Performance Adjustment*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) or Paragraph 2.11 (*Lock In Ladder Barrier Redemption*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) of the Additional Terms and Conditions is applicable), the redemption amount payable will be par if the value or performance of the Relevant Underlying, as determined in accordance with the applicable Conditions as of the relevant Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to, as specified in the applicable Final Terms, a specified barrier value, **and if such condition is not satisfied, an amount determined by reference to the performance of the Relevant Underlying, which may be less than par.**

Where "dual barrier" is used to identify the terms for determining the Final Redemption Amount payable on any Notes (for instance, where Paragraph 2.7 (*Dual Barrier Redemption*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) or Paragraph 2.8 (*Dual Barrier Redemption – Twin Win*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) of the Additional Terms and Conditions is applicable), **the Final Redemption Amount payable will be conditional on two barriers, and a different Final Redemption Amount may be payable depending on which of the two barrier conditions is satisfied, or if neither is satisfied.**

6.13 ***"Worst Performance" variation of "barrier" feature***

Interest - Where the determination of interest payable on the Notes includes a "Worst Performance" feature (i.e., where "Worst Performance" is specified as being applicable in the applicable Final Terms in relation to Paragraph 1.3 (*Barrier Conditional Coupon*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*) of the Additional Terms and Conditions, payment of interest will be conditional on the value/performance of the worst performing Basket Component as determined in accordance with the applicable Conditions as of the relevant Interest Determination Date, being (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to, as specified in the applicable Final Terms, a specified barrier value, and if such condition is not satisfied, then the amount of interest payable will be zero. **Accordingly, if the "Worst Performance" feature is specified as being applicable, the interest payable may be zero even if the value / performance of the other Basket Components satisfy the specified barrier condition.**

6.14 ***"Twin Win" variation of the "dual barrier" feature***

Where "Twin Win" is used to identify the terms for determining the Final Redemption Amount payable on any Notes (for instance, where Paragraph 2.8 (*Dual Barrier Redemption – Twin Win*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) of the Additional Terms and Conditions is applicable), the Final Redemption Amount payable where the first barrier condition is satisfied shall be an amount linked to the value/performance of the Relevant Underlying and the Final Redemption Amount where the second barrier condition is satisfied shall be amount linked to the performance of the Relevant Underlying, but on the basis that "Put Performance" feature is applicable. See "*Put Performance feature*" below for a description of this feature.

6.15 ***Automatic Early Redemption (Autocall)***

Where "Automatic Early Redemption (Autocall)", as provided for in Paragraph 2 (*Automatic Early Redemption (Autocall)*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*), is applicable, and the value of the Relevant Underlying, as of any Automatic Early Redemption Determination Date specified in the applicable Final Terms, is (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to, as specified in the applicable Final Terms, the applicable Autocall Barrier Value, then an Automatic Early Redemption Event shall be deemed to have occurred and the Issuer shall redeem the Notes on the immediately following Automatic Early Redemption Date at an amount specified in the applicable Final

Terms. Note also the risks described in paragraph entitled "*The Notes may be redeemed prior to maturity*" above.

6.16 ***"Worst Performance" variation of Automatic Early Redemption (Autocall)***

Where the determination of whether an automatic early redemption event has occurred includes a "Worst Performance" feature (i.e., where "Worst Performance" is specified as being applicable in the relevant Final Terms in relation to Section 2.1 (*Autocall 1*) of Section 3 (*Additional Terms and Conditions for Autocallable Notes*) of the Additional Terms and Conditions), whether or not an automatic early redemption event has occurred (and therefore whether or not the relevant Notes would be redeemed before their scheduled maturity date) will be conditional on the value/performance of the worst performing Basket Component as determined in accordance with the applicable Conditions as of the relevant Interest Determination Date, being (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to, as specified in the relevant Final Terms. Accordingly, if the "Worst Performance" feature is specified as being applicable, such automatic early redemption event may be triggered by a single Basket Component (being the worst performance such Basket Component) irrespective of the value / performance of the other components of the basket.

6.17 ***Lock in Ladder feature (Final Redemption Amount)***

Where "lock in ladder" is used to identify the terms for determination of the Final Redemption Amount payable with respect to any Notes (for instance, where Paragraph 2.10 (*Lock In Ladder Redemption*) or 2.11 (*Lock In Ladder Barrier Redemption*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) of the Additional Terms and Conditions is applicable), the Final Redemption Amount may be determined by reference to the *greater of* (A) the "**Maximum Lock in Step**" and (B) the performance of the Relevant Underlying. "Maximum Lock in Step" is the highest of the specified levels which may be included in the value which determined as the performance of the Relevant Underlying, observed across a set of Lock in Observation Dates. Where "lock in ladder" applies, therefore, the investor may receive a Final Redemption Amount which is higher than if the Final Redemption Amount only referenced the performance of the Relevant Underlying rather than also having regard to the Maximum Lock In Step.

6.18 ***Step-Up and Step-Down features***

Where the determination of interest payable on the Notes includes a "**Step-Up**" feature (for instance, where Paragraph 1.2(a) (*Step-Up Notes*) of Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) of the Additional Terms and Conditions is applicable), or includes a "**Step-Down**" feature (for instance, where Paragraph 1.2(b) (*Step-Down Notes*) of Section 2 *(Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) of the Additional Terms and Conditions is applicable), the rate of interest at which interest is calculated will increase (in the of the "Step-Up" feature) or will decrease (in the case of the "Step-Down" feature), as applicable, in respect of each Interest Payment Date as specified in the applicable Final Terms.

6.19 ***Range Accrual feature***

Where the determination of interest payable on the Notes includes a "**range**" accrual feature (for instance, where Paragraph 1.8 (*Range Accrual Notes*) of Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) or Paragraph 1.5 (*Range Barrier Conditional Coupon*) or Paragraph 1.6 (*Range Accrual Coupon*) of Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) of the Additional Terms and Conditions is applicable), the interest payable on the Notes will be calculated by reference to (A) the number of days (Scheduled Trading Days or Business Days or specified Observation Dates, as applicable) in a specified period on which the reference rate or the value / performance of the Relevant Underlying (as applicable) is greater than a specified rate or value (B) divided by the total number of days (Scheduled Trading Days, Business Days or specified Observation Dates, as applicable) in such specified period. For certain Notes other than Linked Notes, the reference rate may be (i) a single underlying interest rate, (ii) the sum of two underlying interest rates, or (iii) the difference between two underlying interest rates. An underlying interest rate may be a

fixed rate or a floating interest rate (which includes a swap rate or difference between two swap rates).

6.20 ***Put Performance***

Where "Put Performance" is specified as being applicable when determining the performance of the Relevant Underlying, the performance of the Relevant Underlying will be determined by the Determination Agent by reference to the value obtained by subtracting from one the value which is the Final Reference Value divided by the Initial Reference Value. Unlike where the performance of the Relevant Underlying is determined without reference to Put Performance, this value will always be lower than 1. Accordingly, where "Put Performance" is applicable, the value determined as the performance of the Relevant Underlying will be lower than if Put Performance had not been applied in respect of the same Relevant Underlying.

6.21 ***Optimised Performance***

Where "Optimised Performance (Type 1)" or "Optimised Performance (Type 2) is specified as being applicable when determining the performance of the Relevant Underlying, the performance of the Relevant Underlying will be determined by the Determination Agent by reference to, as specified in the applicable Final Terms, either (A) the highest or (B) the lowest of the Initial Reference Values observed on each of the Optimised Observation Dates. If the applicable Final Terms specify that the highest of the Initial Reference Values will be used, then the performance of the Relevant Underlying will be (and any payments on the Notes which reference such performance) lower than if the lowest of the Initial Reference Values was used.

6.22 ***Structured Rate Linked Notes***

The rate of interest payable on certain Structured Rate Linked Notes may be calculated from a formula set out in the provisions of the Additional Terms and Conditions specified to be applicable in the relevant Final Terms (for instance, where Paragraphs 1.10 (*Steepener Notes*), 1.11 (*Digital Option Notes*) and 1.12 (*Inverse Floater Notes*) of Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*). The formula may reference a number of underlying reference rates, which may be fixed rates or floating interest rates (including swap rates or difference between two swap rates), as specified in the relevant Final Terms. An underlying reference rate may be subject to an addition (or subtraction) of a margin, and further multiplied by a leverage or interest participation factor, as specified in the relevant Final Terms.

Structured Rate Linked Notes can therefore be volatile instruments as they are linked to a number of interest rates, and may be structured to include multipliers or other leverage factors, margins, caps and/or floors (See "*Caps and floors*" above for a description of this feature).

6.23 ***Change of interest basis at the Issuer's option or automatically***

Notes shall have (where the applicable Final Terms specify "Automatic Change of Interest Basis" to be applicable), or may have at the Issuer's option (where the applicable Final Terms specify "Switchable Notes" to be applicable), more than one interest basis applicable to different interest periods and/or interest payment dates. These Notes may be Fixed Rate Notes, Floating Rate Notes or Structured Rate Linked Notes (or any combination of the foregoing).

If the applicable Final Terms specify "Switchable Notes" to be applicable, the Notes may bear interest at a rate that converts, at the option of the Issuer, from one specified rate to another specified rate. If the Issuer exercises its conversion option to convert a fixed rate of interest to a floating rate of interest or to convert a floating rate of interest to a fixed rate of interest, after such conversion, the Notes may bear interest at a rate of interest which is less favourable than prevailing spreads on comparable Notes.

The Issuer's right to effect such a conversion may affect the secondary market and the market value of the Notes as the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing.

6.24 ***Multiple features i.e. different combinations of payout features***

Investors should note that a series of Notes issued under the Program may contain one or more of the features described in this section entitled "*Feature-specific risk factors*" in various different combinations. A series of Notes may have more than one type of interest applying to different interest periods and/or interest payment dates. As a result, the risks highlighted in respect of each such feature above may be compounded where a number of features apply to a single Series of Notes. Depending on the features that apply to a Series of Notes, an investor may bear the risk that no interest is payable throughout the life of the Notes and that the redemption amount in respect of the Notes may be less than par and, in certain circumstances, may be zero.

7. ***Representations and acknowledgments by Noteholders***

Representations and acknowledgments by Noteholders. Each Noteholder shall be deemed to represent and acknowledge to the relevant Issuer and, if applicable, the Guarantor on acquiring any Note that:

(a) none of the Issuer, (if applicable) the Guarantor or any Affiliate or any of their respective agents is acting as a fiduciary for it or provides investment, tax, accounting, legal or other advice in respect of the Notes and that such holder and its advisors are not relying on any communication (written or oral and including, without limitation, opinions of third party advisors) of the Issuer or any Affiliate as (a) legal, regulatory, tax, business, investment, financial, accounting or other advice, (b) a recommendation to invest in any Notes or (c) an assurance or guarantee as to the expected results of an investment in the Notes (it being understood that information and explanations related to the terms and conditions of the Notes shall not be considered to be any such advice, recommendation, assurance or guarantee and should be independently confirmed by the recipient and its advisors prior to making any such investment);

(b) such Noteholder (a) has consulted with its own legal, regulatory, tax, business, investments, financial and accounting advisors to the extent that it has deemed necessary, and has made its own investment, hedging, and trading decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer, (if applicable) the Guarantor or any Affiliate or any of their respective agents and (b) is acquiring Notes with an understanding of the terms, conditions and risks thereof and it is capable of and willing to assume those risks; and

(c) the Issuer, (if applicable) the Guarantor and/or any Affiliates may have banking or other commercial relationships with issuers of any securities or other Relevant Underlyings to which the Notes relate and may engage in proprietary trading in any equity securities, indices or other Relevant Underlyings to which the Notes relate or options, futures, derivatives or other instruments relating thereto (including such trading as the Issuer, (if applicable) the Guarantor and/or any Affiliate deem appropriate in their reasonable discretion to hedge the market risk on the Notes and other transactions between the Issuer, (if applicable) the Guarantor and/or any Affiliates and any third parties), and that such trading (a) may affect the price or level thereof and consequently the amounts payable under the Notes and (b) may be effected at any time.

SELECTED FINANCIAL INFORMATION OF MORGAN STANLEY

This section contains selected financial information of Morgan Stanley relating to the years ended 31 December 2015 and 31 December 2016 and the six months ended 30 June 2016 and 30 June 2017.

The information in respect of the years ended 31 December 2015 and 31 December 2016 set out below is derived from the audited financial statements included in Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2016.

The information in respect of the six months ended 30 June 2016 and 30 June 2017 set out below is derived from the unaudited financial statements included in the Morgan Stanley Quarterly Report on Form 10-Q for the quarterly periods ended 30 June 2016 and 30 June 2017, respectively.

Consolidated Balance Sheets (U.S.$ *in millions*)	**At 31 December 2015**	**At 31 December 2016**	**At 30 June (unaudited)**	
			2016	**2017**
Total assets	787,465	814,949	828,873	841,016
Total liabilities and equity	787,465	814,949	828,873	841,016

Consolidated Income Statements *(U.S.$ in millions)*	**2015**	**2016**	**Six months ended 30 June (unaudited)**	
			2016	**2017**
Net revenues	35,155	34,631	16,701	19,248
Income from continuing operations before income taxes	8,495	8,848	4,221	5,450
Net income	6,279	6,123	2,803	3,762

SELECTED FINANCIAL INFORMATION OF MSI PLC

This section contains selected financial information of MSI plc relating to the years ended 31 December 2015 and 31 December 2016 and the six months ended 30 June 2016 and 30 June 2017.

The information in respect of the years ended 31 December 2015 and 31 December 2016 set out below is derived from the audited financial statements included in MSI plc's Report and Financial Statements for the years ended 31 December 2015 and 31 December 2016, respectively.

The information in respect of the six months ended 30 June 2016 and 30 June 2017 set out below is derived from the unaudited financial statements included in MSI plc's Interim Financial Report for the six months ended 30 June 2016 and 30 June 2017, respectively.

Consolidated Balance Sheet (*in U.S.$ millions*)	**31 Dec 2015**	**31 Dec 2016**	**Six months ended 30 June**	
			2016	**2017**
Total assets	394,084	423,346	470,491	439,296
Total liabilities and equity	394,084	423,346	470,491	439,296

Consolidated Income Statement *(in U.S.$ millions)*	**31 Dec 2015**	**31 Dec 2016**	**Six months ended 30 June**	
			2016 (restated)	**2017**
Net gains on financial instruments classified as held for trading	3,508	3,816	1,911	3,252
Profit (loss) before tax	710	735	468	999
Profit (loss) for the year/period	401	451	296	695

SELECTED FINANCIAL INFORMATION OF MSBV

This section contains selected financial information of MSBV relating to the years ended 31 December 2015 and 31 December 2016 and the six months ended 30 June 2016 and 30 June 2017.

The information in respect of the years ended 31 December 2015 and 31 December 2016 set out below is derived from the audited financial statements included in MSBV's Report and Financial Statements for the years ended 31 December 2015 and 31 December 2016, respectively.

The information in respect of the six months ended 30 June 2016 and 30 June 2017 set out below is derived from the unaudited financial statements included in MSBV's Interim Financial Report for the six months ended 30 June 2016 and 30 June 2017, respectively.

Statement of financial position (*in EUR '000*)	**31 Dec 2015**	**31 Dec 2016**	**Six months ended 30 June**	
			2016	**2017**
Total assets	8,770,208	9,569,083	9,300,670	10,193,799
Total liabilities and equity	8,770,208	9,569,083	9,300,670	10,193,799

Statement of comprehensive income *(in EUR '000)*	**31 Dec 2015**	**31 Dec 2016**	**Six months ended 30 June**	
			2016 (restated)	**2017**
Net gains/ (losses) on financial instruments classified as held for trading	(478,444)	31,323	(310,651)	359,254
Net gains/ (losses) on financial instruments designated at fair value through profit or loss	482,884	(31,323)	310,651	(359,254)
Profit before income tax	10,151	5,160	2,858	3,783
Profit and total comprehensive income for the year/period	7,620	546	133	2,837

SELECTED FINANCIAL INFORMATION OF MSFL

This section contains selected financial information of MSFL relating to the years ended 31 December 2015 and 31 December 2016 and the six months ended 30 June 2016 and 30 June 2017.

The information in respect of the years ended 31 December 2015 and 31 December 2016 set out below is derived from the audited financial statements included in MSFL's Report and Financial Statements for the years ended 31 December 2015 and 31 December 2016, respectively.

The information in respect of the six months ended 30 June 2016 and 30 June 2017 set out below is derived from the unaudited financial statements included in MSFL's Financial Statements for the six months ended 30 June 2016 and 30 June 2017, respectively.

Statement of Financial Position (*in U.S.$*)	**31 December 2015**	**31 December 2016**	**30 June 2016**	**30 June 2017**
Net Income	110,072,000	10,771,000	10,920,801	(458,000)
Total Assets	6,942,318,599	2,143,572,000	355,668,713	5,403,529,000
Total Liabilities	1,713,099,832	2,154,905,000	357,207,736	5,430,060,000

GENERAL DESCRIPTION OF THE NOTES

The following overview describes the key features of the Notes that each Issuer is offering under the Program in general terms only. Investors should read this general description together with the more detailed information that is contained in this Base Prospectus and in the applicable Final Terms.

Issuers	Morgan Stanley, MSI plc, MSBV, MSFL.
Guarantor	In the case of Notes issued by MSBV or MSFL, Morgan Stanley.
Distribution Agents	Morgan Stanley & Co. International plc.
Fiscal Agent	The Bank of New York Mellon.
Registrar and Transfer Agent	The Bank of New York Mellon S.A./N.V., Luxembourg Branch (together with the Fiscal Agent, the "**Agents**")
Nordic Issuing Agent	Skandinaviska Enskilda Banken AB (publ)
Euroclear Registrar	Computershare Investor Services (Guernsey) Limited.
Notes	Series A and Series B Notes which are issued under the Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates (the "**Program**"), and which are (i) issued pursuant to the issue and paying agency agreement dated on or about the date hereof between the Issuers, the Guarantor and the Agents (the "**Issue and Paying Agency Agreement**"), (ii) issued in dematerialised and uncertificated book-entry form with a Nordic central securities depositary pursuant to the issuing and paying agent agreement dated 11 April 2016 between the Nordic Issuing Agent, MSI plc and MSBV (the "**SEB Issuing and Paying Agent Agreement**") or (iii) issued pursuant to the Euroclear Agreement dated on or about the date hereof between MSBV, MSI plc and the Euroclear Registrar (the "**Euroclear Agreement**"). For the avoidance of doubt, this Base Prospectus does not relate to or describe any securities other than the Notes.
Program Amount	The U.S. Dollar value, determined as of the respective issue dates, of the aggregate principal amount of Notes issued under the Program which are outstanding and the aggregate issue price of the Warrants and Certificates outstanding and any other notes, warrants and/or certificates authorised pursuant to the Authorising Resolutions (as defined below), shall not at any one time exceed U.S.$55,000,000,000. The issue of, amongst others, the Notes were authorised by Morgan Stanley pursuant to resolutions (the "**Authorising Resolutions**") adopted at a meeting of the Board of Directors of Morgan Stanley held on 25 September 1998, 17 June 2003, 14 December 2004, 20 September 2005, 12 December 2006, 19 June 2007, 17 September 2007 and 16 June 2008. The maximum aggregate amount of Notes permitted to be outstanding at any one time under this Program may be increased from time to time.
Issuance in Series	Notes will be issued in series (each, a "**Series**"). Each Series may comprise one or more tranches ("**Tranches**" and each, a "**Tranche**") issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches and each Series may comprise Notes of different denominations. The Notes of each

Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.

Forms of Notes

Morgan Stanley, MSI plc, MSBV and MSFL may issue Notes in registered form ("**Registered Notes**"). Registered Notes may be in either individual certificate form or in global certificate form. MSBV and MSI plc may also issue Notes in dematerialised and uncertificated book-entry form with a Nordic central securities depositary ("**Nordic Notes**"). MSBV or MSI plc may also issue Notes in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001 (as amended, modified or re-enacted and such other regulations made under Sections 783, 784(3), 785 and 788 of the Companies Act 2006 as are applicable to the Euroclear Registrar) ("**Uncertificated Notes**").

Registered Notes

Registered Notes will be in the form of either individual note certificates or global note certificates, in each case as specified in the relevant Final Terms. Each global note certificate will either be: (a) in the case of Registered Notes which are not to be held under the New Safekeeping Structure (as defined below), registered in the name of a nominee of a common depositary for the Relevant Clearing System and the relevant global note certificate will be deposited on or about the issue date with the common depositary; or (b) in the case of Registered Notes which are to be held under the new safekeeping structure ("**New Safekeeping Structure**" or "**NSS**"), registered in the name of a nominee of a common safekeeper for the Relevant Clearing System and the relevant global note certificate will be deposited on or about the issue date with the common safekeeper for the Relevant Clearing System.

Uncertificated Notes

Uncertificated Notes will be held in uncertificated form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Regulations**"). The Uncertificated Registered Notes are participating securities for the purposes of the Regulations. Title to the Uncertificated Notes is recorded on the relevant Operator register of eligible debt securities (as defined in the Regulations) and the relevant "**Operator**" (as such term is used in the Regulations) in Euroclear UK & Ireland Limited or any additional or alternative operator from time to time approved by the Issuer and the Euroclear Registrar and in accordance with the Regulations. Notes in definitive registered form will not be issued (either upon issue or in exchange for Uncertificated Notes).

The Euroclear Registrar will make all payments in respect of Uncertificated Notes.

Terms and Conditions

Final Terms will be prepared in respect of each Tranche of Notes (each, a "**Final Terms**"). The terms and conditions applicable to each Tranche will be those set out herein under the heading "*Terms and Conditions of the Notes*", as completed by the applicable Final Terms. The applicable Final Terms will also specify which of the provisions set out in Part 1 of the Terms and Conditions (the "**General Terms and Conditions**" or "**General Conditions**") and Part 2 of the Terms and Conditions (the "**Additional Terms and**

	Conditions" or "**Additional Conditions**") are applicable in respect of a particular Series of Notes. Any Issuer may issue Notes that are Share-Linked Notes, Index-Linked Notes, ETF-Linked Notes, Commodity-Linked Notes, Currency-Linked Notes, Inflation-Linked Notes, Fund-Linked Notes, Preference Share-Linked Notes and/ or any combination thereof (each as defined in Condition 8 (*Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Fund-Linked and Preference Share-Linked Notes*) of "*Terms and Conditions of the Notes*" hereof).
Specified Currency	Notes may be denominated or payable in any currency as set out in the applicable Final Terms, subject to all applicable consents being obtained and compliance with all applicable legal and regulatory requirements.
Status	Notes will be direct and general obligations of the relevant Issuer.
Guarantee	The payment of all amounts due in respect of Notes issued by MSBV (unless specified otherwise in the applicable Final Terms) or MSFL will be unconditionally and irrevocably guaranteed by Morgan Stanley pursuant to a guarantee dated as of 10 October 2017 (as supplemented and/or amended and/or restated and/or replaced from time to time). Payment of amounts due in respect of MSI plc Notes are not guaranteed by Morgan Stanley.
Issue Price	Notes may be issued at any price, as specified in the applicable Final Terms, subject to compliance with all applicable legal and regulatory requirements.
Maturities	Notes will have maturities as specified in the applicable Final Terms, subject to compliance with all applicable legal and regulatory requirements. Where Notes have a maturity of less than one year and either (i) the issue proceeds are received by the relevant Issuer in the United Kingdom or (ii) the activity of issuing the Notes is carried on from an establishment maintained by the relevant Issuer in the United Kingdom, such Notes must: (a) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (b) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the relevant Issuer.
Relevant Underlying:	The interest and / or redemption amounts payable on Notes may be linked to the value or performance of (each, a "**Relevant Underlying**") (i) one or more shares (such Notes, the "**Share-Linked Notes**"), (ii) one or more equity indices (such Notes, the "**Index-Linked Notes**"), (iii) interests in one or more exchange traded funds (such Notes, the "**ETF-Linked Notes**"), (iv) one or more commodities or commodity indices (such Notes, the "**Commodity-Linked Notes**"), (v) one or more currencies (such Notes, the "**Currency-Linked Notes**"), (vi) one or more inflation indices (such Notes, the "**Inflation-Linked Notes**"), (vii) interests

	in one or more funds (such Notes, the "**Fund-Linked Notes**") or (viii) one or more preference shares issued by an entity which is not Morgan Stanley, MSI plc, MSBV or MSFL or any legal entity belonging to the same group as Morgan Stanley, MSI plc, MSBV or MSFL (such Notes, the "**Preference Share-Linked Notes**").
Redemption	Notes may be redeemed at par or at such other redemption amount (detailed in a formula or otherwise, which may be linked to the performance of a Relevant Underlying) or may be Notes ("**Physical Settlement Notes**") which are redeemable by delivery of securities of an issuer that is not affiliated with Morgan Stanley, MSI plc, MSBV or MSFL, in each case as may be specified in such provisions of the General Terms and Conditions and the Additional Terms and Conditions as are specified as being applicable in respect of a Series of Notes in the applicable Final Terms.
Early Redemption	Early redemption will be permitted: (i) for taxation reasons as mentioned in Condition 15.2 and 15.3 (*Redemption and Purchase*) of "*Terms and Conditions of the Notes*" hereof; and (ii) following the occurrence of an Event of Default, if the requisite number of Noteholders declare the Notes to be due and payable following the occurrence of such Event of Default in accordance with Condition 20 (*Events of Default*) of "*Terms and Conditions of the Notes*" hereof, but will otherwise be permitted only to the extent specified in the applicable Final Terms.
Interest	Notes may be interest-bearing or non-interest-bearing. Interest (if any) may accrue at a fixed rate (which may be zero), a floating rate, a rate which varies during the lifetime of the relevant Series, or a rate which is linked to the performance of a Relevant Underlying.
Denominations	Notes will be issued in such denominations as may be specified in the applicable Final Terms, subject to compliance with all applicable legal and regulatory requirements.
Taxation	Payments made by the Issuer, or if applicable, the Guarantor, in respect of any Notes will be made without withholding or deduction for, or on account of, any present or future tax, assessment or governmental charge ("**Taxes**") imposed or levied by or on behalf of the United States or (i) the United Kingdom, in the case of payment by MSI plc in respect of Notes issued by MSI plc or (ii) the Netherlands, in the case of payments by MSBV in respect of Notes issued by MSBV, or any representative political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of those Taxes is required by law. In the case of payments in respect of Notes issued by Morgan Stanley or MSFL, the beneficial owner of the Note that is not a United States person (or a financial institution holding the Note on behalf of the beneficial owner that is not a United States person) is required under currently applicable law to timely furnish the appropriate IRS Form W-8BEN or W-8BEN-E on which the beneficial owner certifies under penalties of perjury that it is not a United States person. In the event that any Issuer or the Guarantor determines that withholding or deduction of taxes is required by the United States, or any representative political subdivision thereof or any authority or agency therein having power to tax, on any payment on any Notes, such Issuer or Guarantor will (subject to customary exceptions) pay those Additional Amounts (as defined herein) as will result in those

	Noteholders who are U.S. Aliens (as defined herein) receiving such amounts as they would have received in respect of the Notes had no withholding or deduction been required, but only if so specified in the applicable Final Terms.
Benefit Plan Investors	The Notes may not be acquired or held by, or acquired with the assets of, any employee benefit plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended, or any entity whose underlying assets include "plan assets" within the meaning of Section 3(42) of ERISA by reason of any such employee benefit plan's account's or plan's investment therein.
Use of Proceeds	The net proceeds from the sale of Notes by Morgan Stanley, MSI plc or MSBV will be used by the relevant Issuer for general corporate purposes, in connection with hedging the relevant Issuer's obligations under the Notes, or both. In respect of MSBV, at least 95% of the proceeds will be invested (uitzetten) within the group of which it forms part. MSFL intends to lend the net proceeds from the sale of the Notes it offers to Morgan Stanley. Morgan Stanley intends to use the proceeds from such loans for general corporate purposes.
Listing and admission to trading	Applications have been made to admit the Notes which are "Series A" Notes by Morgan Stanley, MSI plc, MSBV or MSFL to the Luxembourg Stock Exchange. The applicable Final Terms will specify whether an issue of Notes which are "Series A Notes" will be admitted to the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Regulated Market, admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system or will be unlisted, as the relevant Issuer and any Distribution Agent may agree. Notes which are "Series B" Notes will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.
Clearing Systems	Euroclear, Clearstream, Luxembourg and/or any other clearing system as may be specified in the applicable Final Terms.
Governing Law	Unless otherwise specified in the applicable Final Terms, the Notes and any non-contractual obligations arising out of or in connection with them shall be governed by English law. The Guarantee of Morgan Stanley in respect of Notes issued by MSBV or MSFL is governed by New York law.
Enforcement of Notes in Global Form	In the case of Notes issued by Morgan Stanley in global form, individual holders' rights will be governed by a deed of covenant entered into by Morgan Stanley dated 17 July 2013 (the "**Morgan Stanley Deed of Covenant**"), in the case of Notes issued by MSI plc in global form or in dematerialised form, individual holders' rights will be governed by a deed of covenant entered into by MSI plc dated 17 July 2013 (the "**MSI plc Deed of Covenant**"), in the case of Notes issued by MSBV in global form or in dematerialised form, individual holders' rights will be governed by a deed of covenant entered into by MSBV dated 17 July 2013 (the "**MSBV Deed of Covenant**") and in the case of Notes issued by MSFL in

	global form, individual holders' rights will be governed by a deed of covenant entered into by MSFL dated 21 October 2016 (the "**MSFL Deed of Covenant**"), copies of which, in each case, will be available for inspection at the specified office of the Fiscal Agent.
Restrictions on sale to U.S. Persons	The Notes may not be offered, sold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed *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 Regulation S under the Securities Act).
Selling Restrictions	For a description of certain restrictions on offers, sales and deliveries of the Notes and on the distribution of offering material in the United States and in certain other countries, see "*Subscription and Sale*" and "*No Ownership by U.S. Persons*" hereof.
Certain Restrictions	In respect of Index-Linked Notes (as defined in the paragraph headed "*Relevant Underlying*" above), the specified index or basket or indices to which such Index-Linked Notes relate shall not be (a) any index composed by Morgan Stanley, MSI plc, MSBV or MSFL or any legal entity belonging to the same group as Morgan Stanley, MSI plc, MSBV or MSFL or (b) any index provided by a legal entity or a natural person acting in association with, or on behalf of Morgan Stanley, MSI plc, MSBV or MSFL. In respect of Share-Linked Notes (as defined in the paragraph headed "*Relevant Underlying*" above), the issuer or issuers of the specified share or shares to which such Share-Linked Notes relate shall not be Morgan Stanley, MSI plc, MSBV or MSFL or any legal entity belonging to the same group as Morgan Stanley, MSI plc, MSBV or MSFL. In respect of Preference Share-Linked Notes (as defined in the paragraph headed "*Relevant Underlying*" above), the issuer of the specified preference share to which such Preference Share-Linked Notes relate shall not be Morgan Stanley, MSI plc, MSBV or MSFL or any legal entity belonging to the same group as Morgan Stanley, MSI plc, MSBV or MSFL. In respect of Physical Settlement Notes (as defined in the paragraph headed "*Redemption*" above), any securities which are to be delivered pursuant to the terms and conditions of such Physical Settlement Notes shall not be any shares or transferable securities equivalent to shares in Morgan Stanley, MSI plc, MSBV or MSFL or any legal entity belonging to the same group as Morgan Stanley, MSI plc, MSBV or MSFL.
Subordination	*Structural subordination; Morgan Stanley's access to assets held by subsidiaries may be restricted*: The Notes issued by Morgan Stanley, including the guarantees of the Notes issued by MSBV and MSFL, are Morgan Stanley's unsecured senior obligations, but Morgan Stanley's assets consist primarily of equity in, and receivables from, its subsidiaries. **As a result, Morgan Stanley's ability (i) to make payments on its Notes (ii) to make payments with respect to its guarantee of Notes issued by MSBV and MSFL and (iii) to pay dividends on its preferred stock and common stock, in each case depends upon its receipt of dividends, loan payments and other funds from its subsidiaries. In addition, the direct creditors of any**

subsidiary will have a prior claim on the subsidiary's assets, if any, and Morgan Stanley's rights and the rights of its creditors, including a Noteholder's rights as an owner of Notes issued by Morgan Stanley or a Noteholder's rights under Morgan Stanley's guarantees of Notes issued by MSBV or MSFL, will be subject to that prior claim, except to the extent that any claims Morgan Stanley may have as a creditor of that subsidiary are paid. This subordination of parent company creditors to prior claims of creditors of subsidiaries over the subsidiaries' assets is referred to as structural subordination.

In addition, various statutes and regulations restrict some of Morgan Stanley's subsidiaries from paying dividends or making loans or advances to Morgan Stanley. These restrictions could prevent those subsidiaries from paying the cash to Morgan Stanley that it needs in order to pay Notehoders. These restrictions include, without limitation:

- **the net capital requirements under the Securities and Exchange Act of 1934, as amended, and the rules of some exchanges and other regulatory bodies, which apply to some of Morgan Stanley's principal subsidiaries, such as Morgan Stanley & Co. LLC and Morgan Stanley & Co. International plc, and**
- **banking regulations, which apply to Morgan Stanley Bank, N.A., a national bank, Morgan Stanley Private Bank, National Association (formerly Morgan Stanley Trust FSB), a national bank, and other bank subsidiaries of Morgan Stanley.**

Status of Notes

Status of the MSI plc Notes; relationship with Morgan Stanley securities: The Notes issued by MSI plc are its unsecured obligations and holders of these Notes are direct creditors of MSI plc.

Status of the MSBV Notes; relationship with Morgan Stanley securities: The Notes issued by MSBV are its unsecured obligations and holders of these Notes are direct creditors of MSBV, as well as direct creditors of Morgan Stanley under the related guarantee. The Morgan Stanley guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley, present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights.

Status of the MSFL Notes; relationship with Morgan Stanley securities: The Notes issued by MSFL are its unsecured obligations and holders of these Notes are direct creditors of MSFL, as well as direct creditors of Morgan Stanley under the related guarantee. As a finance subsidiary, MSFL has no independent operations beyond the issuance and administration of its securities and is expected to have no independent assets available for distributions to holders of MSFL Notes if they make claims in respect of the securities in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related guarantee by Morgan Stanley and that guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley, present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights. Holders of Notes issued by MSFL should accordingly assume that in any such proceedings they

would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley-issued securities.

Determinations made by the Determination Agent and the Issuer

Pursuant to "*Terms and Conditions of the Notes*" hereof, upon determination by the Determination Agent, in its reasonable discretion, that certain events have occurred with respect to the Notes including, without limitation, that a Potential Adjustment Event, Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Additional Disruption Event has occurred with respect to the relevant Notes, the Issuer will, in its reasonable discretion, determine whether the relevant Notes shall continue or shall be redeemed early. If the Issuer determines that the relevant Notes shall be redeemed early, the Issuer shall provide notice of such early redemption to Noteholders a prescribed number of days prior to the date fixed for redemption.

If the Issuer determines that the relevant Notes shall continue following the occurrence of such an event, the Determination Agent may, in its reasonable discretion, make certain determinations to account for the occurrence of the relevant event, including to make adjustments to the terms of the Notes.

In the event that the Determination Agent determines that an adjustment shall be made to the terms of the relevant Notes following the occurrence of such an event, the Determination Agent shall be required to provide Noteholders with notice of such adjustment within a prescribed time period, set out in the applicable Conditions of the Notes relating to the relevant event, following such adjustment becoming effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

Substitution

Pursuant to Condition 34.1 (*Substitution of Issuer with Morgan Stanley Group entities*), the Issuer may be substituted for Morgan Stanley (if the original Issuer is not Morgan Stanley) or a subsidiary of Morgan Stanley without the consent of the Noteholdes.

Pursuant to Condition 34.2 (*Substitution of Issuer or Guarantor with non Morgan Stanley Group entities*), the Issuer or the Guarantor (in the case of MSBV or MSFL Notes) may, subject to the Conditions set out in Condition 34 (*Substitution*) including the rights of Noteholders under Condition 34.6 (*Right to Redemption in respect of substitutions with non Morgan Stanley Group entities*), but without the consent of Noteholders, upon the occurrence of a Substitution Event (as defined in Condition 34.2 (*Substitution of Issuer or Guarantor with non Morgan Stanley Group entities*)), substitute for itself any entity which is not a Morgan Stanley Group entity, provided that such entity satisfies the requirements set out in Condition 34.2 (*Substitution of Issuer or Guarantor with non Morgan Stanley Group entities*).

Upon a substitution of the Issuer or the Guarantor with a non Morgan Stanley Group entity pursuant to Condition 34.2 (*Substitution of Issuer or Guarantor with non Morgan Stanley Group entities*), Noteholders who object to the substitution will have the right to require the Issuer to redeem their Notes at a price determined in accordance with the provisions of Condition 34.6 (*Right to Redemption in respect of substitutions with non Morgan Stanley Group entities*), by providing notice of their intention to

exercise such right in the manner set out in Condition 34.6 (*Right to Redemption in respect of substitutions with non Morgan Stanley Group entities*).

CONSENT TO THE USE OF THE BASE PROSPECTUS

In the context of any offer of Notes that is not made within an exemption from the requirement to publish a prospectus under the Prospectus Directive (a "**Non-exempt Offer**"), in relation to any person (an "**Investor**") to whom an offer of any Notes is made by any financial intermediary to whom the Responsible Persons (as defined below) have given their consent to use this Base Prospectus (an "**Authorised Offeror**"), where the offer is made during the period for which that consent is given and where the offer is made in the Member State for which that consent was given and is in compliance with all other conditions attached to the giving of the consent, all as mentioned in this Base Prospectus, each of Morgan Stanley, MSI plc, MSBV and MSFL (together the "**Responsible Persons**") accepts responsibility in each such Member State for the information relating to itself in this Base Prospectus. However, neither any Responsible Person nor any Distribution Agent has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

Each Issuer and, if applicable, the Guarantor consents to the use of this Base Prospectus in connection with a Non-exempt Offer of Notes to be issued by such Issuer during the Offer Period specified in the relevant Final Terms (the "**Offer Period**") either:

(1) by any Authorised Offeror which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) and which satisfies the conditions (if any) specified in the relevant Final Terms in one or more of the following Member State(s), as specified in the relevant Final Terms: (i) Austria, (ii) Belgium, (iii) Czech Republic, (iv) Denmark, (v) Finland, (vi) France, (vii) Germany, (viii) Ireland, (ix) Italy, (x) Luxembourg, (xi) Norway, (xii) Portugal, (xiii) Spain, (xiv) Sweden, (xv) The Netherlands, or (xvi) United Kingdom; or

(2) by any Authorised Offeror specified in the relevant Final Terms, subject to the relevant conditions specified in the relevant Final Terms, for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) and in one or more of the following Member State(s) as specified in the relevant Final Terms: (i) Austria, (ii) Belgium, (iii) Czech Republic, (iv) Denmark, (v) Finland, (vi) France, (vii) Germany, (viii) Ireland, (ix) Italy, (x) Luxembourg, (xi) Norway, (xii) Portugal, (xiii) Spain, (xiv) Sweden, (xv) The Netherlands, or (xvi) United Kingdom.

The relevant Issuer and, if applicable, the Guarantor, may give consent to additional financial intermediaries after the date of the relevant Final Terms and, if they do so, such Issuer and, if applicable, the Guarantor, will publish the above information in relation to them on http://sp.morganstanley.com/EU/Documents.

Subject to the conditions specified in the relevant Final Terms, the consent referred to above relates to Offer Periods occurring within 12 months from the date of this Base Prospectus.

Any Authorised Offeror who wishes to use this Base Prospectus in connection with a Non-exempt Offer as set out in (1) above is required, for the duration of the relevant Offer Period, to publish on its website that it is using this Base Prospectus for such Non-exempt Offer in accordance with the consent of the relevant Issuer and the conditions attached thereto.

To the extent specified in the relevant Final Terms, a Non-exempt Offer may be made during the relevant Offer Period by any of the Issuers, the Guarantor, the Distribution Agent or, subject to any restrictions on the consent, any relevant Authorised Offeror in any relevant Member State and subject to any relevant conditions, in each case all as specified in the relevant Final Terms.

Unless otherwise specified, none of the Issuers, the Guarantor and the Distribution Agent has authorised the making of any Non-exempt Offer of any Notes by any person in any circumstances and such person is not permitted to use this Base Prospectus in connection with its offer of any Notes. Any such Non-exempt Offers are not made by or on behalf of the Issuers, the Guarantor, the Distribution Agent or any Authorised Offeror and none of the Issuers, the Guarantor, the Distribution Agent or any Authorised Offeror has any responsibility or liability for the actions of any person making such offers.

An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocation, settlement arrangements and any expenses or taxes to be charged to the Investor (the "**Terms and Conditions of the Non-exempt Offer**"). None of the Issuers and the Guarantor will be a

party to any such arrangements with Investors (other than the Distribution Agent) in connection with the offer or sale of the Notes and, accordingly, this Base Prospectus and any Final Terms will not contain such information.

In the event of a Non-exempt Offer being made by an Authorised Offeror, the Terms and Conditions of the Non-exempt Offer shall be provided to Investors by that Authorised Offeror at the time the offer is made. None of the Issuers, the Guarantor, the Distribution Agent or other Authorised Offerors has any responsibility or liability for such information.

In the case of any Tranche of Notes which is being (a) offered to the public in a Member State (other than pursuant to one or more of the exemptions set out in Article 3.2 of the Prospectus Directive) and/or (b) admitted to trading on a regulated market in a Member State, the relevant Final Terms shall not amend or replace any information in this Base Prospectus. Subject to this, to the extent permitted by applicable law and/or regulation, the Final Terms in respect of any Tranche of Notes may complete any information in this Base Prospectus.

WHERE THE INVESTOR CAN FIND MORE INFORMATION ABOUT MORGAN STANLEY

Morgan Stanley files annual, quarterly and current reports, proxy statements and other information with the United States Securities and Exchange Commission (the "**SEC**"). Investors may read and copy any document that Morgan Stanley files with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at +1–800–SEC–0330 for information on the public reference room. The SEC maintains an internet site that contains annual, quarterly and current reports, proxy and information statements and other information that issuers (including Morgan Stanley) file electronically with the SEC. Morgan Stanley's electronic SEC filings are available to the public at the SEC's internet site www.sec.gov. The information contained on this website, and any information available at the SEC's public reference room, shall not form part of this Base Prospectus, unless such information has been expressly incorporated herein by way of a supplement to this Base Prospectus.

INCORPORATION BY REFERENCE

The following documents and/or information shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus:

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		(7)	Shareholder Proposals	87-90
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		(10)	Annex B: Directors' Equity Capital Accumulation Plan (As Proposed to Be Amended and Restated)	B-1-B-13
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16.	The terms and conditions set out on pages 77 to 227 of the base prospectus for notes, Series A and B, warrants and certificates dated 17 July 2013 relating to the Program under the heading "*Terms and Conditions of the Notes*" (the "**17 July 2013 English Law Note Conditions**").			
17.	Supplement dated 30 August 2013 to the 17 July 2013 Base Prospectus (the "**30 August 2013 Supplement**")	(1)	Part A-Modification of the Additional Terms and Conditions	1 - 4
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18.	The terms and conditions set out on pages 94 to 264 of the base prospectus for notes, Series A and B, warrants and certificates dated 16 December 2013 relating to the Program under the heading "*Terms and Conditions of the Notes*" (the "**16 December 2013 English Law Note Conditions**").			
19.	The terms and conditions set out on pages 105 to 203 of the base prospectus for notes, Series A and B, warrants and certificates dated 16 December 2014 (the "**16 December 2014 Base Prospectus**") relating to the Program under the heading "*Terms and Conditions of the Notes*" (the "**16 December**			

2014 English Law Note Conditions").

20. The Pro Forma Final Terms For Notes Other Than Linked Notes, the Pro Forma Final Terms For Autocallable Notes, the Pro Forma Final Terms For Reverse Convertible Notes, the Pro Forma Final Terms For Certain Linked Notes, the Pro Forma Final Terms For Preference Share-Linked Notes, collectively set out on pages 228 to 466 of the base prospectus for notes, Series A and B, warrants and certificates dated 17 July 2013 relating to the Program (the "**17 July 2013 Base Prospectus**") (each of these a "**July 2013 Form of Final Terms**").*

21. The Pro Forma Final Terms For Notes Other Than Linked Notes, the Pro Forma Final Terms For Autocallable Notes, the Pro Forma Final Terms For Reverse Convertible Notes, the Pro Forma Final Terms For Certain Linked Notes, the Pro Forma Final Terms For Preference Share-Linked Notes, collectively set out on pages 265 to 565 of the base prospectus for notes, Series A and B, warrants and certificates dated 16 December 2013 relating to the Program (the "**16 December 2013 Base Prospectus**") (each of these a "**December 2013 Form of Final Terms**", and together with the July 2013 Forms of Final Terms, the "**2013 Forms of Final Terms**", each a "**2013 Form of Final Terms**").**

22. The Pro Forma Final Terms For Notes Other Than Linked Notes, the Pro Forma Final Terms For Autocallable Notes, the Pro Forma Final Terms For Reverse Convertible Notes, the Pro Forma Final Terms For Certain Linked Notes, the Pro Forma Final Terms For Preference Share-Linked Notes, collectively set out on pages 296 to 676 of the 16 December 2014 Base Prospectus (each of these a "**December 2014 Form of Final Terms**").***

23. The terms and conditions set out on pages 129 to 323 of the base prospectus for notes, Series A and B, warrants and certificates dated 15 December 2015 (the "**15 December 2015 Base Prospectus**") relating to the Program under the heading "*Terms and Conditions of the Notes*" (the "**15 December 2015 English Law Note Conditions**").

24. The Pro Forma Final Terms For Notes Other Than Linked Notes, the Pro Forma Final Terms For Autocallable Notes, the Pro Forma Final Terms For Reverse Convertible Notes, the Pro Forma Final Terms For Certain Linked Notes, the Pro Forma Final Terms For Preference Share-Linked Notes, collectively set out on pages 324 to 694 of the 15 December 2015 Base Prospectus (each of these a "**December 2015 Form of Final Terms**").****

25. The terms and conditions set out on pages 131 to 331 of the base prospectus for notes, Series A and B, warrants and certificates dated 21 October 2016 (the "**21 October 2016 Base Prospectus**") relating to the Program under the heading "*Terms and Conditions of the Notes*" (the "**21 October 2016 English Law Note Conditions**").

26. The Pro Forma Final Terms For Notes Other Than Linked Notes, the Pro Forma Final Terms For Autocallable Notes, the Pro Forma Final Terms For Reverse Convertible Notes, the Pro Forma Final Terms For Certain Linked Notes, the Pro Forma Final Terms For Preference Share-Linked Notes, collectively set out on pages 332 to 729 of the 21 October 2016 Base Prospectus (each of these an "**October 2016 Form of Final Terms**").*****

* Save as provided in Paragraph 10 in the section entitled "Important Legal Information" of this Base Prospectus.

** Save as provided in Paragraph 11 in the section entitled "Important Legal Information" of this Base Prospectus.

*** Save as provided in Paragraph 12 in the section entitled "Important Legal Information" of this Base Prospectus.

**** Save as provided in Paragraph 13 in the section entitled "Important Legal Information" of this Base Prospectus.

***** Save as provided in Paragraph 14 in the section entitled "Important Legal Information" of this Base Prospectus.

Any statement contained in this Base Prospectus or any documents incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference and in respect of which a supplement to this Base Prospectus is prepared modifies or supersedes such statement.

The information about Morgan Stanley, MSI plc, MSBV and MSFL incorporated by reference in this Base Prospectus (the "**Incorporated Information**") is considered to be part of this Base Prospectus. Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the CSSF in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

For the purposes of Article 28.4 of the Commission Regulation (EU) No 809/2004, any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

Any documents incorporated by reference into the documents listed above do not form part of this Base Prospectus.

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of Commission Regulation (EU) No 809/2004.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions, comprising the general terms and conditions set out in Part 1 (General Terms and Conditions) and the additional terms and conditions set out in Part 2 (Additional Terms and Conditions), which, as completed by the applicable Final Terms, will be endorsed on each Note in definitive form (if any) issued under the Program. In the case of any Tranche of Notes which are being (a) offered to the public in a Member State (other than pursuant to one or more exemptions set out in Article 3.2 of the Prospectus Directive) or (b) admitted to trading on a regulated market in a Member State, the relevant Final Terms shall not amend or replace any information in this Base Prospectus. The terms and conditions applicable to any Note issued in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

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1. INTRODUCTION

1.1 ***Program***: Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley B.V. ("**MSBV**") and Morgan Stanley Finance LLC ("**MSFL**") have established the Regulation S Program for the issuance of Notes, Series A and Series B, Warrants and Certificates (the "**Program**") which provides for the issuance of up to U.S.$55,000,000,000 in aggregate principal amount, *inter alia*, of notes which are expressed to be governed by English law (the "**Notes**"). References to the "**Issuer**" in these terms and conditions shall mean (i) if the Notes to which these terms and conditions apply are issued by Morgan Stanley, Morgan Stanley, (ii) if the Notes to which these terms and conditions apply are issued by MSI plc, MSI plc, (iii) if the Notes to which these terms and conditions apply are issued by MSBV, MSBV, or (iv) if the Notes to which these terms and conditions apply are issued by MSFL, MSFL. The payment obligations of MSBV in respect of Notes issued by MSBV and the payment obligations of MSFL in respect of Notes issued by MSFL under the Program are (unless, in respect of Notes issued by MSBV only, otherwise specified in the applicable Final Terms), in each case, guaranteed by Morgan Stanley (in its capacity as Guarantor (the "**Guarantor**")) under the terms of a guarantee dated as of 10 October 2017 (the "**Guarantee**").

1.2 ***Final Terms***: Notes issued under the Program are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of a set of Final Terms (each, a "**Final Terms**") which complete these general terms and

conditions (the "**General Terms and Conditions**" or "**General Conditions**") and specify, among other matters, the additional terms and conditions set out in Part 2 (*Additional Terms and Conditions*) below (the "**Additional Terms and Conditions**" or "**Additional Conditions**" and the Additional Terms and Conditions together with the General Terms and Conditions, the "**Base Conditions**"), if any, applicable in relation to such Series. The terms and conditions applicable to any particular Tranche of Notes are the Base Conditions as completed by the applicable Final Terms (the "**Conditions**" or "**Terms and Conditions**" of such Tranche of Notes).

1.3 ***Issue and Paying Agency Agreement***: The Notes are the subject of an issue and paying agency agreement dated 17 July 2013, as last modified and restated on 10 October 2017 (such agreement as from time to time further modified and/or restated, the "**Issue and Paying Agency Agreement**") between Morgan Stanley, MSI plc, MSBV, MSFL, The Bank of New York Mellon S.A./N.V., Luxembourg Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), the transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes) and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N.A., London Branch) as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes and together with any additional paying agents appointed pursuant thereto, the "**Paying Agents**", which expression includes any successor paying agents appointed from time to time in connection with the Notes). The Fiscal Agent is also appointed as initial calculation agent. In these Base Conditions references to the "**Agents**" are to the Paying Agents and the Transfer Agents and any reference to an "**Agent**" is to any one of them.

1.4 ***SEB Issuing and Paying Agent Agreement*:** In relation to issues of Nordic Notes (as defined below), Skandinaviska Enskilda Banken AB (publ) (the "**Nordic Issuing Agent**", which expression shall include any successor or additional Nordic issuing agent appointed in respect of Nordic Notes), MSBV and MSI plc have entered into an agreement dated 11 April 2016 (the "**SEB Issuing and Paying Agent Agreement**").

1.5 ***Euroclear Agreement***: In relation to issues of Uncertificated Notes (as defined below), MSBV, MSI plc and the Guarantor have entered into an agreement dated 17 July 2013, as last modified and restated on 10 October 2017 (such agreement as amended and/or supplemented and/or restated from time to time, the "**Euroclear Agreement**") with Computershare Investor Services (Guernsey) Limited as registrar in respect of Uncertificated Notes (the "**Euroclear Registrar**", which expression shall include any successor or additional Euroclear registrar appointed in respect of Uncertificated Notes).

1.6 ***Deed of Covenant***: Notes issued by Morgan Stanley in global form are constituted by a deed of covenant entered into by Morgan Stanley dated 17 July 2013 (the "**Morgan Stanley Deed of Covenant**"); Notes issued by MSI plc in global form or in dematerialised form are constituted by a deed of covenant entered into by MSI plc dated 17 July 2013 (the "**MSI plc Deed of Covenant**"); Notes issued by MSBV in global form or in dematerialised form are constituted by a deed of covenant entered into by MSBV dated 17 July 2013 (the "**MSBV Deed of Covenant**"); Notes issued by MSFL in global form are constituted by a deed of covenant entered into by MSFL dated 21 October 2016 (the "**MSFL Deed of Covenant**", together with the Morgan Stanley Deed of Covenant, the MSI plc Deed of Covenant and the MSBV Deed of Covenant, the "**Deeds of Covenant**").

1.7 ***The Notes***: All subsequent references in these Base Conditions to "**Notes**" are to the Notes which are the subject of the applicable Final Terms. Copies of the applicable Final Terms are available for inspection by Noteholders during normal business hours at the Specified Office of the Fiscal Agent, the initial Specified Office of which is set out below.

1.8 ***Summaries***: Certain provisions of these Base Conditions are summaries of the Issue and Paying Agency Agreement, the SEB Issuing and Paying Agent Agreement, the Euroclear Agreement, the Deed of Covenant and the Guarantee and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**") are bound by, and are deemed to have notice of, all the provisions of each of the Issue and Paying Agency Agreement, the SEB Issuing and Paying Agent Agreement, the Euroclear Agreement, the Deed of Covenant and the Guarantee as are

applicable to them. Copies of the Issue and Paying Agency Agreement, the SEB Issuing and Paying Agent Agreement, the Euroclear Agreement, the Deed of Covenant and the Guarantee are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.

2. INTERPRETATION

2.1 Definitions

In these General Conditions the following expressions have the following meanings:

"**Accrual Yield**" means the rate specified as such in the applicable Final Terms;

"**Additional Business Centre(s)**" means the city or cities specified as such in the applicable Final Terms;

"**Broken Amount**" means the amount specified as such in the applicable Final Terms;

"**Business Day**" means any day, other than a Saturday or Sunday,

(i) that is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close (a) for Notes denominated in U.S. Dollars, in The City of New York, or (b) for Notes denominated in Sterling, in London, or (c) for Notes denominated in Australian Dollars, in Sydney, or (d) for Notes denominated in a Specified Currency other than U.S. Dollars, euro, Sterling or Australian Dollars, in the principal financial centre of the country of the Specified Currency, and (e) in each (if any) Additional Business Centre;

(ii) for Notes denominated in euro, that is also a TARGET Settlement Day and a day that is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close in each (if any) Additional Business Centre,

and, in each case, if "Additional Business Centre" is specified to be or to include: (i) "**U.S. Government Securities Business Day**", then "Business Day" shall also be any day other than a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities; or (ii) "**TARGET**" or "**TARGET Settlement Day**", then "Business Day" shall include a TARGET Settlement Day;

"**Business Day Convention**", in relation to any particular date referred to in the Base Conditions or in the applicable Final Terms which is specified to be adjusted in accordance with a Business Day Convention, the convention for adjusting such date if it would otherwise fall on a day that is not a Business Day, and means any one or more of: Following Business Day Convention, Modified Following Business Day Convention (or Modified Business Day Convention), Preceding Business Day Convention, FRN Convention (or Floating Rate Convention or Eurodollar Convention) or No Adjustment (or Unadjusted), as specified in the applicable Final Terms. In this context, if the Business Day Convention specified in the relevant Final Terms is:

(i) "**Following Business Day Convention**", the relevant date shall be postponed to the first following day that is a Business Day;

(ii) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**", the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) "**Preceding Business Day Convention**", the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) "**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**", each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the applicable Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided**, **however**, **that**:

(a) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(b) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(c) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(v) "**No Adjustment**" or "**Unadjusted**", the relevant date shall not be adjusted in accordance with any Business Day Convention;

"**Calculation Agent**" means, in respect of any Notes, the Fiscal Agent or such other Person specified in the applicable Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or any other amount(s) which may be specified as being calculated by the Calculation Agent in the Conditions;

"**Calculation Amount**" means, unless otherwise specified in the Final Terms, in relation to any Series of Notes, (i) where the Notes have only one Specified Denomination, such Specified Denomination; and (ii) where Notes of such Series may have more than one Specified Denomination, the lowest common factor of those Specified Denominations;

"**Call Option Date(s)**" means, if applicable in respect of any Series of Notes, the date(s) specified as such in the applicable Final Terms;

"**Cash Settlement Notes**" means Notes specified as being Notes to which Cash Settlement applies in the applicable Final Terms or Notes specified as being Notes to which either Physical Settlement or Cash Settlement applies in the applicable Final Terms and where the conditions to the application of Cash Settlement have been satisfied;

"**Clearstream, Luxembourg**" means Clearstream Banking, *société anonyme*, Luxembourg;

"**CMS Fallback Rate**" means if the applicable Final Terms specify:

(i) "**EUR CMS Fallback Rate**", the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period or on any relevant day and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) with a designated maturity determined by the Determination Agent by reference to standard market practice and/or the ISDA Definitions;

(ii) "**GBP CMS Fallback Rate**", the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period or on any relevant day and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months or (B) if the Designated Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;

(iii) "**USD CMS Fallback Rate**", the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States Dollar interest rate swap

transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period or on any relevant day and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and

(iv) "**Mid-Market Swap Rate**", the mid-market swap rate as determined by the Determination Agent in accordance with standard market practice;

"**CMS Reference Rate**" means the rate determined in accordance with the Condition 6.7 (*CMS Rate Determination*);

"**CMS Reference Rate 1**" means the CMS Reference Rate specified as such in the applicable Final Terms and the terms "Relevant Swap Rate", "Reference Currency", "Designated Maturity", "Relevant Screen Page", "Relevant Time" and "Interest Determination Date" and any other relevant term will each be specified in the applicable Final Terms under the heading "CMS Reference Rate 1";

"**CMS Reference Rate 2**" means the CMS Reference Rate specified as such in the applicable Final Terms and the terms "Relevant Swap Rate", "Reference Currency", "Designated Maturity", "Relevant Screen Page", "Relevant Time" and "Interest Determination Date" and any other relevant term will each be specified in the applicable Final Terms under the heading "CMS Reference Rate 2";

"**CNY Notes**" means Notes denominated in CNY or Renminbi deliverable in Hong Kong, or such other CNY Centre as specified in the applicable Final Terms;

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in the Base Conditions or the applicable Final Terms and:

(i) if "**Actual/Actual (ICMA)**" is so specified, means a fraction equal to "number of days accrued/number of days in year", as such terms are used in Rule 251 of the statutes, by-laws and recommendations of the International Capital Markets Association (the "**ICMA Rule Book**"), calculated in accordance with Rule 251 of the ICMA Rule Book as applied to non-U.S. Dollar denominated straight and convertible bonds issued after 31 December 1998, as though the interest coupon on a bond were being calculated for a coupon period corresponding to the Calculation Period in respect of which payment is being made;

(ii) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;

(iv) if "**Actual/365L**" is so specified, the actual number of days in the Calculation Period divided by 365 (or, if the last day of the Calculation Period falls in a leap year, 366);

(v) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

(vi) if "**30/360**" or "**30/360 (ICMA)**", is so specified, means the number of days in the relevant period (calculated on the basis of a year of 360 days consisting of 12 months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed) divided by 360;

(vii) if "**30/360 (ISDA)**", "**360/360**" or "**Bond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\times(Y_2 - Y_1)]+[30\times(M_2 - M_1)]+(D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(viii) if "**30E/360**" or "**Eurobond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\times(Y_2 - Y_1)]+[30\times(M_2 - M_1)]+(D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30; and

(ix) if "**30E/360 (ISDA)**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\times(Y_2 - Y_1)]+[30\times(M_2 - M_1)]+(D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period; and

(vii) **"1/1"** is specified in the applicable Final Terms, 1;

"**Designated Maturity**" means (i) for the purposes of a determination of the CMS Reference Rate, a period of time specified as such in the applicable Final Terms corresponding to such CMS Reference Rate, and (ii) for any other purposes, a period of time specified as such in the applicable Final Terms;

"**Determination Agent**" means MSI plc or, if different in relation to any Series of Notes, the Person or entity specified as such in the applicable Final Terms. 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;

"**Early Redemption Amount**" means, in the case of Condition 20 (*Events of Default*) or Condition 32 (*Inconvertibility Events*),

(i) in the case of Zero Coupon Notes, such amount as may be specified in the applicable Final Terms or, if applicable, determined in accordance with Condition 15.8 (*Early Redemption of Zero Coupon Notes*);

(ii) in the case of Preference Share-Linked Notes where the applicable Final Terms specify "**Early Preference Share Redemption Note Amount**" as being applicable, the Early Preference Share Redemption Note Amount as defined in Condition 14.8 (*Definitions applicable to Preference Share-Linked Notes*); and

(iii) in the case of any other Notes, such amount as may be specified in the applicable Final Terms or, if no other amount is specified,

(a) if "**Accrued Value**" is, in relation to Condition 20 (Events of Default) or Condition 32 (Inconvertibility Events), specified as being applicable in respect of such Note in the applicable Final Terms, an amount equal to the sum of:

(A) the product of (a) the Calculation Amount of such Note and (b) the percentage produced by the following formula:

$$\text{Reference Price} \times (1+\text{Accrual Yield})^{n}$$

where "n" means the number of years from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable and the calculation shall be made on the basis of such Day Count Fraction as may be specified in the applicable Final Terms or, if none is so specified, a Day Count Fraction of 30/360; and

(B) accrued interest (if any).

(b) if "**Fixed Redemption**" is, in relation to Condition 20 (*Events of Default*) or Condition 32 (*Inconvertibility Events*), specified as being applicable in respect of the Notes in the applicable Final Terms, an amount per Calculation Amount equal to the product of the Specified Rate and the Calculation Amount, together with accrued interest (if any); or

(c) if "**Qualified Financial Institution Determination**" is, in relation to Condition 14.5 (*Extraordinary Events*), Condition 20 (*Events of Default*) or Condition 32 (*Inconvertibility Events*), specified as being applicable in respect of the Notes in the applicable Final Terms, an amount determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, as at such date as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 Business Days prior to the date fixed for redemption of the Notes) to be the amount that a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to such Notes as if no such Event of Default had occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Notes;

(d) if "**Theoretical Value**" is specified as being applicable in respect of such Note in the applicable Final Terms, an amount equal to the fair market value of such Note on the day that is two Business Days prior to the date of redemption of the Note, as determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, by reference to factors that the Determination Agent considers relevant, including without limitation, the then (a) interest rates and, (b) the value of each embedded derivative but (c) if the relevant Early Redemption Event is an Event of Default, disregarding any change in the creditworthiness of the Issuer since the initial Trade Date.

"**Early Redemption Amount (Tax)**" means:

(a) if "**Early Redemption Amount (Tax) – Fair Market Value Less Costs**" is specified in the applicable Final Terms with respect to any Note, an amount (determined by the Determination Agent, acting in good faith and in a commercially reasonable manner) equal to the fair market 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;

(b) if "**Early Redemption Amount (Tax) – Fair Market Value**" is specified in the applicable Final Terms with respect to any Note, an amount (determined by the Determination Agent, acting in good faith and in a commercially reasonable manner) equal to the fair market value of such Note on such day as is selected by the Determination Agent acting in good faith and in a commercially reasonable manner; or

(c) if "**Early Redemption Amount (Tax) – Par**" is specified in the applicable Final Terms, an amount equal to the principal amount of such Note, together with accrued interest (if any).

"**EEA**" means the European Economic Area;

"**Euroclear**" means Euroclear Bank S.A./N.V.;

"**Euroclear Registrar**" has the meaning given to it in Condition 1.4;

"**Extraordinary Resolution**" has the meaning given in the Issue and Paying Agency Agreement;

"**Fallback Rate Determination**" means, in respect of a CMS Reference Rate, any of the following as specified in the applicable Final Terms as an alternative basis for determining the CMS Reference Rate: (i) Fallback Screen Page, (iii) Mid-Market Quotations, and (iii) Determination Agent Fallback;

"**Final Redemption Amount**" means, (i) in respect of Linked-Redemption Notes, an amount determined in accordance with such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, and (ii) in respect of any other Note, its principal amount (which may be expressed as a percentage of the Calculation Amount or an amount per Calculation Amount) as may be specified in the applicable Final Terms;

"**Finnish CSD**" means a duly authorised Finnish central securities depository (Fi.: *Arvopaperikeskus*) under Act on the Book-Entry System and Clearing Operations (Fi.: Arvo-osuusjärjestelmästä ja selvitystoiminnasta annettu laki) and The Finnish legislation governing

book-entry accounts as well as the regulations and decisions of Euroclear Finland (Fi.: laki arvo-osuustileistä sekä Euroclear Finlandin säännöt ja toimitusjohtajan päätökset), which is expected to be Euroclear Finland Oy, Urho Kekkosen katu 5 C Box 1110, FI-00101 Helsinki, Finland;

"**Finnish Issuing Agent**" means a duly authorised issuing agent under the relevant NCSD Rules and designated as such by the Issuer in Part B of the relevant Final Terms;

"**Finnish Notes**" means any Tranche of Notes issued by MSBV or, as applicable, MSI plc, and designated by the Issuer as "Finnish Notes" in the paragraph "*Form of the Notes*" of the applicable Final Terms;

"**Fitch**" means Fitch Ratings, Inc.;

"**Fixed Coupon Amount**" mean the amount, if any, specified as such in the applicable Final Terms;

"**Fixed Interest Rate**" means the rate or rates (expressed as a percentage per annum) of interest as specified in the applicable Final Terms;

"**Fixed Leg Day Count Basis**" means the Day Count Fraction specified as such in the applicable Final Terms;

"**Floating Interest Rate**" means the rate or rates (expressed as a percentage per annum) of interest determined in accordance with Condition 5.10 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*);

"**Floating Leg Day Count Basis**" means the Day Count Fraction specified as such in the applicable Final Terms;

"**Floating Leg Rate Option**" means the Floating Rate Option (as defined in the ISDA Definitions) specified as such in the applicable Final Terms;

"**Implementation of Financial Transaction Tax Event**" means that, on or after the Trade Date of any Notes, due to the adoption of or any change in any applicable law or regulation (including without limitation any law or regulation implementing a system of financial transaction taxes in any jurisdiction, including the European Union relating to any tax, payable in respect of the transfer of, or issue or modification or redemption of, any financial instruments), the Issuer determines (acting in good faith and in a commercially reasonable manner) that either it or any of its Affiliates would incur or has incurred a materially increased amount of tax, transfer tax, duty, stamp duty, stamp duty reserve tax, expense or fee (other than brokerage commissions) to (A) enter into, modify or unwind the Notes or any part thereof, or perform its obligations under such Notes, including for the avoidance of doubt any obligation or exercise of any right to deliver Shares or any other asset or (B) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the relevant Notes or (C) realise, recover or remit the proceeds of any such transaction(s) or asset(s), **provided that** the Issuer has determined that the nature of the adoption of or any change in law or regulation is such that it is applicable to investors generally when carrying out similar trading or hedging activities in the relevant jurisdiction.

"**Interest Amount**" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"**Interest Basis**" means, in respect of each type of Notes specified in the Conditions, the relevant provisions applicable to such type of Notes for determining or calculating the interest on such Notes as set out in the Conditions, which shall be in respect of: (i) Fixed Rate Notes, the Fixed Rate Note Provisions, (ii) Step-Up Notes, the Step-Up Note Provisions, (iii) Step-Down Notes, the Step-Down Note Provisions, (iv) Fixed to Floating Rate Notes, the Fixed to Floating Rate Note Provisions, (v) Capped Floating Rate Notes, the Capped Floating Rate Note Provisions, (vi) Floored Floating Rate Notes, the Floored Floating Rate Note Provisions, (vii) Collared Floating Rate Notes, the Collared Floating Rate Note Provisions, (viii) Floating to Fixed Rate Notes, the Floating to Fixed Rate Notes Provisions, (ix) Range Accrual Notes, the Range Accrual Note Provisions, (x) Barrier Notes, the Barrier Note Provisions, (xi) the Steepener Notes, the Steepener Note Provisions, (xii) Digital Option Notes, the Digital Option Note Provisions, (xiii) Inverse Floater Notes, the Inverse Floater Note Provisions, and (xiv) Switchable Notes, the Switchable Note Provisions.

"**Interest Commencement Date**" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the applicable Final Terms. Where the Notes have more than one Interest Basis, an Interest Commencement Date will be specified in the applicable Final Terms in respect of each such Interest Basis;

"**Interest Determination Date**" means if the applicable Final Terms specify: (i) "**Daily Rate Determination**" to be applicable, in respect of a Reference Rate for any relevant day, the Interest Determination Date shall be such relevant day, or (ii) "**Periodic Rate Determination**" to be applicable, in respect of a Reference Rate for any Interest Period, the Interest Determination Date shall be the date or dates, if any, specified as such in the applicable Final Terms, provided that, in relation to any Equity-Linked Notes, (a) if any such date is not a Scheduled Trading Day (as defined in Condition 9.9 (*Definitions applicable to Equity-Linked Notes*) below), the relevant Interest Determination Day shall fall on the next succeeding Scheduled Trading Day, and (b) if any Interest Determination Date (including as adjusted pursuant to (a)) is a Disrupted Day (as defined in Condition 9.9 (*Definitions applicable to Equity-Linked Notes*) below), the provisions of, as applicable, Condition 9.1 (*Valuation, Market Disruption and Averaging Dates*), Condition 10.1 (*Conditions to Published Price*) or Condition 12.1 (*Delay of Publication*) shall apply mutatis mutandis as if such Interest Determination Date were a Valuation Date;

"**Interest Participation Rate**" means, in respect of any Interest Rate or Reference Rate (each a "**Relevant Rate**") for a relevant day (including an Interest Payment Date) and/or for an Interest Period ending on (but excluding) an Interest Payment Date, the amount or percentage rate specified as such in the applicable Final Terms in respect of such Relevant Rate for such day and/or such Interest Period, or, if a Rate Table is set out in the applicable Final Terms, each amount or percentage rate specified in the Rate Table in the column headed "Interest Participation Rate" in the row corresponding to such day or corresponding to the date (specified in the column "Interest Payment Date(s)") on which such Interest Payment Date is scheduled to fall, provided that if the applicable Final Terms specify Interest Participation Rate to be not applicable, it shall be deemed to be equal to one. Where the applicable Final Terms specify more than one Interest Participation Rate for different Relevant Rates, the Interest Participation Rate will be construed to apply to each Relevant Rate for each relevant day (including an Interest Payment Date) and/or each Interest Period;

"**Interest Participation Rate 1**" means the Interest Participation Rate specified as such in the applicable Final Terms;

"**Interest Participation Rate 2**" means the Interest Participation Rate specified as such in the applicable Final Terms;

"**Interest Payment Date**" means the Scheduled Interest Payment Date, if such date is specified in the Base Conditions or the applicable Final Terms to be subject to adjustment in accordance with a Business Day Convention:

(i) such date as adjusted in accordance with the relevant Business Day Convention; or

(ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the applicable Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

provided that if the applicable Final Terms specify "Interest Specified Day(s)" to be applicable and the Relevant Determination Date is adjusted in accordance with the Conditions, the Interest Payment Date shall instead be the day falling the number of Interest Specified Day(s) after the Relevant Determination Date, and no Noteholder shall be entitled to any interest or further payment in respect of such delay;

"**Interest Period**" means, subject as otherwise provided in the Conditions, each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date or any other period specified as such in the

applicable Final Terms, subject to adjustment in accordance with the relevant Business Day Convention;

"**Interest Specified Day(s)**" means such number of Business Day(s), Clearing System Business Day(s) or calendar days as specified in the applicable Final Terms;

"**ISDA Definitions**" means the 2006 ISDA Definitions, as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the applicable Final Terms) as published by the International Swaps and Derivatives Association, Inc.;

"**Issue Date**" means the date specified as such in the applicable Final Terms;

"**Linked Redemption Notes**" has the meaning given to it in Condition 8 (*Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Fund-Linked and Preference Share-Linked Notes*);

"**Margin**" means, in respect of any Interest Rate or Reference Rate (each a "**Relevant Rate**") for a relevant day (including an Interest Payment Date) and/or for an Interest Period ending on (but excluding) an Interest Payment Date, the percentage rate specified as such in the applicable Final Terms in respect of such Relevant Rate for such day and/or such Interest Period, which shall be preceded with either a "+" (plus) or a "-" (minus) sign (provided that if the applicable Final Terms specify Margin to be not applicable in respect of such Relevant Rate, it shall be deemed to be equal to zero), or if a Rate Table is set out in the applicable Final Terms, each percentage rate specified in the Rate Table in the column headed "Margin" (which shall be preceded with either a "+" (plus) or a "-" (minus) sign) in the row corresponding to such day or corresponding to the date (specified in the column "Interest Payment Date(s)") on which such Interest Payment Date is scheduled to fall. Where the applicable Final Terms specify more than one Margin for different Relevant Rates, the Margin will be construed to apply to each Relevant Rate for each relevant day (including an Interest Payment Date) and/or each Interest Period;

"**Margin 1**" means the Margin specified as such in the applicable Final Terms;

"**Margin 2**" means the Margin specified as such in the applicable Final Terms;

"**Market Exchange Rate**" means the noon U.S. Dollar buying rate in The City of New York for cable transfers of a Specified Currency published by the Federal Reserve Bank of New York;

"**Maturity Date**" means the Scheduled Maturity Date, provided that if the applicable Final Terms specify "Specified Day(s)" to be applicable and the Relevant Determination Date is adjusted in accordance with the Conditions, the Maturity Date shall instead be the day falling the number of Specified Day(s) after the Relevant Determination Date;

"**Mid-Market Quotations**" means, in relation to the determination of any CMS Reference Rate, the bid and offered rates for the Specified Fixed Leg, calculated on the Fixed Leg Day Count Basis, of a fixed-for-floating Reference Currency interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period or on any relevant day and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on the Floating Leg Day Count Basis, is equivalent to Floating Leg Rate Option (as defined in the ISDA Definitions) with a designated maturity determined by the Determination Agent by reference to standard market practice and/or the ISDA Definitions;

"**Moody's**" means Moody's Investors Service, Inc.;

"**Morgan Stanley Notes**" means all Notes issued by Morgan Stanley;

"**MSBV Notes**" means all Notes issued by MSBV;

"**MSFL Notes**" means all Notes issued by MSFL;

"**MSI plc Notes**" means all Notes issued by MSI plc;

"**NCSD**" means the Finnish CSD or the Swedish CSD, as applicable;

"**NCSD Register**" means the book entry register maintained by the relevant NCSD on behalf of the Issuer in respect of the relevant Tranche of Nordic Notes;

"**NCSD Rules**" means any Finnish or, as applicable, Swedish legislation, regulations, rules and operating procedures applicable to and/or issued by the relevant NCSD (including but not limited

to, Act on the Book-Entry System and Clearing Operations (Fi.: Arvo-osuusjärjestelmästä ja selvitystoiminnasta annettu laki)) and The Finnish legislation governing book-entry accounts as well as the regulations and decisions of Euroclear Finland (Fi.: laki arvo-osuustileistä sekä Euroclear Finlandin säännöt ja toimitusjohtajan päätökset) and the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw.: *lag (1998:1479) lagen om värdepapperscentraler och kontoföring av finansiella instrument*));

"**Nordic Issuing Agent**" means the Finnish Issuing Agent or Swedish Issuing Agent, as applicable;

"**Nordic Notes**" means Finnish Notes or Swedish Notes, as applicable;

"**Optional Redemption Amount (Call)**" means an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

Optional Redemption Amount (Call) = Participation Rate (Call) × Calculation Amount;

"**Optional Redemption Amount (Put)**" means an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

Optional Redemption Amount (Put) = Participation Rate (Put) × Calculation Amount

"**Optional Redemption Date (Call)** means, in relation to any Series of Notes, the date, if any, specified as such in the applicable Final Terms;

"**Optional Redemption Date (Put)**" means, in relation to any Series of Notes, the date, if any, specified as such in the applicable Put Option Notice;

"**Participating Member State**" means a Member State of the European Union which adopts the euro as its lawful currency in accordance with the Treaty;

"**Participation Rate (Call)**" means a percentage rate specified as such in the applicable Final Terms, or, if no such rate is specified, 100 per cent.;

"**Participation Rate (Put)**" means a percentage rate specified as such in the applicable Final Terms, or, if no such rate is specified, 100 per cent.;

"**Payment Business Day**" means:

(i) if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Business Centre;

(ii) if the currency of payment is CNY, any day on which banks and foreign exchange markets are open for business and settlement of CNY payments in the Relevant Financial Centre, the place of payment and each (if any) Additional Business Centre (and if the Additional Business Centre is specified in the applicable Final Terms to be or to include TARGET, then a Payment Business Day shall also be a TARGET Settlement Day); or

(iii) in any other case, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Business Centre (and if the Additional Business Centre is specified in the applicable Final Terms to be or to include TARGET, then a Payment Business Day shall also be a TARGET Settlement Day);

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Physical Settlement Notes**" means Notes specified as being Notes to which Physical Settlement applies, or Notes specified as being Notes to which either Physical Settlement or Cash Settlement applies in the applicable Final Terms and where the conditions to the application of Physical Settlement have been satisfied;

"**Principal Financial Centre**" means, in relation to any currency, the principal financial centre for that currency **provided**, **however**, **that**:

(i) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Determination Agent; and

(ii) in relation to Australian Dollars, it means Sydney and Melbourne and, in relation to New Zealand Dollars, it means Wellington and Auckland;

"**Put Option Exercise Date**" means, if applicable in respect of any Series of Notes, the date specified as such in the applicable Final Terms;

"**Put Option Exercise Period**" means, if applicable in respect of any Series of Notes, the period specified as such in the applicable Final Terms;

"**Put Option Notice**" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Put Option Receipt**" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Qualified Financial Institution**" means a financial institution organised under the laws of any jurisdiction in the United States of America, the European Union or Japan, which, as at the date the Determination Agent selects to determine the Early Redemption Amount, has outstanding debt obligations with a stated maturity of one year or less from the date of issue of such outstanding debt obligations, and such financial institution is rated either:

(i) A2 or higher by Standard & Poor's Global Ratings or any successor, or any other comparable rating then used by that rating agency, or

(ii) P-2 or higher by Moody's Investors Service, Inc. or any successor, or any other comparable rating then used by that rating agency,

provided that, if no Qualified Financial Institution is reasonably available, then the Determination Agent shall, in good faith and acting in a commercially reasonable manner, select a financial institution of reputable standing organized under the laws of any jurisdiction in the United States of America, the European Union or Japan as a Qualified Financial Institution;

"**Rate Table**" means a table specified as such in the applicable Final Terms;

"**Rate of Interest**" means, in respect of any relevant period or any relevant day (including any Interest Payment Date), the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes as specified in applicable Final Terms or calculated or determined in accordance with the Base Conditions. If more than one Rate of Interest is specified for the Notes, "Rate of Interest" shall be construed to refer to each rate defined or specified as such in respect of the relevant period or day as specified in the applicable Final Terms;

"**Redemption Amount**" means, as appropriate, the Final Redemption Amount, the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Redemption Amount, Physical Delivery Amount, the Automatic Early Redemption Amount or such other amount in the nature of a redemption amount as may be specified in the applicable Final Terms or determined in accordance with the Base Conditions;

"**Redemption Expenses**" means, in respect of any Note or Notes, any expenses (other than in relation to Taxes) payable on or in respect of or in connection with the redemption of such Note or Notes;

"**Reference Banks**" means the banks specified as such in the applicable Final Terms or, if none are specified, four major banks selected by the Determination Agent in the market that is most closely connected with the Reference Rate;

"**Reference Price**" has the meaning given in the applicable Final Terms;

"**Reference Rate**" means in respect of any relevant period or day, any of the following as specified in the applicable Final Terms: (i) a Fixed Interest Rate, (ii) a Floating Interest Rate, or (iii) any interest rate or swap rate specified as a "Reference Rate" in the applicable Final Terms, or determined in accordance with the Base Conditions, in each case, for such period or such day.

Where the applicable Final Terms specify "CMS Rate Determination" to be applicable, "Reference Rate" shall be construed to include a CMS Reference Rate. If more than one Reference Rate is specified, "Reference Rate" shall be construed to refer to each rate defined or specified as such, or determined, in respect of the relevant period or day as specified in the applicable Final Terms;

"**Register**" has the meaning given to it in the Issue and Paying Agency Agreement;

"**Regulatory Event**" means that, at any time on or after the Trade Date, as a result of:

(i) an implementation or adoption of, or change in, any applicable law, regulation, interpretation, action or response of a regulatory authority;

(ii) the promulgation of, or any interpretation by any court, tribunal, government or regulatory authority with competent jurisdiction (a "**Relevant Authority**") of, any relevant law or regulation (including any action taken by a taxing authority); or

(iii) the public or private statement or action by, or response of, any Relevant Authority or any official or representative of any Relevant Authority acting in an official capacity,

there is a reasonable likelihood of it becoming:

(A) unlawful, impossible or impracticable, for the Issuer and/or the Guarantor to maintain the Notes and/or to maintain other instruments issued under the Program and/or to perform its obligations under the Notes; and/or

(B) necessary for the Issuer and/or the Guarantor to obtain a licence, authorisation or other approval for the continuation or maintenance of the business relating to or supporting the Notes or their hedging activities in relation to such Notes.

"**Relevant Clearing System**" means, as appropriate, Clearstream, Luxembourg and/or Euroclear and/or such other relevant clearing system, as the case may be, through which interests in Notes are to be held and through an account at which the Notes are to be cleared, as specified in the applicable Final Terms;

"**Relevant Date**" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Determination Date**" means, in respect of Notes which are:

(i) Single Share Notes, Single Index Notes or Single ETF Notes and:

(A) a Valuation Date in respect of the Share, Index or ETF, such Valuation Date following adjustment (if any) in accordance with General Condition 9.1;

(B) an Averaging Date in respect of the Share, Index or ETF, such Averaging Date following adjustment (if any) in accordance with General Condition 9.1;

(ii) Share Basket Notes, Index Basket Notes or ETF Basket Notes and:

(A) a Valuation Date in respect of the Shares, Indices or ETFs, if such Valuation Date (following adjustment (if any) in accordance with General Condition 9.1) (I) for two or more Shares, Indices or ETFs falls on different dates, the date which is the latest to occur, as determined by the Determination Agent or (II) for all of the Shares, Indices or ETFs falls on the same date, such same date, as determined by the Determination Agent;

(B) an Averaging Date in respect of the Shares, Indices or ETFs, if such Averaging Date (following adjustment (if any) in accordance with General Condition 9.1) (I) for two or more Shares, Indices or ETFs falls on different dates, the date which is the latest to occur, as determined by the Determination Agent or (II) for all of the Shares, Indices or ETFs falls on the same date, such same date, as determined by the Determination Agent;

(iii) Commodity-Linked Notes, a Pricing Date following adjustment (if any) in accordance with General Condition 10.4;

(iv) Single Currency Linked Notes and:

(A) a Valuation Date in respect of the Currency Pair, such Valuation Date following adjustment (if any) in accordance with General Conditions 11.1 and 11.2;

(B) an Averaging Date in respect of the Currency Pair, such Averaging Date following adjustment (if any) in accordance with General Conditions 11.1 and 11.2;

(v) Currency Basket-Linked Notes and:

(A) a Valuation Date in respect of the Currency Pairs, if such Valuation Date (following adjustment (if any) in accordance with General Conditions 11.1 and 11.2) (I) for two or more Currency Pairs falls on different dates, the date which is the latest to occur, as determined by the Determination Agent or (II) for all of the Currency Pairs falls on the same date, such same date, as determined by the Determination Agent;

(B) an Averaging Date in respect of the Currency Pairs, if such Averaging Date (following adjustment (if any) in accordance with General Conditions 11.1 and 11.2) (I) for two or more Currency Pairs falls on different dates, the date which is the latest to occur, as determined by the Determination Agent or (II) for all of the Currency Pairs falls on the same date, such same date, as determined by the Determination Agent;

(vi) Single Fund-Linked Notes and:

(A) a Valuation Date in respect of the Fund, such Valuation Date following adjustment (if any) in accordance with General Condition 13;

(B) an Averaging Date in respect of the Fund, such Averaging Date following adjustment (if any) in accordance with General Condition 13;

(vii) Fund Basket-Linked Notes and:

(A) a Valuation Date in respect of the Funds, if such Valuation Date (following adjustment (if any) in accordance with General Condition 13) (I) for two or more Funds falls on different dates, the date which is the latest to occur, as determined by the Determination Agent or (II) for all of the Funds falls on the same date, such same date, as determined by the Determination Agent; and

(B) an Averaging Date in respect of the Funds, if such Averaging Date (following adjustment (if any) in accordance with General Condition 13) (I) for two or more Funds falls on different dates, the date which is the latest to occur, as determined by the Determination Agent or (II) for all of the Funds falls on the same date, such same date, as determined by the Determination Agent;

"**Relevant Financial Centre**" means, in relation to any Series of Notes and the applicable Reference Rate, the city specified as such in the applicable Final Terms;

"**Relevant Screen Page**" means, in respect of a Reference Rate, the page, section or other part of a particular information service (including, without limitation, Reuters) specified as such in the applicable Final Terms in relation to such Reference Rate, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to such Reference Rate;

"**Relevant Time**" means, for the purposes of a determination of a Reference Rate, the time (in the place) specified as such in the applicable Final Terms corresponding to such Reference Rate;

"**Renminbi**" and "**CNY**" are to the lawful currency of the People's Republic of China ("**PRC**") which, for the purpose of the Conditions, shall exclude the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"**Reserved Matter**" means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"**Right to Redemption**" has the meaning given to it in Condition 34.6.

"**Right to Redemption Notice**" means a notice which must be delivered to a Paying Agent or the Euroclear Registrar, as applicable, by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder under Condition 34.6.

"**Right to Redemption Receipt**" means a receipt issued by a Paying Agent or the Euroclear Registrar to a depositing Noteholder upon deposit of a Note and a Right to Redemption Notice with such Paying Agent, or deposit of a Right to Redemption Notice with such Euroclear Registrar, as applicable, by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder.

"**S&P**" means Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings;

"**Scheduled Automatic Early Redemption Date**" means each date specified as such in the applicable Final Terms;

"**Scheduled Maturity Date**" means each date specified as such in the applicable Final Terms;

"**Specified Currency**" means the currency or currencies specified as such in the applicable Final Terms;

"**Specified Day(s)**" means such number of Business Day(s), Clearing System Business Day(s) or calendar days as specified in the applicable Final Terms;

"**Specified Denomination(s)**" means, in relation to Notes of any Series, the denomination or denominations of such Notes specified as such in the applicable Final Terms and may be expressed as (i) currency amounts or (ii) a currency amount and integral multiples of a second currency amount in excess of such currency amount, **provided that**, the Specified Denomination shall, in no circumstance, be an amount less than €1,000 or, if the Notes are denominated in any other currency, the equivalent amount in such other currency;

"**Specified Fixed Leg**" means any of the following as specified in the applicable Final Terms: (i) the annual fixed leg, (ii) the semi-annual fixed leg, (iii) quarterly-annual fixed leg, or (iv) the quarterly-quarterly fixed leg;

"**Specified Office**" has the meaning given to it in the Issue and Paying Agency Agreement;

"**Specified Period**" means a period specified as such in the applicable Final Terms;

"**Specified Rate**" means the percentage rate (which will be between 0% and 100%) specified as such in the applicable Final Terms **provided that** if no such rate is specified, the Specified Rate shall be equal to 100 per cent;

"**Specified Swap Rate**" means any of the following as specified in the applicable Final Terms: (i) the swap rate, (ii) the annual swap rate, (iii) the semi-annual swap rate, (iv) the quarterly swap rate, (v) the quarterly-annual swap rate, or (vi) the quarterly-quarterly swap rate.

"**Strike Date**" means the date specified as such in the applicable Final Terms;

"**subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**"):

(i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or

(ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

"**Substitution Date**" has the meaning given to it in Condition 34.6.

"**Substitution Redemption Date**" has the meaning given to it in Condition 34.6.

"**Swedish CSD**" means a duly authorised Swedish central securities depository (Sw.: *central värdepappersförvarare*) under the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw.: *lag (1998:1479) lagen om värdepapperscentraler och kontoföring av finansiella instrument*), which is expected to be Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden;

"**Swedish Issuing Agent**" means a duly authorised issuing agent under the relevant NCSD Rules and designated as such by the Issuer in Part B of the relevant Final Terms;

"**Swedish Notes**" means any Tranche of Notes issued by MSBV or, as applicable, MSI plc and designated by the Issuer as "Swedish Notes" in paragraph 39 ("*Form of the Notes*") of the applicable Final Terms;

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"**TARGET Settlement Day**" means any day on which TARGET2 is open for the settlement of payments in euro;

"**Taxes**" means any tax, duty, impost, levy, charge or contribution in the nature of taxation or any withholding or deduction for or on account thereof, including (but not limited to) any applicable stock exchange tax, turnover tax, stamp duty, stamp duty reserve tax and/or other taxes chargeable or payable in connection with any redemption of a Note and/or payment of the Redemption Amount and/or delivery of the Physical Delivery Amount and/or the transfer or delivery of Underlying Securities and/or the relevant Transfer Documentation;

"**Trade Date**" means in relation to any series of Notes, the date specified as such in the applicable Final Terms;

"**Transfer Documentation**" means, for each Series of Notes, such documentation as is generally acceptable for settlement of transfer of Underlying Securities on the relevant Exchange or through the Relevant Clearing System including, without limitation, stock notes and/or stock transfer forms in the case of settlement on the Luxembourg Stock Exchange;

"**Treaty**" means the Treaty establishing the European Union, as amended;

"**Underlying Securities**" means shares, bonds, other debt securities, other securities or other property specified as such in the relevant Final Terms, and "**Underlying Security**" shall be construed accordingly; and

"**Zero Coupon Note**" means a Note specified as such in the applicable Final Terms.

2.2 **Interpretation**

In these General Conditions:

(i) any reference to a numbered "**Condition**" shall be construed as a reference to the relevant Condition contained in this Part 1 (*General Terms and Conditions*) of these General Conditions;

(ii) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 19 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to the Conditions;

(iii) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 19 (*Taxation*) and any other amount in the nature of interest payable pursuant to the Conditions;

(iv) references to Notes being "**outstanding**" shall be construed in accordance with the Issue and Paying Agency Agreement; and

(v) if an expression is stated in Condition 2.1 (*Definitions*) to have the meaning given or specified in the applicable Final Terms, but the applicable Final Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes.

3. FORM, MINIMUM DENOMINATION AND TITLE

3.1 ***Form***: Morgan Stanley, MSI plc, MSBV and MSFL may issue Notes in registered form ("**Registered Notes**"). In addition, (i) MSBV and MSI plc may also issue Notes in dematerialised and uncertificated book-entry form with a Nordic central securities depositary ("**Nordic Notes**"), and (ii) MSBV and MSI plc may also issue Notes in uncertificated registered form ("**Uncertificated Notes**").

3.2 ***Minimum Denomination***: The minimum Denomination for each Note which is admitted to trading on an EEA exchange and/or offered to the public in an EEA State will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

3.3 **Registered Notes**

(a) ***Form:*** Registered Notes may be in either individual certificate form or in global certificate form.

(b) ***Title:*** Title to the Registered Notes passes by registration in the Register which is kept by the Registrar in accordance with the provisions of the Issue and Paying Agency Agreement. A certificate (each, a "**Note Certificate**") will be issued to each holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. "**holder**" means, in the case of Registered Notes, the person in whose name such Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly.

(c) ***Ownership:*** The holder of any Registered Note shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder.

(d) ***Transfers:*** Subject to Conditions 3.3.7 (*Closed Periods*) and 3.3.8 (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided**, **however**, **that** a Registered Note may not be transferred unless the principal amount of Registered Note transferred and (where not all of the Registered Notes held by a holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.

(e) ***Registration and Delivery:*** Within five business days of the surrender of a Note Certificate in accordance with Condition 3.3(d) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes

transferred to each relevant holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant holder. In this Condition 3.3(e) (*Registration and Delivery*), "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

(f) ***No charge***: The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(g) ***Closed Periods:*** Holders of Registered Notes may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.

(h) ***Regulations concerning transfers and registration***: All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Issue and Paying Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any holder of Registered Notes who requests in writing a copy of such regulations.

3.4 **Nordic Notes**

Notes designated as "Finnish Notes" or "Swedish Notes" in the applicable Final Terms will be issued in uncertificated and dematerialised book-entry form in accordance with the NCSD Rules. In respect of Nordic Notes, "**Noteholder**" and "**holder**" means the person in whose name a Nordic Note is registered in the NCSD Register and the reference to a person in whose name a Nordic Note is registered shall include also any person duly authorised to act as a nominee and so registered for the Nordic Note. Title to Nordic Notes shall pass by registration in the NCSD Register. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined above) of any Nordic Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the holder. The Issuer shall be entitled to obtain information from the NCSD Register in accordance with the NCSD Rules. As the Nordic Notes will be in uncertificated and dematerialised book-entry form, the Conditions as so amended shall be deemed to be incorporated by reference in, and to form part of, the MSBV Deed of Covenant or the MSI plc Deed of Covenant (as the case may be) by which the Nordic Notes are constituted. No physical global or definitive notes or certificates will be issued in respect of Nordic Notes.

3.5 **Uncertificated Notes**

(a) ***Form***

Uncertificated Notes shall be issued in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Regulations**" and such other regulations made under Sections 783, 784(3), 785 and 788 of the Companies Act 2006 as are applicable to the Euroclear Registrar). Uncertificated Notes are participating securities for the purposes of the Regulations. Title to the Uncertificated Notes is recorded on the relevant Operator register of eligible debt securities. The Euroclear Registrar on behalf of the Issuer shall maintain a record of uncertificated eligible debt securities (the "**Record**") in relation to the Uncertificated Notes and shall procure that the Record is regularly updated to reflect the Operator register of eligible debt securities in accordance with the rules of the Operator. Subject to this requirement, (i) each person who is for the time being shown in the Record as the holder of a particular number of Uncertificated Notes shall be treated by the Issuer, the Guarantor, the Euroclear Registrar and any other Person as the holder of such number of Uncertificated Notes for all purposes (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions in the context of

Uncertificated Notes shall be construed accordingly), and (ii) none of the Issuer, the Guarantor, the Euroclear Registrar and any other Person shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the Euroclear Registrar maintains are in accordance with particulars entered in the Operator register of eligible debt securities relating to the Uncertificated Notes.

No provisions of the Base Conditions as completed by the applicable Final Terms shall (notwithstanding anything contained therein) apply or have effect to the extent that it is in any respect inconsistent with (I) the holding of title to Uncertificated Notes in uncertificated form, (II) the transfer of title to Uncertificated Notes by means of a relevant system or (III) the Regulations. Without prejudice to the generality of the preceding sentence and notwithstanding anything contained in the Base Conditions or the applicable Final Terms, so long as the Uncertificated Notes are participating securities, (A) the Operator register of eligible debt securities relating to the Uncertificated Notes shall be maintained at all times outside the United Kingdom, (B) the Uncertificated Notes may be issued in uncertificated form in accordance with and subject as provided in the Regulations, and (C) for the avoidance of doubt, the Base Conditions and the applicable Final Terms in relation to any Uncertificated Note shall remain applicable notwithstanding that they are not endorsed on any certificate for such Uncertificated Note.

As used herein each of "**Operator register of eligible debt securities**", "**participating securities**" and "**relevant system**" is as defined in the Regulations and the relevant Operator (as such term is used in the Regulations) is Euroclear UK & Ireland Limited or any additional or alternative operator from time to time approved by the Issuer and the Euroclear Registrar in relation to the Uncertificated Notes and in accordance with the Regulations. Any reference herein to the "**Operator**" shall, whenever the context so permits, be deemed to include a reference to any such additional or alternative Operator from time to time and notified to the Uncertificated Noteholders in accordance with Condition 27 (*Notices*).

Notes in definitive registered form will not be issued, either initially or in exchange for an Uncertificated Note.

(b) ***Title***

Title to Uncertificated Notes will pass upon registration of the transfer in the Operator register. All transactions in relation to Uncertificated Notes (including transfers of Uncertificated Notes) in the open market or otherwise must be effected through an account at the Operator subject to and in accordance with the rules and procedures for the time being of the Operator.

4. STATUS

4.1 ***Status of the Notes***: The Notes constitute direct and general obligations of the Issuer which rank *pari passu* among themselves.

4.2 ***Status of Guarantee***: The Guarantor's obligations in respect of the Notes issued by MSBV (other than Notes issued by MSBV the Final Terms relating to which specifies that such Notes are not guaranteed by Morgan Stanley) or MSFL constitute direct, general and unsecured obligations of the Guarantor which rank without preference among themselves and *pari passu* with all other outstanding, unsecured and unsubordinated obligations of the Guarantor, present and future, but in the event of insolvency only to the extent permitted by laws affecting creditors' rights.

5. FIXED RATE NOTE PROVISIONS

5.1 ***Application***: This Condition 5 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the applicable Final Terms as being applicable or if the Fixed Rate Note Provisions are otherwise specified to apply (in whole or in part) as provided in the Base Conditions.

5.2 ***Fixed Interest Rate***: The Rate of Interest in respect of each Interest Period and/or Interest Payment Date which is subject to the Fixed Rate Note Provisions will be the Fixed Interest Rate. A different Fixed Interest Rate may apply in respect of different Interest Periods and/or Interest Payment Dates, as specified in the applicable Final Terms. If a Rate of Interest or a Reference

Rate for any period or any relevant day is specified in the Base Conditions or in the applicable Final Terms to be a "Fixed Interest Rate", the relevant Rate of Interest or Reference Rate will be determined in accordance with the provisions set out in this Condition 5 (*Fixed Rate Note Provisions*).

5.3 ***Accrual of interest***: The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 16 (*Payments – Registered Notes*) or Condition 17 (*Payments – Uncertificated Notes*) (as applicable). Each Note will cease to bear interest from the due date for final redemption unless upon such due date, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (*Fixed Rate Note Provisions*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 15 Business Days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes (except to the extent that there is any subsequent default in payment).

5.4 ***Fixed Coupon Amount***: The amount of interest payable in respect of each Note for any Interest Period which is a Regular Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination, provided that if a Broken Amount is specified in the Final Terms in respect of an Interest Payment Date in respect of each Calculation Amount, the Interest Amount payable on such Interest Payment Date in respect of such Note per Calculation Amount shall be the Broken Amount.

A different Fixed Coupon Amount may apply in respect of different Interest Periods and/or Interest Payment Dates, as specified in the applicable Final Terms.

5.5 ***Regular Interest Periods***: If all of the Scheduled Interest Payment Dates fall at regular intervals between the Issue Date and the Maturity Date, then:

(a) the Notes shall for the purposes of this Condition 5 (*Fixed Rate Note Provisions*) be "**Regular Interest Period Notes**";

(b) the day and month (but not the year) on which any Interest Payment Date falls shall, for the purposes of this Condition 5 (*Fixed Rate Note Provisions*), be a "**Regular Date**"; and

(c) each period from and including a Regular Date falling in any year to but excluding the next succeeding Regular Date shall, for the purposes of this Condition 5 (*Fixed Rate Note Provisions*), be a "**Regular Interest Period**".

5.6 ***Irregular first or last Interest Periods***: If the Notes would be Regular Interest Period Notes but for the fact that either or both of:

(a) the interval between the Issue Date and the first Interest Payment Date; and

(b) the interval between the Maturity Date and the immediately preceding Interest Payment Date,

is longer or shorter than a Regular Interest Period, then the Notes shall nevertheless be deemed to be Regular Interest Period Notes, **provided, however, that** if the interval between the Maturity Date and the immediately preceding Interest Payment Date is longer or shorter than a Regular Interest Period, the day and month on which the Maturity Date falls shall not be a "**Regular Date**".

5.7 ***Irregular Interest Amount***: If the Notes are Regular Interest Period Notes, the amount of interest payable in respect of each Note for any period which is not a Regular Interest Period shall be an amount per Calculation Amount calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

5.8 ***Irregular Interest Periods***: If the Notes are not Regular Interest Period Notes and interest is required to be calculated for any period other than an Interest Period, interest shall be calculated on such basis as is described in the applicable Final Terms.

5.9 ***Interest on Swedish Notes***: For the purposes of calculation of any amount of interest on Swedish Notes, the provisions of this Condition 5 (*Fixed Rate Note Provisions*) shall be amended so that all periods shall consist of the period from (but excluding) the first day of the relevant period up to (and including) the last day of the relevant period.

5.10 ***Day Count Fraction***: In respect of any period which is not a Regular Interest Period, the relevant day count fraction shall be determined in accordance with the definition of "**Day Count Fraction**" set out in Condition 2 above.

6. FLOATING RATE NOTE, EQUITY-LINKED, COMMODITY-LINKED, CURRENCY-LINKED, INFLATION-LINKED AND FUND-LINKED INTEREST PROVISIONS

6.1 **Application**: This Condition 6 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*) is applicable to the Notes only if one or more of the Floating Rate Note Provisions or Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Property-Linked or Fund-Linked Interest provisions are specified in the applicable Final Terms as being applicable, or are otherwise specified to apply (in whole or in part) as provided in the Base Conditions.

6.2 ***Floating Interest Rate***: The Rate of Interest in respect of each Interest Period and/or Interest Payment Date which is subject to the Floating Rate Note Provisions will be the Floating Interest Rate. A different Floating Interest Rate may apply in respect of different Interest Periods and/or Interest Payment Dates, as specified in the applicable Final Terms. If a Rate of Interest or a Reference Rate for any period or any relevant day is specified in the Base Conditions or in the applicable Final Terms to be a "**Floating Interest Rate**", the relevant Rate of Interest or Reference Rate will be determined in accordance with the provisions set out in Conditions 6.5 (*Screen Rate Determination*), 6.6 (*ISDA Determination*) or 6.7 (*CMS Rate Determination*), as specified in the applicable Final Terms.

6.3 ***Accrual of interest***: The Floating Rate Notes bear interest from the Interest Commencement Date at the Floating Interest Rate (being a "**Rate of Interest**" in respect of Floating Rate Notes) payable in arrear on each Interest Payment Date, subject as provided in Condition 16 (*Payments – Registered Notes*) or Condition 17 (*Payments – Uncertificated Notes*) (as applicable). Each Note will cease to bear interest from the due date for final redemption unless, upon such due date, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 15 Business Days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes (except to the extent that there is any subsequent default in payment). The Rate of Interest in respect of all or any Interest Periods shall, if so specified in the applicable Final Terms, be zero.

6.4 ***Linear Interpolation***: In respect of any Notes for which the Floating Rate Notes Provisions are applicable, if "Linear Interpolation" is specified to be applicable in respect of any Interest Period, the Floating Interest Rate for such Interest Period shall be determined by the Determination Agent through the use of straight-line interpolation by reference to:

(a) if Screen Rate Determination is specified as the manner in which the Floating Interest Rate is to be determined, two rates based on the relevant Reference Rate one of which shall be determined as if the Designated Maturity were the period of time, for which rates are available, next shorter than the length of such Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time, for which rates are available, next longer than the length of such Interest Period;

(b) if ISDA Determination is specified as the manner in which the Floating Interest Rate is to be determined, two rates based on the relevant Floating Rate Option one of which shall be determined as if the Designated Maturity were the period of time, for which rates are available, next shorter than the length of such Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time, for which rates are available, next longer than the length of such Interest Period; and

(c) if CMS Rate Determination is specified as the manner in which the Floating Interest Rate is to be determined, two rates based on the relevant CMS Reference Rate one of which shall be determined as if the Designated Maturity were the period of time, for which rates are available, next shorter than the length of such Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time, for which rates are available, next longer than the length of such Interest Period.

6.5 ***Screen Rate Determination***: If Screen Rate Determination is specified in the applicable Final Terms as the manner in which a Floating Interest Rate is to be determined, the Floating Interest Rate for an Interest Period or any relevant day (each a "**Relevant Day**") will be the Screen Rate for such Interest Period or such Relevant Day, plus or minus (as indicated in the applicable Final Terms) the Margin (if any is specified in the applicable Final Terms in relation to such Screen Rate), and multiplied by the Interest Participation Rate (if any is specified in the applicable Final Terms in relation to such Screen Rate).

The Screen Rate applicable to the Notes for an Interest Period or a Relevant Day will be determined by the Determination Agent on the following basis:

(a) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Screen Rate will be the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date in respect of such Interest Period or such Relevant Day, as determined by the Determination Agent;

(b) in any other case, the Screen Rate will be the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date in respect of such Interest Period or such Relevant Day, as determined by the Determination Agent;

(c) if, in the case of Condition 6.5(a) above, such rate does not appear on that page or, in the case of Condition 6.5(b) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Determination Agent will:

(i) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date in respect of such Interest Period or such Relevant Day to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and

(ii) determine the arithmetic mean of such quotations; and

(d) if fewer than two such quotations are provided as requested, the Determination Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Determination Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Determination Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period or for a Relevant Day and in an amount that is representative for a single transaction in that market at that time,

provided, however, that if the Determination Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period or any Relevant Day, the Screen Rate applicable to the Notes in respect of such Interest Period or such Relevant Day will be the rate (or as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period or Relevant Day.

6.6 ***ISDA Determination***: If ISDA Determination is specified in the applicable Final Terms as the manner in which a Floating Interest Rate is to be determined, the Floating Interest Rate applicable to the Notes for each Interest Period will be the relevant ISDA Rate, plus or minus (as indicated in the applicable Final Terms) the Margin (if any is specified in the applicable Final Terms in relation to such ISDA Rate), and multiplied by the Interest Participation Rate (if any is specified in the applicable Final Terms in relation to such ISDA Rate). The "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Determination Agent under an interest rate swap transaction if the Determination Agent were acting as Determination Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(a) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Final Terms;

(b) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the applicable Final Terms; and

(c) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the applicable Final Terms.

6.7 ***CMS Rate Determination****:* If CMS Rate Determination is specified in the applicable Final Terms as the manner in which a Floating Interest Rate is to be determined, the Floating Interest Rate applicable to the Notes for each Interest Period will be the relevant CMS Interest Rate determined in accordance with paragraphs (a) or (b) below, as applicable.

(a) ***Single CMS Rate***

If the CMS Interest Rate is specified in the applicable Final Terms to be "**Single CMS Rate**", the CMS Interest Rate in respect of an Interest Period or any relevant day will be equal to the CMS Reference Rate for such Interest Period or such relevant day, plus or minus (as indicated in the applicable Final Terms) the Margin (if any is specified in the applicable Final Terms in relation to such CMS Reference Rate), and multiplied by the Interest Participation Rate (if any is specified in the applicable Final Terms in relation to such CMS Reference Rate).

(b) ***Spread CMS Rate***

If the CMS Interest Rate is specified in the applicable Final Terms to be "**Spread CMS Rate**", the CMS Interest Rate in respect of an Interest Period or any relevant day will be equal to the difference between (1) CMS Reference Rate 1 for such Interest Period or such relevant day, plus or minus (as specified in the applicable Final Terms) Margin 1 (if any is specified in the applicable Final Terms in relation to such CMS Reference Rate 1), and multiplied by Interest Participation Rate 1 (if any is specified in the applicable Final Terms in relation to such CMS Reference Rate 1), minus (2) CMS Reference Rate 2 for such Interest Period or such relevant day, plus or minus (as specified in the applicable Final Terms) Margin 2 (if any is specified in the applicable Final Terms in relation to such CMS Reference Rate 2), and multiplied by Interest Participation Rate 2 (if any is specified in the applicable Final Terms in relation to such CMS Reference Rate 2).

(c) ***Determination of CMS Reference Rate***

The CMS Reference Rate in respect of an Interest Period or any relevant day (as applicable) will be the Specified Swap Rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity (expressed as a percentage rate per annum) (the "**Relevant Swap Rate**") which appears on the Relevant Screen Page as at the Relevant Time on the Interest Determination Date in respect of such Interest Period or such relevant day, all as determined by the Determination Agent. If the Relevant Swap Rate does not appear on the Relevant Screen Page at the Relevant Time, the CMS Reference Rate in respect of an Interest Period or a relevant day (as applicable) will be determined by the Determination Agent in accordance with the first applicable Fallback Rate Determination that provides a CMS Reference Rate, and if the applicable Final Terms specify:

(i) "**Fallback Screen Page**" to be applicable, the Determination Agent will, acting in good faith and in a commercially reasonable manner, determine an alternative or successor page or publication to the Relevant Screen Page for the Relevant Swap Rate;

(ii) "**Mid-Market Quotations**" to be applicable, the Determination Agent will determine the CMS Reference Rate on the basis of the arithmetic mean of the Mid-Market Quotations provided by the Reference Banks at approximately the Relevant Time on the Interest Determination Date in respect of such Interest Period or such day by requesting the principal Relevant Financial Centre office of each of the Reference Banks to provide Mid-Market Quotations. If at least five Mid-Market Quotations are provided, the Determination Agent will determine the arithmetic mean of such Mid-Market Quotations provided by discarding the highest of such Mid-Market Quotations (or in event of equality, one of the highest) and lowest of such Mid-Market Quotations (or in event of equality, one of the lowest). If four Mid-Market Quotations are provided, the Determination Agent will determine the arithmetic mean of such Mid-Market Quotations provided. If less than four Mid-Market Quotations are provided, the next Fallback Rate Determination specified in the applicable Final Terms will apply, or if none is specified, Determination Agent Fallback will apply. All calculations of the arithmetic mean of the relevant number of Mid-Market Quotations provided pursuant to this paragraph will be rounded to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards; and

(iii) "**Determination Agent Fallback**" to be applicable, the Determination Agent will, acting in good faith and in a commercially reasonable manner, determine the CMS Reference Rate by using available and relevant public information and having regard to comparable benchmarks available.

If any Fallback Rate Determination(s) are specified in the relevant Final Terms, then only that or those (as the case may be) Fallback Rate Determinations shall apply and if two or more Fallback Rate Determinations are specified, those Fallback Rate Determinations shall apply in the order as specified in the applicable Final Terms, such that if the Determination Agent determines that the CMS Reference Rate cannot be determined by applying a Fallback Rate Determination, then the next Fallback Rate Determination specified shall apply.

6.8 ***Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions***: If one of more of the Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked or Fund-Linked Interest Provisions are specified in the applicable Final Terms as being applicable, the interest payable in respect of the Notes for each Interest Period will be determined in accordance with such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms.

6.9 ***Maximum or Minimum Rate of Interest***: If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the applicable Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

6.10 ***Calculation of Interest Amount***: In respect of Floating Rate Notes and in respect of Notes for which one or more of the Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked or Fund-Linked Interest Provisions are specified in the applicable Final Terms as being applicable ("**Other Underlying Interest Linked Notes**"), the Determination Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Floating Rate Note or, as the case may be, Other Underlying Interest Linked Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

6.11 ***Publication***: The Determination Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each listing authority, stock exchange and/or quotation system (if any) by which the Notes have been admitted to listing, trading and/or quotation as soon as practicable after such determination and in any event not later than 15 Business Days after such determination. Notice thereof shall also be given to the Noteholders as soon as practicable after such determination and in any event not later than 15 Business Days after such determination. The Determination Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) in the event of an extension or shortening of the relevant Interest Period and shall be required to notify the Noteholders, the Paying Agents and each listing authority, stock exchange and/or quotation system (if any) by which the Notes have been admitted to listing, trading and/or quotation as soon as practicable after such recalculation and in any event not more than 15 Business Days after such recalculation has been made.

6.12 ***Notifications etc.***: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*) by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

6.13 ***Interest on Swedish Notes***: For the purposes of calculation of any amount of interest on Swedish Notes, the provisions of this Condition 6 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*) shall be amended so that all periods shall consist of the period from (but excluding) the first day of the relevant period up to (and including) the last day of the relevant period.

6.14 ***Interest on Structured Rate Linked Notes***: This Condition 6 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*) shall apply to Floating to Fixed Rate Notes, Steepener Notes, Digital Option Notes, Inverse Floater Notes and Switchable Notes (collectively, the "**Structured Rate Linked Notes**"). Structured Rate Linked Notes (other than Fixed to Floating Switchable Notes) shall be deemed Floating Rate Notes for the purposes hereof and interest shall accrue and be payable on Structured Rate Linked Notes (other than Fixed to Floating Switchable Notes) in respect of each Interest Period at the Rate of Interest in accordance with Condition 6.3 (*Accrual of Interest*).

7. ZERO COUPON NOTE PROVISIONS

7.1 **Application**: This Condition 7 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the applicable Final Terms as being applicable.

7.2 **Late payment on Zero Coupon Notes**: If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount in respect of each Note shall thereafter be an amount equal to the product of (a) the Calculation Amount of such Note and (b) the percentage produced by the following formula:

$$\text{Reference Price} \times (1+\text{Accrual Yield})^{n}$$

where "n" means the number of years from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 15 Business Days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such 15th Business Day (except to the extent that there is any subsequent default in payment) and the calculation shall be made on the basis of such Day Count Fraction as may be specified in the applicable Final Terms or, if none is so specified, a Day Count Fraction of 30/360.

7.3 **Interest on Swedish Notes**: For the purposes of calculation of any amount of interest on Swedish Notes, the provisions of this Condition 7 (*Zero Coupon Note Provisions*) shall be

amended so that the relevant period shall consist of the period from (but excluding) the Issue Date up to (and including) the earlier of the dates specified in Conditions 7.2.2.

8. EQUITY-LINKED, COMMODITY-LINKED, CURRENCY-LINKED, INFLATION-LINKED, FUND-LINKED AND PREFERENCE SHARE-LINKED NOTES

8.1 Morgan Stanley, MSI plc, MSBV or MSFL may issue Notes:

(a) the payment of interest on which is linked to the shares of an entity ("**Single Share-Linked Interest Notes**") or a basket of shares ("**Share Basket-Linked Interest Notes**") of entities not affiliated with the Issuer and/or to a single index ("**Single Index-Linked Interest Notes**") or indices of shares ("**Index Basket-Linked Interest Notes**") and/or interests in a single exchange traded fund ("**Single ETF-Linked Interest Notes**") or basket of exchange traded funds ("**ETF Basket-Linked Interest Notes**" and together with Single Share-Linked Interest Notes, Share Basket-Linked Interest Notes, Single Index-Linked Interest Notes, Index Basket-Linked Interest Notes and Single ETF-Linked Interest Notes, "**Equity-Linked Interest Notes**");

(b) the payment of principal of which is linked to the shares of an entity ("**Single Share-Linked Redemption Notes**", and together with Single Share-Linked Interest Notes, the "**Single Share Notes**") or a basket of shares ("**Share Basket-Linked Redemption Notes** and along with Share Basket-Linked Interest Notes, "**Share Basket Notes**") of entities not affiliated with the Issuer and/or to a single index ("**Single Index-Linked Redemption Notes**", and together with Single Index-Linked Interest Notes, "**Single Index Notes**") or indices of shares ("**Index Basket-Linked Redemption Notes**", and along with Index Basket-Linked Interest Notes, "**Index Basket Notes**") and/or interests in a single exchange traded fund ("**Single ETF-Linked Redemption Notes**", and together with Single ETF-Linked Interest Notes, "**Single ETF Notes**") or basket of exchange traded funds ("**ETF Basket-Linked Redemption Notes**", and (i) together with ETF Basket-Linked Interest Notes, "**ETF Basket Notes**", and (ii) together with Single Share-Linked Redemption Notes, Basket Share-Linked Redemption Notes, Single Index-Linked Redemption Notes, Basket Index-Linked Redemption Notes and the Single ETF-Linked Redemption Notes, "**Equity-Linked Redemption Notes**"). Equity-Linked Redemption Notes and Equity-Linked Interest Notes shall together be referred to as "**Equity-Linked Notes**";

(c) the payment of interest on which is to be determined by reference to a single commodity price or index ("**Single Commodity-Linked Interest Notes**") or a basket of commodity prices or indices ("**Commodity Basket-Linked Interest Notes**" and together with the Single Commodity-Linked Interest Notes, the "**Commodity-Linked Interest Notes**");

(d) the payment of principal on which is to be determined by reference to a single commodity price or index ("**Single Commodity-Linked Redemption Notes**") or to a basket of commodity prices or indices ("**Commodity Basket-Linked Redemption Notes**", and together with the Single Commodity-Linked Redemption Notes, the "**Commodity-Linked Redemption Notes**"). The Single Commodity-Linked Interest Notes and Single Commodity-Linked Redemption Notes shall together be referred to as the "**Single Commodity-Linked Notes**". The Commodity Basket-Linked Interest Notes and the Commodity Basket-Linked Redemption Notes shall together be referred to as the "**Commodity Basket-Linked Notes**". The Commodity-Linked Interest Notes and the Commodity-Linked Redemption Notes shall together be referred to as the "**Commodity-Linked Notes**";

(e) the payment of interest on which is to be determined by reference to a single currency in comparison with another currency ("**Single Currency-Linked Interest Notes**") or a basket of Currencies in comparison with one or more other currencies ("**Currency Basket-Linked Interest Notes**" and together with the Single Currency-Linked Interest Notes, the "**Currency-Linked Interest Notes**");

(f) the payment of principal on which is to be determined by reference to a single currency in comparison with another currency ("**Single Currency-Linked Redemption Notes**") or to a basket of currencies in comparison with one or more other currencies ("**Currency Basket-Linked Redemption Notes**", and together with the Single Currency-Linked Redemption Notes, the "**Currency-Linked Redemption Notes**"). The Single-Currency-Linked Interest Notes and Single Currency-Linked Redemption Notes shall together be referred to as the "**Single**

Currency-Linked Notes". The Currency Basket-Linked Interest Notes and the Currency Basket-Linked Redemption Notes shall together be referred to as the "**Currency Basket-Linked Notes**". The Currency-Linked Interest Notes and the Currency-Linked Redemption Notes shall together be referred to as the "**Currency-Linked Notes**";

(g) the payment of interest on which is linked to an inflation index ("**Inflation-Linked Interest Notes**");

(h) the payment of principal on which is linked to an inflation index ("**Inflation-Linked Redemption Notes**", and together with the Inflation-Linked Redemption Notes, the "**Inflation-Linked Notes**");

(i) the payment of interest on which is linked to interests in a single fund ("**Single Fund-Linked Interest Notes**") or in a basket of funds ("**Fund Basket-Linked Interest Notes**", and together with the Single Fund-Linked Interest Notes, "**Fund-Linked Interest Notes**"). The Equity-Linked Interest Notes, Commodity-Linked Interest Notes, Currency-Linked Interest Notes, Inflation-Linked Interest Notes and Fund-Linked Interest Notes are together referred to as the "**Linked Interest Notes**";

(j) the payment of principal on which is linked to interests in a single fund ("**Single Fund-Linked Redemption Notes**") or in a basket of funds ("**Fund Basket-Linked Redemption Notes**", and together with the Single Fund-Linked Redemption Notes, "**Fund-Linked Redemption Notes**"). The Single Fund-Linked Interest Notes and Single Fund-Linked Redemption Notes shall together be referred to as the "**Single Fund-Linked Notes**". The Fund Basket-Linked Interest Notes and the Fund Basket-Linked Redemption Notes shall together be referred to as the "**Fund Basket-Linked Notes**". The Fund-Linked Interest Notes and the Fund-Linked Redemption Notes are together referred to as the "**Fund-Linked Notes**";

(k) the payment of principal of which is linked to preference shares issued by a company not affiliated with the Issuer ("**Preference Share-Linked Notes**") The Equity-Linked Redemption Notes, Commodity-Linked Redemption Notes, Currency-Linked Redemption Notes, Inflation-Linked Redemption Notes, Fund-Linked Redemption Notes and Preference Share-Linked Notes are together referred to as the "**Linked Redemption Notes**" and the Linked Interest Notes and Linked Redemption Notes are together referred to as "**Linked Notes**",

in each case, in accordance with these General Conditions which are specified as being applicable to the Linked Notes of the relevant category and the detailed terms and conditions set out in such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, in accordance with the elections made in the applicable Final Terms.

9. PROVISIONS RELATING TO EQUITY-LINKED NOTES

This Condition 9 (*Provisions Relating to Equity-Linked Notes*) is applicable only in relation to Notes specified in the relevant Final Terms as being Single Share Notes, Share Basket Notes, Single Index Notes, Index Basket Notes, Single ETF Notes or ETF Basket Notes.

9.1 Valuation, Market Disruption and Averaging Dates

(a) "**Valuation Date**" means each date specified as such in the applicable Final Terms and, for the purposes of this Condition 9.1, each date specified as an Observation Date, Strike Date, Determination Date or Interest Determination Date in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day), subject to the provisions of this Condition 9.1 (*Valuation, Market Disruption and Averaging Dates*). If any Valuation Date is a Disrupted Day, then:

(i) in the case of a Single Index Note, Single Share Note or Single ETF Note, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date (and, as the case may be, the relevant Observation Date or Determination Date) is a Disrupted Day. In that case, (1) that eighth Scheduled Trading Day shall be

deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (2) the Determination Agent shall determine in its reasonable discretion:

(A) in respect of a Single Index Note, the level of the Index as of the Determination Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Determination Time on that eighth Scheduled Trading Day of each security or other property comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its estimate of the value for the relevant security as of the Determination Time on that eighth Scheduled Trading Day, acting in good faith and a commercially reasonable manner); and

(B) in respect of a Single Share Note or a Single ETF Note, its estimate of the value for the Share or the ETF Interest (as the case may be) as of the Determination Time on that eighth Scheduled Trading Day, acting in good faith and a commercially reasonable manner;

(ii) in the case of an Index Basket Note, the Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and for each Index affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to that Index, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day relating to that Index. In that case, (1) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for the relevant Index, notwithstanding the fact that such day is a Disrupted Day, and (2) the Determination Agent shall determine, in its reasonable discretion, the level of that Index as of the Determination Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Determination Time on that eighth Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its estimate of the value for the relevant security as of the Determination Time on that eighth Scheduled Trading Day, acting in good faith and a commercially reasonable manner); and

(iii) in the case of a Share Basket Note and an ETF Basket Note, the Valuation Date for each Share or ETF Interest (as the case may be) not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and for each Share or ETF Interest (as the case may be) affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to that Share or ETF Interest (as the case may be), unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day relating to that Share or ETF Interest (as the case may be). In that case, (1) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for the relevant Share or ETF Interest (as the case may be), notwithstanding the fact that such day is a Disrupted Day, and (2) the Determination Agent shall determine, in its discretion, its estimate of the value for that Share or ETF Interest (as the case may be) as of the Determination Time on that eighth Scheduled Trading Day, acting in good faith and a commercially reasonable manner;

For the purposes hereof:

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

(b) If Averaging Dates are specified in the applicable Final Terms as being applicable, then, notwithstanding any other provisions of the Conditions, the following provisions will apply to the valuation of the relevant Index, Share, ETF Interest, Basket of Indices, Basket of Shares or Basket of ETF Interests in relation to the relevant Valuation Date, Observation Date, Determination Date or Interest Determination Date (such Valuation Date, Observation Date,

Determination Date or Interest Determination Date being referred to herein as the "**Relevant Date**"):

(i) "**Averaging Date**" means, in respect of each Relevant Date, each date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) and "**Relevant Underlying Value**" has the meaning given to it in such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms.

(ii) If an Averaging Date is a Disrupted Day, then if, in relation to "**Averaging Date Disruption**", the consequence specified in the relevant Final Terms is:

(A) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date for the purposes of determining the Relevant Underlying Value, as applicable **provided that**, if through the operation of this provision no Averaging Date would occur with respect to the Relevant Date, then Condition 9.1 will apply for purposes of determining the Relevant Underlying Value on the final Averaging Date in respect of that Relevant Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day;

(B) "**Postponement**", then Condition 9.1 will apply for the purposes of determining the Relevant Underlying Value on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date in respect of the Relevant Date; or

(C) "**Modified Postponement**", then:

(1) in the case of a Single Index Note, a Single Share Note or a Single ETF Note, the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Determination Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in relation to the relevant Scheduled Valuation Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (B) the Determination Agent shall determine, in its reasonable discretion, the Relevant Underlying Value for that Averaging Date in accordance with (x) in the case of a Single Index Note, Condition 9.1(a)(i) and (y) in the case of a Single Share Note or a Single ETF Note, Condition 9.1(a)(ii);

(2) in the case of an Index Basket Note, a Share Basket Note or an ETF Basket Note, the Averaging Date for each Index, Share or ETF Interest (as the case may be) not affected by the occurrence of a Disrupted Day shall be the date specified in the applicable Final Terms as an Averaging Date in relation to the Relevant Date, and the Averaging Date for an Index, Share or ETF Interest (as the case may be) affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index, Share or ETF Interest (as the case may be). If the first succeeding Valid Date in relation to such Index, Share or ETF Interest (as the case may be) has not occurred as of the Determination Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in relation to the relevant Scheduled Valuation Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to such Index, Share or ETF Interest (as the case may be), and (B) the Determination Agent shall determine, in its reasonable discretion, the Relevant Underlying Value for that Averaging Date in accordance with (x) in the case of an Index Basket

Note, Condition 9.1(b) and (y) in the case of a Share Basket Note or an ETF Basket Note, Condition 9.1(c); and

(3) "**Valid Date**" shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the Relevant Date does not, or is not deemed to, occur.

(iii) If any Averaging Dates in relation to a Relevant Date occur after that Relevant Date as a result of the occurrence of a Disrupted Day, then (i) the relevant Interest Payment Date, Maturity Date, Automatic Early Redemption Date or, as the case may be, the relevant Physical Settlement Date or (ii) the occurrence of an Extraordinary Event, an Extraordinary ETF Event, an Index Adjustment Event, a Potential Adjustment Event or an Additional Disruption Event shall be determined by reference to the last such Averaging Date as though it were that Relevant Date.

9.2 **Adjustments to Indices**

This Condition 9.2 (*Adjustments to Indices*) is applicable only in relation to Notes specified in the relevant Final Terms as being Single Index Notes or Index Basket Notes.

(a) Successor Index

If a relevant Index is (a) not calculated and announced by the Index Sponsor, but is calculated and announced by a successor sponsor acceptable to the Determination Agent in its reasonable discretion or (b) replaced by a Successor Index using, in the determination of the Determination Agent (such determination to be at the Determination Agent's reasonable discretion), the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

(b) Index Adjustment Events:

If (i) on or prior to any Valuation Date, Observation Date, Determination Date, Interest Determination Date or Averaging Date, a relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent securities and capitalisation and other routine events) (an "**Index Modification**") or permanently cancels the Index and no Successor Index exists (an "**Index Cancellation**") or (ii) on any Valuation Date, Observation Date, Determination Date, Interest Determination Date or Averaging Date, the Index Sponsor fails to calculate and announce a relevant Index (**provided that** the Determination Agent may, in its reasonable discretion, determine that, in respect of a Multi exchange Index, such failure to calculate and announce such Index shall instead be a Disrupted Day in respect of such Index) (an "**Index Disruption**" and together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then (A) in the case of an Index Modification or an Index Disruption, the Determination Agent shall determine if such Index Adjustment Event has a material effect on the Notes and, if so, shall calculate in its reasonable discretion the Relevant Underlying Value using, in lieu of a published level for that Index, the level for that Index as at that Valuation Date, Observation Date, Determination Date, Interest Determination Date or, as the case may be, that Averaging Date as determined by the Determination Agent in its reasonable discretion in accordance with the formula for and method of calculating that Index last in effect prior to that change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event and (B) in the case of an Index Cancellation, the Issuer may, at any time thereafter and in its reasonable discretion, determine that the Notes shall be redeemed as of any later date. If the Issuer so determines that the Notes shall be redeemed, then the Issuer shall give not less than five Business Days' notice to the Noteholders to redeem the Notes and upon redemption the Issuer will pay in respect of each Note an amount equal to either:

(i) if "Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion; or

(ii) if "Early Redemption Amount (Index Cancellation) – Fair Market Value" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount.

If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula and other provisions for determining the Final Redemption Amount, any Interest Amount or the Relevant Underlying Value (as defined in Section 7 (*Value Determination Terms*) of the Additional Terms and Conditions) set out in these General Conditions and such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, and any other variable relevant to the settlement or payment terms of the Notes, which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Determination Agent shall provide notice to the Noteholders of any such change or adjustment, giving summary details of the relevant change or adjustment, not later than 15 Business Days after the date on which such change or adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

(c) Correction of Index Levels

If the level of an Index published by the Index Sponsor and which is utilised by the Determination Agent for any calculation or determination (the "**Original Determination**") under the Notes is subsequently corrected and the correction (the "**Corrected Value**") is published by the Index Sponsor by such time (the "**Correction Cut Off Time**") as may be specified in the relevant Final Terms (or, if none is so specified, within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date, Automatic Early Redemption Date, Early Redemption Date or Maturity Date), then the Determination Agent will notify the Issuer and the Fiscal Agent of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the Determination Agent may, acting in good faith and a commercially reasonable manner, adjust any relevant terms accordingly. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

9.3 **Adjustments affecting Shares and ETF Interests**

This Condition 9.3 (*Adjustments affecting Shares and ETF Interests*) is applicable only in relation to Single Share Notes, Single ETF Notes, Share Basket Notes and ETF Basket Notes.

(a) Adjustments for Potential Adjustment Events

Following the declaration by the Underlying Issuer, the relevant ETF or an ETF Service Provider of the terms of a Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares or ETF Interests and, if so, will (i) make such adjustment as it in its reasonable discretion considers appropriate, if any, to the formula or other provisions for determining the Final Redemption Amount, any Interest Amount and/or the Relevant Underlying Value set out in these General Conditions or such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, the number of Shares or ETF Interests to which each Note relates, the number of Shares or ETF Interests comprised in a Basket of Shares or Basket of ETF Interests, the amount, the number of or type of shares, fund interests or other securities which may be delivered in respect of such Notes and/or

any other adjustment and, in any case, to any other variable relevant to the exercise, settlement, payment or other terms of the relevant Notes as the Determination Agent determines, in its reasonable discretion, to be appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate, or liquidity relative to such Shares or ETF Interests) and (ii) determine, in its reasonable discretion, the effective date(s) of such adjustment(s). The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

(b) Correction of Share and ETF Interest Prices

If any price published on the Exchange and which is utilised by the Determination Agent for any calculation or determination (the "**Original Determination**") under the Notes is subsequently corrected and the correction (the "**Corrected Value**") is published by the Exchange by such time as may be specified in the relevant Final Terms (the "**Correction Cut Off Time**") (or, if none is so specified, within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date, Automatic Early Redemption Date, Early Redemption Date or Maturity Date), then the Determination Agent will notify the Issuer and the Fiscal Agent of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the Determination Agent may, acting in good faith and a commercially reasonable manner, adjust any relevant terms accordingly. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

9.4 **Extraordinary Events**

This Condition 9.4 (*Extraordinary Events*) is applicable only in relation to Notes specified in the relevant Final Terms as being Single Share Notes, Single ETF Notes, Share Basket Notes or ETF Basket Notes.

(a) Merger Event or Tender Offer

(i) Following the occurrence of any Merger Event or Tender Offer, the Issuer will, in its reasonable discretion, determine whether the relevant Notes shall continue or shall be redeemed early.

(ii) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula or other provisions for determining the Final Redemption Amount, any Interest Amount and/or the Relevant Underlying Value set out in these General Conditions or such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, the number of Shares or ETF Interests to which each Note relates, the number of Shares or ETF Interests comprised in a Basket of Shares or Basket of ETF Interests (as the case may be), the amount, the number of or type of shares or other securities which may be delivered under such Notes and, in any case, any other variable relevant to the exercise, settlement, or payment terms of the relevant Notes and/or any other adjustment (including, without limitation, in relation to Share Basket Notes or ETF Basket Notes, the cancellation of terms applicable in respect of Shares or ETF Interests affected by the relevant Merger Event or Tender Offer or the replacement of one or more of the Shares or ETF Interests affected by the relevant Merger Event or Tender Offer) which adjustment shall be effective on such date as the Determination Agent shall determine. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days

after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

(iii) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to the Noteholders to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment of (in the case of a Merger Event) the Merger Event Settlement Amount – Fair Market Value Less Costs or the Merger Event Settlement Amount – Fair Market Value (each as defined below), as applicable, or of (in the case of a Tender Offer) the Tender Offer Settlement Amount – Fair Market Value Less Costs or the Tender Offer Settlement Amount – Fair Market Value (each as defined below), as applicable.

(iv) For the purposes hereof:

"**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Determination Agent, in its reasonable discretion.

"**Merger Event**" means, in respect of any relevant Shares or ETF Interests, as determined by the Determination Agent, acting in a commercially reasonable manner, any: (i) reclassification or change of such Shares or ETF Interests that results in a transfer of or an irrevocable commitment to transfer all of such Shares or ETF Interests outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Underlying Issuer or ETF with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Underlying Issuer or ETF is the continuing entity and which does not result in a reclassification or change of all such Shares or ETF Interests outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 90 per cent. of the outstanding Shares or ETF Interests of the Underlying Issuer or ETF that results in a transfer of or an irrevocable commitment to transfer all such Shares or ETF Interests (other than such Shares or ETF owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Underlying Issuer or its subsidiaries or ETF or its sub-funds with or into another entity in which the Underlying Issuer or ETF is the continuing entity and which does not result in a reclassification or change of all such Shares or ETF Interests outstanding but results in the outstanding Shares or ETF Interests (other than Shares or ETF Interests owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares or ETF Interests immediately following such event (a "**Reverse Merger**"), in each case if the Merger Date is on or before, (A) in respect of Physical Settlement Notes, the later to occur of the Maturity Date and the Physical Settlement Date or, (B) in any other case, the final date for determining the Relevant Underlying Value in respect of the relevant Shares or ETF Interests.

"**Merger Event Settlement Amount – Fair Market Value Less Costs**" means in respect of each Note, an amount equal to the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion.

"**Merger Event Settlement Amount – Fair Market Value**" means in respect of each Note, an amount equal to the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

"**Tender Offer**" means, in respect of any Shares or ETF Interests, as determined by the Determination Agent, acting in a commercially reasonable manner, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 9 per cent. and less than 90 per cent. of the outstanding voting shares of the Underlying Issuer or ETF, as determined by the Determination Agent, based upon

the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained, as determined by the Determination Agent in its reasonable discretion.

"**Tender Offer Settlement Amount – Fair Market Value Less Costs**" means, in respect of each Note, an amount equal to the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion.

"**Tender Offer Settlement Amount – Fair Market Value**" means, in respect of each Note, an amount equal to the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

(b) Nationalisation, Insolvency and Delisting

(i) If in the determination of the Determination Agent, acting in a commercially reasonable manner:

(A) all the Shares or ETF Interests or all or substantially all the assets of an Underlying Issuer, ETF or ETF Service Provider are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof ("**Nationalisation**"); or

(B) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of, or any analogous proceeding affecting, an Underlying Issuer, ETF or ETF Service Provider, (1) all the Shares or ETF Interests of that Underlying Issuer, ETF or ETF Service Provider are required to be transferred to a trustee, liquidator or other similar official or (2) holders of the Shares or ETF Interests of that Underlying Issuer, ETF or ETF Service Provider become legally prohibited from transferring them ("**Insolvency**"); or

(C) the Exchange announces that pursuant to the rules of such Exchange, the Shares or ETF Interests cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union) ("**Delisting**"),

then the Issuer will, in its reasonable discretion, determine whether or not the Notes shall continue.

(ii) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula or other provisions for determining the Final Redemption Amount, any Interest Amount and/or the Relevant Underlying Value set out in these General Conditions or such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, the number of Shares or ETF Interests to which each Note relates, the number of Shares or ETF Interests comprised in a Basket of Shares or a Basket of ETF Interests (as the case may be), the amount, the number of or type of shares or other securities which may be delivered under such Notes and, in any case, any other variable relevant to the settlement or payment terms of the relevant Notes and/or any other adjustment (including without limitation, in relation to Share Basket Notes or ETF Basket Notes, the cancellation of terms applicable in respect of Shares or ETF Interests affected by the relevant Extraordinary Event) which change or adjustment shall be effective on such date as the Determination Agent shall

determine. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

(iii) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes. The Issuer's obligations under the Notes shall be satisfied in full upon payment of, in respect of each Note, an amount equal to either:

(A) if "Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion; or

(B) if "Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

9.5 **Extraordinary ETF Events**

This Condition 9.5 (*Extraordinary ETF Events*) is applicable only in relation to Single ETF Notes or ETF Basket Notes.

(a) Following the occurrence of any Extraordinary ETF Event, the Issuer will, in its reasonable discretion, determine whether the relevant Notes shall continue or shall be redeemed early. The Determination Agent shall not have any obligation to monitor the occurrence of an Extraordinary ETF Event not shall it have any obligation to make a determination that an Extraordinary ETF Event has occurred and is continuing.

(b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may:

(i) substitute any Affected ETF Interest with the Successor ETF Interest relating to such Affected ETF interest, **provided that** if no Successor ETF Interest has been identified in the manner set forth below within 10 Business Days of the Extraordinary ETF Event Notice Date (as defined below), then sub-paragraph (ii) below shall apply; and/or

(ii) make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula or other provisions for determining the Final Redemption Amount, Interest Amount and/or the Relevant Underlying Value set out in these General Conditions or such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, the number of ETF Interests to which each Note relates, the number of ETF Interests comprised in a Basket of ETF Interests, the amount, the number of or type of shares or other securities which may be delivered under such Notes and, in any case, any other variable relevant to the exercise, settlement, or payment terms of the relevant Notes and/or any other adjustment (including, without limitation, in relation to ETF Basket Notes, the cancellation of terms applicable in respect of ETF Interests affected by the relevant Extraordinary Fund Event) to account for the economic effect on the Notes of such Extraordinary ETF Event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes), which may, but need not, be

determined by reference to the adjustments(s) made in respect of such Extraordinary ETF Event by an options exchange to options on the relevant Shares traded on such options exchange, which adjustment shall be effective on such date as the Determination Agent shall determine.

The Determination Agent shall provide notice to the Noteholders of (a) any Successor ETF Interest identified in accordance with sub-paragraph (i) above, not later than 15 Business Days after the date on which such Successor ETF Interest is identified, if applicable, and (b) any adjustment made in accordance with sub-paragraph (ii) above, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, if applicable, provided that any failure to give such notice shall not affect the validity of any such adjustment.

(c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to the Noteholders to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment of an amount equal to either:

(i) if "Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion; or

(ii) if "Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

(d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent of the Determination Agent's determination of the occurrence of an Extraordinary ETF Event (the date of such notice, the "**Extraordinary ETF Event Notice Date**").

(e) For the purposes hereof:

"**Extraordinary ETF Event**" shall mean, with respect to an ETF or ETF Service Provider (as the case may be), the occurrence of any of the following events, as determined by the Determination Agent, in its reasonable discretion:

(i) there exists any litigation against the ETF or an ETF Service Provider which in the reasonable discretion of the Determination Agent could materially affect the value of the ETF Interests or on the rights or remedies of any investor therein;

(ii) an allegation of criminal or fraudulent activity is made in respect of the ETF, or any ETF Service Provider, or any employee of any such entity, or the Determination Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (ii) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the ETF, any ETF Service Provider or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the reasonable discretion of the Determination Agent, materially affect the value of the ETF Interests or the rights or remedies of any investor in such ETF Interests;

(iii) (A) an ETF Service Provider ceases to act in such capacity in relation to the ETF (including by way of Merger Event or Tender Offer) and is not immediately replaced in such capacity by a successor acceptable to the Determination Agent; and/or (B) any event occurs which causes, or will with the passage of time (in the opinion of the Determination Agent) cause, the failure of the ETF and/or any ETF Service Provider to meet or maintain any obligation or undertaking under the ETF Documents which failure is reasonably

likely to have an adverse impact on the value of the ETF Interests or on the rights or remedies of any investor therein;

(iv) a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the ETF (howsoever described, including the underlying type of assets in which the ETF invests), from those set out in the ETF Documents, or any announcement regarding a potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;

(v) a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or disappearance (howsoever described), of the type of assets (A) in which the ETF invests, (B) the ETF purports to track, or (C) the ETF accepts/provides for purposes of creation/redemption baskets;

(vi) a material modification, or any announcement regarding a potential future material modification, of the ETF (including but not limited to a material modification of the ETF Documents or to the ETF's liquidity terms) other than a modification or event which does not affect the ETF Interests or the ETF or any portfolio of assets to which the ETF Interest relates (either alone or in common with other ETF Interests issued by the ETF);

(vii) the ETF ceases to be an undertaking for collective investment under the legislation of its relevant jurisdiction, **provided that** on the relevant Issue Date, the ETF was such an undertaking and any such cessation would, in the reasonable discretion of the Determination Agent, have a material adverse effect on any investor in such ETF Interests;

(viii) (A) any relevant activities of or in relation to the ETF or any ETF Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the ETF by any governmental, legal or regulatory entity with authority over the ETF), (B) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the ETF or the ETF Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (C) the ETF is required by a competent authority to redeem any ETF Interests, (D) any hedge provider is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any ETF Interests held in connection with any hedging arrangements relating to the Notes and/or (E) any change in the legal, tax, accounting or regulatory treatment of the ETF or any ETF Service Provider that is reasonably likely to have an adverse impact on the value of the ETF Interests or other activities or undertakings of the ETF or on the rights or remedies of any investor therein; or

(ix) the value of any ETF Interest held by the Issuer and its Affiliates is greater than 10 per cent. of the aggregate net asset value of the relevant ETF (whether or not all of such holding results from hedging transactions entered into in connection with the Notes) and including, where the excess holding results from a reduction in the aggregate net asset value of the relevant ETF.

For these purposes, "**Successor ETF Interest**" means, in respect of an Affected ETF Interest, (1) if specified in the applicable Final Terms, any Eligible ETF Interest; (2) if no Eligible ETF Interest is specified, the successor ETF Interest as determined by the Determination Agent, using commercially reasonable efforts, taking into account any factors which the Determination Agent determines to be relevant, including (but not limited to) the existence of other ETFs that are linked to the same underlying index or asset as the Affected ETF Interest, liquidity of the proposed successor ETF Interest, the prevailing market conditions at the time the Determination Agent makes its determination and the Issuer's hedging arrangements in respect of the relevant

Notes; or (3) if the Determination Agent determines that it is unable to determine a suitable successor ETF Interest, the Determination Agent may determine that the relevant Notes, where the Affected ETF Interest will be linked to the relevant underlying index (the "**Related Underlying Index**") and such Related Underlying Index shall be the Successor ETF Interest and the provisions applicable to Index-Linked Notes will apply to the relevant Notes with such adjustments as the Determination Agent determines to be appropriate.

9.6 **Additional Disruption Events**

(a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed early.

(b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula or other provisions for determining the Final Redemption Amount, any Interest Amount and/or the Relevant Underlying Value set out in the relevant Final Terms, the number of Shares or ETF Interests to which each Note relates, the number of Shares or ETF Interest comprised in a Basket, the amount, the number of or type of shares, fund interests or other securities or assets which may be delivered under such Notes and, in any case, any other variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment (including without limitation, in relation to Share Basket Notes, Index Basket Notes or ETF Basket Notes, the cancellation of terms applicable in respect of any Shares, Index or ETF Interest, as the case may be, affected by the relevant Additional Disruption Event), to account for the economic effect on the Notes of such Additional Disruption Event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes), which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

(c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to either:

(i) if "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion; or

(ii) if "Early Redemption Amount (Additional Disruption Event) – Fair Market Value" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

(d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.

(e) For the purposes hereof:

"**Additional Disruption Event**" means with respect to any Series of Notes, any or all of (i) a Change in Law, (ii) Hedging Disruption, (iii) Increased Cost of Hedging and/or (iv) Loss of Stock Borrow as have been specified in the applicable Final Terms as an applicable Additional Disruption Event with respect to such Notes.

9.7 **Partial Lookthrough Depositary Receipt Provisions**

(a) Where the applicable Final Terms specify that the "Partial Lookthrough Depositary Receipt Provisions" shall apply to a Share, then the provisions set out in this Condition 9.7 (*Partial Lookthrough Depositary Receipt Provisions*) shall apply, and, in relation to such Share, the other provisions of Condition 9 (*Provisions Relating to Equity-Linked Notes*) shall be deemed to be amended and modified as set out in this Condition 9.7 (*Partial Lookthrough Depositary Receipt Provisions*).

(b) The definition of "**Potential Adjustment Event**" shall be amended so that it reads as follows:

"**Potential Adjustment Event**" means any of the following:

(i) a subdivision, consolidation or reclassification of relevant Shares and/or Underlying Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares and/or Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Shares and/or Underlying Shares specified in the applicable Final Terms of (A) such Shares and/or Underlying Shares, (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of a Share Issuer or Underlying Share Issuer, as appropriate, equally or proportionately with such payments to holders of such Shares and/or Underlying Shares, (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer or Underlying Share Issuer, as appropriate, as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;

(iii) an Extraordinary Dividend;

(iv) a call by a Share Issuer or Underlying Share Issuer, as appropriate, in respect of relevant Shares and/or Underlying Shares that are not fully paid;

(v) a repurchase by a Share Issuer or Underlying Share Issuer, as appropriate, or any of its subsidiaries of relevant Shares and/or Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(vi) in respect of a Share Issuer or Underlying Share Issuer, as appropriate, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer or Underlying Share Issuer, as appropriate, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights;

(vii) any other event having, in the opinion of the Determination Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Shares and/or Underlying Shares; and

(viii) the making of any amendment or supplement to the terms of the Deposit Agreement, provided that an event under (i) to (vii) (inclusive) above in respect of Underlying Shares shall not constitute a Potential Adjustment Event unless, in the opinion of the Determination Agent, such event has a diluting or concentrative effect on the theoretical value of the Shares.

(c) If the Determination Agent determines that:

(i) an event under (i) to (vii) (inclusive) of the definition of "**Potential Adjustment Event**" has occurred in respect of any Underlying Shares; or

(ii) an event under (viii) of the definition of "**Potential Adjustment Event**" has occurred, the Determination Agent will determine whether such Potential Adjustment Event has an economic effect on the Notes,

and, in each case, the Determination Agent will make the corresponding adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of these Conditions and/or the applicable Final Terms as the Determination Agent determines appropriate, acting in good faith and a commercially reasonable manner, to account for (A) in respect of an event under (i) to (vii) (inclusive) of the definition of "Potential Adjustment Event", the diluting or concentrative effect on the theoretical value of the Shares, and (B) in respect of an event under (viii) of the definition of "Potential Adjustment Event", such economic effect on the Notes, as the case may be (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share), following the Potential Adjustment Event. The Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

If the Determination Agent determines that no adjustment that it could make will produce a commercially reasonable result, it shall notify the Issuer and the Noteholders that the relevant consequence shall be the early redemption of the Notes, in which case, on such date as selected by the Determination Agent in its reasonable discretion, the Issuer shall redeem the Notes upon not less than five Business Days' prior notice to the Noteholders, and the Issuer will cause to be paid to each Noteholder in respect of each Note held by it an amount equal to either:

(i) if "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion; or

(ii) if "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

(d) The definitions of "**Merger Event**" and "**Tender Offer**" shall be amended in accordance with the DR Amendment.

(e) If the Determination Agent determines that a Merger Event or Tender Offer has occurred in respect of any Underlying Share, then, where the Determination Agent makes an adjustment to these Conditions and/or the applicable Final Terms in connection with a Merger Event or Tender Offer, the Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement.

(f) The definitions of "Nationalisation", "Insolvency" and "Delisting" shall be amended in accordance with the DR Amendment.

(g) Notwithstanding anything to the contrary in the definition of "Delisting", a Delisting shall not occur in respect of any Underlying Share if such Underlying Shares are immediately relisted, re-

traded or re-quoted on an exchange or quotation system regardless of the location of such exchange or quotation system.

(h) If the Determination Agent determines that a Nationalisation or Insolvency has occurred in respect of a Share or the Depositary, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Final Terms. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs, and the Determination Agent will determine the effective date of any adjustments.

(i) If the Determination Agent determines that a Delisting of Shares has occurred or if the Depositary announces that the Deposit Agreement is (or will be) terminated, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs or the Underlying Shares and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Final Terms. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs or the Underlying Shares, as applicable, and the Determination Agent will determine the effective date of any adjustments.

(j) The definition of "Insolvency Filing" shall be amended in accordance with the DR Amendment.

(k) The definition of "Change in Law" shall be amended in accordance with the DR Amendment.

For the avoidance of doubt, where a provision is amended pursuant to this Condition 9.7 (*Partial Lookthrough Depositary Receipt Provisions*) in accordance with the DR Amendment, if the event described in such provision occurs in respect of the Underlying Share or the Underlying Share Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

9.8 **Full Lookthrough Depositary Receipt Provisions**

(a) Where the applicable Final Terms specifies that the "Full Lookthrough Depositary Receipt Provisions" shall apply to a Share, then the provisions set out in this Condition 9.8 (*Full Lookthrough Depositary Receipt Provisions*) shall apply, and, in relation to such Share, the other provisions of this Condition 9 (*Provisions Relating to Equity-Linked Notes*) shall be deemed to be amended and modified as set out in this Condition 9.8 (*Full Lookthrough Depositary Receipt Provisions*).

(b) The definition of "**Potential Adjustment Event**" shall be amended so that it reads as follows:

"**Potential Adjustment Event**" means any of the following:

(i) a subdivision, consolidation or reclassification of relevant Shares and/or Underlying Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares and/or Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Shares and/or Underlying Shares specified in the applicable Final Terms of (A) such Shares and/or Underlying Shares, (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of a Share Issuer or Underlying Share Issuer, as appropriate, equally or proportionately with such payments to holders of such Shares and/or Underlying Shares, (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer or Underlying Share Issuer, as appropriate, as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;

(iii) an Extraordinary Dividend;

(iv) a call by a Share Issuer or Underlying Share Issuer, as appropriate, in respect of relevant Shares and/or Underlying Shares that are not fully paid;

(v) a repurchase by a Share Issuer or Underlying Share Issuer, as appropriate, or any of its subsidiaries of relevant Shares and/or Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(vi) in respect of a Share Issuer or Underlying Share Issuer, as appropriate, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer or Underlying Share Issuer, as appropriate, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights;

(vii) any other event having, in the opinion of the Determination Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Shares and/or Underlying Shares; and

(viii) the making of any amendment or supplement to the terms of the Deposit Agreement, provided that an event under (i) to (vii) (inclusive) above in respect of Underlying Shares shall not constitute a Potential Adjustment Event unless, in the opinion of the Determination Agent, such event has a diluting or concentrative effect on the theoretical value of the Shares.

(c) If the Determination Agent determines that:

(i) an event under (i) to (vii) (inclusive) of the definition of "**Potential Adjustment Event**" has occurred in respect of any Underlying Shares; or

(ii) an event under (viii) of the definition of "**Potential Adjustment Event**" has occurred, the Determination Agent will determine whether such Potential Adjustment Event has an economic effect on the Notes,

and, in each case, the Determination Agent will make the corresponding adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of these Conditions and/or the applicable Final Terms as the Determination Agent determines appropriate, acting in good faith and a commercially reasonable manner, to account for (A) in respect of an event under (i) to (vii) (inclusive) of the definition of "**Potential Adjustment Event**", the diluting or concentrative effect on the theoretical value of the Shares, and (B) in respect of an event under (viii) of the definition of "**Potential Adjustment Event**", such economic effect on the Notes, as the case may be (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share), following the Potential Adjustment Event. The Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

If the Determination Agent determines that no adjustment that it could make will produce a commercially reasonable result, it shall notify the Issuer and the Noteholders that the relevant consequence shall be the early redemption of the Notes, in which case, on such date as selected by the Determination Agent in its reasonable discretion, the Issuer shall redeem the Notes upon not less than five Business Days' prior notice to the Noteholders, and the Issuer will cause to be paid to each Noteholder in respect of each Note held by it an amount equal to either:

(i) if "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion; or

(ii) if "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

(d) The definitions of "**Merger Event**" and "**Tender Offer**" shall be amended in accordance with the DR Amendment.

(e) If the Determination Agent determines that a Merger Event or Tender Offer has occurred in respect of an Underlying Share, then, where the Determination Agent makes an adjustment to these Conditions and/or the applicable Final Terms in connection with a Merger Event or Tender Offer, the Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement.

(f) The definitions of "**Nationalisation**", "**Insolvency**" and "**Delisting**" shall be amended in accordance with the DR Amendment.

(g) If the Determination Agent determines that a Nationalisation or Insolvency has occurred in respect of a Share or the Depositary, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Final Terms. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs, and the Determination Agent will determine the effective date of any adjustments.

(h) If the Determination Agent determines that a Delisting of Shares has occurred or if the Depositary announces that the Deposit Agreement is (or will be) terminated, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs or the Underlying Shares and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Final Terms. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs or the Underlying Shares, as applicable, and the Determination Agent will determine the effective date of any adjustments.

(i) The definition of any Additional Disruption Event specified as applicable in the applicable Final Terms shall be amended in accordance with the DR Amendment.

(j) The definitions of "**Exchange Business Day**", "**Scheduled Closing Time**", "**Scheduled Trading Day**", "**Trading Disruption**", "**Exchange Disruption**", "**Early Closure**" and "**Disrupted Day**" which relate to the Exchange shall be deemed to include a reference to the primary exchange on which the Underlying Shares are traded, as determined by the Determination Agent.

(k) The definitions of "**Exchange Disruption**", "**Market Disruption Event**" and "**Trading Disruption**" shall be amended in accordance with the DR Amendment.

For the avoidance of doubt, where a provision is amended pursuant to this Condition 9.8 (*Full Lookthrough Depositary Receipt Provisions*) in accordance with the DR Amendment, if the event described in such provision occurs in respect of the Underlying Share or the Underlying

Share Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

9.9 **Definitions applicable to Equity-Linked Notes**

In relation to Equity-Linked Notes, the following expressions have the meanings set out below:

"**Affected ETF Interest**" means, at any time, any ETF Interest in respect of which the Determination Agent has determined that an Extraordinary ETF Event has occurred;

"**Basket**" means in relation to any Share Basket Notes, the Shares specified in the applicable Final Terms as comprising the Basket, in relation to Index Basket Notes, the Indices specified in the applicable Final Terms as comprising the Basket and in relation to any ETF Basket Notes, the ETF Interests specified in the applicable Final Terms as comprising the Basket, in each case in the relative proportions specified in such Final Terms;

"**Basket Component**" means, in relation to a particular Series of Share Basket Notes, Index Basket Notes or ETF Basket Notes, each Share, Index or ETF Interest comprised in the relevant Basket of Shares, Indices or ETF Interests, as applicable;

"**Basket of ETF Interests**" means, in relation to a particular Series, a basket comprising the ETF Interests specified in the applicable Final Terms in the relative proportions or number of ETF Interests specified in such Final Terms;

"**Basket of Indices**" means, in relation to a particular Series, a basket comprising the Indices specified in the applicable Final Terms in the relative proportions specified in such Final Terms;

"**Basket of Shares**" means, in relation to a particular Series, a basket comprising Shares of each Underlying Issuer specified in the applicable Final Terms in the relative proportions or number of Shares of each Underlying Issuer specified in such Final Terms;

"**Change in Law**" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x), in the case of Single Share Notes, Single Index Notes, Single ETF Notes, Share Basket Notes, Index Basket Notes or ETF Basket Notes, it has become illegal to hold, acquire or dispose of any relevant Shares or ETF Interests or of any financial instrument or contract providing exposure to the Shares or ETF Interests or Underlying Index or Indices (as the case may be), or (y) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"**Component**" means, in relation to an Index, any security which comprises such Index;

"**Deposit Agreement**" means, in relation to the Shares, the agreements or other instruments constituting the Shares, as from time to time amended or supplemented in accordance with their terms.

"**Depositary**" means, where the applicable Final Terms specifies that either the "Partial Lookthrough Depositary Receipt Provisions" or the "Full Lookthrough Depositary Receipt Provisions" shall apply to a Share, the issuer of the Shares or any successor issuer of the Shares from time to time;

"**Determination Date**" means, in relation to any determination, each date or dates, if any, specified as such in the applicable Final Terms, **provided that** (i) if any such date is not a Scheduled Trading Day, the relevant Determination Date shall fall on the next succeeding Scheduled Trading Day, and (ii) if any Determination Date is a Disrupted Day, the provisions of Condition 9.1 shall apply *mutatis mutandis* as if such Determination Date were a Valuation Date;

"**Determination Time**" means the time specified as such in the applicable Final Terms, or if no such time is specified, (a) save with respect to a Multi-Exchange Index, the Scheduled Closing Time on the relevant Exchange in relation to each Index, Share or ETF Interest to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Determination Time is after the actual closing time for its regular trading session, then the Determination Time shall be such actual closing time; and (b) with respect to any Multi-Exchange Index, (i) for the purposes of determining whether a Market Disruption Event

has occurred: (x) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component and (y) in respect of any option contracts or futures contracts on the Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor;

"**Disrupted Day**" means (a) except with respect to a Multi-Exchange Index, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred, and (b) with respect to any Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index; (ii) the Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event has occurred;

"**DR Amendment**" means, in respect of the definitions of Merger Event, Tender Offer, Nationalisation, Insolvency, Delisting, Insolvency Filing, Change in Law, any other Additional Disruption Event specified as applicable in the applicable Final Terms, Exchange Disruption, Market Disruption Event and Trading Disruption, that the following changes shall be made to such definition or provision where provided for in Condition 9:

(A) all references to "Shares" shall be deleted and replaced with the words "Shares and/or the Underlying Shares"; and

(B) all references to "Share Issuer" shall be deleted and replaced with the words "Share Issuer or Underlying Share Issuer, as appropriate";

"**Early Closure**" means (a) except with respect to a Multi-Exchange Index, the closure on any Exchange Business Day of the relevant Exchange (or in the case of a Single Index Note or Index Basket Note, any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Determination Time on such Exchange Business Day and (b) with respect to any Multi-Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the relevant Determination Time on such Exchange Business Day;

"**Eligible ETF Interest**" means, in respect of any Affected ETF Interest, the interest specified as such in the applicable Final Terms;

"**ETF**" means (in respect of an ETF Interest) any exchange traded fund specified in the applicable Final Terms as an ETF;

"**ETF Documents**" means, with respect to any ETF Interest, the offering document of the relevant ETF, the constitutive and governing documents, subscription agreements and any other agreement or document specifying the terms and conditions of such ETF Interest and any additional documents specified in the applicable Final Terms, each as amended from time to time.;

"**ETF Interest**" means the share or other interest or unit of holding (including, without limitation, any debt security) issued to or held by an investor in an ETF, as identified in the applicable Final Terms;

"**ETF Service Provider**" means, in respect of any ETF, any person who is appointed to provide services, directly or indirectly, in respect of such ETF, whether or not specified in the ETF Documents, including any advisor, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar, transfer agent, domiciliary agent, sponsor or general partner or any other person specified in the applicable Final Terms;

"**Exchange**" means:

(A) (i) in respect of an Index relating to Single Index Notes or Index Basket Notes other than a Multi-Exchange Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms or, if none is specified, the principal exchange or quotation system for trading in such Index, as determined by the Determination Agent, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the shares underlying such Index has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to the shares underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange, and (ii) with respect to any Multi-Exchange Index, and in respect of each Component, the principal stock exchange on which such Component is principally traded, as determined by the Determination Agent;

(B) in respect of an Share relating to Single Share Notes or Share Basket Notes, each exchange or quotation system specified as such for such Share in the applicable Final Terms or, if none is specified, the principal exchange or quotation system for trading in such Share, as determined by the Determination Agent, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange; and

(C) in respect of an ETF Interest relating to Single ETF Notes or ETF Basket Notes, each exchange or quotation system specified as such for such ETF Interest in the applicable Final Terms or, if none is specified, the principal exchange or quotation system for trading in such ETF Interest, as determined by the Determination Agent, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the ETF Interest has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to such ETF Interest on such temporary substitute exchange or quotation system as on the original Exchange.

"**Exchange Business Day**" means (a) except with respect to a Multi-Exchange Index, any Scheduled Trading Day on which each Exchange and Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (b) with respect to any Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of the Index and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or the Related Exchange closing prior to its Scheduled Closing Time;

"**Exchange Disruption**" means (a) except with respect to a Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares or ETF Interests on the Exchange (or in the case of Single Index Notes or Index Basket Notes, on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index), or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Shares, the relevant Index or the ETF Interests (as the case may be) on any relevant Related Exchange and (b) with respect to any Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general to effect transactions in, or obtain market values for, (i) any Component on the Exchange in respect of such Component, or (ii) futures or options contracts relating to the Index on the Related Exchange;

"**Extraordinary Dividend**" means the dividend per Share or ETF Interest, or portion thereof, to be characterised as an Extraordinary Dividend as determined by the Determination Agent;

"**Extraordinary ETF Event**" has the meaning given in Condition 9.5(e);

"**Extraordinary Event**" means a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting;

"**Hedging Disruption**" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"**Increased Cost of Hedging**" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"**Index**" means any index specified as such in the applicable Final Terms, subject to Condition 9.2 (*Adjustments to Indices*);

"**Index Sponsor**" means, in respect of an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and methods of calculation and adjustments, if any, related to the relevant Index and (b) announces (directly or through an agent) the level of the relevant Index on a regular basis during each Scheduled Trading Day;

"**Loss of Stock Borrow**" means that the Issuer is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) the Shares or the ETF Interests with respect to the Notes in an amount which the Issuer deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes (not to exceed the number of shares underlying the Notes) at a rate determined by the Issuer;

"**Market Disruption Event**" means (a) in respect of an Share, an Index other than a Multi-Exchange Index or an ETF Interest, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Determination Agent determines is material, at any time during the one-hour period that ends at the relevant Determination Time, or (iii) an Early Closure. For the purpose of determining whether a Market Disruption Event exists in respect of an Index at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that security and (y) the overall level of the Index, in each case immediately before the Market Disruption Event occurred; and (b) with respect to any Multi-Exchange Index either (i)(A) the occurrence or existence, in respect of any Component, of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Determination Time in respect of the Exchange on which such Component is principally traded, OR (3) an Early Closure; AND (B) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Index; OR (ii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (A) a Trading Disruption, (B) an Exchange Disruption, which in either case the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Determination Time in respect of the Related Exchange; or (C) an Early Closure.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component at any time, if a Market Disruption Event occurs in respect of such Component at that time, then the relevant percentage contribution of that Component to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component to (y) the overall level of the Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "**opening data**";

"**Multi-Exchange Index**" means any Index specified as such in the relevant Final Terms;

"**Observation Date**" means, in relation to any determination, each Barrier Observation Date, Value Observation Date and the date or dates, if any, specified as such in the applicable Final Terms, **provided that** (i) if any such date is not a Scheduled Trading Day, the relevant Observation Date shall fall on the next succeeding Scheduled Trading Day, and (ii) if any

Observation Date is a Disrupted Day, the provisions of Condition 11.1 (*Valuation*, *Market Disruption and Averaging Dates*) shall apply *mutatis mutandis* as if such Observation Date were a Valuation Date;

"**Observation Period**" means, in relation to any determination, the period, if any, specified as such in the applicable Final Terms;

"**Potential Adjustment Event**" means, in respect of Single Share Notes, Single ETF Note, Share Basket Notes or ETF Basket Notes:

(i) a subdivision, consolidation or reclassification of an Share or ETF Interest (unless resulting in a Merger Event), or a free distribution or dividend of Shares or ETF Interests to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of relevant Shares or ETF Interests of (A) such Shares or ETF Interests, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Underlying Issuer or ETF equally or proportionately with such payments to holders of such an Shares or ETF Interests, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Underlying Issuer or ETF as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;

(iii) an Extraordinary Dividend;

(iv) a call by the Underlying Issuer in respect of relevant Shares that are not fully paid;

(v) a repurchase by an Underlying Issuer or ETF (as the case may be) or any of its subsidiaries of Shares or ETF Interests, whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(vi) in respect of an Underlying Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Underlying Issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides, upon the occurrence of certain events, for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(vii) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares or ETF Interests.

"**Related Exchange**", in respect of an Index relating to Single Index Notes or Index Basket Notes, an Share relating to Single Share Notes or Share Basket Notes or an ETF Interest relating to Single ETF Notes or ETF Basket Notes, means the Exchange specified as the Relevant Exchange in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures and options contracts relating to such Index, Shares or ETF Interest has temporarily relocated (**provided that** the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index, Shares or ETF Interests on such temporary substitute exchange or quotation system as on the original Related Exchange) or, if "**All Exchanges**" is specified in the applicable Final Terms, each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Index, Shares or ETF Interests, as the case may be;

"**Replacement DRs**" means depositary receipts other than the Shares over the same Underlying Shares;

"**Scheduled Closing Time**" means in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related

Exchange on such Scheduled Trading Day, without regard to after-hours or any other trading outside of regular trading session hours;

"**Scheduled Trading Day**" means (a) except with respect to a Multi-Exchange Index, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading session, and (b) with respect to any Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session;

"**Settlement Cycle**" means, in respect of an Share, Index or ETF Interest, the period of Settlement Cycle Days following a trade in such Share, the securities underlying such Index or ETF Interest, as the case may be, on the Exchange in which settlement will customarily occur according to the rules of such exchange (or, in respect of any Multi- exchange Index, the longest such period) and for this purpose "**Settlement Cycle Day**" means, in relation to a clearing system any day on which such clearing system is (or but for the occurrence of a Settlement Disruption Event would have been) open for acceptance and executions of settlement instructions;

"**Share**" means, in relation to a particular Series of Notes, a share specified as such in the applicable Final Terms, or, in the case of a Share Basket Note, a share forming part of a basket of shares to which such Note relates;

"**Share Issuer**" means the entity that is the issuer of the Share(s) specified in the applicable Final Terms.

"**Trading Disruption**" means (a) except with respect to a Multi-Exchange Index, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange, Related Exchange or otherwise (i) relating to the Share or ETF Interest on the Exchange, or, in the case of a Single Index Note or Index Basket Note, on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or (ii) in futures or options contracts relating to the Share, the relevant Index or Indices or the ETF Interest on any relevant Related Exchange, and (b) with respect to any Multi-Exchange Index, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to any Component on the Exchange in respect of such Component; or (ii) in futures or options contracts relating to the Index on the Related Exchange;

"**Underlying Issuer**" means the entity that is the issuer of the Share specified in the applicable Final Terms;

"**Underlying Share**" means, the share or other security which is the subject of the Deposit Agreement; and

"**Underlying Share Issuer**" means the entity that is the issuer of the Underlying Share specified in the applicable Final Terms.

10. PROVISIONS RELATING TO COMMODITY-LINKED NOTES

This Condition 10 (*Provisions relating to Commodity-Linked Notes*) is applicable only in relation to Notes specified in the relevant Final Terms as being Commodity-Linked Notes.

10.1 Corrections to Published Prices

For the purposes of determining the Relevant Underlying Value for any Pricing Date, if applicable, for the purposes of calculating the interest, Final Redemption Amount or any other amount in respect of a Commodity-Linked Note, if the price published or announced on a given day and used or to be used by the Determination Agent to determine such Relevant Underlying Value is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement by such time as may be specified in the relevant Final Terms (or, if none is so specified, within thirty calendar days after the original publication or announcement) and in any event prior to the Maturity Date for the relevant Notes the Determination Agent shall, acting in good faith and a commercially reasonable manner, determine (in its reasonable discretion) the adjustment to the Relevant Underlying Value so calculated and will adjust the terms of the relevant Notes to account for such correction to the

extent that it determines to be necessary and practicable. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

10.2 **Commodity Disruption Events**

(a) If so specified in the Final Terms relating to any Series of Commodity-Linked Notes, the following shall constitute "**Commodity Disruption Events**" for the purposes of such Series:

(i) "**Price Source Disruption**", which means (i) the failure of the Price Source to announce or publish the Commodity Specified Price (or the information necessary for determining the Commodity Specified Price) for the relevant Commodity Reference Price, (ii) the temporary or permanent discontinuance or unavailability of the Price Source, (iii) if the Commodity Reference Price is "**Commodity Reference Dealers**", the failure to obtain at least three quotations from the relevant Reference Dealers or (iv) if Price Materiality Percentage is specified in the applicable Final Terms, the Commodity Specified Price for the relevant Commodity Reference Price differs from the Commodity Specified Price determined in accordance with the Commodity Reference Price "**Commodity Reference Dealers**" by such Price Materiality Percentage;

(ii) "**Trading Disruption**", which means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange as specified in the applicable Final Terms. The determination of whether a suspension of or limitation on trading is material shall be made by the Determination Agent in accordance with the following:

(A) a suspension of trading in the Futures Contract or the Commodity on any Commodity Business Day shall be deemed to be material only if: (1) all trading in the Futures Contract or the Commodity is suspended for the entire Pricing Date; or (2) all trading in the Futures Contract or the Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Commodity on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and

(B) a limitation of trading in the Futures Contract or the Commodity on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the Futures Contract or the Commodity may fluctuate and the closing or settlement price of the Futures Contract or Commodity on such day is at the upper or lower limit of that range.

(iii) "**Disappearance of Commodity Reference Price**", which means (i) the permanent discontinuation of trading in the relevant Futures Contract on the relevant Exchange, (ii) the disappearance of, or of trading in, the relevant Commodity, or (iii) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the relevant Commodity;

(iv) "**Material Change in Formula**", which means the occurrence since the Trade Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price;

(v) "**Material Change in Content**", which means the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or relevant Futures Contract; and

(vi) "**Tax Disruption**", which means the imposition of, change in or removal of an excise, severance, sales, use, value added, transfer, stamp, documentary, recording or similar tax

on, or measured by reference to, the relevant Commodity (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the Relevant Underlying Value on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change or removal.

(b) If the applicable Final Terms for a Series of Commodity-Linked Notes specifies that any Commodity Disruption Event shall be applicable to such Series, then, where the Determination Agent determines, acting in a commercially reasonable manner, that such Commodity Disruption Event has occurred and is continuing in respect of such Series on a Pricing Date in respect of such Series (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source), or on any other day as may be specified for this purpose in the relevant Final Terms, then the Relevant Underlying Value will be determined in accordance with the terms of the Commodity Disruption Fallback applicable pursuant to Condition 10.3 (*Commodity Disruption Fallbacks*).

10.3 **Commodity Disruption Fallbacks**

(a) If so specified in the Final Terms relating to any Series of Notes, the following shall constitute "**Commodity Disruption Fallbacks**" for the purposes of such Series, and the applicable Final Terms shall specify which Commodity Disruption Fallback(s) shall apply to such Series, to which Commodity Disruption Event each such Commodity Disruption Fallback shall apply and, where more than one Commodity Disruption Fallback may apply to a Commodity Disruption Event, the order in which such Commodity Disruption Fallback(s) shall apply to such Commodity Disruption Event.

(i) "**Fallback Reference Price**" means that the Determination Agent shall determine the Relevant Underlying Value using the Commodity Reference Price specified in the relevant Final Terms as an alternative Commodity Reference Price provided it is not subject to a Commodity Disruption Event. If such alternative Commodity Reference Price is subject to a Commodity Disruption Event, the next Commodity Disruption Fallback (if any) specified in the relevant Final Terms will apply;

(ii) "**Postponement**" means that the Pricing Date will be deemed, for purposes of the application of this Commodity Disruption Fallback only, to be the first succeeding Commodity Business Day on which the Commodity Disruption Event ceases to exist, unless that Commodity Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date) for consecutive Commodity Business Days equal in number to the Specified Maximum Days of Disruption. In that case, the next Disruption Fallback (if any) specified in the relevant Final Terms will apply;

(iii) "**Commodity Fallback Value**" means the arithmetic mean of the quotations provided to the Determination Agent by each of the Reference Dealers as its Commodity Reference Price for the relevant Pricing Date of the relevant Commodity, provided that if only three such quotations are so provided, the Commodity Fallback Value shall be the Commodity Reference Price remaining after disregarding the Commodity Reference Prices having the highest and lowest values (or if more than one such highest or lowest, one only of them). If fewer than three such quotations are so provided, it will be deemed that such value cannot be determined and the next Commodity Disruption Fallback specified in the Final Terms (if any) will apply; and

(iv) "**Determination Agent Determination**" means that the Determination Agent will determine, in its reasonable discretion, the Relevant Underlying Value (or a method for determining the Relevant Underlying Value), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that it deems relevant,

provided however that unless the applicable Final Terms specify that any other Commodity Disruption Fallback(s) shall apply in respect of any Commodity Disruption Event, Determination Agent Determination alone shall apply.

(b) Where one or more Commodity Disruption Events have been specified as applicable in the relevant Final Terms and (i) more than one of such Commodity Disruption Events occur or exist, and (ii) a different Commodity Disruption Fallback is elected with respect to each such Commodity Disruption Event, then, unless the applicable Final Terms specifies that any other Commodity Disruption Fallback shall apply, "**Determination Agent Determination**" shall apply.

(c) With respect to Notes referencing a Basket of Commodities, if the Determination Agent determines that a Commodity Disruption Event has occurred or exists on the Pricing Date in respect of any Commodity in the Basket (the "**Affected Commodity**"), the Relevant Underlying Value of each Commodity within the Basket in respect of which no Commodity Disruption Event exists or has occurred shall be determined on its scheduled Pricing Date and the Relevant Underlying Value of the Affected Commodity shall be determined in accordance with the first applicable Commodity Disruption Fallback that provides a Commodity Reference Price.

10.4 **Common Pricing**

With respect to Notes referencing two or more Commodity Reference Prices, if "**Common Pricing**" is specified in the Final Terms as "**Applicable**", then no date will be a Pricing Date unless such date (the "**Common Pricing Date**") is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced, as determined as of the time of issue of the Notes.

10.5 **Commodity Index Disruption Events**

(a) The following shall constitute "**Commodity Index Disruption Events**" for the purposes of any Series of Notes with respect to a Commodity Index:

(i) a temporary or permanent failure by the applicable exchange or other price source to announce or publish the relevant Commodity Specified Price; or

(ii) the occurrence in respect of any Component of the relevant Commodity Index of a Commodity Disruption Event (as defined in Condition 10.2).

(b) Where the Determination Agent determines, acting in a commercially reasonable manner, that a Commodity Index Disruption Event has occurred and is continuing in respect of a Series on a Pricing Date in respect of such Series (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source), or on any other day as may be specified for this purpose in the applicable Final Terms, then the following provisions shall apply:

(i) with respect to each Component which is not affected by the Commodity Index Disruption Event, the Relevant Underlying Value will be determined by the Determination Agent based on the closing prices of each such Component on the applicable Pricing Date;

(ii) with respect to each Component which is affected by the Commodity Index Disruption Event, the Relevant Underlying Value will be determined by the Determination Agent (in the case of any Dow Jones UBS Commodity Index) as set out in the DJ UBSCI Manual or (in the case of any S&P Commodity Index) as set out in the Index Methodology in each case based on the closing prices of each such Component on the first day following the applicable Pricing Date on which no Commodity Index Disruption Event occurs with respect to such Component;

(iii) subject to paragraph (d) below, the Determination Agent shall determine the Relevant Underlying Value by reference to the closing prices determined in paragraphs (a) and (b) above using the then current method for calculating the relevant Commodity Index; and

(iv) where a Commodity Index Disruption Event with respect to one or more Components continues to exist (measured from and including the first day following the applicable determination date) for five consecutive Trading Days, the Determination Agent shall

determine the Relevant Underlying Value acting in good faith and in a commercially reasonable manner. In calculating the Relevant Underlying Value as set out in this paragraph, the Determination Agent shall use the formula for calculating the relevant Commodity Index last in effect prior to the Commodity Index Disruption Event.

10.6 **Adjustments to Commodity Index**

(a) If a Commodity Index with respect to a Commodity Reference Price is permanently cancelled or is not calculated and announced by the sponsor of such Commodity Index or any of its affiliates (together the "**Sponsor**") but (i) is calculated and announced by a successor sponsor (the "**Successor Sponsor**") acceptable to the Determination Agent, or (ii) replaced by a successor index (the "**Successor Index**") using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of such Commodity Index, then the Commodity Reference Price will be determined by reference to the Commodity Index as so calculated and announced by that Successor Sponsor or that Successor Index, as the case may be.

(b) If, for a Commodity Index with respect to a Commodity Reference Price, on or prior to the Maturity Date or Early Redemption Date, (i) the Sponsor makes a material change in the formula for or the method of calculating such Commodity Index or in any other way materially modifies such Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent commodities and weightings and other routine events), (ii) the Sponsor permanently cancels the Commodity Index, or (iii) the Sponsor fails to calculate and announce the Commodity Index for a continuous period of three Trading Days and the Determination Agent determines that there is no Successor Sponsor or Successor Index, then the Determination Agent may at its option (in the case of (i)) and shall (in the case of (ii) and (iii)) (such events (i) (ii) and (iii) to be collectively referred to as "**Index Adjustment Events**") calculate the Relevant Underlying Value using in lieu of the published level for that Commodity Index (if any), the level for that Commodity Index as at the relevant determination date as determined by the Determination Agent in accordance with the formula for and method of calculating that Commodity Index last in effect prior to the relevant Index Adjustment Event, but using only those Futures Contracts that comprised that Index immediately prior to the relevant Index Adjustment Event (other than those futures contracts that have ceased to be listed on any relevant exchange).

10.7 **Additional Disruption Events**

(a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed early.

(b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

(c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to either:

(i) if "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any

related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion; or

(ii) if "Early Redemption Amount (Additional Disruption Event) – Fair Market Value" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

(d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.

(e) For the purposes hereof:

"**Additional Disruption Event**" means, with respect to any Series of Notes, any of Change in Law, Hedging Disruption and/or Increased Cost of Hedging as are specified as applicable in the Final Terms.

10.8 **Commodity-Linked Note Inconvertibility Event**

If "Commodity-Linked Note Inconvertibility Provisions" are applicable as specified the Final Terms in relation to any Series of Notes, then the provisions of Clause 32 (*Inconvertibility Events*) shall not apply and the following provisions shall apply instead:

(a) Inconvertibility Event

"**Inconvertibility Event**" means with respect to any Series of Notes, the occurrence of any event that makes it impossible, unlawful or commercially impracticable for the Issuer to (i) convert the Relevant Currency into the Inconvertibility Specified Currency in the Relevant Jurisdiction, or (ii) deliver the Inconvertibility Specified Currency into or between accounts in the Relevant Jurisdiction, in either case on the Maturity Date, other than where (x) such impossibility is due solely to the failure by the Issuer to comply with any law, rule or regulation enacted by the government (or any other body with the power to make laws, rules and regulations in the Relevant Jurisdiction) of the Relevant Jurisdiction (unless such law, rule or regulation is enacted after the Trade Date and it is impossible for Issuer, due to an event beyond its control, to comply with such law, rule or regulation, (y) after using commercially reasonable efforts, none of Morgan Stanley B.V., Morgan Stanley Finance LLC, Morgan Stanley Bank, N.A., Morgan Stanley Capital Services, Inc. and Morgan Stanley & Co. International Plc would be able to effect such conversion or transfer, or (z) the Inconvertibility Specified Currency has been replaced by the Euro.

If the Inconvertibility Specified Currency is unavailable because it has been replaced by the Euro, the Issuer may at its option (or will, if required by applicable law) without the consent of the holders of the affected Notes, pay any amount in respect of the Notes in Euro instead of the Inconvertibility Specified Currency, in conformity with legally applicable measures taken pursuant to, or by virtue of, the Treaty establishing the European Community. Any payment made in Euro where the required payment is in an unavailable Inconvertibility Specified Currency, will not constitute an Event of Default.

If at any time during the term of the Notes the Determination Agent determines that an Inconvertibility Event has occurred, it will inform the Issuer of such event. Following the determination of an Inconvertibility Event, the Issuer will make any payments due under the Notes by converting any amount due under the Notes from the Inconvertibility Specified Currency into the Relevant Currency at the Fallback FX Spot Rate determined by the Determination Agent in its reasonable discretion.

(b) Fallback Spot FX Rate

"**Fallback FX Spot Rate**", means in relation to any Series of Notes, in relation to a payment date, the exchange rate (expressed as a number of the Inconvertibility Specified Currency per one unit of the Relevant Currency) equal to the arithmetic mean, as determined by the Determination Agent, of the firm offer quotes obtained for settlement on or about such payment date, after eliminating the highest quotation (or, in the event of equality, one of the highest) and

the lowest quotation (or, in the event of equality, one of the lowest) of exchange rates for conversion of the Inconvertibility Specified Currency into the Relevant Currency determined by at least five leading dealers selected by the Determination Agent (the "**Reference Dealers**"), dealing in the market for the Inconvertibility Specified Currency, taking into consideration the latest available offer quotation for such exchange rate and any other information deemed relevant by such reference dealers; provided further that if the Determination Agent is unable to obtain five such quotes from the Reference Dealers on such date for any reason, the exchange rate shall be the exchange rate for settlement as determined by the Determination Agent on such date taking into account any information deemed relevant by the Determination Agent. A quotation of Morgan Stanley & Co. International plc or its affiliate may be included in the calculation described above.

10.9 **Adjustments to Brent Commodity Reference Price**

If the Determination Agent exercises its discretion to make any adjustments to the relevant Brent Commodity Reference Price pursuant to such Brent Commodity Reference Price, or if any adjustment or substitution is otherwise made pursuant to the relevant Brent Commodity Reference Price, then upon making any such substitution or adjustment, the Determination Agent shall notify the Noteholders of the adjustment or substitution within 15 Business Days of such adjustment or substitution being made, detailing any such adjustments or substitutions and the effective date of such adjustments or substitutions.

10.10 **Definitions applicable to Commodity-Linked Notes**

In relation to Commodity-Linked Notes, the following expressions have the meanings set out below:

"**Basket**" means a basket composed of each Commodity specified in the relevant Final Terms;

"**Brent Commodity Reference Price**" means any Commodity Reference Price listed under the heading "Oil-Brent" in Section 9 (*Commodity Reference Price*) of the Additional Terms and Conditions);

"**Change in Law**" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of any Hedge Positions or (y) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"**Commodity**" means each commodity specified as such in the applicable Final Terms;

"**Commodity Business Day**" means:

(i) in the case where the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Commodity Disruption Event, would have been) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and

(ii) in the case where the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or, but for the occurrence of a Commodity Disruption Event, would have published) a price;

"**Commodity Index**" means an index comprising commodities specified as such in the relevant Final Terms;

"**Commodity Reference Price**" means either:

(i) unless "**Commodity Reference Dealers**" is specified as being applicable in respect of the Notes as specified in the applicable Final Terms, the commodity reference price(s) specified as such in the applicable Final Terms which may, without limitation, be one or

more of the commodity reference prices set out in Section 9 (*Commodity Reference Price*) of the Additional Terms and Conditions, or

(ii) if "**Commodity Reference Dealers**" is specified as applicable in the relevant Final Terms, the Commodity Reference Price will be determined on the basis of quotations provided by Reference Dealers on that Pricing Date of that day's Commodity Specified Price for a unit of the relevant Commodity for delivery on the Delivery Date, if applicable. If four quotations are provided as requested, the price for that Pricing Date will be the arithmetic mean of the Commodity Specified Prices for that Commodity provided by each Reference Dealer, without regard to the Commodity Specified Prices having the highest and lowest values. If exactly three quotations are provided as requested, the price for that Pricing Date will be the Commodity Specified Price provided by the relevant Reference Dealer that remains after disregarding the Commodity Specified Prices having the highest and lowest values. For this purpose, if more than one quotation has the same highest value or lowest value, then the Commodity Specified Price of one such quotation shall be disregarded. If fewer than three quotations are provided, it will be deemed that the price for the Pricing Date cannot be determined;

"**Commodity Specified Price**" means the price of a Commodity or Commodities or level of a Commodity Index (which must be a price reported or capable of being determined from information reported in or by the relevant Price Source) as set out in Section 9 (*Commodity Reference Price*) of the Additional Terms and Conditions in relation to the relevant Commodity Reference Price, or, in respect of any Commodity Reference Price not set out in Section 9 (*Commodity Reference Price*) of the Additional Terms and Conditions, as determined in accordance with the applicable provisions of these General Conditions and Section 7 (*Value Determination Terms*) of the Additional Terms and Conditions;

"**Component**" means in relation to a Commodity Index, any commodity or Futures Contract the price of which is included in such Commodity Index;

"**Delivery Date**" means the relevant date or month for delivery of the underlying Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) specified as such in Section 9 (*Commodity Reference Price*) of the Additional Terms and Conditions with respect to the relevant Commodity Reference Price, or in respect of any Commodity Reference Price not specified in Section 9 (*Commodity Reference Price)* of the Additional Terms and Conditions, as set out in the Final Terms;

"**DJ UBS Commodity Index**" means the Dow Jones UBS Commodity Index and any other Commodity Index, in each case which is calculated and sponsored by Dow Jones Inc, or any successor to such sponsor;

"**DJ UBSCI Manual**" means the manual or handbook in respect of a DJ UBS Commodity Index published by the sponsor of the relevant Commodity Index and in effect from time to time;

"**Exchange**" means each exchange or principal trading market specified as such in relation to a Commodity in the applicable Final Terms or in the applicable Commodity Reference Price;

"**Futures Contract**" means either (a) the contract for future delivery in respect of the relevant Delivery Date relating to the relevant Commodity referred to in the relevant Commodity Reference Price or (b) each futures contract underlying or included in a Commodity Index;

"**Hedge Positions**" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Notes;

"**Hedging Disruption**" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"**Inconvertibility Specified Currency**" means the currency specified as such in the applicable Final Terms;

"**Increased Cost of Hedging**" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"**Index Methodology**" means the manual or handbook in respect of a Commodity Index published by the sponsor of the relevant Commodity Index and in effect from time to time;

"**Price Source**" means the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Commodity Specified Price (or prices from which the Commodity Specified Price is calculated) specified as such in the applicable Final Terms;

"**Pricing Date**" means, subject as provided in this Condition 10 (*Provisions relating to Commodity Notes*), any Interest Determination Date, Determination Date, Barrier Observation Date, Final Redemption Barrier Observation Date, each Commodity Business Day in any Barrier Observation Period, Value Observation Date and each date specified as such (or determined pursuant to a method specified for such purpose) in the applicable Final Terms, provided that if any such date is not a Commodity Business Day, the following Commodity Business Day;

"**Reference Dealers**" means four leading dealers in the relevant Commodities market selected by the Determination Agent;

"**Relevant Currency**" means the currency specified as such in the applicable Final Terms, and, if none is so specified (i) if the Relevant Underlying is or comprises a Commodity Index, a Currency in which any of the securities which comprise any relevant Commodity Index is denominated, or (ii) in all other cases, the currency in which the Relevant Underlying (or any Basket Component) is denominated;

"**Relevant Jurisdiction**" means the jurisdiction(s) specified as such in the Final Terms;

"**Relevant Underlying Value**" has the meaning given to it in Section 7 (*Value Determination Terms*) of the Additional Terms and Conditions;

"**S&P Commodity Index**" means the S&P GSCI Commodity Index and any other Commodity Index, in each case which is calculated and sponsored by Standard & Poor's, or any successor to such sponsor;

"**Specified Maximum Days of Disruption**" means three (3) Commodity Business Days or any other number of Specified Maximum Days of Disruption specified as such in the relevant Final Terms; and

"**Trading Day**" means a day when the exchanges for all Components included in the relevant Commodity Index are scheduled to be open for trading.

11. PROVISIONS RELATING TO CURRENCY-LINKED NOTES

This Condition 11 (*Provisions relating to Currency-Linked Notes*) is applicable only in relation to Notes specified in the relevant Final Terms as being Currency-Linked Notes.

11.1 **Valuation Date, Interest Determination Date, Observation Date, Determination Date:** In these General Conditions:

(a) "**Valuation Date**" means, in respect of any Series of Currency-Linked Notes, the date(s) specified as such in the applicable Final Terms, and each Observation Date, Determination Date or Interest Determination Date, if applicable **provided that** where any such date is not a Currency Business Day then the Valuation Date shall be the first preceding day that is a Currency Business Day;

(b) "**Interest Determination Date**" means, in respect of any Series of Currency-Linked Notes, the date(s) specified as such in the applicable Final Terms, or, if no such date is specified, subject to Condition 11.2 (*Averaging*), the Interest Determination Date will be the date falling two Currency Business Days prior to the Interest Payment Date **provided that** where any such date

is not a Currency Business Day then the Interest Determination Date shall be the first preceding day that is a Currency Business Day;

(c) "**Observation Date**" means, in respect of any Series of Currency-Linked Notes, the date(s) specified as such, **provided that** where any such date is not a Currency Business Day then the Observation Date shall be the first preceding day that is a Currency Business Day;

(d) "**Determination Date**" means, in respect of any Series of Currency-Linked Notes, the date(s) specified as such in the applicable Final Terms, or, if no such date is specified, subject to Condition 11.2 (*Averaging*), the Determination Date will be the date falling two Currency Business Days prior to the Maturity Date **provided that** where any such date is not a Currency Business Day then the Determination Date shall be the first preceding day that is a Currency Business Day:

(e) "**Relevant Date**" means each Valuation Date, Interest Determination Date and Observation Date; and

(f) "**Relevant Underlying Value**" has the meaning given to it in the applicable provisions of Section 7 (*Value Determination Terms*) of the Additional Terms and Conditions.

11.2 "**Averaging**": If Averaging Dates are specified in the relevant Final Terms with respect to a Relevant Date, then notwithstanding any other provisions of the Conditions, the following provisions will apply to the determination of the Relevant Underlying Value in relation to a Relevant Date:

(a) "**Averaging Date**" means, in respect of a Relevant Date, each date specified as such or otherwise determined as provided in the applicable Final Terms, **provided that** if any such date is not a Currency Business Day, such date shall be the first preceding day that is a Currency Business Day.

(b) For purposes of determining the Relevant Underlying Value in relation to a Relevant Date, the Relevant Underlying Value will be determined in accordance with the applicable provisions of Section 7 (*Value Determination Terms*) of the Additional Terms and Conditions on each Averaging Date (or, if different, the day on which rates for each Averaging Date would, in the ordinary course, be published or announced by the relevant price source).

(c) In the case where the Determination Agent determines that it is impossible to obtain the Relevant Underlying Value on an Averaging Date (or, if different, the day on which rates for that Averaging Date would, in the ordinary course, be published or announced by the relevant price source), such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the Relevant Underlying Value. If through the operation of this Condition 11.2, there would not be an Averaging Date with respect to the Relevant Date, the provisions of Conditions 11.3 (*Currency Disruption Events*) and 11.4 (*Currency Disruption Fallbacks*) shall apply for purposes of determining the Relevant Underlying Value on the final Averaging Date with respect to that Relevant Date as if such Averaging Date were a Valuation Date on which a Price Source Disruption had occurred.

11.3 **Currency Disruption Events**

(a) If so specified in the Final Terms relating to any Series of Notes, the following shall constitute "**Currency Disruption Events**" for the purposes of such Series:

(i) "**Price Source Disruption**", which means it becomes impossible, as determined by the Determination Agent, acting in a commercially reasonable manner, to determine the Settlement Rate on the Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the applicable price source in accordance with the relevant price source);

(ii) "**Additional Price Source Disruption**", which means, in relation to the determination of the Relevant Underlying Value on any Relevant Date, (A) the relevant exchange rate is not displayed on the Reference Source or any successor page for such Relevant Date; (B) such

Relevant Date is any Unscheduled Holiday; or (C) the Determination Agent determined in good faith that the exchange rate so displayed on the Reference Source is manifestly incorrect; and

(iii) "**Price Materiality Event**", which means the Primary Rate differs from the Secondary Rate by at least the Price Materiality Percentage.

(b) If the applicable Final Terms specify that any Currency Disruption Event shall be applicable to such Series, then, where the Determination Agent determines, acting in a commercially reasonable manner, that such Currency Disruption Event occurs or has occurred and is continuing in respect of such Series:

(i) in the case of Price Source Disruption, on the day that is the Relevant Date in respect of such Series (or, if different, the day on which rates for that Relevant Date would, in the ordinary course, be published or announced by the relevant price source); and

(ii) in the case of any other Currency Disruption Event, on such other Relevant Date in respect of which such Currency Disruption Event is specified as applying in the applicable Final Terms,

then the Relevant Underlying Value for such Series will be determined in accordance with the terms of the Currency Disruption Fallback first applicable pursuant to Condition 11.4 (*Currency Disruption Fallbacks*), which shall be subject to Condition 11.3(c) below.

(c) (i) If the Series of Notes is a single Currency-Linked Note, the provisions of Condition 11.3(a) and (b) shall apply.

(ii) If the Series of Notes is a Currency Basket-Linked Note, and the Determination Agent determines that a Currency Disruption Event has occurred on any Valuation Date or Relevant Date in respect of any Settlement Rate (which for the purposes of Conditions 11.3 and 11.4 shall mean the Settlement Rate in respect of each Currency Pair), then:

(A) for each Settlement Rate for which the Determination Agent determines that a Currency Disruption Event has not occurred, the Settlement Rate shall be determined in accordance with the Conditions; and

(B) for each Settlement Rate for which the Determination Agent determines that a Currency Disruption Event has occurred, the Determination Agent shall determine the Settlement Rate in accordance with the applicable Currency Disruption Fallback in accordance with Condition 11.4 and the applicable Final Terms.

11.4 **Currency Disruption Fallbacks**

(a) If so specified in the Final Terms relating to any Series of Notes, the following shall constitute "**Currency Disruption Fallbacks**" for the purposes of such Series, and the applicable Final Terms shall specify which Currency Disruption Fallback(s) shall apply to such Series, to which Currency Disruption Event each such Currency Disruption Fallback shall apply and, where more than one Currency Disruption Fallback may apply to a Currency Disruption Event, the order in which such Currency Disruption Fallback(s) shall apply to such Currency Disruption Event.

(i) "**Determination Agent Determination of Settlement Rate**" means that the Determination Agent will determine, in its reasonable discretion, the Settlement Rate (or a method for determining the Settlement Rate), taking into consideration all available information that it deems relevant including (but not limited to), in the case of Currency Basket-Linked Notes, the relevant rate for each unaffected Currency Pair which was determined on the relevant Valuation Date; and

(ii) "**Fallback Reference Price**" means that the Determination Agent will determine, in its reasonable discretion, the Settlement Rate for such Series on the relevant Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced) pursuant to the Settlement Rate Option specified in the applicable Final Terms.

(b) Where more than one Currency Disruption Event occurs or exists or is deemed to occur or exist, then, unless the relevant Final Terms has specified which Currency Disruption Fallback shall apply in such circumstances, the Determination Agent shall determine, in its reasonable discretion, which Currency Disruption Fallback shall apply.

11.5 **Additional Disruption Events**

(a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed early.

(b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

(c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to either:

(i) if "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion; or

(ii) if "Early Redemption Amount (Additional Disruption Event) – Fair Market Value" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

(d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.

(e) For the purposes hereof:

"**Additional Disruption Event**" means, with respect to any Series of Currency-Linked Notes, Change in Law, Hedging Disruption, and / or Increased Cost of Hedging as are applicable as specified in the applicable Final Terms.

11.6 **Definitions applicable to Currency-Linked Notes**

In relation to Currency-Linked Notes, the following expressions have the meanings set out below:

"**Change in Law**" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of Hedge Positions or (y) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"**Currency Business Day**" means, for the purposes of:

(i) the definition of Valuation Date in Condition 11.1 (*Valuation Date*, *Interest Determination Date*, *Observation Date*, *Determination Date*), in respect of any Series of Currency-Linked Notes: (1) a day on which commercial banks are (or but for the occurrence of a Currency Disruption Event, would have been) open for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Principal Financial Centre(s) of the Reference Currency or (2) where the currency to be valued is euro, a day that is a TARGET Settlement Day and a Business Day; and

(ii) for any other purpose, in respect of any Series of Currency-Linked Notes: (1) a day on which commercial banks are open for general business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Principal Financial Centre(s) of the Reference Currency and (2) where one of the Currency Pair is euro, a day that is a TARGET Settlement Day;

"**Currency Pair**" means the Reference Currency and the Settlement Currency;

"**Currency-Reference Dealers**" is a Settlement Rate Option which means that the Spot Rate for a Rate Calculation Date will be determined on the basis of quotations provided by Reference Dealers on that Rate Calculation Date of that day's Specified Rate, expressed as the amount of Reference Currency per one unit of Settlement Currency for settlement on the Maturity Date (or other relevant date for payment under the Notes). The Determination Agent will request each of the Reference Dealers to provide a firm quotation of its Specified Rate for a transaction where the amount of Reference Currency equals the Specified Amount. If four quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the Specified Rates, without regard to the Specified Rates having the highest and lowest value. If exactly three quotations are provided, the rate for a Rate Calculation Date will be the Specified Rate provided by the Reference Dealer that remains after disregarding the Specified Rates having the highest and lowest values. For this purpose, if more than one quotation has the same highest value or lowest value, then the Specified Rate of one of such quotations shall be disregarded. If exactly two quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the Specified Rates. If only one quotation is provided, the rate for a Rate Calculation Date will be the Specified Rate quoted by that Reference Dealer. The quotations used to determine the Spot Rate for a Rate Calculation Date will be determined in each case at the Specified Time on that Rate Calculation Date or, if no such time is specified, the time chosen by the Determination Agent;

"**Hedge Positions**" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Notes;

"**Hedging Disruption**" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"**Increased Cost of Hedging**" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"**Price Materiality Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Primary Rate**" means the rate determined using the Settlement Rate Option specified for such purpose in the applicable Final Terms;

"**Rate Calculation Date**" means any Valuation Date or Averaging Date (as defined in Conditions 11.1 (*Valuation Date*, *Interest Determination Date*, *Observation Date*, *Determination Date*) and 11.2 (*Averaging*), respectively);

"**Reference Currency**" means the currency or currencies specified as such in the applicable Final Terms;

"**Reference Currency Jurisdiction**" means the jurisdiction specified as such in the applicable Final Terms;

"**Reference Dealers**" means the reference dealers specified as such in the applicable Final Terms;

"**Reference Source**" means the source (such as a Reuters screen page or Bloomberg page) specified as such in the applicable Final Terms;

"**Secondary Rate**" means the rate determined using the Settlement Rate Option specified for such purpose in the applicable Final Terms;

"**Settlement Currency**" means the currency specified as such in the applicable Final Terms;

"**Settlement Rate**" means the rate as determined by the Determination Agent, in its reasonable discretion, in accordance with the applicable Final Terms and, where applicable shall be determined in accordance with Condition 11.2 (Averaging);

"**Settlement Rate Option**" means, for the purposes of calculating the Settlement Rate, the Settlement Rate Option specified in the applicable Final Terms (or which is applicable pursuant to Condition 11.4 (*Currency Disruption Fallbacks*));

"**Specified Amount**" means the amount of Reference Currency specified as such in the relevant Final Terms;

"**Specified Rate**" means any of the following rates, as specified in the relevant Final Terms: (i) the Reference Currency bid exchange rate, (ii) the Reference Currency offer exchange rate, (iii) the average of the Reference Currency bid and offer exchange rates, (iv) the Settlement Currency bid exchange rate, (v) the Settlement Currency offer exchange rate, (vi) the average of the Settlement Currency bid and offer exchange rates, (vii) the official fixing rate or (viii) any other exchange rate specified in the relevant Final Terms. If no such rate is specified, the Specified Rate will be deemed to be the average of the Reference Currency bid and offer rate;

"**Specified Time**" means, in respect of any series of Notes and the determination of the Spot Rate, the time specified as such in the applicable Final Terms, or if no such time is specified, the time chosen by the Determination Agent;

"**Spot Rate**" means for any Valuation Date, the relevant currency exchange rate determined in accordance with the applicable Settlement Rate Option and, if a Settlement Rate Option is not applicable, the currency exchange rate at the time at which such rate is to be determined for foreign exchange transactions in the Currency Pair for value on the Maturity Date (or other relevant date for payment under the Notes), as determined in good faith and in a commercially reasonable manner by the Determination Agent; and

"**Unscheduled Holiday**" means that a day is not a Currency Business Day and that the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in the Principal Financial Centre(s) of the Reference Currency two Currency Business Days prior to such day.

12. PROVISIONS RELATING TO INFLATION-LINKED NOTES

This Condition 12 (*Provisions relating to Inflation-Linked Notes*) is applicable only in relation to Notes specified in the relevant Final Terms as being Inflation Linked Notes.

12.1 **Delay of Publication**: If any level of an Inflation Index for a Reference Month which is relevant to the calculation of a payment under the Notes (a "**Relevant Level**") has not been published or announced by the day that is five Business Days prior to the next Specified Interest Payment Date, Automatic Early Redemption Date or Maturity Date under the Notes or other relevant payment date as may be specified in the applicable Final Terms in relation to the Notes, the Determination Agent shall determine a Substitute Inflation Index Level (in place of such

Relevant Level) in a commercially reasonable manner in its reasonable discretion. If a Relevant Level is published or announced at any time after the day that is five Business Days prior to the next Specified Interest Payment Date, Automatic Early Redemption Date, Maturity Date or other relevant payment date as may be specified in the applicable Final Terms, such Relevant Level will not be used in any calculations. The Substitute Inflation Index Level so determined pursuant to this Condition 12.1 (*Delay of Publication*), will be the definitive level for that Reference Month.

12.2 **Cessation of Publication**: If a level for the Inflation Index has not been published or announced for two consecutive months or the Inflation Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index then the Determination Agent shall determine a Successor Inflation Index (in lieu of any previously applicable Inflation Index) for the purposes of the Notes by using the following methodology:

(a) If at any time a Successor Inflation Index has been designated by the calculation agent pursuant to the terms and conditions of the Related Bond, such Successor Inflation Index shall be designated a "**Successor Inflation Index**" for the purposes of all subsequent Specified Interest Payment Dates or other relevant payment date as may be specified in the applicable Final Terms in relation to the Notes, notwithstanding that any other Successor Inflation Index may previously have been determined under Condition 12.2(b), 12.2(c) or 12.2(d) below; or

(b) If a Successor Inflation Index has not been determined under Condition 12.2(a) above and a notice has been given or an announcement has been made by the Inflation Index Sponsor, specifying that the Inflation Index will be superseded by a replacement index specified by the Inflation Index Sponsor, and the Determination Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Inflation Index, such replacement index shall be the Inflation Index for purposes of the Notes from the date that such replacement index comes into effect; or

(c) If a Successor Inflation Index has not been determined under Condition 12.2(a) or 12.2(b) above, the Determination Agent shall ask five leading independent dealers to state what the replacement Inflation Index for the Inflation Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same Inflation Index, this Inflation Index will be deemed the "**Successor Inflation Index**". If three responses are received, and two or more leading independent dealers state the same Inflation Index, this Inflation Index will be deemed the "**Successor Inflation Index**". If fewer than three responses are received, the Determination Agent will proceed to Condition 12.2(d) below; or

(d) If no Successor Inflation Index has been determined under Condition 12.2(a), 12.2(b) or 12.2(c) above by the fifth Business Day prior to the next Affected Payment Date the calculation agent will determine an appropriate alternative index for such Affected Payment Date, and such index will be deemed a "**Successor Inflation Index**"; the Determination Agent shall determine the method of determining the Relevant Level if no such alternative Inflation Index is available.

12.3 **Rebasing of the Inflation Index**: If the Determination Agent determines that an Inflation Index has been or will be rebased at any time, the Inflation Index as so rebased (the "**Rebased Inflation Index**") will be used for purposes of determining the level of such Inflation Index from the date of such rebasing; provided, however, that the Determination Agent shall make such adjustments as are made by the calculation agent pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Inflation Index so that the Rebased Inflation Index levels reflect the same rate of inflation as the Inflation Index before it was rebased. If there is no Related Bond, the Determination Agent shall make adjustments to the levels of the Rebased Inflation Index so that the Rebased Inflation Index levels reflect the same rate of inflation as the Inflation Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Notes.

12.4 **Material Modification Prior to Payment Date**: If, on or prior to the day that is five Business Days before an Interest Payment Date, Automatic Early Redemption Date, Maturity Date or other relevant payment date in relation to the Notes, an Inflation Index Sponsor announces that it

will make a material change to an Inflation Index then the Determination Agent shall make any such adjustments to the Inflation Index consistent with adjustments made to the Related Bond, or, if there is no Related Bond, only those adjustments necessary for the modified Inflation Index to continue as the Inflation Index.

12.5 **Manifest Error in Publication**: If, within thirty days of publication and prior to the redemption of the Notes or payments in respect of any relevant Interest Payment Date, Automatic Early Redemption Date, Maturity Date or other relevant payment date in relation to the Notes, the Determination Agent determines that the Inflation Index Sponsor has corrected the level of the Inflation Index to remedy a manifest error in its original publication, the Determination Agent will notify the holders of the Notes in accordance with Condition 27 (*Notices*) of (i) that correction, (ii) the adjusted amount that is then payable under the Notes as a result of that correction and (iii) take such other action as it may deem necessary to give effect to such correction, provided that any amount payable pursuant to sub-paragraph (ii) above shall be paid (with no interest accruing thereon) (a) in connection with an Inflation Index Sponsor's correction to remedy a manifest error in the level of an Inflation Index for a Reference Month for which such Interest Payment Date, Automatic Early Redemption Date, Maturity Date or other relevant payment date in relation to the Notes has occurred, within 15 Business Days after notice of such amount payable by the Determination Agent, (b) in connection with an Inflation Index Sponsor's correction to remedy a manifest error in the level of an Inflation Index for a Reference Month for which such Interest Payment Date, Automatic Early Redemption Date, Maturity Date or other relevant payment date in relation to the Notes has not occurred, as an adjustment to the payment obligation on the next Specified Interest Payment Date or (c) if there is no further Interest Payment Date, Automatic Early Redemption Date, Maturity Date or other relevant payment date in relation to the Notes, within 15 Business Days after notice of such amount payable by the Determination Agent.

12.6 **Index Level Adjustment Correction***:* In relation to any Inflation Index, as specified in the Final Terms, either (i) the first publication or announcement of the level of the Inflation Index (disregarding estimates) by the relevant Inflation Index Sponsor for any Reference Month shall be final and conclusive and, subject to this Condition 12 (*Provisions relating to Inflation-Linked Notes*), later revisions to the level of the Inflation Index for such Reference Month will not be used in any calculations; or (ii) the first publication or announcement of a level of the Inflation Index (disregarding estimates) published by the relevant Index Sponsor or, if revised, any subsequent revision of such level for a Reference Month shall be final and conclusive for such Reference Month, provided that such revisions are published or announced up to and including the day that is two Business Days prior to any relevant Interest Payment Date, Maturity Date or any other payment in respect of the Notes. The Issuer shall give notice to holders of Inflation Linked Notes of any valid revision in accordance with Condition 27 (*Notices*) within 15 Business Days of the publication or announcement of such revision.

12.7 **Additional Disruption Events**

(a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed early.

(b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the interest, redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not later than 15 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

(c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to either:

(i) if "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable 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 realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion; or

(ii) if "Early Redemption Amount (Additional Disruption Event) – Fair Market Value" is specified in the Final Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

(d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.

12.8 **Definitions Applicable to Inflation-Linked Notes**

In relation to Inflation Linked Notes, the following expressions have the meanings set out below:

"**Additional Disruption Event**" means, with respect to any Series of Inflation-Linked Notes, such of Change in Law, Hedging Disruption and/or Increased Cost of Hedging as are applicable as specified in the applicable Final Terms.

"**Affected Payment Date**" means each Interest Payment Date, Automatic Early Redemption Date, Maturity Date or other relevant payment date as may be specified in the applicable Final Terms in relation to the Notes in respect of which an Inflation Index has not been published or announced;

"**Change in Law**" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of Hedge Positions or (y) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"**Fallback Bond**" means an inflation linked bond selected by the Determination Agent and issued by the government of a country to whose level of inflation the Inflation Index relates and which pays a coupon or redemption amount which is calculated by reference to the Inflation Index, with a maturity date which falls on (a) the same date as the Maturity Date, or (b) if no such bond as described in (a) can be determined, the next longest maturity after the Maturity Date, or (c) if no such bond as described in either (a) or (b) can be determined, the next shortest maturity before the Maturity Date. If the Inflation Index relates to the level of inflation across the European Monetary Union, the Determination Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Determination Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Settlement Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Determination Agent from those bonds. If the Fallback Bond redeems the Determination Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged);

"**Hedge Positions**" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Notes;

"**Hedging Disruption**" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"**Increased Cost of Hedging**" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"**Inflation Index**" means any index specified as such in the applicable Final Terms;

"**Inflation Index Sponsor**" means, in respect of an Inflation Index, the entity specified as such in the relevant Final Terms or, if no entity is specified, the entity that publishes or announces (directly or through an agent) the level of the relevant Inflation Index;

"**Reference Month**" means the calendar month for which the level of the relevant Inflation Index was reported, regardless of when this information is published or announced and, where such Reference Month is relevant to determine the Relevant Underlying Value (as defined in Section 7 (*Value Determination Terms*) of the Additional Terms and Conditions) on any Interest Determination Date or, as defined in such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, a Barrier Observation Date, Automatic Early Redemption Valuation Date or Determination Date, means the Reference Month specified in respect of each such date, or any other month specified or defined as such in the Additional Terms and Conditions. If the period for which the Inflation Index level was reported is a period other than a month, the Reference Month will be the period for which the Inflation Index level was reported;

"**Related Bond**" means the bond specified in the applicable Final Terms, or if no bond is so specified, the Fallback Bond. If the Related Bond is "Fallback Bond", then for any Related Bond determination under the Conditions, the Determination Agent shall use the Fallback Bond (as that term is defined in this Condition 12.8 (*Definitions Applicable to Inflation-Linked Notes*)). If no bond is specified in the applicable Final Terms as the Related Bond and "Fallback Bond: Not applicable" is specified in the applicable Final Terms there will be no Related Bond. If a bond is selected as the Related Bond in the applicable Final Terms, and that bond redeems or matures before the relevant Maturity Date, unless "Fallback Bond: Not applicable" is specified in the applicable Final Terms, the Determination Agent shall use the Fallback Bond for any Related Bond determination;

"**Substitute Inflation Index Level**" means an Inflation Index level, determined by the Determination Agent pursuant to the provisions of Condition 12.1 (*Delay of Publication*), in respect of an Affected Payment Date; and

"**Successor Inflation Index**" has the meaning specified in Condition 12.2 (*Cessation of Publication*).

13. PROVISIONS RELATING TO FUND-LINKED NOTES

This Condition 13 (*Fund-Linked Notes*) shall apply only to Notes specified in the applicable Final Terms as being Single Fund Notes or Fund Basket Notes.

13.1 Adjustments for Disrupted Days

(a) The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer of the occurrence of a Disrupted Day on any day that, but for the occurrence or continuance of a Disrupted Day, would have been a Valuation Date.

(b) If any Valuation Date is a Disrupted Day, then:

(i) in the case of Single Fund Notes, the Valuation Date shall be the next succeeding day that is not a Disrupted Day, unless no day that is not a Disrupted Day has occurred prior to the last day of one Cut-off Period following the Scheduled Valuation Date. In that case, (i) the last day of such Cut-off Period shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Determination Agent shall determine its estimate of the value for the Fund Interest as of the Valuation Time on that deemed Valuation Date, acting in good faith and a commercially reasonable manner; or

(ii) in the case of Fund Basket Notes, the Valuation Date for each Fund Interest not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Fund Interest affected by the occurrence of a Disrupted Day shall be the first succeeding day that is not a Disrupted Day relating to that Fund Interest, unless no day that is not a Disrupted Day has occurred prior to the last day of one Cut-off Period following the Scheduled Valuation Date. In that case, (i) the last day of such Cut-off Period shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Determination Agent shall determine its estimate of the value for that Fund Interest as of the Valuation Time on that deemed Valuation Date, acting in good faith and a commercially reasonable manner.

In addition, the Determination Agent will account for such occurrence or continuance of a Disrupted Day as it sees fit which may include but is not limited to delaying calculation and payment of the Final Redemption Amount and/or any other amounts payable under the Notes, and no interest or other amount shall be payable to Noteholders in respect of any such delay, or making the appropriate adjustment to the calculation of the Final Redemption Amount and/or any such other amounts, all in the determination of the Determination Agent.

(c) If Averaging Dates are specified in the applicable Final Terms with respect to a Valuation Date then the following provisions will apply. If any Averaging Date is a Disrupted Day:

(i) in the case of Single Fund Notes, the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred prior to one Cut-off Period following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Valuation Date, then (1) the last day of such Cut-off Period shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date), and (2) the Determination Agent shall determine its estimate of the value for the Fund Interest as of the Valuation Time on that deemed Averaging Date, acting in good faith and a commercially reasonable manner, where "**Valid Date**" means a Business Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur; and

(ii) in the case of Fund Basket Notes, the Averaging Date for each Fund Interest not affected by the occurrence of a Disrupted Day shall be the date specified in the applicable Final Terms as that Averaging Date and the Averaging Date for any Fund Interest affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Fund Interest. If the first succeeding Valid Date has not occurred prior to one Cut-off Period following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Valuation Date, then (1) the last day of such Cut-off Period shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date), and (2) the Determination Agent shall determine its estimate of the value for that Fund Interest as of the Valuation Time on that deemed Averaging Date, acting in good faith and a commercially reasonable manner.

In addition, the Determination Agent will account for such occurrence or continuance of a Disrupted Day as it sees fit which may include but is not limited to delaying calculation and payment of the Final Redemption Amount and/or any other amounts payable under the Notes, and no interest or other amount shall be payable to Noteholders in respect of any such delay, or making the appropriate adjustment to the calculation of the Final Redemption Amount and/or any such other amounts, all in the determination of the Determination Agent.

13.2 **Postponement of Settlement**

(a) If the Determination Agent determines on the date which is not later than 3 Business Days (or such other period specified for this purpose in the applicable Final Terms (the "**Settlement Determination Period**")) prior to any date on which the Final Redemption Amount, Interest Amount or any other amounts would otherwise be due to be paid (each a "**Scheduled Settlement Date**") that a Settlement Postponement Event has occurred, then the Determination Agent shall make such adjustment to account for such Settlement Postponement Event and such adjustment shall include the postponement of the obligation of the Issuer to pay the Final Redemption Amount or any such other amounts, as applicable, until the Postponed Settlement Date and no interest or other amount shall be payable to Noteholders in respect of such postponement.

(b) If the Postponed Settlement Date is the Postponed Settlement Long Stop Date, for the purposes of determining the Final Redemption Amount or any other relevant amounts, as applicable, whether determined by reference to the Reference Price or otherwise, each Fund Interest Unit will be deemed to have a value equal to the redemption proceeds (if any) that a Hypothetical Investor which had submitted a Final Redemption Notice in respect of such Fund Interest Unit would have received in respect of such redemption on or before the Postponed Settlement Long Stop Date (in the case of Single Fund Notes) or each Long Stop Date Fund Interest Unit (if any) comprising the Basket of Funds will be deemed to have a value equal to the redemption proceeds (if any) that a Hypothetical Investor which had submitted a Final Redemption Notice in respect of such Long Stop Date Fund Interest Unit would have received in respect of such redemption on or before the Postponed Settlement Long Stop Date.

(c) For the purposes hereof:

(i) a "**Settlement Postponement Event**" shall be deemed to occur if, as determined by the Determination Agent, a Hypothetical Investor which had submitted a Final Redemption Notice in respect of the Fund Interest Units (in the case of a Single Fund Note) or each Fund Interest Unit comprised in the Basket of Funds (in the case of a Fund Basket Note) would not have received in full the redemption proceeds in respect of such redemptions on or before the date which is 4 Business Days prior to the Scheduled Settlement Date;

(ii) the "**Postponed Settlement Date**" means, unless otherwise specified in the applicable Final Terms, the earlier of (x) the date which is 3 Business Days after the date on which, as determined by the Determination Agent, such Hypothetical Investor would have received such redemption proceeds in full and (y) the Postponed Settlement Long Stop Date;

(iii) the "**Postponed Settlement Long Stop Date**" means, unless otherwise specified in the applicable Final Terms, the date which is 3 months after the Scheduled Settlement Date;

(iv) "**Long Stop Date Fund Interest Unit**" means, in relation to a Basket of Funds, any Fund Interest Unit in respect of which, if a Hypothetical Investor had submitted a Final Redemption Notice in respect of such Fund Interest Unit, such Hypothetical Investor would not have received in full the redemption proceeds in respect of such redemption on or before the Postponed Settlement Long Stop Date; and

(v) a "**Final Redemption Notice**" means, in respect of a Fund Interest Unit, a valid redemption notice submitted on the last date permitted pursuant to the Fund Documents of the related Fund for a redemption notice that would be timely for redemption prior to the Scheduled Settlement Date.

13.3 **Potential Adjustment Events**

Following the declaration by any Fund or Fund Service Provider of the terms of any Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Fund Interest Units or amount of Fund Interest and, if so, will (i) make the corresponding adjustment(s), if any, to any one or more of the Redemption Amount and/or any such other amounts payable under the Notes, the Reference Price, any Relevant Fund Interest Unit Price and, in any case, any other

variable relevant to the calculation, valuation, payment or other terms of Notes as the Determination Agent determines appropriate to account for that diluting or concentrative effect (**provided that** no adjustments will be made to account solely for changes in volatility, expected dividends or liquidity relative to the relevant Fund Interest) and (ii) determine the effective date(s) of the adjustment(s).

13.4 **Corrections and Adjustment**

With the exception of any Adjustments (as defined below) made after the day which is five Business Days (or such other period specified for this purpose in the applicable Final Terms (the "**Adjustment Determination Period**")) prior to a due date for any payment under the Notes calculated by reference to the price or level of any Fund Interest Unit, if the Determination Agent determines that a Fund adjusts the Redemption Proceeds that would have been paid to a Hypothetical Investor redeeming the number of Fund Interest Units that are subject to valuation and such adjustment would be reflected in either an additional payment to such Hypothetical Investor or a claim for repayment of excess Redemption Proceeds made against such Hypothetical Investor (each an "**Adjustment**"), then the price or level to be used shall be the price or level of the relevant Fund Interest Units as so adjusted.

13.5 **Fund Events**

(a) If at any time the Determination Agent determines that a Fund Event has occurred and/or is continuing then the Determination Agent shall provide written notice thereof to the Issuer (a "**Fund Event Notice**"). The Determination Agent shall not have any obligation to monitor the occurrence of a Fund Event nor shall it have any obligation to make a determination that a Fund Event has occurred or is continuing.

(b) The Issuer will, in its reasonable discretion, determine whether the relevant Notes shall continue or shall be redeemed early and the mechanics for determining and calculating the valuation of any Affected Fund Interest and any payments under the Notes shall be suspended, subject to Condition 13.5(c) and Condition 13.5(d) below.

(c) If the Issuer determines that the relevant Notes shall continue then, the Issuer may direct the Determination Agent:

(i) to substitute any Affected Fund Interest with the Successor Fund Interest relating to such Affected Fund Interest, **provided that** if no Successor Fund Interest has been identified in the manner set forth below within 10 Business Days of the Fund Event Notice, then sub-paragraph (ii) below shall apply; or

(ii) to make such adjustment to account for such Fund Event as it considers appropriate which may include, without limitation, delaying the calculation and payment of the Redemption Amount and/or any such other amounts payable under the Notes, and no interest or other amount shall be payable to Noteholders in respect of any such delay, or making an adjustment to the calculation of the Redemption Amount and/or any such other amounts due under the Notes, all in the determination of the Determination Agent, acting in good faith and a commercially reasonable manner. The Determination Agent shall provide notice to the Noteholders of any such adjustment, giving summary details of the adjustment, not more than 10 Business Days after the date on which such adjustment becomes effective, provided that any failure to give such notice shall not affect the validity of any such adjustment.

For the purposes of this Condition 13.5(c):

(i) "**Successor Fund Interest**" means, in respect of any Affected Fund Interest, the related Eligible Fund Interest or, if the applicable Final Terms do not specify any Eligible Fund Interest relating to such Affected Fund Interest, then the Determination Agent will use commercially reasonable efforts to identify a Successor Fund Interest based on the eligibility criteria specified in the applicable Final Terms or, if the applicable Final Terms do not specify any such eligibility criteria, with characteristics, investment objectives and policies similar to those in effect for the Affected Fund Interest immediately prior to the occurrence of the relevant Fund Event; and

(ii) any substitution of the Successor Fund Interest for the Affected Fund Interest shall be effected at such time and in such manner as specified in the applicable Final Terms or, if the time and manner for substitution of the Successor Fund Interest is not specified in the applicable Final Terms, then the Affected Fund Interest shall be replaced by a number of Fund Interest Units of the Successor Fund Interest with a combined value (as determined by the Determination Agent) equal to the relevant Removal Value of the applicable number of Fund Interest Units of the Affected Fund Interest. Such replacement shall be effected, from time to time whenever the Removal Value changes, on the date, as determined by the Determination Agent, on which the Fund issuing the Successor Fund Interest would admit a Hypothetical Investor who, on the Fund Business Day next following the date on which any Removal Value not previously applied toward any Successor Fund Interest would be received by such Hypothetical Investor redeeming out of the relevant amount of Affected Fund Interest, had submitted a valid order to purchase such amount of the Successor Fund Interest; and

(iii) if necessary, the Determination Agent will adjust any relevant terms, including, but not limited to adjustments to account for changes in volatility, investment strategy or liquidity relevant to such Fund Interests or the Notes.

(d) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall redeem each Note at either its Fund-Linked Early Redemption Amount – Fair Market Value Less Costs or its Fund-Linked Early Redemption Amount – Fair Market Value, as specified in the applicable Final Terms,on such date as the Issuer may notify to Noteholders in accordance with Condition 27 (*Notices*), provided that not less than 10 Business Days' notice of such date is given to Noteholders.

13.6 **Notice of Fund Event**

Notice of the consequences of a Fund Event shall be given to the Noteholders in accordance with Condition 27 (*Notices*) within 10 Business Days of the consequences of a Fund Event having been determined. Such notice shall (i) identify the Affected Fund Interest (if applicable) and the relevant Fund Event and contain a summary of the facts constituting such event, (ii) if applicable, identify the Successor Fund Interest and specify the effective date of such substitution, (iii) if applicable, specify adjustments made or expected to be made by the Determination Agent and (iv) if applicable, specify the date on which the Notes are to be redeemed.

13.7 **Definitions applicable to Fund-Linked Notes**

In relation to Fund-Linked Notes, the following expressions shall have the meanings set out below:

"**Additional Fund Service Provider**" means, in respect of any Fund, any person or entity (if any) specified as such in the applicable Final Terms;

"**Affected Fund Interest**" means, at any time, any Fund Interest in respect of which the Determination Agent has determined that a Fund Event has occurred;

"**Affiliate**" means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person (for such purposes, "**control**" of any entity or person means ownership of a majority of the voting power of the entity or person);

"**Aggregate NAV Trigger Period**" means the period (if any) specified as such in the applicable Final Terms;

"**Aggregate NAV Trigger Value**" means the value (if any) specified as such in the applicable Final Terms;

"**Averaging Date**" means, in respect of each Valuation Date, each date (if any) specified as such in the applicable Final Terms or, if such day is not a Business Day, the next following Business Day, subject to the provisions of Condition 13.1 (*Adjustments for Disrupted Days*);

"**Basket of Funds**" means a basket composed of such Fund Interests in such Funds specified in the applicable Final Terms in the relative proportions or number of Fund Interest Units of each Fund Interest specified in the applicable Final Terms, subject to the provisions of Condition 13.5 (*Fund Events*);

"**Company**" means, in respect of a Fund Interest and the related Fund, the entity (if any) specified as such in the applicable Final Terms (if any);

"**Cut-off Period**" means, in respect of any date, the period specified in the applicable Final Terms, or if no such period is specified, a period of one calendar year; **provided that** if a "**Final Cut-off Date**" is specified in the applicable Final Terms, then any Cut-off Period that would otherwise end after such Final Cut-off Date shall end on such Final Cut-off Date;

"**Disrupted Day**" means any day on which a Market Disruption Event has occurred or is continuing;

"**Eligible Fund Interest**" means, in respect of any Affected Fund Interest, the interest issued to or held by an investor in a fund, pooled investment vehicle or any other interest (if any) specified as such in the applicable Final Terms;

"**Extraordinary Dividend**" means an amount per relevant Fund Interest Unit or other amount of Fund Interest which is not a Scheduled Dividend, or, if the applicable Final Terms specify "**Determination Agent Characterisation**" as being applicable in relation to such Notes, the characterisation of a dividend or portion thereof as an Extraordinary Dividend shall be determined by the Determination Agent;

"**Final Cut-off Date**" means the date specified as such in the applicable Final Terms;

"**Final Valuation Date**" means, if there is more than one Valuation Date, the last Valuation Date or, if there is only one Valuation Date, the Valuation Date;

"**Final Valuation Time**" means, if there are more than one Valuation Date, the Valuation Time in relation to the last Valuation Date or, if there is only one Valuation Date, the Valuation Time;

"**Fund**" means, in respect of any Fund Interest, unless otherwise specified in the applicable Final Terms, the issuer of, or other legal arrangement (including, if applicable, any relevant class or series) giving rise to, the relevant Fund Interest;

"**Fund Administrator**" means, in respect of any Fund, any person specified as such in the applicable Final Terms or, if no person is so specified, the fund administrator, manager, trustee or similar person with the primary administrative responsibilities to such Fund according to the Fund Documents;

"**Fund Adviser**" means, in respect of any Fund, any person specified as such in the applicable Final Terms, or if no person is so specified, any person appointed in the role of discretionary investment manager or non-discretionary investment adviser (including a non-discretionary investment adviser to a discretionary investment manager or to another non-discretionary investment adviser) for such Fund;

"**Fund Business Day**" means, in respect of any Fund Interest and the related Fund, any day specified as such in the applicable Final Terms or, if no day is so specified, any day on which the Fund or the primary Fund Administrator acting on behalf of the Fund is open for business;

"**Fund Custodian**" means, in respect of any Fund, any person specified as such in the applicable Final Terms or, if no person is so specified, the fund custodian or similar person with the primary custodial responsibilities in relation to such Fund according to the Fund Documents;

"**Fund Documents**" means, in respect of any Fund Interest, the constitutive and governing documents, subscription agreements and other agreements of the related Fund specifying the terms and conditions relating to such Fund Interest (including, without limitation, the Fund Prospectus), in each case as amended from time to time;

"**Fund Event**" means, in the determination of the Determination Agent, acting in good faith and a commercially reasonable manner, the occurrence of any of the following events that have been specified in the applicable Final Terms for a Series of Notes as a Fund Event with respect to such Notes:

(a) ***Nationalisation***: in respect of a Fund Interest and the related Fund, all the Fund Interests or all or substantially all the assets of the Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;

(b) ***Insolvency Event***: in respect of a Fund Interest and the related Fund (i) the Fund, the related Company and/or any Fund Service Provider (A) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (B) makes a general assignment or arrangement with or for the benefit of its creditors; (C)(1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (D) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (E) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; or (F) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (A) through (E) above; or (without prejudice to the foregoing) (ii) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Fund, (A) all the Fund Interests of that Fund are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Fund Interests of that Fund become legally prohibited from transferring them;

(c) ***NAV Trigger/Restriction Event***: in respect of any Fund Interest, (A) the Reported Fund Interest Unit Value has decreased by a percentage equal to, or greater than, the NAV Trigger Percentage(s) during the related NAV Trigger Period, each as specified in the applicable Final Terms; or (B) the related Fund has violated any leverage restriction that is applicable to, or affecting, such Fund or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, the Fund Documents or any contractual restriction binding on or affecting the Fund or any of its assets;

(d) ***Aggregate NAV Trigger Event***: in the case of Fund Basket Notes, the aggregate of the Reported Fund Interest Unit Values for each Fund Interest comprising the Basket has decreased to an amount equal to, or less than, the Aggregate NAV Trigger Value during the related Aggregate NAV Trigger Period, each as specified in the applicable Final Terms;

(e) ***Changes to Fund or Fund Service Providers***: in respect of any Fund Interest and the related Fund: (i) any change in the organisation of the Fund or of any Fund Service Provider without the prior written consent of the Determination Agent including, without limitation, a change of control of, or a change of the main shareholders, managing directors or Key Personnel (if any) of a Fund Service Provider, (ii) any Fund Service Provider ceasing to act in the relevant capacity in relation to the Fund

unless immediately replaced in such capacity by a successor acceptable to the Determination Agent or (iii) any delegation or transfer by the Fund Adviser of any of its powers, duties or obligations under the Fund Documents to a third party without the prior written consent of the Determination Agent;

(f) ***Fund Modification***: in respect of any Fund Interest, any change or modification of the related Fund Documents or of any rights attaching to the related Fund Interest Units (including without limitation any change or modification affecting management policy, provisions as to redemption or the charging of expenses or increasing the existing level of, or introducing any new, fees, commissions or other expenses payable to any person, in each case as determined by the Determination Agent) from those prevailing on the Issue Date (in the case of Single Fund Notes) or the date on which any Fund Interest issued by such Fund was first included in the Basket of Funds (in the case of Fund Basket Notes) and which could reasonably be expected to affect the value of such Fund Interest;

(g) ***Strategy Breach***: in respect of any Fund Interest, as determined by the Determination Agent, any material breach of or non-compliance with any investment objective, investment restrictions or other strategy or investment guidelines, subscription and redemption provisions (including, without limitation, the days treated as Fund Business Days) or valuation provisions (including, without limitation, the method of determining the net asset value of the relevant Fund), in each case as set out in the Fund Documents as in effect on the Issue Date or, if later, the date on which such Fund Interest was first included in the Basket of Funds (in the case of Fund Basket Notes);

(h) ***Breach by Fund Service Provider***: in respect of any Fund Interest, the breach by any relevant Fund Service Provider of any obligation (including, without limitation, non-compliance with any investment guidelines relating to such Fund Interest), representation or warranties concerning the relevant Fund (including, without limitation, pursuant to any agreement with the Fund), which breach, if capable of remedy, has not been remedied within 10 calendar days of its occurrence;

(i) ***General Regulatory Event***: (A) in respect of any Fund Interest, (1) any change in the legal, tax, accounting, or regulatory treatments of the relevant Fund or its Fund Adviser that is reasonably likely to have an adverse impact on the value of such Fund Interest or on any investor therein (as determined by the Determination Agent) or (2) the related Fund or any of its Fund Service Providers becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law in relation to any activities relating to or resulting from the operation of such Fund or (B) any event which would have the effect of: (i) imposing on the Issuer and/or any Affiliate or adversely modifying any reserve, special deposit, or similar requirement that would be applicable to the Issuer and/or such Affiliate in relation to the Notes or any related hedging arrangement or (ii) changing the amount of regulatory capital that would have to be maintained by the Issuer and/or any Affiliate in relation to the Notes or any related hedging arrangement;

(j) ***Reporting Disruption***: in respect of any Fund Interest, (A) the occurrence of any event affecting such Fund Interest that, in the determination of the Determination Agent, would make it impossible or impracticable for the Determination Agent to determine the value of such Fund Interest, and such event continues for at least the time period specified in the applicable Final Terms or, if no time period is so specified, the Determination Agent does not expect such event to cease in the foreseeable future; (B) any failure of the related Fund to deliver, or cause to be delivered, (1) information that such Fund has agreed to deliver, or cause to be delivered to the Determination Agent or the Issuer, as applicable, or (2) information that has been previously delivered to the Determination Agent or the Issuer, as applicable, in accordance with such Fund's, or its authorised representative's, normal practice and that the Determination Agent deems necessary for it or the Issuer, as applicable, to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to such Fund Interest; or (C) the related Fund ceases, for any reason

whatsoever (either directly or through any Fund Service Provider acting on its behalf for this purpose) to provide, publish or make available its net asset value on any Fund Reporting Date and this continues for 10 consecutive Business Days;

(k) ***Compulsory Redemption or Assignment***: in respect of any Fund Interest, (i) the repurchase or redemption by the Fund of all or some of the Fund Interest Units otherwise than at the request of a holder of Fund Interest Units and which the Determination Agent determines could affect a Hypothetical Investor; or (ii) any event or circumstance (whether or not in accordance with the constitutive documents and investment guidelines of the Fund) which would mandatorily oblige a holder of Fund Interest Units to redeem, sell, assign or otherwise dispose of any Fund Interest Units and which the Determination Agent determines could affect a Hypothetical Investor;

(l) ***Closure to Subscriptions; Dealing Restrictions***: in respect of any Fund Interest, (A) the closure of the related Fund to new subscriptions of Fund Interests, or (B) the imposition of any dealing restrictions (including, without limitation, material amendments to relevant documentation, delay (partial or otherwise), suspension or termination (partial or otherwise) of subscription, redemption or settlement) relating to the Fund or transactions in Fund Interests by any Fund Service Provider, any affiliate or agent of any Fund Service Provider, or any intermediary platform through which the Issuer or its affiliates may contract (via a trading agreement or otherwise) in order to carry out transactions in Fund Interests, which, in either case, remains in effect for five consecutive Business Days;

(m) ***Disposals: Material Change: Merger***: in respect of any Fund Interest, (A) a disposal to any person(s) of all, or a material part, of the assets of (x) the related Fund, or (y) any significant Fund Service Provider; or (B) a material change in the business of the Fund or any significant Fund Service Provider, or (C) the merger, amalgamation or consolidation of (1) the related Fund with (x) any other sub-fund or compartment of the Fund or (y) any other collective investment undertaking (or sub-fund or compartment of such other collective investment undertaking, including another Fund), or (2) the relevant Company with any other collective investment undertaking (including, without limitation, another Fund or Company), which, in either case, may, in the determination of the Determination Agent, have an adverse effect on the Fund;

(n) ***Hedging Disruption***: any of the following:

(i) the Determination Agent reasonably determines that the Issuer or any Affiliate (a "**Hedging Party**") is unable (including without limitation by reason of illegality), or that it is impracticable for a Hedging Party, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) (each a "**Relevant Hedging Transaction**") such Hedging Party deems necessary or appropriate to hedge its exposure to price variations of the Fund Interest (in the case of Single Fund Notes) or the Basket of Funds (in the case of Fund Basket Notes) inherent in its obligations, in the case of the Issuer, under the Notes or, in the case of an Affiliate, under any transaction pursuant to which it hedges the Issuer's exposure to the Fund Interest (in the case of Single Fund Notes) or the Basket of Funds (in the case of Fund Basket Notes)under the Notes, or (ii) realise, recover or remit to any person the proceeds of such transaction or asset; and/or

(ii) the Determination Agent reasonably determines that it has become illegal for any Hedging Party to hold, acquire or dispose of Fund Interests relating to the Notes; and/or

(iii) the Determination Agent reasonably determines that the Issuer would incur an increased cost in respect of the Relevant Hedging Transactions related to the performance of its obligation under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position); and/or

(iv) the Determination Agent reasonably determines that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any Relevant Hedging Transaction, or (B) realise, recover or remit the proceeds of any such Relevant Hedging Transaction; unless any such materially increased amount is incurred solely due to the deterioration of the creditworthiness of the Hedging Party,

and such determinations by the Determination Agent may include, but are not limited to, the following: (A) any increased illiquidity in the market for the Fund Interest (in the case of Single Fund Notes) or the Basket of Funds (in the case of Fund Basket Notes) (as compared with circumstances existing on the Issue Date); or (B) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority); or (C) the general unavailability of market participants who will so enter into a Relevant Hedging Transaction on commercially reasonable terms;

(o) ***Fraud***: in respect of any Fund Interest and the related Fund, the Fund is the object of a material fraud which may, in the determination of the Determination Agent, have an adverse effect on the Fund or the value of Fund Interest Units; or any act or omission of a Fund Service Provider constitutes fraud (including, but not limited to, theft, misappropriation, mispricing of holdings or concealment of trades), bad faith, wilful misconduct or negligence, as determined by the Determination Agent in its reasonable discretion;

(p) ***Special Regulatory Event***: in respect of any Fund Interest and the related Fund (i) the cancellation, suspension or revocation of the registration or approval of such Fund Interest or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Interest or Fund or (ii) the withdrawal, suspension, cancellation or modification of any license, consent, permit, authorisation or clearance required for the Fund or any one or more of its significant Fund Service Providers to carry out their activities as they are or should be carried out in compliance with applicable law or regulation;

(q) ***Force Majeure Event***: in respect of any Fund Interest and the related Fund, any Fund Service Provider fails to perform any of its obligations pursuant to the Fund Documents to the extent that such performance is prevented, hindered or delayed by a Force Majeure Event, where "**Force Majeure Event**" means any event due to any cause beyond the reasonable control of the applicable Fund Service Provider, such as unavailability of communications system, failure of or interruptions in power supply or network computer systems, sabotage, fire, flood, explosion, acts of God, civil commotion, riots, insurrection or war; or

(r) ***Value Limitation***: the value of any Fund Interest held by the Issuer and its Affiliates is greater than 10 per cent. of the aggregate net asset value of the relevant Fund (whether or not all of such holding results from hedging transactions entered into in connection with the Notes) and including, where the excess holding results from a reduction in the aggregate net asset value of the relevant Fund

"**Fund Event Notice**" has the meaning given to that term in Condition 13.5 (*Fund Events*);

"**Fund Interest**" means an interest issued to or held by an investor in a fund, pooled investment vehicle or any other interest identified as such in the applicable Final Terms;

"**Fund Interest Performance**" means, in respect of any Fund Interest and any Valuation Date or Averaging Date, a rate determined by the Determination Agent in accordance with the formula specified as such in the applicable Final Terms;

"**Fund Interest Unit**" means, in respect of any Fund Interest and the related Fund, a share in such Fund or, if Fund Interests in such Fund are not denominated as shares, a notional unit of account of ownership in such Fund in the amount specified in the applicable Final Terms;

"**Fund-Linked Early Redemption Amount – Fair Market Value Less Costs**" means, in respect of any Note, an amount determined by the Determination Agent in the Specified Currency specified in the applicable Final Terms, to be the fair market value of a Note based on the market conditions prevailing at the date of determination reduced to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any Fund Interests, options, swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Notes);

"**Fund-Linked Early Redemption Amount – Fair Market Value**" means, in respect of any Note, an amount determined by the Determination Agent in the Specified Currency specified in the applicable Final Terms, to be the fair market value of a Note based on the market conditions prevailing at the date of determination;

"**Fund Prospectus**" means, in respect of any Fund Interest and the related Fund, the prospectus or other offering document issued by such Fund in connection with such Fund Interest, as amended or supplemented from time to time;

"**Fund Reporting Date**" means, in respect of any Fund Interest and any Fund Valuation Date, the date on which the Reported Fund Interest Unit Value of such Fund Interest as determined as of such Fund Valuation Date is reported or published;

"**Fund Service Provider**" means, in respect of any Fund, any person who is appointed to provide services, directly or indirectly, to that Fund, whether or not specified in the Fund Documents, including without limitation any Fund Adviser, Fund Administrator, Fund Custodian and Additional Fund Service Provider;

"**Fund Subscription Date**" means, in respect of any Fund Interest, the date specified as such in the applicable Final Terms or, if no such date is specified, the day as of which a request by a Hypothetical Investor for subscription to such Fund Interest that has been submitted on the related Subscription Notice Date and in a form and substance acceptable to the related Fund would be considered effective by such Fund;

"**Fund Valuation Date**" means, in respect of any Fund Interest, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) determines the value of such Fund Interest or, if the related Fund only reports its aggregate net asset value, the date as of which such Fund determines its aggregate net asset value;

"**Hedging Party**" has the meaning given in the definition of "Fund Event" above;

"**Hypothetical Investor**" means, unless otherwise specified in the applicable Final Terms, in respect of any Fund Interest, a hypothetical investor in such Fund Interest located in the Hypothetical Investor Jurisdiction and deemed to have (a) the benefits and obligations, as provided under the Fund Documents, of an investor holding, as of the related Fund Subscription Date, an interest in the relevant Fund in an amount equal to the relevant number of relevant Fund Interest Units or amount of such Fund Interest; (b) in the case of any deemed redemption of such Fund Interest, to have submitted to the relevant Fund on the relevant Redemption Notice Date, a duly completed notice requesting redemption of the relevant number of Fund Interest Units; and (c) in the case of any deemed investment in such Fund Interest, to have submitted, on the Subscription Notice Date, a duly completed notice to the relevant Fund, requesting subscription to the relevant number of Fund Interest Units;

"**Hypothetical Investor Jurisdiction**" means the jurisdiction specified as such in the applicable Final Terms or, if no jurisdiction is so specified, the jurisdiction of incorporation of the Issuer;

"**Market Disruption Event**" means any of the following events as determined by the Determination Agent:

(A) in respect of any Fund Interest, the failure of a Scheduled Fund Valuation Date to be a Fund Valuation Date or any continued postponement of such Fund Valuation Date; or

(B) in respect of any Fund Interest, there is a failure by the Fund to pay the full amount (whether expressed as a percentage or otherwise) of the Redemption Proceeds with

respect to the relevant number of Fund Interest Units or amount of such Fund Interest scheduled to have been paid on or by such day according to the Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Reference Fund to delay or refuse redemption of such Fund Interests);

(C) the inability (including by reason of illegality) of, or the impracticability for, a Hedging Party to (i) unwind or dispose of any transaction it has entered into, or any asset it holds, in either case for the purpose of hedging its exposure to price variations of the Fund Interest (in the case of Single Fund Notes) or the Basket of Funds (in the case of Fund Basket Notes) inherent in its obligations, in the case of the Issuer, under the Notes or, in the case of an affiliate, under any transaction pursuant to which it hedges the Issuer's exposure to the Fund Interest (in the case of Single Fund Notes) or the Basket of Funds (in the case of the Fund Basket Notes) under the Notes, or (ii) realise, recover or remit to any person the proceeds of any such transaction or asset,

(D) **provided that** if any event would otherwise be both a Market Disruption Event and Fund Event, such event shall be treated solely as a Fund Event;

"**NAV Trigger Percentage**" means the percentage (if any) specified as such in the applicable Final Terms;

"**NAV Trigger Period**" means the period (if any) specified as such in the applicable Final Terms;

"**Net Present Value**" means, in respect of an amount payable on a future date, the discounted value of such amount as calculated by the Determination Agent in its reasonable discretion taking into account the relevant interbank offered rate at the time of such calculation for one month deposits in the relevant currency or such other reference rate as the Determination Agent determines to be appropriate;

"**Number of Fund Interest Units**" means, in the case of Fund Basket Notes, at any time, in respect of the Fund Interest Units of each Fund comprised in the Basket of Funds at such time, the number of such Fund Interest Units per Basket of Funds specified or otherwise determined as provided in the applicable Final Terms;

"**Potential Adjustment Event**" means, in respect of any Fund Interest, any of the following events in the determination of the Determination Agent:

(A) a subdivision, consolidation or reclassification of the relevant amount of Fund Interest, or a free distribution or dividend of any such Fund Interest to existing holders by way of bonus, capitalisation or similar issue;

(B) a distribution, issue or dividend to existing holders of the relevant Fund Interest of (A) an additional amount of such Fund Interest, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Interest, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;

(C) an Extraordinary Dividend; or

(D) a repurchase by the Fund of relevant Fund Interests whether the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of Fund Interests initiated by an investor in such Fund Interests;

"**Redemption Notice Date**" means, in respect of any Fund Interest and any Valuation Date or Averaging Date, the date specified as such in the applicable Final Terms or, if no date is so specified, the last date on which a Hypothetical Investor in such Fund Interest would be permitted, pursuant to the Fund Documents of the related Fund, to submit a redemption notice that would be timely for a redemption as of the Scheduled Redemption Valuation Date for which

the Scheduled Redemption Payment Date falls on or immediately prior to such Valuation Date or Averaging Date;

"**Redemption Proceeds**" means, in respect of the relevant number of Fund Interest Units or amount of any Fund Interest, the redemption proceeds that in the determination of the Determination Agent would be paid by the related Fund to a Hypothetical Investor who, as of the relevant Redemption Valuation Date, redeems such number of Fund Interest Units or amount of Fund Interest (for the avoidance of doubt after deduction of any tax, levy, charge, assessment or fee of any nature that, in the determination of the Determination Agent, would (or would be very likely to) be withheld or deducted from such amount); **provided that** (a) any such proceeds that would be paid in property other than cash shall be deemed to have a value of zero and (b) if the Hypothetical Investor would be entitled to elect payment of such redemption proceeds to be made either in the form of cash or other property, then the Hypothetical Investor shall be deemed to have elected cash payment, except as otherwise specified in the applicable Final Terms;

"**Redemption Valuation Date**" means, in respect of any Fund Interest and any Scheduled Redemption Valuation Date, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) determines the net asset value of such Fund Interest for purposes of calculating the redemption proceeds to be paid to a Hypothetical Investor that has submitted a valid notice for redemption on or before the related Redemption Notice Date;

"**Reference Price**" means:

(A) in the case of Single Fund Notes, the Relevant Fund Interest Unit Price; and

(B) in the case of Fund Basket Notes, the price per Basket of Funds determined as provided in the applicable Final Terms as of the Final Valuation Time on the Final Valuation Date or, if no means of determining such price are so provided, the sum of the values calculated as of the Final Valuation Time on the Final Valuation Date for each Fund Interest Unit comprising the Basket of Funds as the product of the Relevant Fund Interest Unit Price of such Fund Interest Unit and the relevant Number of Fund Interest Units comprised in the Basket of Funds,

provided that when calculating the Relevant Fund Interest Unit Price of any Fund Interest Unit for the purposes of determining the Reference Price, the Valuation Time and the Valuation Date will be the Final Valuation Time and the Final Valuation Date, respectively;

"**Relevant Fund Interest Unit Price**" means, in respect of a Fund Interest and any Valuation Date or Averaging Date, the amount per related Fund Interest Unit, determined by the Determination Agent as being equal to the Redemption Proceeds relating to such Fund Interest Unit that in the determination of the Determination Agent would be received by a Hypothetical Investor in such Fund Interest in respect of a redemption of Fund Interest Units targeted to be effected as of the Scheduled Redemption Valuation Date relating to such Valuation Date or Averaging Date, as the case may be;

"**Removal Value**" means, in respect of any Affected Fund Interest, the value calculated by the Determination Agent in the same manner as would be used in determining the Relevant Fund Interest Unit Price of Fund Interest Units in the related Fund, but assuming a valid notice requesting redemption of Fund Interest Units in such Fund has been submitted to such Fund on the Fund Business Day next following delivery of the relevant Fund Event Notice;

"**Reported Fund Interest Unit Value**" means, in respect of any Fund Interest and a Fund Reporting Date relating to such Fund Interest, the value per Fund Interest Unit as of the related Fund Valuation Date or, if the related Fund reports only its aggregate net asset value, the portion of such Fund's aggregate net asset value relating to one Fund Interest Unit, in each case as reported on such Fund Reporting Date by the Fund Service Provider that generally reports such value on behalf of the Fund to its investors or a publishing service;

"**Scheduled Dividend**" means any amount of Fund Interest specified in the Schedule of Ordinary Dividends;

"**Scheduled Fund Valuation Date**" means, in respect of any Fund Interest, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) is scheduled, according to its Fund Documents (without giving effect to any gating, deferral, suspension or

other provisions permitting the Reference Fund to delay or refuse redemption of Fund Interests), to determine the value of such Fund Interest or, if the related Fund only reports its aggregate net asset value, the date as of which such Fund determines its aggregate net asset value;

"**Schedule of Ordinary Dividends**" means, in respect of any Fund Interest and any Series of Notes, the schedule of dividends expected to be paid by the relevant Fund, as specified in the applicable Final Terms;

"**Scheduled Redemption Payment Date**" means, in respect of any Fund Interest and any Scheduled Redemption Valuation Date, the date specified as such in the applicable Final Terms or, if not so specified, the date by which the related Fund is scheduled to have paid, according to its Fund Documents, all or a specified portion of the Redemption Proceeds to an investor that has submitted a timely and valid notice requesting redemption of such Fund Interest as of such Scheduled Redemption Valuation Date;

"**Scheduled Redemption Valuation Date**" means, in respect of any Fund Interest, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) is scheduled, according to its Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the net asset value of such Fund Interest for the purposes of calculating the redemption proceeds to be paid to an investor that has submitted a valid and timely notice for redemption of Fund Interests based on the value determined as of such date; the Scheduled Redemption Valuation Date relating to any Valuation Date or Averaging Date, as the case may be, shall be the date specified as such in the applicable Final Terms or, if no such date is specified, the Scheduled Redemption Valuation Date for which the Scheduled Redemption Payment Date falls on or immediately prior to such Valuation Date or Averaging Date, as the case may be;

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

"**Subscription Notice Date**" means, in respect of any Fund Interest and any Fund Subscription Date, the date specified as such in the applicable Final Terms or, if no date is so specified, the last date on which a notice to subscribe to such Fund Interest may be submitted pursuant to the Fund Documents of the related Fund and be considered effective as of such Fund Subscription Date; If the applicable Final Terms do not specify a Subscription Notice Date or a Fund Subscription Date, the Subscription Notice Date shall be deemed to be the Issue Date;

"**Valuation Date**" means each date specified as such, or specified as an "Observation Date", "Interest Determination Date", "Determination Date" or "Strike Date" or, if such date is not a Business Day, the next following Business Day, subject to the provisions of Condition 13.1 (*Adjustments for Disrupted Days*); and

"**Valuation Time**" means the time on the Valuation Date or Averaging Date specified as such in the applicable Final Terms or, if no time is so specified, the close of business in the Hypothetical Investor Jurisdiction on the relevant Valuation Date or Averaging Date.

14. PROVISIONS RELATING TO PREFERENCE SHARE-LINKED NOTES

This Condition 14 (*Provisions relating to Preference Share-Linked Notes*) is applicable only in relation to Notes specified in the applicable Final Terms as being Preference Share-Linked Notes.

14.1 **Redemption of Preference Share-Linked Notes**: Unless previously redeemed or purchased and cancelled, each Preference Share-Linked Note will be redeemed by the Issuer on the Maturity Date by payment of the Final Redemption Amount specified in the applicable Final Terms, or determined in accordance with such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms.

14.2 **Early Redemption for Taxation Reasons**: If the Preference Share-Linked Notes are redeemed pursuant to Condition 15.2 (*Tax Redemption – Morgan Stanley and MSFL* Notes) or 15.3 (*Tax Redemption – MSI plc and MSBV Notes*) (as applicable), each Preference Share-Linked Note shall be redeemed at the Early Preference Share Redemption Note Amount per Calculation Amount.

14.3 **Call Option**: If Call Option is specified in the applicable Final Terms as being applicable the provisions of Condition 15.5 (*Redemption at the Option of the Issuer*) shall apply to the Preference Share-Linked Notes as if the words "in whole or, if so specified in the applicable Final Terms, in part" in the second and third lines were replaced with the words "in whole (but not in part)".

14.4 **Early Redemption in respect of Preference Share-Linked Notes**: Upon the occurrence of an Early Redemption Event the Issuer shall, as soon as reasonably practicable following the occurrence of such Early Redemption Event, give notice to the Noteholders in accordance with Condition 27 (*Notices*) and will redeem all (but not some only) of the Preference Share-Linked Notes on the 10th Business Day following the date on which it is determined that an Early Redemption Event has occurred, each Preference Share-Linked Note to be redeemed by payment of the Early Preference Share Redemption Note Amount.

14.5 **Extraordinary Events**: If in the determination of the Determination Agent an Extraordinary Event occurs the Issuer shall, as soon as reasonably practicable following the occurrence of such Extraordinary Event, give notice to the Noteholders in accordance with Condition 27 (*Notices*) and redeem all, but not some only, of the Preference Share-Linked Notes, each Preference Share-Linked Note being redeemed at the Early Preference Share Redemption Note Amount on the 10th Business Day immediately following the date on which such determination is made by the Determination Agent.

14.6 **Additional Disruption Events**: If in the determination of the Determination Agent an Additional Disruption Event occurs the Issuer shall, as soon as reasonably practicable following the occurrence of such Additional Disruption Event, give notice to Noteholders in accordance with Condition 27 (*Notices*) and redeem all, but not some only, of the Preference Share-Linked Notes, each Preference Share-Linked Note being redeemed at the Early Preference Share Redemption Note Amount on the 10th Business Day immediately following the date on which such determination is made by the Determination Agent.

14.7 **Payments – General Provisions**: Condition 16.9 (*Unavailability of Currency*) shall not apply to the Preference Share-Linked Notes.

14.8 **Definitions applicable to Preference Share-Linked Notes**

"**Additional Disruption Event**" means, with respect to any Series of Preference Share-Linked Notes, such of Change in Law, Hedging Disruption, Insolvency Filing and/or Increased Cost of Hedging as are applicable as specified in the applicable Final Terms.

"**Change in Law**" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of any Preference Share or (y) it will incur a materially increased cost in performing its obligations in relation to the Preference Share-Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Early Preference Share Redemption Note Amount**" means, in respect of each Preference Share-Linked Note, an amount in the Specified Currency per Calculation Amount calculated by the Determination Agent equal to:

$$\text{Calculation Amount} \times \text{Participation Rate} \times \frac{\text{Preference Share Value}_{\text{early}}}{\text{Preference Share Value}_{\text{initial}}}$$

"**Early Redemption Event**" means that the Issuer or any of its affiliates has received notice from the Preference Share Issuer that the Preference Shares are to be redeemed early.

"**Early Redemption Valuation Date**" means the second Business Day immediately preceding the date for early redemption of the Preference Share-Linked Notes.

"**Extraordinary Event**" means a Merger Event, a Nationalisation, a Tender Offer and/or an Insolvency or such other event specified as such in the applicable Final Terms.

"**Hedging Disruption**" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Preference Share-Linked Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Increased Cost of Hedging**" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Preference Shares or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

"**Initial Valuation Date**" means the Issue Date or, if such day is not a Business Day, the next following Business Day.

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting Preference Share Issuer (A) all the Preference Shares are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Preference Shares become legally prohibited from transferring them.

"**Insolvency Filing**" means that Preference Share Issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, **provided that** proceedings instituted or petitions presented by creditors and not consented to by Preference Share Issuer shall not be deemed an Insolvency Filing.

"**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Determination Agent.

"**Merger Event**" means any (A) reclassification or change of the Preference Shares that results in a transfer of or an irrevocable commitment to transfer all of such Preference Shares outstanding to another entity or person, (B) consolidation, amalgamation, merger or binding share exchange of Preference Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which Preference Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Preference Shares outstanding), (C) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Preference Shares that results in a transfer of or an irrevocable commitment to transfer all such Preference Shares (other than such Preference Shares owned or controlled by such other entity or person), or (D) consolidation, amalgamation, merger or binding share exchange of Preference Share Issuer with or into another entity in which Preference Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Preference Shares outstanding but results in the outstanding Preference Shares (other than Preference Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Preference Shares immediately following such event, in each case if the Merger Date is on or before the Maturity Date.

"**Nationalisation**" means that all the Preference Shares or all or substantially all the assets of Preference Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Participation Rate**" means the percentage rate specified as such in the applicable Final Terms.

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of Preference Share Issuer as determined by the Determination Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant.

"**Preference Share Issuer**"" means the company specified as such in the applicable Final Terms, or, if no such company is specified, means, in respect of any Preference Shares, the issuer of, or other legal arrangement (including, if applicable, any relevant class or series) giving rise to the relevant Preference Share.

"**Preference Shares**" means the preferences shares specified as such in the applicable Final Terms.

"**Preference Share Value**" means, in respect of any day, the fair market value of the Preference Share at the Valuation Time on such day, as determined by the Determination Agent.

"**Preference Share Value$_{early}$**" means the Preference Share Value on the Early Redemption Valuation Date.

"**Preference Share Value$_{final}$**" means the Preference Share Value on the Final Valuation Date.

"**Preference Share Value$_{initial}$**" means the Preference Share Value on the Initial Valuation Date.

"**Valuation Time**" has the meaning given to it in the applicable Final Terms or if not set out in the applicable Final Terms, immediately following the time at which the final preference share redemption amount in respect of the Preference Shares is determined.

14.9 **Calculations and Determinations**: The Determination Agent will make the calculations and determinations as described in this Condition 14.9 (*Calculations and Determinations*) in such a manner as the Determination Agent determines is appropriate acting in good faith and in a commercially reasonable manner (having regard in each case to the criteria stipulated in the Conditions and the hedging arrangements in respect of the Preference Share-Linked Notes).

Notwithstanding that certain calculations, determinations and adjustments in this Condition 14.9 (*Calculations and Determinations*) may be expressed to be on a certain date, the Determination Agent may make such calculations, determinations and adjustments in respect of that date on a date after that date determined by it in its reasonable discretion.

Pursuant to this Condition 14.9 (*Calculations and Determinations*) the Determination Agent has a number of discretions. These are necessary since in certain circumstances it is not reasonably practicable or otherwise not appropriate for certain valuations to be carried out in relation to relevant reference assets and in these circumstances the Determination Agent also may exercise certain discretions.

The provisions of the second paragraph of this Condition 14.9 (*Calculations and Determinations*) will not apply to the calculation of the Final Redemption Amount or Early Redemption Amount.

14.10 **Rounding**: Condition 30 (*Rounding*) shall not apply to the Preference Share-Linked Notes.

15. **REDEMPTION AND PURCHASE**

15.1 **Scheduled Redemption**. Unless previously redeemed or cancelled, and unless otherwise specified in the Conditions, (i) Cash Settlement Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 16 (*Payments – Registered Notes*) or Condition 17 (*Payments – Uncertificated Notes*) and (ii) Physical Settlement Notes shall be redeemed by delivery of the Physical Delivery Amount on the Physical Settlement Date, subject as provided in Condition 18 (*Physical Settlement*), in each case in accordance with the Conditions (including such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms).

15.2 **Tax Redemption — Morgan Stanley and MSFL Notes**. Notes issued by Morgan Stanley or MSFL may be redeemed in whole (but not in part), at the option of the relevant Issuer at any time prior to maturity, upon the giving of a notice of redemption as described below in Condition 27 (*Notices*) not less than 10 Business Days prior to the date on which the Notes are to be redeemed, if the relevant Issuer determines, in its reasonable discretion, that, as a result of:

(a) any change in or amendment to the laws, or any regulations or rulings promulgated under the laws, of the United States or of any political subdivision or taxing authority of or in the United States affecting taxation; or

(b) any change in official position regarding the application or interpretation of the laws, regulations or rulings referred to above;

which change or amendment becomes effective on or after the date of the applicable Final Terms in connection with the issuance of the Notes, it or the Guarantor (if applicable) is or will become obligated to pay Additional Amounts with respect to the Notes as described in Condition 19 (*Taxation*). The Notes will be redeemed at the Early Redemption Amount (Tax) (except when the Notes are Preference Share-Linked Notes, which will be redeemed at the Early Preference Share Redemption Note Amount as specified in Condition 14.2).

15.3 **Tax Redemption — MSI plc and MSBV Notes**. MSI plc Notes and MSBV Notes may be redeemed in whole (but not in part), at the option of the relevant Issuer at any time prior to maturity, upon the giving of a notice of redemption as described below not less than 10 Business Days prior to the date on which the Notes are to be redeemed, if the Issuer determines, in its reasonable discretion, that it or the Guarantor is or will become required by law to make any withholding or deduction with respect to the Notes, as described in Condition 19 (*Taxation*). The Notes will be redeemed at the Early Redemption Amount (Tax) (except when the Notes are Preference Share-Linked Notes, which will be redeemed at the Early Preference Share Redemption Note Amount as specified in Condition 14.2). The Issuer will give notice of any tax redemption in accordance with Condition 27 (*Notices*).

15.4 Prior to the relevant Issuer giving notice of redemption under Condition 15.2 (*Tax Redemption — Morgan Stanley and MSFL Notes*) or 15.3 (*Tax Redemption — MSI plc and MSBV Notes*), it will deliver to the Fiscal Agent:

(a) a certificate stating that it is entitled to effect the redemption and setting forth a statement of facts showing that the conditions precedent to its right to so redeem have occurred (the date on which that certificate is delivered to the Fiscal Agent is the "**Redemption Determination Date**"); and

(b) an opinion of independent legal counsel of recognised standing to that effect based on the statement of facts.

Notice of redemption will be given not less than 10 Business Days prior to the date fixed for redemption. The date and the applicable redemption price will be specified in the notice.

15.5 **Redemption at the Option of the Issuer**. If the Call Option is specified in the applicable Final Terms as being applicable, at any time after a Call Option Date, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the applicable Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the

Issuer's giving not less than the number of days' notice equal to the Minimum Notice Number of Day(s) nor more than the number of days' notice equal to the Maximum Notice Number of Day(s) to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date) and, in the case of Uncertificated Notes, not less than 45 days' notice to the Euroclear Registrar.

15.6 **Partial Redemption**

(a) if the Notes are to be redeemed in part only on any date in accordance with Condition 15.5 (*Redemption at the Option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, acting in good faith and a commercially reasonable manner, subject to compliance with applicable law and the rules of each listing authority, stock exchange and/or quotation system by which the Notes have then been admitted to listing, trading and/or quotation, and the notice to Noteholders referred to in Condition 15.5 (*Redemption at the Option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed;

(b) in respect of a partial redemption of Nordic Notes, the notice to Noteholders referred to in Condition 15.5 (*Redemption at the Option of the Issuer*) shall also specify the Nordic Notes or amounts of the Nordic Notes to be redeemed and the Record Date in respect of the relevant Nordic Notes and the procedures for partial redemption laid down in the then applicable NCSD Rules will be observed; and

(c) in respect of a partial redemption of Uncertificated Notes, the notice to Noteholders referred to in Condition 15.7 (*Redemption at the Option of Noteholders*) below shall also specify any procedures for partial redemption laid out in the then applicable Regulations.

15.7 **Redemption at the Option of Noteholders**. If the Put Option is specified in the applicable Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put), together with interest (if any) accrued to such date, provided that such Optional Redemption Date (Put) shall be, as specified in the applicable Final Terms, either (i) a date which is on or after the Put Option Exercise Date or (ii) a date which is in the Put Option Exercise Period.

(a) In order to exercise the option contained in this Condition 15.7 (*Redemption at the Option of Noteholders*) the holder of a Note (other than an Uncertificated Note) must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit such Note (together with all unmatured Coupons relating thereto) with the Registrar, and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. In respect of Nordic Notes, the Put Notice shall not take effect against the Issuer before the date on which the relevant Nordic Notes have been transferred to the account designated by the Nordic Issuing Agent and blocked for further transfer by the relevant Nordic Issuing Agent. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 15.7 (*Redemption at the Option of Noteholders*), may be withdrawn; **provided**, **however**, **that** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 15.7 (*Redemption at the Option of Noteholders*), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

(b) In order to exercise the option contained in this Condition 15.7 (*Redemption at the Option of Noteholders*) the holder of an Uncertificated Note must not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put) deposit with the Euroclear Registrar a duly

completed Put Option Notice in the form obtainable from the Euroclear Registrar. The Euroclear Registrar with which a Put Option Notice is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. Once deposited a duly completed Put Option Notice may not be withdrawn; **provided**, **however**, **that** if, prior to the relevant Optional Redemption Date (Put), the related Note becomes immediately due and payable or, upon the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the Euroclear Registrar shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and the relevant depositing Noteholder and not the Euroclear Registrar shall be deemed to be the holder of such Note for all purposes in such case.

15.8 **Early Redemption of Zero Coupon Notes**: Unless otherwise specified in the applicable Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the product of (a) the Calculation Amount of such Zero Coupon Note and (b) the percentage produced by the following formula:

$$\text{Reference Price} \times (1 + \text{Accrual Yield})^{n}$$

where "n" means the number of years from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Zero Coupon Note becomes due and payable and the calculation shall be made on the basis of such Day Count Fraction as may be specified in the applicable Final Terms or, if none is so specified, a Day Count Fraction of 30/360.

15.9 **Purchase**: Morgan Stanley, MSI plc, MSBV, MSFL or any of their respective Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price.

15.10 **Cancellation**: All Notes so redeemed shall, and all Notes so purchased by Morgan Stanley, MSI plc, MSBV, MSFL or any of their respective Subsidiaries may, at the reasonable discretion of the relevant purchaser, be cancelled. All Notes so redeemed, and all Notes so purchased and cancelled, may not be reissued or resold.

15.11 **Automatic Early Redemption Event**

Capitalised terms not defined herein shall have the meanings given to them in (i) such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, or, if no such provisions are applicable, (ii) Condition 15.7 (*Redemption at the Option of Noteholders*).

If "**Automatic Early Redemption Event**" is specified as applicable in the Final Terms, then, subject to such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Early Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount in the Specified Currency specified in the applicable Final Terms equal to the relevant Automatic Early Redemption Amount.

15.12 **Definitions**

In these General Conditions:

"**Automatic Early Redemption Amount**" means (a) an amount in the Specified Currency determined in accordance with such provisions (if any) of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms, or, if no such provisions are applicable (b) an amount in the Specified Currency (if any) specified as such in the applicable Final Terms or if neither (a) nor (b) applies, (c) an amount equal to the product of (i) the denomination of each Note and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date;

"**Automatic Early Redemption Date**" means each Scheduled Automatic Early Redemption Date, provided that if the applicable Final Terms specify "Automatic Early Redemption

Specified Day(s)" to be applicable and the Relevant Determination Date is adjusted in accordance with the Conditions, the Automatic Early Redemption Date shall instead be the day falling the number of Automatic Early Redemption Specified Day(s) after the Relevant Determination Date, and no Noteholder shall be entitled to any interest or further payment in respect of such delay;

"**Automatic Early Redemption Event**" means, unless otherwise defined in such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms (i) in case of a series of Equity-Linked Notes, Currency-Linked Notes or Fund-Linked Notes, that the Relevant Underlying Value is, and (ii) in the case of a Series of Fixed Rate Notes which are Barrier Notes (each as defined in Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) of the Additional Terms and Conditions), Floating Rate Notes or Range Accrual Notes (as defined in Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) of the Additional Terms and Conditions), the Cumulative Interest Amount is, in each case as of the Determination Time on any Automatic Early Redemption Valuation Date, (A) "greater than", (B) "greater than or equal to", (C) "less than", (D) "less than or equal to" or (E) "equal to" the Automatic Early Redemption Level, as specified in the Final Terms;

"**Automatic Early Redemption Level**" means, (i) in relation to a Series of Equity-Linked Notes, Currency-Linked Notes or Fund-Linked Notes, and unless otherwise defined in such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms the level of the Index, price of the ETF Interest or Share or Fund Interest, or the Specified Rate, as applicable, specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the applicable provisions of these General Conditions, and (ii) in relation to a Series of Fixed Rate Notes which are Barrier Notes (each as defined in Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) of the Additional Terms and Conditions), Floating Rate Notes or Range Accrual Notes (as defined in Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) of the Additional Terms and Conditions), the value (which may be expressed as a value or percentage per Calculation Amount) specified as such in the applicable Final Terms;

"**Automatic Early Redemption Rate**" means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms or, if no such rate is specified, 100 per cent.;

"**Automatic Early Redemption Specified Day(s)**" means such number of Business Day(s), Clearing System Business Day(s) or calendar days as specified in the applicable Final Terms;

"**Automatic Early Redemption Valuation Date**" means, (i) in relation to in relation to a Series of Fixed Rate Notes which are Barrier Notes (each as defined in Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) of the Additional Terms and Conditions), Floating Rate Notes or Range Accrual Notes (as defined in Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) of the Additional Terms and Conditions), each date specified as such in the applicable Final Terms, and (ii) in relation to a Series of Equity-Linked Notes, Currency-Linked Notes or Fund-Linked Notes, each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day unless, in the opinion of the Determination Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the corresponding provisions of Condition 9.1 shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Automatic Early Redemption Valuation Date";

"**Cumulative Interest Amount**" means, in relation to a Series of Fixed Rate Notes which are Barrier Notes (each as defined in Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) of the Additional Terms and Conditions), Floating Rate Notes or Range Accrual Notes (as defined in Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) of the Additional Terms and Conditions) and any Automatic Early Redemption Valuation Date, the sum, per Calculation Amount, as calculated by the Determination Agent, of (i) all Interest Amounts paid up to and including the Interest Payment Date preceding the relevant Automatic Early Redemption Valuation Date plus (ii) the Interest Amount due to be paid on the Interest Payment Date, if any, falling on the immediately succeeding Automatic Early Redemption Date;

"**Maximum Notice Number of Day(s)**" means the number of days specified in the Final Terms;

"**Minimum Notice Number of Day(s)**" means the number of days specified in the Final Terms; and

"**Relevant Underlying Value**" means the value of the Relevant Underlying as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) of the Additional Terms and Conditions are specified as being applicable in the applicable Final Terms.

16. **PAYMENTS – REGISTERED NOTES**

For the purposes of this Condition 16 (*Payments – Registered Notes*), references to payment or repayment (as the case may be) of principal and/or interest and other similar expressions will, where the context so admits, be deemed also to refer to transfer of any Physical Delivery Amount(s).

16.1 **Principal**: Subject to Condition 16.3 (*Payments of Principal and Interest in* CNY), payments of principal shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the 15th day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

16.2 **Interest**: Subject to Condition 16.3 (*Payments of Principal and Interest in* CNY), payments of interest shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the 15th day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

16.3 **Payments of Principal and Interest in CNY**: Notwithstanding Conditions 16.1 (*Principal*) and 16.2 (*Interest*), in respect of CNY Notes, no payment of principal or interest in CNY will be made by cheque and all payments to Noteholders will be made solely (i) for so long as the CNY Notes are represented by a Registered Note held with the common depositary for Clearstream Banking société anonyme and Euroclear Bank S.A./N.V. or any alternative clearing system, by transfer to a CNY bank account maintained outside the PRC, or (ii) for so long as the Notes are in definitive form, by transfer to a CNY bank account maintained outside the PRC, in each case in accordance with prevailing rules and regulations.

16.4 **Payments Subject to Fiscal Laws:** All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 19 (Taxation) and (ii) any withholding or deduction required pursuant to an agreement described in in Section 1471(b) of the United States Internal Revenue Code of 1986 (the "Code") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (in each case without prejudice to the provisions of Condition 19 (Taxation)). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

16.5 **Payments on Payment Business Days**: Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not a Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the

Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Payment Business Day or (B) a cheque mailed in accordance with this Condition 16 (*Payments – Registered Notes*) arriving after the due date for payment or being lost in the mail.

16.6 **Partial payments**: If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.

16.7 **Record date**: Each payment in respect of a Registered Note will be made to the person shown as the holder in the Register at the opening of business in the place of the Registrar's Specified Office on such number of days before the due date for such payment as is specified in the applicable Final Terms (the "Record Date"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the holder in the Register at the opening of business on the relevant Record Date.

16.8 **Payments of Principal and Interest in respect of Nordic Notes**: Payments of principal, interest and/or any other amount payable under the Conditions in respect of Nordic Notes shall be made to the Noteholders recorded as such on the fifth business day (as defined by the then applicable NCSD Rules) before the due date for such payment, or such other business day falling closer to the due date as may then be stipulated in said Rules. Such day shall be the Record Date in respect of the Nordic Notes.

16.9 **Unavailability of Currency**: If the Specified Currency is not available to the Issuer for making payments of principal of, and premium, interest and/or additional amounts, if any, on any Registered Note (whether due to the imposition of exchange controls or other circumstances beyond the control of the Issuer, or if the Specified Currency is no longer used by the government of the country issuing that currency or by public institutions within the international banking community for the settlement of transactions), the Issuer may satisfy its obligations to Noteholders by making payments on the date of payment in U.S. Dollars on the basis of the prevailing exchange rate on the date of the payment or of the most recent practicable date, such rate being based on the highest bid quotation in The City of New York received by the Exchange Rate Agent at approximately 11:00 a.m., New York City time, on the second Business Day preceding the applicable payment date from three recognised foreign exchange dealers for the purchase by the quoting dealer:

(i) of the Specified Currency for U.S. Dollars for settlement on the payment date;

(ii) in the aggregate amount of the Specified Currency payable to those holders or beneficial owners of Notes; and

(iii) at which the applicable dealer commits to execute a contract.

If those bid quotations are not available, the Exchange Rate Agent will determine the Market Exchange Rate at its reasonable discretion. All determinations by the Exchange Rate Agent will, in the absence of manifest error, be conclusive for all purposes and binding on the Issuer, the Guarantor (if applicable) and the Noteholders. The Exchange Rate Agent will be Morgan Stanley & Co. International plc, unless otherwise noted in the applicable Final Terms. If the Exchange Rate Agent is not an affiliate of Morgan Stanley, it may be one of the dealers providing quotations.

Any payment made in U.S. Dollars on the basis of the prevailing exchange rate where the required payment is in an unavailable Specified Currency will not constitute an Event of Default.

The foregoing provisions do not apply to CNY Notes or if a Specified Currency is unavailable because it has been replaced by the euro. If the euro has been substituted for a Specified Currency, the Issuer may (or will, if required by applicable law) without the consent of the holders of the affected Notes, pay the principal of, premium, if any, or interest, if any, on any Note denominated in the Specified Currency in euro instead of the Specified Currency, in

conformity with legally applicable measures taken pursuant to, or by virtue of, the Treaty. Any payment made in U.S. Dollars or in euro as described above where the required payment is in an unavailable Specified Currency will not constitute an Event of Default.

17. PAYMENTS – UNCERTIFICATED NOTES

This Condition 17 (*Payments – Uncertificated Notes*) is only applicable to Uncertificated Notes.

17.1 **Principal***:* Subject as provided below, the Euroclear Registrar shall pay or cause to be paid payments of principal in respect of Uncertificated Notes to the relevant Noteholder's cash account such payment to be made in accordance with the rules of the Operator.

17.2 **Interest**: Payments of interest (if any) in respect of Uncertificated Notes will be discharged by payment (as shown in the records of the Operator) to the cash account of the relevant Noteholder.

17.3 **General**: Each of the persons shown in the Operator register of eligible debt securities as the holder of a particular principal amount of Uncertificated Notes must look solely to the settlement bank or institution at which its cash account is held for his share of each such payment so made by or on behalf of the Issuer.

17.4 **Payments Subject to Fiscal Laws**: All payments in respect of the Uncertificated Notes are subject in all cases (i) to any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 19 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in in Section 1471(b) of the United States Internal Revenue Code of 1986 (the "Code") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (in each case without prejudice to the provisions of Condition 19 (Taxation)). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

17.5 **Payments on Payment Business Days**: Payment instructions (for value the due date, or, if the due date is not a Payment Business Day, for value the next succeeding Payment Business Day) will be initiated on the due date for payment. A holder of an Uncertificated Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a Payment Business Day.

18. PHYSICAL SETTLEMENT

18.1 Delivery Notice

(a) Each Noteholder in respect of Physical Settlement Notes, shall, on or before the scheduled date for redemption thereof (or such earlier date as the Issuer shall notify to the Fiscal Agent and/or Euroclear Registrar and the Noteholders is, in its determination, necessary for the Issuer, the Fiscal Agent and/or the Relevant Clearing System(s) and/or the Euroclear Registrar to perform their respective obligations hereunder) send to the Relevant Clearing System(s) (in accordance with the relevant operating procedures) or, in the case of Uncertificated Notes, the Euroclear Registrar, and the Fiscal Agent an irrevocable notice (the "**Delivery Notice**") in the form from time to time approved by the Issuer, which must:

(i) specify the name and address of the Noteholder;

(ii) specify the number of Notes in respect of which he is the Noteholder;

(iii) except in the case of Uncertificated Notes, specify the number of the Noteholder's account at the Relevant Clearing System(s) to be debited with such Notes;

(iv) except in the case of Uncertificated Notes, irrevocably instruct and authorise the Relevant Clearing System(s) (A) to debit the Noteholder's account with such Notes on the Physical Settlement Date and (B) that no further transfers of the Notes specified in the Delivery Notice may be made;

(v) contain a representation and warranty from the Noteholder to the effect that the Notes to which the Delivery Notice relates are free from all liens, charges, encumbrances and other third party rights;

(vi) specify the number and account name of the account at the Clearing System(s) to be credited with the Physical Delivery Amount if Physical Settlement is applicable;

(vii) contain an irrevocable undertaking to pay the Redemption Expenses and Taxes (if any) and an irrevocable instruction to the Relevant Clearing System(s) to debit on or after the Physical Settlement Date the cash or other account of the Noteholder with the Relevant Clearing System(s) specified in the Delivery Notice with such Redemption Expenses and Taxes;

(viii) authorise the production of the Delivery Notice in any applicable administrative or legal proceedings; and

(ix) in the case of Uncertificated Notes, specify the cash memorandum account of the Noteholder as shown in the records of the Operator from which the Redemption Expenses and Taxes in respect of such Notes will be paid to the Euroclear Registrar's account with the Operator against delivery of the Physical Delivery Amount and irrevocably agree to deliver such instructions to the Operator as may be requested by the Euroclear Registrar to give effect to the delivery and payments described above.

(b) A Delivery Notice, once delivered to the Relevant Clearing System(s) or the Euroclear Registrar shall be irrevocable and may not be withdrawn without the consent in writing of the Issuer. A Noteholder may not transfer any Note which is the subject of a Delivery Notice following delivery of such Delivery Notice to the Relevant Clearing System(s) or the Euroclear Registrar, as the case may be. A Delivery Notice shall only be valid to the extent that the Relevant Clearing System(s) or the Euroclear Registrar, as the case may be, has not received conflicting prior instructions in respect of the Notes which are the subject of the Delivery Notice.

(c) Failure to properly complete and deliver a Delivery Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided shall be made by the Relevant Clearing System(s) or the Euroclear Registrar, as the case may be, after consultation with the Fiscal Agent and shall be conclusive and binding on the Issuer and the Noteholder.

(d) The Fiscal Agent shall promptly, on the Business Day following receipt of such notice, send a copy of the Delivery Notice to the Issuer or such person as the Issuer may previously have specified.

18.2 **Delivery Obligation**

(a) Subject to the other provisions of this Condition 18.2 (*Delivery Obligation*), the Issuer shall discharge its obligation to deliver the Physical Delivery Amount in respect of any Notes by delivering, or procuring the delivery of, the relevant Underlying Securities on the Physical Settlement Date to the Clearing System for credit to the account with the Clearing System specified in the Delivery Notice of the relevant Noteholder.

(b) The number of Underlying Securities to be delivered to or for the account of each Noteholder on redemption of any Physical Settlement Notes shall be as determined in accordance with such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms. The Issuer may pay a residual cash amount to each Noteholder representing any fractions of Underlying Securities comprising the Physical Delivery Amount.

(c) After delivery to or for the account of a Noteholder of the relevant Physical Delivery Amount and for such period of time as the transferor or its agent or nominee shall continue to be registered in any clearing system as the owner of the Underlying Securities comprised in such Physical Delivery Amount (the "**Intervening Period**"), none of such transferor or any agent or nominee for the Issuer or such transferor shall (i) be under any obligation to deliver to such Noteholder or any other person any letter, certificate, notice, circular, dividend or any other

document or payment whatsoever received by the Issuer or such transferor, agent or nominee in its capacity as holder of such Underlying Securities, (ii) be under any obligation to exercise any rights (including voting rights) attaching to such Underlying Securities during the Intervening Period, or (iii) be under any liability to such Noteholder or any other person in respect of any loss or damage which the Noteholder or any other person may sustain or suffer as a result, whether directly or indirectly, of the Issuer or such transferor, agent or nominee being registered in the Clearing System during such Intervening Period as legal owner of such Underlying Securities.

(d) Any amounts in respect of dividends and interest on the Underlying Securities comprising the Physical Delivery Amount to be delivered will be payable to the party that would receive such amounts according to market practice for a sale of such Underlying Securities executed on the Exchange Business Day following the Determination Date in respect of the Notes. Any such amounts will be paid to or for credit to the account specified by the Noteholder in the relevant Delivery Notice. No right to dividends or interest on the Underlying Securities will accrue to Noteholders prior to the Determination Date.

18.3 **Settlement Disruption of Physical Settlement**

(a) This Condition 18.3 (*Settlement Disruption of Physical Settlement*) shall apply only where Physical Settlement is applicable.

(b) The Determination Agent shall determine, acting in good faith and a commercially reasonable manner, whether or not at any time a Settlement Disruption Event has occurred in respect of Underlying Securities comprised in the Physical Delivery Amount (the "**Affected Securities**") and where it determines such an event has occurred and so has prevented delivery of such Affected Securities on the original day that but for such Settlement Disruption Event would have been the Physical Settlement Date, then the Physical Settlement Date will be the first succeeding day on which delivery of such Affected Securities can take place through the Clearing System unless a Settlement Disruption Event prevents settlement on each of the 10 Clearing System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Physical Settlement Date. In that case, (a) if such Affected Securities can be delivered in any other commercially reasonable manner, then the Physical Settlement Date will be the first day on which settlement of a sale of such Affected Securities executed on that 10th Clearing System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed the Clearing System for the purposes of delivery of such Affected Securities), and (b) if such Affected Shares cannot be delivered in any other commercially reasonable manner, then the Physical Settlement Date will be postponed until delivery can be effected through the Clearing System or in any other commercially reasonable manner.

(c) For the purposes hereof "**Settlement Disruption Event**" means, as determined by the Determination Agent acting in good faith and a commercially reasonable manner, an event which is beyond the control of the Issuer or the transferor of any relevant Underlying Securities and as a result of which the Clearing System cannot receive or clear the transfer of such Underlying Securities.

18.4 **Delivery Disruption of Physical Settlement**

(a) This Condition 18.4 (*Delivery Disruption of Physical Settlement*) shall apply only where Physical Settlement is applicable.

(b) If the Determination Agent determines, acting in good faith and a commercially reasonable manner, that a Delivery Disruption Event has occurred, the Determination Agent shall notify the Issuer who shall promptly, and in any event not more than 15 Business Days after the Issuer has received such notification from the Determination Agent, notify the Noteholders, and the Issuer will then deliver, or procure the delivery of, on the Physical Settlement Date such number of Underlying Securities comprised in the Physical Delivery Amount (if any) as it can deliver, or procure the delivery of, on that date and pay such amount as in the opinion of the Determination Agent is appropriate in the circumstances by way of compensation for the non-delivery of the remainder of the Underlying Securities comprised in the Physical Delivery Amount (assuming

satisfaction of each applicable condition precedent) to which the Noteholders would have been entitled under the Notes but for the occurrence of such Delivery Disruption Event, in which event the entitlements of the respective Noteholders to receive Underlying Securities on redemption shall cease and the Issuer's obligations under the Notes shall be satisfied in full upon delivery of such number of Underlying Securities and payment of such amount.

(c) Where this Condition 18.4 (*Delivery Disruption of Physical Settlement*) is applicable in accordance with its terms, insofar as the Determination Agent determines to be practical, acting in good faith and a commercially reasonable manner, the same shall be applied as between the Noteholders on a *pro rata* basis, but subject to such rounding down (whether of the amount of a payment or of a number of Underlying Securities to be delivered) and also to such other adjustments as the Determination Agent, acting in good faith and a commercially reasonable manner, determines to be appropriate to give practical effect to such provisions.

(d) For the purposes hereof "**Delivery Disruption Event**" means, as determined by the Determination Agent, acting in good faith and a commercially reasonable manner, the failure or inability, due to illiquidity in the market for the Underlying Securities comprised in the Physical Delivery Amount, by or of the Issuer to deliver, or procure the delivery of, on the Physical Settlement Date all the Underlying Securities comprised in the Physical Delivery Amount to be delivered on that date.

18.5 **Additional Definitions: For the purposes of this Condition 18 (*Physical Settlement*):**

"**Clearing System**" means, in respect of an Underlying Security relating to a Physical Settlement Note, the clearing system specified as such for such security in the applicable Final Terms or any successor to such clearing system as determined by the Determination Agent. If the Final Terms do not specify a clearing system, the Clearing System will be the principal domestic system customarily used for settling trades in the relevant Underlying Securities. If the Clearing System ceases to settle trades in such Underlying Securities, the Determination Agent will, acting in good faith and in a commercially reasonable manner, select another method of delivery;

"**Clearing System Business Day**" means, in respect of a Clearing System, any day on which such Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions;

"**Physical Delivery Amount**" means in respect of any Series of Physical Settlement Notes, the Underlying Securities to be delivered by the Issuer to Noteholders on redemption of each Note, as provided in the applicable Final Terms, or determined in accordance with such provisions of the Additional Terms and Conditions as are specified as being applicable in the applicable Final Terms;

"**Physical Settlement Date**" means, in relation to Underlying Securities to be delivered, subject to Condition 18.3 (*Settlement Disruption of Physical Settlement*), in respect of any Notes, the date following the Maturity Date or any other applicable redemption date, as the case may be, which is the first day on which settlement of a sale of such Underlying Securities executed on that Maturity Date or other redemption date, as the case may be, customarily would take place through the Applicable Clearing System, unless otherwise specified in the applicable Final Terms;

"**Settlement Disruption Event**" means, in relation to an security, an event beyond the control of the parties as a result of which the Clearing System cannot clear the transfer of such security.

19. **TAXATION**

19.1 **Additional Amounts**: If the applicable Final Terms specify "**Additional Amounts**" as being applicable in respect of any Series of Notes, the relevant Issuer or Guarantor, if applicable, will, subject to certain exceptions and limitations set forth below, pay those additional amounts (the "**Additional Amounts**") to any Noteholder who is a U.S. Alien as may be necessary in order that every net payment of the principal of and interest on the Note and any other amounts payable on the Note after withholding for or on account of any present or future tax, assessment or governmental charge imposed upon or as a result of that payment by the United States or any political subdivision or taxing authority thereof or therein, will not be less than the amount provided for in the Note to be then due and payable.

The relevant Issuer or Guarantor, if applicable, will not, however, be required to make any payment of Additional Amounts to any Noteholder for or on account of:

(a) any present or future tax, assessment or other governmental charge that would not have been so imposed but for:

(i) the existence of any present or former connection between the holder or beneficial owner, or between a fiduciary, settlor, beneficiary, member or shareholder of the holder or beneficial owner, if the holder or beneficial owner is an estate, a trust, a partnership or a corporation, and the United States and its possessions, including, without limitation, the holder or beneficial owner, or such fiduciary, settlor, beneficiary, member or shareholder, being or having been a citizen or resident of the United States or being or having been engaged in the conduct of a trade or business or present in the United States or having, or having had, a permanent establishment in the United States; or

(ii) the presentation by the Noteholder for payment on a date more than 15 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(b) any estate, inheritance, gift, sales, transfer, capital gains, corporation, income or personal property tax or any similar tax, assessment or governmental charge;

(c) any tax, assessment or other governmental charge imposed by reason of the holder's or beneficial owner's past or present status as a personal holding company or controlled foreign corporation or passive foreign investment company with respect to the United States or as a corporation that accumulates earnings to avoid U.S. federal income tax or as a private foundation or other tax exempt organisation;

(d) any tax, assessment or other governmental charge that is payable otherwise than by withholding from payments on or in respect of any Note;

(e) any tax, assessment or other governmental charge that would not have been imposed but for the failure to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the holder or beneficial owner of that Note, if compliance is required by statute or by regulation of the United States or of any political subdivision or taxing authority thereof or therein as a precondition to relief or exemption from the tax, assessment or other governmental charge;

(f) any withholding tax imposed under Sections 1471 through 1474 of the Code or any agreement with the IRS pursuant to these Code sections, any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance implementing such sections and any analogous provisions of non-U.S. laws (including withholding resulting from any inter-governmental agreement or an individual agreement with a taxing authority in connection with such sections of the Code, regulations, guidance or laws);

(g) any tax, assessment or other governmental charge imposed by reason of Section 871(m) of the Code, and any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance implementing such section;

(h) any tax, assessment or other governmental charge imposed by reason of the holder's or beneficial owner's past or present status as the actual or constructive owner of 10 per cent. or more of the total combined voting power of all classes of stock entitled to vote of Morgan Stanley or as a direct or indirect subsidiary of Morgan Stanley; or

(i) any combination of the items listed above.

In addition, the relevant Issuer or Guarantor, if applicable, will not be required to make any payment of Additional Amounts with respect to any Note presented for payment by or on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the relevant Note to another paying agent in a Member State of the European Union.

Nor will Additional Amounts be paid with respect to any payment on a Note to a U.S. Alien who is a fiduciary or partnership or other than the sole beneficial owner of that payment to the extent that payment would be required by the laws of the United States (or any political subdivision thereof) to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary or a member of that partnership or a beneficial owner who would not have been entitled to the Additional Amounts had that beneficiary, settlor, member or beneficial owner been the Noteholder.

The term "**U.S. Alien**" means any person who, for U.S. federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

19.2 **MSI plc Notes, MSBV Notes and MSFL Notes**. All payments of principal and interest by MSI plc, MSBV, MSFL and the Guarantor in respect of MSI, MSBV or MSFL Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by (i) in the case where the Issuer is MSI plc, the United Kingdom; (ii) in the case where the Issuer is MSBV, the Netherlands; (iii) in the case where the Issuer is MSFL, the United States of America; or (iv) in the case of the Guarantor, the United States of America, in each case, any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. None of MSI plc, MSBV, MSFL or (in respect of MSBV and MSFL Notes) the Guarantor shall be required to make any additional payments on account of any such withholding or deductions, except if the applicable Final Terms specify "Additional Amounts" in respect of and subject as set out in Condition 19.1 (*Additional Amounts*) above.

19.3 **Implementation of Financial Transaction Tax**. If "Implementation of Financial Transaction Tax Event" is specified in the applicable Final Terms to be applicable to any Series of Notes, then upon the occurrence of an Implementation of Financial Transaction Tax Event, the Issuer may (i) in its reasonable discretion, with immediate effect amend the Conditions of the Notes by adjusting downward any amount payable and/or any other value or term of the Conditions to account for the economic impact of the Implementation of Financial Transaction Tax on the Issuer and its Affiliates in relation to the Notes, and (ii) to the extent that at any time thereafter the Issuer determines (acting in good faith and in a commercially reasonable manner) that it (including its Affiliates) has incurred additional loss as a result of the Implementation of Financial Transaction Tax Event that has not been accounted for through the adjustment made pursuant to sub-paragraph (i) (such amount, "**Additional Increased Tax**"), it may reduce the amount otherwise payable on the Notes on the next payment date (and any payment date thereafter) by an amount up to the Additional Increased Tax amount. Any such adjustments shall be notified to Noteholders as soon as reasonably practicable and in any event within 15 Business Days of such adjustments having been made. If an event or circumstance which would otherwise constitute a Change in Law or Increased Cost of Hedging (where applicable) also constitutes an Implementation of Financial Transaction Tax Event, it will be treated as an Implementation of Financial Transaction Tax Event.

20. **EVENTS OF DEFAULT**

20.1 **If any of the following events (each, an "Event of Default") occurs and is continuing:**

(a) ***Non-payment***: failure to pay any amount of principal in respect of the Notes within thirty days of the due date for payment thereof or failure to pay any amount of interest in respect of the Notes within thirty days of the due date for payment thereof; or

(b) ***Insolvency, etc.***: (i) the Issuer becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or the whole or a substantial part of the undertaking, assets and revenues of the Issuer is appointed (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent), (iii) the Issuer takes any action for a composition with or for the benefit of its creditors generally, or (iv) an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent), and such order or effective resolution has remained in force and has not been rescinded, revoked or set aside for sixty days after the date on which such order is made or effective resolution is passed,

then Noteholders of not less than 25 per cent. in aggregate principal amount of the Notes may, by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, declare the Notes to be immediately (or, in the case of Nordic Notes, on such later date on which the relevant Nordic Notes have been transferred to the account designated by the relevant Nordic Issuing Agent and blocked for further transfer by such Agent) due and payable, whereupon they shall become so due and payable at their Early Redemption Amount (or in accordance with any other provisions specified in the applicable Final Terms) without further action or formality. Notice of any such declaration shall promptly, and in any event not more than 10 Business Days after such declaration is made, be given to the Noteholders.

In the case of MSBV Notes and MSFL Notes, nothing herein contained shall be deemed to authorise any Noteholder to exercise any remedy against the applicable Issuer or the Guarantor solely as a result of, or because it is related directly or indirectly to, the insolvency of the Guarantor or the commencement of any proceedings relative to the Guarantor under Title 11 of the United States Bankruptcy Code, or the appointment of a receiver for the Guarantor under Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or the commencement of any other applicable federal or state bankruptcy, insolvency, resolution or other similar law, or solely as a result of, or because it is related directly or indirectly to, a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official having been appointed for or having taken possession of the Guarantor or its property, or solely as a result of, or because it is related directly or indirectly to, the institution of any other comparable judicial or regulatory proceedings relative to the Guarantor, or to the creditors or property of the Guarantor. Notwithstanding the foregoing, Noteholders are authorised to exercise any remedy against the relevant Issuer as a result of an Event of Default described in Section 20.1(b).

20.2 **Annulment of Acceleration and Waiver of Defaults**. In some circumstances, if any or all Events of Default, other than the non-payment of the principal of the Notes of a Series that has become due as a result of an acceleration, have been cured, waived or otherwise remedied, then the holders of a majority in principal amount of such Series of Notes (voting as one class) may annul past declarations of acceleration of or waive past defaults of the Notes. However, any continuing default in payment of principal of or any premium or interest on those Notes may not be waived.

21. **ILLEGALITY AND REGULATORY EVENT**

21.1 If this Condition 21 is specified in the Final Terms to be applicable to a Series of Notes, the Issuer shall have the right to redeem the Notes early (at the amount specified in the applicable Final Terms), if it shall have determined that:

(a) its performance thereunder, or, if applicable, the Guarantor's performance of its obligation under the Guarantee, shall have become or will be unlawful in whole or in part as a result of compliance in good faith by the Issuer, or, if applicable, the Guarantor, with any applicable

present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power ("**applicable law**") (an "**Illegality Event**"); or

(b) in respect of Notes issued by MSBV only, a Regulatory Event has occurred.

21.2 If Condition 21 is specified in the Final Terms to be applicable to a Series of Notes and, subject to the conditions set out in Condition 21.1 above, the Issuer determines that the Notes shall be redeemed early in accordance with this Condition 21, the Issuer shall give not less than five Business Days' notice to the Noteholders informing them that either an Illegality Event or, in respect of Notes issued by MSBV only, a Regulatory Event, as applicable, has occurred, as a result of which the Notes shall be redeemed early on the date specified for redemption in such notice. In such circumstances the Issuer will, if and to the extent permitted by applicable law, pay to each Noteholder in respect of each Note held by such Noteholder an amount determined by the Determination Agent, in its reasonable discretion, as representing either:

(i) the fair market value of such Note immediately prior to such redemption (ignoring such Illegality Event or Regulatory Event) less the cost to the Issuer (or its Affiliates) of, or the loss realised by the Issuer (or its Affiliates) on, unwinding any related underlying hedging arrangements, the amount of such cost or loss being as determined by the Determination Agent in its reasonable discretion, if "Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs" is specified in the Final Terms;

(ii) the fair market value of such Note immediately prior to such redemption (ignoring such Illegality Event or Regulatory Event), if "Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value" is specified in the Final Terms; or

(iii) the Calculation Amount of such Note, if "Early Redemption Amount (Illegality and Regulatory Event) – Par" is specified in the Final Terms. The Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of the amount determined by the Determination Agent to be payable in accordance with the provisions above, based on the elections made in the applicable Final Terms.

21.3 The Issuer shall also, as soon as reasonably practicable under the circumstances and in any event within 15 Business Days of such event occurring, notify the Fiscal Agent and the Determination Agent of the occurrence of an Illegality Event or, in respect of Notes issued by MSBV only, a Regulatory Event, as applicable.

22. PRESCRIPTION

22.1 **Prescription in Respect of Registered Notes**: Claims for principal and interest on redemption in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within 10 years of the appropriate Relevant Date.

22.2 **Prescription in Respect of Nordic Notes**: Claims for principal in respect of the Swedish Notes shall become void unless made within a period of 10 years after the appropriate Relevant Date. Claims for interest in respect of the Swedish Notes shall become void unless made within a period of five years after the appropriate Relevant Date. Claims for principal and/or interest in respect of Finnish Notes shall become void unless made within a period of three years after the appropriate Relevant Date.

22.3 **Prescription in Respect of Uncertificated Notes**: Claims for principal and interest in respect of Uncertificated Notes shall become void unless made within a period of 10 years after the appropriate Relevant Date.

23. REPLACEMENT OF NOTES

If any Note or Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Registrar, during normal business hours (and, if the Notes are then admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Transfer Agent in any

particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system), subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Note Certificates must be surrendered before replacements will be issued.

24. **AGENTS**

24.1 In acting under the Issue and Paying Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders. All calculation and determination functions required of the relevant Agent may be delegated to such persons as the relevant Agent may decide and all notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the Notes by the Agents or the Issuer shall (in the absence of manifest error or wilful misconduct) be binding on the Issuer and the Noteholders and (subject as aforesaid) no liability to the Noteholders (or any of them) shall attach to the Agents or the Issuer in connection with the exercise or non-exercise by any of them of their powers, duties and discretions for such purposes.

24.2 In acting under the SEB Issuing and Paying Agent Agreement, the Nordic Issuing Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

24.3 In acting under the Euroclear Agreement, the Euroclear Registrar acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

24.4 The initial Agents, the Nordic Issuing Agent and the Euroclear Registrar and their initial Specified Office are listed below on the inside back cover of this Base Prospectus. The initial Calculation Agent is The Bank of New York Mellon. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent, the Nordic Issuing Agent and the Euroclear Registrar and to appoint a successor Fiscal Agent or Registrar or Calculation Agent or Nordic Issuing Agent or Euroclear Registrar and additional or successor paying agents; provided, however, that:

(a) there shall at all times be a Registrar and, in the case of Uncertificated Notes, a Euroclear Registrar appointed in respect of the Notes;

(b) if a Calculation Agent is specified in the applicable Final Terms, the Issuer shall at all times maintain a Calculation Agent;

(c) if a Determination Agent is specified in the applicable Final Terms, the Issuer shall at all times maintain a Determination Agent;

(d) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Issuer shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system; and

(e) so long as there is any Tranche of Nordic Notes outstanding, there will at all times be an NCSD duly authorised as a central securities depository under the relevant NCSD Rules and a Nordic Issuing Agent in respect of the relevant Tranche of Nordic Notes.

24.5 Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly, and in any event not more than 15 Business Days after any such change has been confirmed, be given to the Noteholders in accordance with Condition 27 (*Notices*).

25. MEETINGS OF NOTEHOLDERS AND MODIFICATION

25.1 **Meetings of Noteholders**: The Issue and Paying Agency Agreement (or in the case of Uncertificated Notes, the Euroclear Agreement) contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of the Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented, provided, however, that Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

25.2 **Modification**

(a) The Notes, the Conditions, the Guarantee and the Deeds of Covenant may be amended without the consent of the Noteholders where, in the reasonable opinion of the Issuer:

(i) the amendment is to correct a manifest error or to effect a modification which is of a formal, minor or technical nature; or

(ii) the amendment is not materially prejudicial to the interest of the Noteholders.

(b) The parties to the Issue and Paying Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in its opinion, not materially prejudicial to the interests of the Noteholders.

25.3 **Interests of Noteholders**: In connection with the Conditions, the Issuer and the Fiscal Agent shall have regard to the interests of the Noteholders as a class. In particular, but without limitation, the Issuer and the Fiscal Agent shall not have regard to the consequences for individual Noteholders resulting from such individual Noteholders being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory.

25.4 **Severance**: Should any of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not be affected in any way.

26. FURTHER ISSUES

Any of the Issuers may from time to time, without the consent of the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

27. NOTICES

27.1 Registered Notes: Notices to holders of Registered Notes in definitive form shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. Notices to holders of Registered Notes in global form shall be sent to them by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other Relevant Clearing System for communication by them to the holders of the

Notes. To the extent the Registered Notes are admitted to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Regulated Market, notices to holders will be published in accordance with the rules of the Luxembourg Stock Exchange, and, if permitted by the rules and regulations of the Luxembourg Stock Exchange, on the Issuer's website at http://sp.morganstanley.com/EU/Documents.

27.2 Nordic Notes: All notices to holders of Nordic Notes shall be valid if so published or mailed to their registered addresses appearing on the relevant NCSD Register.

27.3 Uncertificated Notes: Notices to holders of Uncertificated Notes shall be sent to the address of the Noteholder appearing in the Record on the second Business Day immediately prior to despatch of such notice, by first class post or, if such address is not in the United Kingdom, by airmail post (any such notice to be delivered or sent at the risk of the relevant Noteholder).

27.4 Unlisted Notes: Notices to Noteholders of non-listed Notes may be published, as specified in the applicable Final Terms, in newspapers, on the Issuer's website at http://sp.morganstanley.com/EU/Documents, or otherwise.

27.5 Notwithstanding any other provision in the Conditions, any failure by the Issuer, the Calculation Agent, the Determination Agent or any other party to provide Noteholders with any notice due to be given to Noteholders in accordance with the Conditions shall not of itself affect the validity of the determination, adjustment, event or any other occurrence to which such notice relates.

28. LOSSES

In no event shall the Issuer, the Guarantor (if applicable) or the Agents have any liability for indirect, incidental, consequential or other damages (whether or not it may have been advised of the possibility of such damages) other than interest until the date of payment on sums not paid when due in respect of any Notes or assets not delivered when due. Noteholders are entitled to damages only and are not entitled to the remedy of specific performance in respect of any Note.

29. CURRENCY INDEMNITY

29.1 If any sum due from the Issuer in respect of the Notes or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under the Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

29.2 This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

30. ROUNDING

For the purposes of any calculations referred to in the Conditions (unless otherwise specified in the Conditions or the applicable Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. rounded up to 0.00001 per cent.), (b) all U.S. Dollars amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent rounded upward), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downward to the next lower whole Japanese Yen amount and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency (with 0.005 rounded up to 0.01).

31. REDENOMINATION, RENOMINALISATION AND RECONVENTIONING

31.1 **Application**: This Condition 31 (*Redenomination, Renominalisation and Reconventioning*) is applicable to the Notes only if it is specified in the applicable Final Terms as being applicable.

31.2 **Notice of redenomination**: If the country of the Specified Currency becomes, or announces its intention to become, a Participating Member State, the Issuer may, without the consent of the Noteholders, on giving at least 15 Business Days' prior notice to the Noteholders and the Paying Agents (or, in the case of Uncertificated Notes, the Euroclear Registrar), designate a date (the "**Redenomination Date**"), being an Interest Payment Date under the Notes falling on or after the date on which such country becomes a Participating Member State.

31.3 **Redenomination**: Notwithstanding the other provisions of the Conditions, with effect from the Redenomination Date the Notes shall be deemed to be redenominated into euro in the denomination of euro 0.01 with a principal amount for each Note equal to the principal amount of that Note in the Specified Currency, converted into euro at the rate for conversion of such currency into euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Community regulations); provided, however, that, if the Issuer determines, with the agreement of the Fiscal Agent that the then market practice in respect of the redenomination into euro 0.01 of internationally offered securities is different from that specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly, and in any event within not more than 15 Business Days of the Issuer making such determination, notify the Noteholders, each listing authority, stock exchange and/or quotation system (if any) by which the Notes have been admitted to listing, trading and/or quotation and the Paying Agents of such deemed amendments.

31.4 **Interest**: Following redenomination of the Notes pursuant to this Condition 31 (*Redenomination, Renominalisation and Reconventioning*), where Notes have been issued in definitive form, the amount of interest due in respect of such Notes will be calculated by reference to the aggregate principal amount of the Notes presented for payment by the relevant holder.

31.5 **Interest Determination Date**: If the Floating Rate Note Provisions are specified in the applicable Final Terms as being applicable and Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Floating Interest Rate(s) is/are to be determined, with effect from the Redenomination Date the Interest Determination Date shall be deemed to be the second TARGET Settlement Day before the first day of the relevant Interest Period.

32. INCONVERTIBILITY EVENTS

32.1 If, in respect of any Series of Notes, the applicable Final Terms specifies that "Inconvertibility Event Provisions" are applicable, this Condition 32 (*Inconvertibility Events*) shall apply in respect of such Notes.

32.2 If, at any time during the term of such Series of Notes, the Determination Agent determines, acting in good faith and a commercially reasonable manner, that an Inconvertibility Event has occurred, it will inform the Issuer of the occurrence of such event. Following the determination by the Determination Agent of the occurrence of an Inconvertibility Event, the Issuer shall, not more than 15 Business Days after the occurrence of such an event, provide a notice (a "**Notice of Inconvertibility**") of the occurrence of such an event of inconvertibility to the holders of the Notes in accordance with Condition 27 (*Notices*) electing either:

(a) If "**Converted Payment**" is specified in the applicable Final Terms: to continue making any payments due under such Notes until the Maturity Date, in which case, any amount due under such Notes shall be converted from the Relevant Currency into the Inconvertibility Specified Currency at the Fallback FX Spot Rate determined by the Determination Agent in its reasonable discretion; or

(b) If "**Early Redemption**" is specified in the applicable Final Terms: to early terminate the Notes on a specified date (such date, the "**Inconvertibility Early Redemption Date**"), in which case

the Notes shall early redeem at the Inconvertibility Early Redemption Amount on such Inconvertibility Early Redemption Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount; or

(c) If "**Suspended Payment**" is specified in the applicable Final Terms: to suspend the payment until such number of Business Days as are specified in the applicable Final Terms after the Determination Agent has notified the Issuer that, in the Determination Agent's reasonable discretion, the Inconvertibility Event has ceased or is no longer in effect.

provided that the Issuer may, at any time from and including the Trade Date to and including the Maturity Date, subsequent to the despatch of a notice electing one of the selected options other than "Early Redemption", dispatch a second notice electing "Early Redemption", **provided that** such option was specified as applicable in the applicable Final Terms, in which case the Notes will be redeemed in accordance with the terms of "Early Redemption" above and the date specified in such notice will be the Inconvertibility Early Redemption Date.

For the avoidance of doubt, failure to deliver such notice or the failure of the recipient to receive such notice will not affect the Issuer's ability to make payments according to the option it selected.

32.3 Definitions:

An "**Inconvertibility Event**" shall be deemed to have occurred if from (and including) the Trade Date to (and including) the Maturity Date, any event or circumstance occurs that generally makes it, in the reasonable discretion of the Determination Agent, impossible, unlawful or impracticable for the Issuer, the Determination Agent or any of its Affiliates for any reason beyond their reasonable control:

(i) to convert the Relevant Currency into the Inconvertibility Specified Currency or the Inconvertibility Specified Currency into the Relevant Currency (whether directly or through a cross exchange rate) through customary legal channels; or

(ii) to determine the rate of conversion of the Inconvertibility Specified Currency into the Relevant Currency or the Relevant Currency into the Inconvertibility Specified Currency or

(iii) to transfer, or make a payment in, or delivery of, the Relevant Currency from or to, outside, or inside, of the Relevant Jurisdiction, in each case under (i), (ii) or (iii), in an amount up to the total amount of payment due to be made by the Issuer under the Notes; or

(iv) to determine a rate at which any Relevant Currency can be lawfully exchanged for U.S. Dollars; or

(v) to convert any Relevant Currency into U.S. Dollars; or

(vi) to exchange or repatriate any funds outside of any jurisdiction in which any of the Relevant Underlying, or each Basket Component, is issued; or

(vii) for the Issuer or any of its Affiliates to hold, purchase, sell or otherwise deal in any Notes, or any other property in order for the Issuer or any of its Affiliates to perform any related hedging arrangement, or for the purposes of the Issuer or the Issuer's obligations in respect of any Notes;

"**Basket Component**" has the meaning given to such term in Section 1 (*General*) of the Additional Terms and Conditions;

"**Inconvertibility Early Redemption Amount**" means in respect of any Note:

(i) an amount specified as such in the applicable Final Terms;

(ii) if "**Early Redemption Amount Less Costs**" is specified in the applicable Final Terms, an amount equal to (i), the Early Redemption Amount (as defined in Condition 2.1 (*Definitions*)), (ii) converted from the Relevant Currency into the Inconvertibility Specified Currency at the exchange rate (expressed as a number of the Relevant Currency per one unit of the Inconvertibility Specified Currency) determined by the Determination

Agent in its reasonable discretion for settlement on or about the relevant payment date and (iii) less the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate in respect of break funding costs for the Issuer term financing associated with such early redemption of the Notes, in each case as calculated by the Determination Agent in its reasonable discretion;

(iii) if "**Early Redemption Amount**" is specified in the applicable Final Terms, an amount equal to the Early Redemption Amount (as defined in Condition 2.1 (*Definitions*)) converted from the Relevant Currency into the Inconvertibility Specified Currency at the exchange rate (expressed as a number of the Relevant Currency per one unit of the Inconvertibility Specified Currency) determined by the Determination Agent in its reasonable discretion for settlement on or about the relevant payment date, as calculated by the Determination Agent in its reasonable discretion;

(iv) if "**Fair Market Value Less Costs** is specified in the applicable Final Terms, an amount, in the Inconvertibility Specified Currency, equal to the fair market value of such Notes, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the Inconvertibility Early Redemption Date), 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 or in respect of break funding costs for the Issuer's term financing associated with such early redemption of the Notes, in each case as calculated by the Determination Agent in its reasonable discretion; or

(v) if "**Fair Market Value**" is specified in the applicable Final Terms, an amount, in the Inconvertibility Specified Currency, equal to the fair market value of such Notes, on such day as is selected by the Determination Agent in its reasonable discretion (**provided that** such day is not more than 15 days before the Inconvertibility Early Redemption Date), as calculated by the Determination Agent in its reasonable discretion.

"**Fallback FX Spot Rate**" means the relevant currency exchange rate determined in accordance with the applicable Settlement Rate Option and, if a Settlement Rate Option is not applicable, the currency exchange rate at the time at which such rate is to be determined for foreign exchange transactions in the Specified Currency or the Inconvertibility Specified Currency for value on the relevant Inconvertibility Early Redemption Date, as determined in good faith and in a commercially reasonable manner by the Determination Agent;

"**Inconvertibility Specified Currency**" means the currency specified in the applicable Final Terms;

"**Relevant Currency**" means the currency as specified in the applicable Final Terms, and, if none is specified, the currency in (i) if the Relevant Underlying is an Index or a Basket of Indices, a Currency in which any of the securities which comprise any such Index is denominated, or (ii) in all other cases, the currency in which the Relevant Underlying (or any Basket Component) is denominated;

"**Relevant Jurisdiction**" means the jurisdiction as specified in the applicable Final Terms; and

"**Relevant Underlying**" has the meaning given to such term in Section 1 (*General*) the Additional Terms and Conditions.

33. **CNY DISRUPTION EVENTS**

33.1 If this Condition 33.1 (*CNY Disruption Events*) is specified as applicable in the applicable Final Terms, in the event that a CNY Disruption Event, as determined by the Determination Agent in its reasonable discretion, occurs on or prior to any date on which a payment is scheduled to be made under a CNY Note (including, but not limited to, an Interest Payment Date or the Maturity Date) and such CNY Disruption Event is continuing on such date (any such CNY Note so affected, an "**Affected CNY Note**"), the following terms will apply:

(a) first, payments under the Affected CNY Note shall be postponed to two Hong Kong Business Days after the date on which the CNY Disruption Event ceases to exist, unless that CNY Disruption Event continues to exist for 14 consecutive calendar days from the original date that,

but for the occurrence of the CNY Disruption Event, would have been the date for such payments (which payment date may be, but is not limited to, an Interest Payment Date or the Maturity Date). In that case, the provisions of sub-paragraph (b) below will apply on the day immediately following the lapse of such 14 calendar day period; and

(b) second, the relevant payment obligations under the Affected CNY Note shall be replaced by an obligation to pay an amount equal to the amount that would be due in CNY under the Affected CNY Note converted into an amount in USD as calculated by the Determination Agent in its reasonable discretion. All the payments hereunder shall be made in USD on the relevant Non-Deliverable Substitute Settlement Date. For the avoidance of doubt, this sub-paragraph (b) shall only apply to any payment which is scheduled to occur on a date (which may be, but is not limited to, the Maturity Date or an Interest Payment Date) that is affected by the CNY Disruption Event and shall not affect any payments falling due on any other dates.

33.2 For the purpose of this Condition 33 (*CNY Disruption Events*):

"**CNY Disruption Event**" means any of CNY Illiquidity, CNY Inconvertibility or CNY Non-Transferability.

"**CNY Illiquidity**" means, as determined by the Determination Agent in its reasonable discretion, the occurrence of any event that makes it impossible (where it had previously been possible) for the Issuer to obtain a firm quote of an offer price in respect of an amount in CNY equal to the then aggregate outstanding principal amount of the relevant Affected CNY Notes, any interest or any other amount to be paid under such Notes (the "**Relevant Disrupted Amount**"), during the term of such Notes, either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such Relevant Disrupted Amount, in the general CNY exchange market in each Offshore CNY Centre in order to perform its obligations under the Affected CNY Notes.

"**CNY Inconvertibility**" means, as determined by the Determination Agent in its reasonable discretion, the occurrence of any event that makes it impossible (where it had previously been possible) for the Issuer to convert an amount of CNY no less than the Relevant Disrupted Amount into or from USD in the general CNY exchange market in each Offshore CNY Centre.

"**CNY Non-Transferability**" means, as determined by the Determination Agent in its reasonable discretion, the occurrence in each Offshore CNY Centre of any event that makes it impossible (where it had previously been possible) for the Issuer to transfer CNY (a) between accounts inside the Offshore CNY Centre, (b) from an account inside the Offshore CNY Centre to an account outside such Offshore CNY Centre and outside mainland China, or (c) from an account outside an Offshore CNY Centre and outside mainland China to an account inside the Offshore CNY Centre. For the purpose of CNY Non-Transferability and Hong Kong as an Offshore CNY Centre only, a segregated Chinese Renminbi fiduciary cash account with the People's Bank of China and operated by Bank of China (Hong Kong) Limited shall be deemed to be an account inside Hong Kong.

"**Hong Kong Business Day**" means any day, other than a Saturday or a Sunday, that is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close in Hong Kong.

"**Non-Deliverable Substitute Settlement Date**" means, subject to adjustment in accordance with the provisions of Condition 33.1(b) and/or any Business Day Convention applicable to the terms of an Affected CNY Note, the day determined by the Determination Agent which shall be as soon as practicable following the date on which the relevant payment was scheduled to be made in respect of such Affected CNY Note, and which shall be in no event later than two (2) Hong Kong Business Days after the date on which the amount payable in USD in respect of such Affected CNY Note is determined by the Determination Agent pursuant to Condition 33.1(b).

"**Offshore CNY Centre**" means Hong Kong, or such other CNY Centre as specified in the applicable Final Terms.

For the avoidance of doubt, references to "general CNY exchange market in each Offshore CNY Centre" in the definitions of CNY Illiquidity and CNY Inconvertibility refers to purchase, sale, lending or borrowing of CNY for general purpose (including, but not limited to, funding), and therefore any purchase or sale of CNY where such CNY is required by relevant laws or regulations for settlement of any cross-border trade transaction with an entity in mainland China, or any purchase or sale of CNY for personal customers residing in each such Offshore CNY Centre, would not be purchase or sale made in such general CNY exchange market.

34. SUBSTITUTION

34.1 *Substitution of Issuer with Morgan Stanley Group entities*

Subject to the conditions set out in this Condition 34 (*Substitution*), but without the consent of Noteholders, each Issuer may, where the Issuer is:

(a) Morgan Stanley, substitute a subsidiary of Morgan Stanley in place of Morgan Stanley as principal debtor under the Notes, provided that any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor);

(b) MSI plc, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSI plc as principal debtor under the Notes, provided that, unless Morgan Stanley is the substitute issuer, any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSI plc as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSI plc (as guarantor);

(c) MSBV, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSBV as principal debtor under the Notes, provided that, unless Morgan Stanley is the substitute issuer, any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor); or

(d) MSFL, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSFL as principal debtor under the Notes, provided that, unless Morgan Stanley is the substitute issuer, any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor).

34.2 *Substitution of Issuer or Guarantor with non Morgan Stanley Group entities*

If this Condition 34.2 is specified in the Final Terms to be applicable to a Series of Notes, subject to the conditions set out in this Condition 34, including the rights of Noteholders under Condition 34.6 (*Right to Redemption in respect of substitutions with non Morgan Stanley Group entities*), but without the consent of Noteholders, the Issuer or the Guarantor (in the case of MSBV or MSFL Notes) may, in the event that the Issuer or the Guarantor (as the case may be)

has determined that any of the following events has occurred in respect of the Issuer or the Guarantor (as the case may be): an insolvency, receivership or equivalent event under the jurisdiction of the Issuer or the Guarantor (as the case may be); a divestment mandated for regulatory reasons; any action being required to satisfy any regulatory licensing requirements; or a change of control (each a "**Substitution Event**"), substitute for itself any entity which is not a Morgan Stanley Group entity, provided that such entity has a long term credit rating from at least one rating agency of standard application on the international capital markets (including but not limited to S&P, Moody's and Fitch) which is at least as high as the long term credit rating of the relevant Issuer or Guarantor (as the case may be) being substituted immediately prior to the occurrence of the relevant Substitution Event). Notwithstanding the foregoing, for any Series of Notes in respect of which Morgan Stanley is the Issuer, Morgan Stanley may not be substituted as Issuer with any entity which is not a Morgan Stanley Group entity within one year of the Issue Date of such Notes.

34.3 *Conditions to substitution*

Substitution of an Issuer or Guarantor for another entity (the "**Substitute**") as provided in Condition 34.1 (*Substitution of Issuer with Morgan Stanley Group entities*) or 34.2 (*Substitution of Issuer or Guarantor with non Morgan Stanley Group entities*) above (as applicable) are subject to the following conditions:

(a) the Substitute becoming party to the Issue and Paying Agency Agreement with any appropriate consequential amendments, as if it had been an original party to it in place of the relevant Issuer or the Guarantor (as the case may be);

(b) the Substitute is validly existing under the laws under which it is established or incorporated, has capacity to assume all rights, obligations and liabilities under the Notes, receipts, coupons and Guarantee, as applicable, and has obtained all necessary corporate authorisations to assume all such rights, obligations and liabilities under the Notes or Guarantee (as applicable);

(c) the Substitute has obtained all necessary governmental or regulatory approvals and consents for the performance by it of its obligations in connection with the Notes or Guarantee (as applicable) and that all such approvals and consents are in full force and effect and that the Substitute and the Notes comply with all applicable requirements of the Securities Act;

(d) in the case of substitution of an Issuer or Guarantor pursuant to Condition 34.2 (*Substitution of Issuer or Guarantor with non Morgan Stanley Group entities*) above only:

(i) the Substitute and the relevant Issuer having obtained (a) legal opinions from independent legal advisers of recognised standing in the country of incorporation of the Substitute and in England that the obligations of the Substitute, in the case of a substitution of an Issuer, under the Notes and the relevant Deed of Covenant, or, in New York in the case of a substitution of the Guarantor under the Deed of Guarantee, are legal, valid and binding obligations of the Substitute and (b) in the case of the substitution of the Issuer which is MSBV or MSFL (or any substitute thereof), a legal opinion from an independent legal adviser in New York of recognised standing, that the Deed of Guarantee will apply to the Substitute mutatis mutandis as it applies to the Issuer prior to the substitution and will constitute legal, valid and binding obligations of the Guarantor, in respect of the Substitute, provided that no opinion as referred to in this sub paragraph (d) shall be required where the Substitute is the Guarantor with respect to MSBV Notes or MSFL Notes; and

(ii) if the relevant Notes are rated at the relevant time, the Substitute has obtained, prior to the substitution date, acknowledgement from the relevant rating agencies that the substitution will not result in whole or in part in a withdrawal, downgrading, placement in creditwatch or negative outlook of the Notes;

(e) the Fiscal Agent has confirmed to the relevant Issuer or Guarantor (as the case may be) that it has completed its relevant "know your customer" requirements on the proposed Substitute;

(f) such substitution being permitted by the rules of any stock exchange on which the Notes are listed and each such stock exchange confirming that, following the proposed substitution of the Substitute, the Notes will continue to be listed on such stock exchange;

(g) no payment in respect of the Notes, receipts and coupons is overdue at the relevant time;

(h) at the time of any such substitution, the Substitute is in a position to fulfil all payment obligations arising from or in connection with the Notes in freely convertible and transferable lawful money without the necessity of any taxes or duties to be withheld at source, and to transfer all amounts which are required therefor to the Fiscal Agent without any restrictions;

(i) if appropriate, the Substitute appointing a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes;

(j) in respect of Notes which benefit from the Guarantee, such Notes shall continue to benefit from the Guarantee following substitution of the Issuer and/or the Guarantor (as the case may be), pursuant to this Condition 34; and

(k) in respect of Nordic Notes, the relevant NCSD has given its consent to the substitution.

34.4 *Reference in the Conditions to the Issuer or the Guarantor (as the case may be)*

In the event of a substitution pursuant to this Condition 34, any reference in the Conditions to the relevant Issuer or the Guarantor (as the case may be) shall be construed as a reference to the entity substituted.

34.5 *Notification to Noteholders of substitutions with Morgan Stanley Group entities*

The relevant Issuer shall as soon as reasonably practicable, and in any event not more than 15 Business Days after the date on which a substitution pursuant to Condition 34.1 (*Substitution of Issuer with Morgan Stanley Group entities*) has taken place, notify Noteholders of such substitution in accordance with Condition 27 (*Notices*).

34.6 *Right to Redemption in respect of substitutions with non Morgan Stanley Group entities*

(a) With respect to the right of substitution referred to in Condition 34.2 (*Substitution of Issuer or Guarantor with non Morgan Stanley Group entities*), the Issuer shall provide at least 60 calendar days' notice of any substitution under such Condition to Noteholders in accordance with Condition 27 (*Notices*). Noteholders who object to the substitution will have the right to require the Issuer to redeem their Notes at a price determined in accordance with the provisions of this Condition 34.6, by providing notice of their intention to exercise such right in the manner set out in this Condition 34.6 (the "**Right to Redemption**").

(b) The redemption of any Notes in respect of which the Right to Redemption has been exercised by Noteholders shall take place 10 Business Days prior to the relevant substitution becoming effective (the "**Substitution Redemption Date**"). The Issuer shall redeem any Notes in respect of which the Right to Redemption has been exercised at a price equal to (i) in the case of Notes the terms of which provide for the repayment in full of principal at maturity, the Replacement Value of such Notes or (ii) in every other case, the fair market value of such Notes on the day on which the relevant Right to Redemption Notice is deposited, in accordance with the provisions of this Condition 34.6, as determined by the Determination Agent in its reasonable discretion, together with interest (if any) accrued to such date (to the extent that such interest is not otherwise taken into account in determining the fair market value of such Notes).

For the purpose of this Condition 34.6, "**Replacement Value**" means an amount determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, as at the day on which the relevant Right to Redemption Notice is deposited in accordance with the provisions of this Condition 34.6 to be the amount that a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to the Notes as if the relevant Substitution Event described in Condition 34.2 (*Substitution of Issuer or Guarantor with non Morgan Stanley Group entities*) and the substitution described in this Condition 34 had

not occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Notes.

(c) In order to exercise the option contained in this Condition 34.6 the holder of a Note (other than an Uncertificated Note) must, not less than 15 Business Days before the date on which the substitution is due to take place (the "**Substitution Date**"), deposit such Note (together with all unmatured Coupons relating thereto) with the Registrar, and a duly completed Right to Redemption Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Right to Redemption Receipt to the depositing Noteholder. In respect of Nordic Notes, the Right to Redemption Notice shall not take effect against the Issuer before the date on which the relevant Nordic Notes have been transferred to the account designated by the Nordic Issuing Agent and blocked for further transfer by the relevant Nordic Issuing Agent. No Note, once deposited with a duly completed Right to Redemption Notice in accordance with this Condition 34.6, may be withdrawn; provided, however, that if, prior to the relevant Substitution Redemption Date, any such Note becomes due and payable or, upon due presentation of any such Note on the relevant Substitution Redemption Date, payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Right to Redemption Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Right to Redemption Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 34.6, the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

(d) In order to exercise the option contained in this Condition 34.6 the holder of an Uncertificated Note must, not less than 15 Business Days before the relevant Substitution Date, deposit with the Euroclear Registrar a duly completed Right to Redemption Notice in the form obtainable from the Euroclear Registrar. The Euroclear Registrar with which a Right to Redemption Notice is so deposited shall deliver a duly completed Right to Redemption Receipt to the depositing Noteholder. Once deposited a duly completed Right to Redemption Notice may not be withdrawn; provided, however, that if, prior to the relevant Substitution Redemption Date, the related Note becomes due and payable or, upon the relevant Substitution Redemption Date, payment of the redemption moneys is improperly withheld or refused, the Euroclear Registrar shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Right to Redemption Notice and the relevant depositing Noteholder and not the Euroclear Registrar shall be deemed to be the holder of such Note for all purposes in such case.

(e) Notwithstanding the foregoing, in respect of any Series of Notes for which Morgan Stanley is the Issuer, Noteholders shall only have the right to submit a Right to Redemption Notice from the date which is one calendar year after the Issue Date of such Notes.

(f) Any payments made to Noteholders in accordance with this Condition 34.6 shall be made in accordance with the provisions of Condition 16 (*Payments – Registered Notes*) or Condition 17 (*Payments – Uncertificated Notes*), as applicable.

35. REPRESENTATIONS AND ACKNOWLEDGEMENTS BY NOTEHOLDERS

Each Noteholder shall be deemed to represent and acknowledge to the Issuer on acquiring any Notes that:

35.1 neither the Issuer nor any Affiliate or any of their agents is acting as a fiduciary for it or provides investment, tax, accounting, legal or other advice in respect of the Notes and that such Noteholder and its advisors are not relying on any communication (written or oral and including, without limitation, opinions of third party advisors) of the Issuer or any Affiliate as (i) legal, regulatory, tax, business, investment, financial, accounting or other advice, (ii) a recommendation to invest in any Notes or (iii) an assurance or guarantee as to the expected results of an investment in the Notes (it being understood that information and explanations related to the terms and conditions of the Notes shall not be considered to be any such advice,

recommendation, assurance or guarantee and should be independently confirmed by the recipient and its advisors prior to making any such investment);

35.2 such Noteholder (i) has consulted with its own legal, regulatory, tax, business, investments, financial and accounting advisors to the extent that it has deemed necessary, and has made its own investment, hedging, and trading decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer or any Affiliate or any of their agents and (ii) is acquiring the Notes with a full understanding of the terms, conditions and risks thereof and it is capable of and willing to assume those risks; and

35.3 the Issuer and/or any Affiliates may have banking or other commercial relationships with issuers of any securities to which the Notes relate and may engage in proprietary trading in any securities, indices, fund interests or other property to which the Notes relate or options, futures, derivatives or other instruments relating thereto (including such trading as the Issuer and/or any Affiliate deem appropriate in their reasonable discretion to hedge the market risk on the Notes and other transactions between the Issuer and/or any Affiliates and any third parties), and that such trading (i) may affect the price or level thereof and consequently the amounts payable under the Notes and (ii) may be effected at any time, including on or near any Valuation Date, Observation Date, Interest Determination Date, Determination Date or Averaging Date.

36. GOVERNING LAW AND JURISDICTION

36.1 **Governing Law**: The Notes and any non-contractual obligations arising out of or in connection with them shall be governed by and construed in accordance with English law.

36.2 **Jurisdiction**: Each of Morgan Stanley, MSI plc, MSBV and MSFL agrees for the benefit of the Noteholders that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

36.3 **Appropriate Forum**: Each of Morgan Stanley, MSBV and MSFL irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

Process Agent: Each of Morgan Stanley, MSBV and MSFL agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to (i) in the case of Morgan Stanley and MSBV, Morgan Stanley & Co. International plc, 25 Cabot Square, Canary Wharf, London E14 4QA or, if different, its registered office for the time being and (ii) in the case of MSFL, Morgan Stanley (UK) Limited, 25 Cabot Square, Canary Wharf, London E14 4QA or, if different, its registered office for the time being or (iii) at any address of the relevant Issuer in Great Britain at which process may be served on it in accordance with Part 34 of the Companies Act 2006. If such Person is not or ceases to be effectively appointed to accept service of process on behalf of any Issuer, such Issuer shall, on the written demand of any Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, appoint another Person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Noteholder shall be entitled to appoint such a Person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law.

37. RIGHTS OF THIRD PARTIES

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

PART 2 - ADDITIONAL TERMS AND CONDITIONS

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Section 1

General

1. Additional Terms and Conditions

These Additional Terms and Conditions ("**Additional Terms and Conditions**" or "**Additional Conditions**") contain additional terms and conditions which may be applicable to a Series of Notes if and to the extent so specified or indicated in the applicable Final Terms, and which relate to, among other matters, amounts scheduled to be payable in respect of such Notes.

2. Linked Notes and Relevant Underlying

As used herein, Equity-Linked Notes, Commodity-Linked Notes, Currency-Linked Notes, Inflation-Linked Notes, Fund-Linked Notes and Preference Share-Linked Notes are collectively referred to as "**Linked Notes**" and, in relation to each Series of Linked Notes, "**Relevant Underlying**" means the share(s), equity index(es), exchange traded fund(s), commodity, commodity indices, currencies, inflation index(es), fund(s) and/or preference shares of a company not affiliated to the Issuer, specified in the applicable Final Terms as the Share, the Basket of Shares, the Index (for Equity-Linked Notes), the Basket of Indices (for Equity-Linked Notes), the ETF Interest, the Basket of ETF Interests, the Commodity, the Basket of Commodities, the Commodity Index, the Basket of Commodity Indices (for Commodity-Linked Notes), the Currency Pair, the Inflation Index (for Inflation-Linked Notes), the Funds, the Basket of Fund Interests and/or the Preference Shares and, where the context so permits, each such share, index, exchange traded fund, commodity, commodity index, currency, inflation index, fund, fund interest or preference share.

3. Single Underlying

Where certain provisions in these Additional Terms and Conditions are expressed as applying to Notes linked to a "**Single Underlying**", such provisions only apply to Linked Notes in respect of which the Relevant Underlying is comprised of (i) if such Notes are Share-Linked Notes, a single Share, (ii) if such Notes are Index-Linked Notes, a single Equity Index, (iii) if such Notes are ETF-Linked Notes, a single ETF Interest, (iv) if such Notes are Commodity-Linked Notes, a single Commodity or Commodity Index, (v) if such Notes are Currency-Linked Notes, a Currency Pair, (vi) if such Notes are Inflation-Linked Notes, a single Inflation Index, (vii) if such Notes are Fund-Linked Notes, a single Fund Interest or (viii) if such Notes are Preference Share-Linked Notes, a single Preference Share and references to "**Single Underlying**" shall be to such Share, Equity Index, ETF Interest, Commodity, Commodity Index, Currency Pair, Inflation Index, Fund Interest or Preference Share, as applicable.

4. Basket and Basket Component

Where certain provisions in these Additional Terms and Conditions are expressed as applying to Notes linked to a "**Basket**", such provisions only apply to Linked Notes in respect of which the Relevant Underlying is comprised of (i) if such Notes are Share-Linked Notes, a basket of Shares, (ii) if such Notes are Index-Linked Notes, a basket of Equity Indices, (iii) if such Notes are ETF-Linked Notes, a basket of ETF Interests, (iv) if such Notes are Commodity-Linked Notes, a basket of Commodities or Commodity Indices, (v) if such Notes are Currency-Linked Notes, a basket of Currency Pairs, or (vi) if such Notes are Fund-Linked Notes, a basket of Fund Interests, and references to "**Basket**" shall be to such Shares, Equity Indices, ETF Interests, Commodities, Commodity Indices, Currency Pairs or Fund Interests, as applicable, and references to "**Basket Component**" shall be to each such Share, Equity Index, ETF Interest, Commodity, Commodity Index, Currency Pair or Fund Interest, as applicable, which comprises the Basket.

5. Payment of interest

The terms relating to the payment of interest (if any) and redemption may be linked to the performance and/or value of the Relevant Underlying determined in a number of different ways which will be specified in the applicable Final Terms by reference to particular provisions contained in these Additional Terms and Conditions.

6. Indicative Amounts

If the applicable Final Terms provide that the Notes are being offered to the public in circumstances requiring the prior publication of a prospectus under Directive 2003/71/EC as amended by Directive 2010/73/EU, the applicable Final Terms may specify an indicative amount, an indicative minimum amount, or an indicative maximum amount, or any combination of the foregoing, as applicable, in relation to any Specified Product Value which is not fixed or determined at the commencement of the Offer Period. If so specified in the applicable Final Terms, references in the Conditions to such Specified Product Value shall be construed as the amount, level, percentage, price, rate or value (as applicable) determined based on market conditions by the Determination Agent on or after the relevant date specified in the applicable Final Terms, and is expected to be the indicative amount specified in the applicable Final Terms (if so specified) but may be different from such indicative amount, and:

(a) if an indicative minimum amount is provided in the applicable Final Terms, the Specified Product Value will not be less than (or equal to) such indicative minimum amount; or

(b) if an indicative maximum amount is provided in the applicable Final Terms, the Specified Product Value will not be more than (or equal to) such indicative maximum amount; or

(c) if both an indicative minimum amount and indicative maximum amount is provided in the applicable Final Terms, the Specified Product Value will not be less than (or equal to) such indicative minimum amount and will not be more than (or equal to) such indicative maximum amount.

Notice of the relevant Specified Product Value will be published prior to the Issue Date and on the website of the Issuer and/or Distribution Agent as indicated in the applicable Final Terms and the relevant amount, level, percentage, price, rate or value specified in such notice will be deemed to be the Specified Product Value.

For these purposes, "**Specified Product Value**" means any amount, level, percentage, price, rate or value which is specified in the Conditions as the amount, level, percentage, price, rate or value (as applicable) to be provided in the applicable Final Terms (or phrases of similar import).

7. **Sections 2 to 9 of the Additional Terms and Conditions**

In addition:

(a) If the applicable Final Terms are in the form set out in Part 1 of Exhibit B (*Form of Final Terms*) to the distribution agreement signed between the Issuers and the Distribution Agent on or about 17 July 2013, as last modified and restated on 10 October 2017 (the "**Distribution Agreement**") (and set out in the section entitled "*Pro Forma Final Terms for Notes other than Linked Notes*" of this Base Prospectus), the applicable terms as to payment of interest and redemption at maturity will be as set out in Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) below;

(b) If the applicable Final Terms are in the form set out in Part 2 of Exhibit B (*Form of Final Terms*) to the Distribution Agreement (and set out in the section entitled "*Pro Forma Final Terms for Autocallable Notes*" of this Base Prospectus), the applicable terms as to payment of interest, automatic early redemption and redemption at maturity will be as set out in Section 3 (*Additional Terms and Conditions for Autocallable Notes*) below;

(c) If the applicable Final Terms are in the form set out in Part 3 of Exhibit B (*Form of Final Terms*) to the Distribution Agreement (and set out in in the section entitled "*Pro Forma Final Terms for Reverse Convertible Notes*" of this Base Prospectus), the applicable terms as to payment of interest and redemption at maturity will be as set out in Section 4 (*Additional Terms and Conditions for Reverse Convertible Notes*) below;

(d) If the applicable Final Terms are in the form set out in Part 4 of Exhibit B (*Form of Final Terms*) to the Distribution Agreement (and set out in in the section entitled "*Pro Forma Final Terms for Certain Linked Notes*" of this Base Prospectus), the applicable terms as to payment of interest (if any), automatic early redemption (if applicable) and redemption at maturity will be as set out in Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) below; and

(e) If the applicable Final Terms are in the form set out in Part 5 of Exhibit B (*Form of Final Terms*) to the Distribution Agreement (and set out in in the section entitled "*Pro Forma Final Terms for Preference Share-Linked Notes*" of this Base Prospectus), the applicable terms as to payment of interest (if any) under Condition 6.8 (*Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*), early redemption and redemption at maturity will be as set out in Section 6 (*Additional Terms and Conditions for Preference Share-Linked Notes*) below.

For the purpose of determining values of the Relevant Underlying, provisions from among those contained in Section 7 (*Value Determination Terms*) of these Additional Terms and Conditions will be specified in the applicable Final Terms.

For the purpose of determining values for the performance of the Relevant Underlying, provisions from among those contained in Section 8 (*Performance Determination Terms*) of these Additional Terms and Conditions will be specified in the applicable Final Terms.

For the purpose of determining values for the performance of the Relevant Underlying, provisions from among those contained in Section 9 (Commodity Reference Price) of these Additional Terms and Conditions will be specified in the applicable Final Terms.

The provisions set out in each of the following Sections 2 to 9 (inclusive) of these Additional Terms and Conditions which are, as specified in the applicable Final Terms, applicable to a Series of Notes comprise additional Terms and Conditions forming part of the Conditions of the Notes of such Series.

Any reference to a numbered "**Paragraph**" in the following Sections 2 to 9 (inclusive) of these Additional Terms and Conditions shall be construed as a reference to the relevant Paragraph of these Additional Terms and Conditions contained in the relevant Section thereof.

Section 2

Additional Terms and Conditions for

FIXED RATE NOTES AND/OR FLOATING RATE NOTES

The terms set out in this Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) will apply to a Series of Notes if, and to the extent, so specified in the applicable Final Terms. The Final Terms in respect of such a Series of Notes will be in the form set out in Part 1 of Exhibit B (*Form of Final Terms*) to the Distribution Agreement and under " Pro Forma Final Terms for Notes Other Than Linked Notes" in the base prospectus relating to the Notes dated 10 October 2017 (as supplemented from time to time, the "**Base Prospectus**").

The Additional Terms And Conditions set out in this Section 2 include (amongst other terms) the following terms in relation to the following types of Notes (the "**Interest Terms**"), each type of Note being of a different Interest Basis:

- in respect of Fixed Rate Notes (as defined below), the terms set out in Paragraph 1.1 (*Fixed Rate Notes*);
- in respect of Step-Up Notes (as defined below), the terms set out in Paragraph 1.2(a) (*Step-Up Notes*) (the "**Step-Up Note Provisions**");
- in respect of Step-Down Notes (as defined below), the terms set out in Paragraph 1.2(b) (*Step-Down Notes*) (the "**Step-Down Note Provisions**");
- in respect of Fixed to Floating Rate Notes (as defined below), the terms set out in Paragraph 1.3(a) (*Fixed to Floating Rate Notes*) (the "**Fixed to Floating Rate Note Provisions**");
- in respect of Floating to Fixed Rate Notes (as defined below), the terms set out in Paragraph 1.3(b) (Floating to Fixed Rate Notes) (the "**Floating to Fixed Rate Note Provisions**");
- in respect of Floating Rate Notes (as defined below), the terms set out in Paragraph 1.4 (*Floating Rate Notes*);
- in respect of Floored Floating Rate Notes (as defined below), the terms set out in Paragraph 1.5 (*Floored Floating Rate Notes*) (the "**Floored Floating Rate Note Provisions**");
- in respect of Capped Floating Rate Notes (as defined below), the terms set out in Paragraph 1.6 (*Capped Floating Rate Notes*) (the "**Capped Floating Rate Note Provisions**");
- in respect of Collared Floating Rate Notes (as defined below), the terms set out in Paragraph 1.7 (*Collared Floating Rate Notes*) (the "**Collared Floating Rate Note Provisions**");
- in respect of Range Accrual Notes (as defined below), the terms set out in Paragraph 1.8 (*Range Accrual Notes*) (the "**Range Accrual Note Provisions**");
- in respect of Barrier Notes (as defined below), the terms set out in Paragraph 1.9 (*Barrier Notes*) (the "**Barrier Note Provisions**");
- in respect of Steepener Notes (as defined below), the terms set out in Paragraph 1.10 (*Steepener Notes*) (the "**Steepener Note Provisions**");

- in respect of Digital Option Notes (as defined below), the terms set out in Paragraph 1.11 (*Digital Option Notes*) (the "**Digital Option Note Provisions**");
- in respect of Inverse Floater Notes (as defined below), the terms set out in Paragraph 1.12 (*Inverse Floater Notes*) (the "**Inverse Floater Note Provisions**"); and
- in respect of Switchable Notes (as defined below), the terms set out in Paragraph 1.13 (*Switchable Notes*) (the "**Switchable Note Provisions**").

A different Rate of Interest may apply in respect of different Interest Periods and/or Interest Payment Dates, as specified in the applicable Final Terms. If "Switchable Note Provisions" or "Automatic Change of Interest Basis" is specified to be applicable in the applicable Final Terms in relation to the Notes, then the Notes may (at the option of the Issuer, in the case where "Switchable Note Provisions" apply) or shall (in the case where "Automatic Change of Interest Basis" applies) have more than one interest basis applicable to different Interest Periods and/or Interest Payment Dates. In such case, the Interest Terms applicable in relation to the particular type(s) of Notes and Interest Basis shall apply in respect of the relevant Interest Period(s) and/or Interest Payment Date(s) as specified in the applicable Final Terms.

1. **Interest**

Capitalised terms not defined in this Paragraph 1 shall have the meaning given in Paragraph 4 (*Other Definitions*) or Condition 2.1 (*Definitions*) of the General Conditions.

1.1 **Fixed Rate Notes**

If the applicable Final Terms specify "**Fixed Rate Notes Provisions**" to be applicable, interest shall accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a fixed Rate of Interest in accordance with Condition 5 (*Fixed Rate Note Provisions*) of the General Conditions and the applicable Final Terms.

1.2 **Step-Up Notes and Step-Down Notes**

(a) **Step-Up Notes**

If the applicable Final Terms specify "**Step-Up Notes**" to be applicable, interest shall accrue and be payable on the Notes of the relevant Series in respect of each Interest Period in accordance with Condition 5 (*Fixed Rate Note Provisions*) of the General Conditions and the applicable Final Terms **provided that** the Rate of Interest shall increase during the term of such Notes and shall, with respect to each Interest Period, be the Fixed Interest Rate specified with respect to that Interest Period in the applicable Final Terms.

(b) **Step-Down Notes**

If the applicable Final Terms specify "**Step-Down Notes**" to be applicable, interest shall accrue and be payable on the Notes of the relevant Series in respect of each Interest Period in accordance with Condition 5 (*Fixed Rate Note Provisions*) of the General Conditions and the applicable Final Terms provided that the Rate of Interest shall decrease during the term of such Notes and shall, with respect to each Interest Period, be the Fixed Interest Rate specified with respect to that Interest Period in the applicable Final Terms.

1.3 **Fixed to Floating Rate Notes and Floating to Fixed Rate Notes**

(a) Fixed to Floating Rate Notes

If the applicable Final Terms specify "**Fixed to Floating Notes**" to be applicable, interest shall accrue and be payable on the Notes of the relevant Series:

(i) with respect to the first Interest Period, and such subsequent Interest Periods as are specified for this purpose in the applicable Final Terms, at a fixed Rate of Interest in accordance with Condition 5 (*Fixed Rate Note Provisions*) of the General Conditions and the applicable Final Terms; and

(ii) with respect to each Interest Period thereafter, at a variable Rate of Interest in accordance with Condition 6.3 (*Accrual of Interest*) of the General Conditions and the applicable Final Terms (and (save as provided in the applicable Final Terms in relation to any particular provision) the other Floating Rate Note Provisions shall apply for such purposes).

(b) Floating to Fixed Rate Notes

If the applicable Final Terms specify "**Floating to Fixed Notes**" to be applicable, interest shall accrue and be payable on the Notes of the relevant Series:

(i) with respect to the first Interest Period, and such subsequent Interest Periods as are specified for this purpose in the applicable Final Terms, at a variable Rate of Interest in accordance with Condition 6 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*) of the General Conditions and the applicable Final Terms; and

(ii) with respect to each Interest Period thereafter, at a fixed Rate of Interest in accordance with Condition 5.3 (*Accrual of Interest*) of the General Conditions and the applicable Final Terms (and (save as provided in the applicable Final Terms in relation to any particular provision) the other Fixed Rate Note Provisions shall apply for such purposes).

1.4 **Floating Rate Notes**

If the applicable Final Terms specify "**Floating Rate Notes Provisions**" to be applicable, interest shall accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a variable Rate of Interest in accordance with Condition 6.3 (*Accrual of Interest*) of the General Conditions (and (save as provided in the applicable Final Terms in relation to any particular provision) the other Floating Rate Note Provisions) and the applicable Final Terms.

1.5 **Floored Floating Rate Notes**

If the applicable Final Terms specify "**Floored Floating Rate Notes**" to be applicable, interest shall accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a variable Rate of Interest in accordance with Condition 6.3 (*Accrual of Interest*) of the General Conditions (and (save as provided in the applicable Final Terms in relation to any particular provision) the other Floating Rate Note Provisions) and the applicable Final Terms but being not less than the Minimum Rate of Interest applicable for the purposes of Condition 6.9 (*Maximum or Minimum Rate of Interest*) of the General Conditions as specified in the applicable Final Terms.

1.6 **Capped Floating Rate Notes**

If the applicable Final Terms specify "**Capped Floating Rate Notes**" to be applicable, interest shall accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a variable Rate of Interest in accordance with Condition 6.3 (*Accrual of Interest*) of the General Conditions (and (save as provided in the applicable Final Terms in relation to any particular provision) the other Floating Rate Note Provisions) and the applicable Final Terms but not exceeding the Maximum Rate of Interest applicable for the purposes of Condition 6.9 (*Maximum or Minimum Rate of Interest*) of the General Conditions as specified in the applicable Final Terms.

1.7 **Collared Floating Rate Notes**

If the applicable Final Terms specify "**Collared Floating Rate Notes**" to be applicable, interest shall accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a variable Rate of Interest in accordance with Condition 6.3 (*Accrual of Interest*) of the General Conditions (and (save as provided in the applicable Final Terms in relation to any particular provision) the other Floating Rate Note Provisions) and the applicable Final Terms but not exceeding the Maximum Rate of Interest and being not less than the Minimum Rate of

Interest, in each case as applicable for the purposes of Condition 6.9 (*Maximum or Minimum Rate of Interest*) of the General Conditions as specified in the applicable Final Terms.

1.8 **Range Accrual Notes**

If the applicable Final Terms specify "**Range Accrual Notes**" to be applicable, interest shall accrue on the Notes of the relevant Series in respect of each Interest Period (subject as specified in the applicable Final Terms) and shall be payable in arrears on each Interest Payment Date (subject as specified in the applicable Final Terms), being an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Coupon Rate} \times \frac{\text{Number of Observation Days (Accrual Condition Satisfied)}}{\text{Total Number of Observation Days}} \times \text{Day Count Fraction}$$

Provided that if the Notes are specified in the applicable Final Terms as being:

(i) "**Floored Range Accrual Notes**", interest shall accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a variable Rate of Interest in accordance with this Paragraph 1.8 and the applicable Final Terms but not being less than the Minimum Rate of Interest applicable for the purposes of Condition 6.9 (*Maximum or Minimum Rate of Interest*) as specified in the applicable Final Terms;

(ii) "**Capped Range Accrual Notes**", interest shall accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a variable Rate of Interest in accordance with this Paragraph 1.8 and the applicable Final Terms but not exceeding the Maximum Rate of Interest applicable for the purposes of Condition 6.9 (*Maximum or Minimum Rate of Interest*) as specified in the applicable Final Terms;

(iii) "**Collared Range Accrual Notes**", interest shall accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a variable Rate of Interest in accordance with this Paragraph 1.8 and the applicable Final Terms but not exceeding the Maximum Rate of Interest and being not less than the Minimum Rate of Interest, in each case as applicable for the purposes of Condition 6.9 (*Maximum or Minimum Rate of Interest*) as specified in the applicable Final Terms,

and for the purposes of the above proviso, the "**Rate of Interest**" means the rate of interest determined by the Determination Agent from the product of (i) the Coupon Rate, and (ii) the Number of Observation Days (Accrual Condition Satisfied), divided by the Total Number of Observation Days in such Accrual Period.

Where:

"**Accrual Business Day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Accrual Business Day Centre specified in the applicable Final Terms, and if "**Accrual Business Day Centre**" is specified to be or to include: (i) "**U.S. Government Securities Business Day**", then "Accrual Business Day" shall also be any day other than a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities; or (ii) "**TARGET**" or "**TARGET Settlement Day**", then "Accrual Business Day" shall include a TARGET Settlement Day;

"**Accrual Business Day Centre**" means the city or cities specified as such in the applicable Final Terms;

"**Accrual Condition**" means, and will be satisfied on any Accrual Observation Day in an Accrual Period if, as determined by the Determination Agent, the Accrual Reference Observation is:

(i) if the applicable Final Terms specify "**Single Barrier Range Accrual**" to be applicable and specify:

(A) "**Accrual Reference Observation greater than Coupon Barrier Value**", greater than Coupon Barrier Value; or

(B) "**Accrual Reference Observation greater than or equal to Coupon Barrier Value**", greater than or equal to Coupon Barrier Value; or

(C) "**Accrual Reference Observation less than Coupon Barrier Value**", less than Coupon Barrier Value; or

(D) "**Accrual Reference Observation less than or equal to Coupon Barrier Value**", less than or equal to Coupon Barrier Value; or

(E) "**Accrual Reference Observation equal to Coupon Barrier Value**", equal to Coupon Barrier Value; or

(ii) if the applicable Final Terms specify "**Dual Barrier Range Accrual**" to be applicable and specify:

(A) "**Accrual Reference Observation greater than Lower Barrier Value**", greater than Lower Barrier Value; or

(B) "**Accrual Reference Observation greater than or equal to Lower Barrier Value**", greater than or equal to Lower Barrier Value; or

(C) "**Accrual Reference Observation less than Lower Barrier Value**", less than Lower Barrier Value; or

(D) "**Accrual Reference Observation less than or equal to Lower Barrier Value**", less than or equal to Lower Barrier Value; and

(iii) the applicable Final Terms specify that:

(A) "**Accrual Reference Observation greater than Upper Barrier Value**", greater than Upper Barrier Value; or

(B) "**Accrual Reference Observation greater than or equal to Upper Barrier Value**", greater than or equal to Upper Barrier Value; or

(C) "**Accrual Reference Observation less than Upper Barrier Value**", less than Upper Barrier Value; or

(D) "**Accrual Reference Observation less than or equal to Upper Barrier Value**", less than or equal to Upper Barrier Value.

"**Accrual Reference Observation**" means either of the following as specified in the applicable Final Terms:

(i) single Underlying Rate; or

(ii) sum of Underlying Rate 1 plus Underlying Rate 2; or

(iii) difference of Underlying Rate 1 minus Underlying Rate 2;

"**Accrual Observation Day**" means either of the following as specified in the applicable Final Terms: (i) a calendar day, or (ii) an Accrual Business Day;

"**Accrual Period**" means either of the following as specified in the applicable Final Terms: (i) each Interest Period specified as an "Accrual Period" in the applicable Final Terms; or (ii) in respect of each Scheduled Interest Payment Date, the period commencing on (and including) the

Accrual Period Start Date falling immediately prior to such Scheduled Interest Payment Date and ending on (but excluding) the corresponding Accrual Period End Date;

"**Accrual Period End Date**" means any one or more of the following as specified in the applicable Final Terms: (i) in respect of each Accrual Period Start Date, the Scheduled Interest Payment Date immediately following such Accrual Period Start Date, (ii) in respect of each Accrual Period Start Date, the Interest Payment Date immediately following such Accrual Period Start Date, or (iii) each date specified as an "Accrual Period End Date" in the applicable Final Terms;

"**Accrual Period Start Date**" means any one or more of the following as specified in the applicable Final Terms: (i) the Interest Commencement Date, (ii) each Scheduled Interest Payment Date other than any Scheduled Interest Payment Date falling on the Scheduled Maturity Date, (iii) each Interest Payment Date other than any Interest Payment Date falling on the Maturity Date, or (iv) each date specified as the "Accrual Period Start Date" in the applicable Final Terms;

"**Coupon Rate**" means either of the following as specified in the applicable Final Terms: (i) a Fixed Interest Rate, or (ii) a Floating Interest Rate, and if the manner in which the Floating Interest Rate is to be determined is specified by the applicable Final Terms to be: (a) Screen Rate Determination, the Determination Agent shall determine the Floating Interest Rate in accordance with Condition 6.5 (*Screen Rate Determination*); (b) ISDA Determination, the Determination Agent shall determine the Floating Interest Rate in accordance with Condition 6.6 (*ISDA Determination*), (c) CMS Rate Determination, the Determination Agent shall determine the Floating Interest Rate in accordance with Condition 6.7 (*CMS Rate Determination*), provided that if the Coupon Rate specified is a Floating Interest Rate, and if the applicable Final Terms specify:

(i) a Cap, the Coupon Rate shall not exceed the Cap; or

(ii) a Floor, the Coupon Rate shall not be less than the Floor; or

(iii) a Cap and a Floor, the Coupon Rate shall not exceed the Cap, and shall not be less than the Floor;

"**Coupon Barrier Value**" means the value, expressed as a percentage, specified as such in the applicable Final Terms;

"**Lower Barrier Value**" means the value, expressed as a percentage, specified as such in the applicable Final Terms;

"**Number of Observation Days (Accrual Condition Satisfied)**" means, in respect of each Accrual Period and as determined by the Determination Agent, the number of Accrual Observation Days in such Accrual Period on which the Accrual Condition is satisfied;

"**Rate Cut-Off Date**" means, in respect of each Accrual Period and the Accrual Period End Date for such Accrual Period, if the applicable Final Terms specify: (i) "Default Rate Cut-Off Date", the fifth Accrual Business Day falling prior to such Accrual Period End Date; or (ii) "Specified Rate Cut-Off Date", the number of calendar days or Accrual Business Days falling prior to the Accrual Period End Date for each Accrual Period as specified in the applicable Final Terms;

"**Scheduled Interest Payment Date**" means each date specified as such in the applicable Final Terms;

"**Total Number of Observation Days**" means, in respect of each Accrual Period and as determined by the Determination Agent, the total number of Accrual Observation Days in that Accrual Period;

"**Underlying Rate**" and if applicable, each of "**Underlying Rate 1**" and "**Underlying Rate 2**" means, in respect any Accrual Observation Day in an Accrual Period, the Reference Rate specified as the "Underlying Rate" (and if applicable, the "Underlying Rate 1" and "Underlying Rate 2" respectively) in the applicable Final Terms for such day, provided that:

(i) if such Accrual Observation Day is not an Accrual Business Day, the Underlying Rate for such day will be deemed to be equal to the Reference Rate on the Accrual Business Day immediately preceding such Accrual Observation Day; and

(ii) if such Accrual Observation Day falls in the period commencing on (but excluding) the Rate Cut-Off Date for such Accrual Period and ending on, but excluding such Accrual Period End Date for such Accrual Period (such period, a "**Rate Cut-Off Period**"), the Underlying Rate for each Accrual Observation Day falling in such Rate Cut-Off Period will be deemed to be the Reference Rate on the Rate Cut-Off Date for such Accrual Period; and

"**Upper Barrier Value**" means the value, expressed as a percentage, specified as such in the applicable Final Terms.

1.9 **Barrier Notes**

If, in addition to one or more of Paragraphs 1.1 to 1.7 above, the Notes of the relevant Series are specified in the applicable Final Terms as "**Barrier Notes**", interest (calculated in accordance with the applicable provisions of Paragraphs 1.1 to 1.7 above) will only be paid on the Notes of the relevant Series if the Determination Agent determines that, as of any Interest Determination Date, the Reference Rate is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than, or (v) less than or equal to, as specified in the applicable Final Terms, the Coupon Barrier Value in respect of such Interest Determination Date. No interest shall otherwise be payable in respect of such Notes.

For these purposes:

"**Coupon Barrier Value**" means, in respect of any Interest Determination Date, a value, expressed as a percentage, specified as such in the applicable Final Terms.

1.10 **Steepener Notes**

If the applicable Final Terms specify "**Steepener Notes**" to be applicable, interest shall accrue on the Notes of the relevant Series at the Rate of Interest (such Rate of Interest, the "**Steepener Interest Rate**") in respect of each Interest Period subject to the Steepener Note Provisions (as specified in the applicable Final Terms), and such interest shall be payable in arrears on each Interest Payment Date subject to the Steepener Note Provisions (as specified in the applicable Final Terms).

The Steepener Interest Rate in respect of an Interest Period shall be an amount determined by the Determination Agent in accordance with the following formula:

$$(\text{Leverage } 1 \times \text{Rate } 1)\text{-}(\text{Leverage } 2 \times \text{Rate } 2) + \text{Spread}$$

provided that if the applicable Final Terms specify:

(i) a Cap, the amount calculated in accordance with the above formula shall not exceed the Cap; or

(ii) a Floor, the amount calculated in accordance with the above formula shall not be less than the Floor; or

(iii) a Cap and a Floor, the amount calculated in accordance with the above formula shall not exceed the Cap, and shall not be less than the Floor; or

(iv) "Curve Cap" to be applicable, the amount calculated in accordance with the above formula shall not exceed the Curve Cap.

Where:

"**Curve Cap**" means an amount (expressed as a percentage) determined by the Determination Agent in accordance with the following formula:

$$(\text{Leverage 3} \times \text{Rate 3}) + \text{Curve Cap Spread}$$

"**Curve Cap Spread**" means an amount (expressed as a percentage) specified in the applicable Final Terms, which shall be preceded by either a "+" (plus) or a "−" (minus) sign (provided that if the applicable Final Terms specify Curve Cap Spread to be not applicable, it shall be deemed to be zero).

"**Leverage 1**", "**Leverage 2**" and "**Leverage 3**" each means the Leverage specified as such in the applicable Final Terms.

"**Rate 1**", "**Rate 2**" and "**Rate 3**" each means a Reference Rate specified as such in the applicable Final Terms.

"**Spread**" means an amount (expressed as a percentage) specified in the applicable Final Terms, which shall be preceded by either a "+" (plus) or a "−" (minus) sign (provided that if the applicable Final Terms specify Spread to be not applicable, it shall be deemed to be zero).

1.11 **Digital Option Notes**

If the applicable Final Terms specify "**Digital Option Notes**" to be applicable, interest shall accrue on the Notes of the relevant Series at the Rate of Interest (such Rate of Interest, the "**Digital Option Interest Rate**") in respect of each Interest Period (subject as specified in the applicable Final Terms) and such interest (the "**Digital Option Interest**") shall be payable in arrears on each Interest Payment Date (subject as specified in the applicable Final Terms).

The Digital Option Interest Rate in respect of each Interest Period subject to the Digital Option Note Provisions (as specified in the applicable Final Terms) shall be determined by the Determination Agent in accordance with paragraph (i) or (ii) below:

(i) if the Digital Condition is satisfied on the Digital Condition Determination Date in respect of such Interest Period, the Digital Option Interest Rate in respect of such Interest Period shall be an amount determined by the Determination Agent in accordance with the following formula:

$$(\text{Leverage} \times \text{Reference Rate}) + \text{Margin}$$

provided that if the applicable Final Terms specify:

(a) a Cap, the amount calculated in accordance with the above formula shall not exceed the Cap; or

(b) a Floor, the amount calculated in accordance with the above formula shall not be less than the Floor; or

(c) a Cap and a Floor, the amount calculated in accordance with the above formula shall not exceed the Cap, and shall not be less than the Floor; or

(ii) if the Digital Condition is not satisfied on the Digital Condition Determination Date in respect of such Interest Period, the Digital Option Interest Rate in respect of such Interest Period shall be the Digital Condition Fixed Rate.

"**Digital Condition**" means in respect of an Interest Period, and will be satisfied on the Digital Condition Determination Date in respect of such Interest Period if, the Digital Reference Rate for such Interest Period as determined by the Determination Agent is, if the applicable Final Terms specify:

(i) "Digital Reference Rate greater than Strike 1", greater than Strike 1; or

(ii) "Digital Reference Rate greater than or equal to Strike 1", greater than or equal to Strike 1; or

(iii) "Digital Reference Rate less than Strike 1", less than Strike 1; or

(iv) "Digital Reference Rate less than or equal to Strike 1", less than or equal to Strike 1;

and, if the applicable Final Terms specify:

(v) "Digital Reference Rate greater than Strike 2", greater than Strike 2; or

(vi) "Digital Reference Rate greater than or equal to Strike 2", greater than or equal to Strike 2; or

(vii) "Digital Reference Rate less than Strike 2", less than Strike 2; or

(viii) "Digital Reference Rate less than or equal to Strike 2", less than or equal to Strike 2.

"**Digital Condition Determination Date**" means, in respect of an Interest Period, the date specified as such in the applicable Final Terms.

"**Digital Condition Fixed Rate**" means, in respect of an Interest Period, the rate (expressed as a percentage per annum) of interest specified as such in the applicable Final Terms in respect of such Interest Period, provided that if the applicable Final Terms specify Digital Condition Fixed Rate to be not applicable, the Digital Condition Fixed Rate in respect of such Interest Period shall be deemed to be zero per cent.

"**Digital Reference Rate**" means an amount determined by the Determination Agent as of each Digital Condition Determination Date in accordance with the following formula:

$$(\text{Leverage 1} \times \text{Rate 1}) - (\text{Leverage 2} \times \text{Rate 2}) - \text{Spread}$$

"**Leverage 1**" and "**Leverage 2**" each means the Leverage specified as such in the applicable Final Terms.

"**Rate 1**" and "**Rate 2**" each means a Reference Rate specified as such in the applicable Final Terms.

"**Spread**" means the value as specified as such in the applicable Final Terms.

"**Strike 1**" and "**Strike 2**" each means the value specified as such in the applicable Final Terms.

1.12 **Inverse Floater Notes**

If the applicable Final Terms specify "**Inverse Floater Notes**" to be applicable, interest shall accrue on the Notes of the relevant Series at the Rate of Interest (such Rate of Interest, the "**Inverse Floater Interest Rate**") in respect of each Interest Period subject to the Inverse Floater Note Provisions (as specified in the applicable Final Terms). Interest shall be payable in arrears on each Interest Payment Date subject to the Inverse Floater Note Provisions (as specified in the applicable Final Terms). The Inverse Floater Interest Rate in respect of an Interest Period shall be an amount determined by the Determination Agent in accordance with the following formula:

$$\text{Fixed Interest Rate} - (\text{Leverage} \times \text{Floating Interest Rate})$$

provided that if the applicable Final Terms specify:

(a) a Cap, the amount calculated in accordance with the above formula shall not exceed the Cap; or

(b) a Floor, the amount calculated in accordance with the above formula shall not be less than the Floor; or

(c) a Cap and a Floor, the amount calculated in accordance with the above formula shall not exceed the Cap, and shall not be less than the Floor.

Where "**Fixed Interest Rate**" shall be determined in accordance with Condition 5 (*Fixed Rate Note Provisions*) of the General Conditions and "**Floating Interest Rate**" shall be determined in accordance with Condition 6 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*) of the General Conditions.

1.13 **Switchable Notes**

If the applicable Final Terms specify "**Switchable Notes**" to be applicable and specify the Switchable Notes to be:

(i) "**Fixed to Floating Switchable Notes**", the Rate of Interest in respect of each Interest Period shall be the Fixed Interest Rate, and the Notes shall bear interest at such Rate of Interest payable in arrears on each Interest Payment Date falling at the end of each Interest Period. The Notes shall be deemed to be Fixed Rate Notes, the Fixed Rate Note Provisions shall apply and interest shall accrue and be payable on the Notes in accordance with Condition 5 (*Fixed Rate Note Provisions*) of the General Conditions.

(ii) "**Floating to Fixed Switchable Notes**", the Rate of Interest in respect of each Interest Period shall be the Floating Interest Rate, and the Notes shall bear interest at such Rate of Interest payable in arrears on the Interest Payment Date falling at the end of each Interest Period. The Notes shall be deemed to be Floating Rate Notes and the Floating Rate Note Provisions shall apply and interest shall accrue and be payable on the Notes in accordance with Condition 6 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*) of the General Conditions,

provided that the Issuer may, on any Conversion Exercise Date, exercise the option to convert the Rate of Interest in respect of each Interest Period subject to the Switchable Note Provisions (as specified in the applicable Final Terms) commencing on or after such Conversion Exercise Date (such option, "**Conversion Option**") by giving an irrevocable notice to the Noteholders in accordance with Condition 27 (*Notices*) of the General Conditions on a day not later than Conversion Notice Cut-Off Date. The Conversion Option may only be exercised once on a Conversion Exercise Date.

If the Issuer has exercised the Conversion Option on a Conversion Exercise Date (such date, the "**Conversion Effective Date**"), the Rate of Interest in respect of each Interest Period falling in the period commencing on or after such Conversion Effective Date and ending on (but excluding) the Maturity Date, shall be, if the applicable Final Terms specify "**Switchable Notes**" to be:

(i) "**Fixed to Floating Switchable Notes**", the Floating Interest Rate, and the Notes shall bear interest from the Conversion Effective Date at such Rate of Interest payable in arrears on each Interest Payment Date falling at the end of each such Interest Period. The Notes shall, from the Conversion Effective Date, be deemed to be Floating Rate Notes, the Floating Rate Note Provisions shall apply and interest shall accrue and be payable on the Notes in accordance with Condition 6 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Interest Provisions*) of the General Conditions; or

(ii) "**Floating to Fixed Switchable Notes**", the Fixed Interest Rate, and the Notes shall bear interest from the Conversion Effective Date at such Rate of Interest payable in arrears on each Interest Payment Date falling at the end of each such Interest Period. The Notes shall, from the Conversion Effective Date, be deemed to be Fixed Rate Notes, the Fixed Rate Note Provisions shall apply and interest shall accrue and be payable on the Notes in accordance with Condition 5 (*Fixed Rate Note Provisions*) of the General Conditions.

Where:

"**Conversion Exercise Date**" means any of the following as specified in the applicable Final Terms: (i) each Interest Payment Date or (ii) each date specified as such in the applicable Final Terms.

"**Conversion Notice Cut-Off Date**" means, in respect of each Conversion Exercise Date, if the applicable Final Terms specify (i) Default Conversion Notice Cut-Off Date, the 15th Business Day prior to such Conversion Exercise Date, or (ii) any other day specified as such in the applicable Final Terms in respect of such Conversion Exercise Date.

1.14 **Automatic Change of Interest Basis**

If the applicable Final Terms specify "**Automatic Change of Interest Basis**" to be applicable, then the Rate of Interest in respect of an Interest Period and/or Interest Payment Date will be determined in accordance with the Interest Basis applicable to such Interest Period and/or Interest Payment Date, which will be in respect of:

(i) the Interest Period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first succeeding Interest Payment Date after the Interest Commencement Date, the interest basis set forth in the Interest Basis Table in the column headed "Type of Notes" in the row corresponding to the date (specified in the column headed "Interest Payment Date(s)") on which such first Interest Payment Date is scheduled to fall; and

(ii) each successive Interest Period beginning on (and including) an Interest Period End Date and ending on (but excluding) next succeeding Interest Payment Date, the interest basis set forth in the Interest Basis Table in the column headed "Type of Notes" in the row corresponding to the date (specified in the column headed "Interest Payment Date(s)") on which such next succeeding Interest Payment Date (on which such Interest Period ends) is scheduled to fall.

Where "**Interest Basis Table**" means a table specified as such in the applicable Final Terms.

1.15 **Redemption at Maturity**

Unless redeemed or cancelled, Notes in respect of which this Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*) is specified as being applicable shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount equal to:

(i) unless "**Minimum Coupon**" applies as specified in the applicable Final Terms, in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Specified Rate}$$

or

(ii) if "**Minimum Coupon**" applies as specified in the applicable Final Terms, in accordance with the following formula:

$$(\text{Calculation Amount} \times \text{Specified Rate}) + \text{Max}\left[0; (\text{Calculation Amount} \times \text{Minimum Coupon Rate}) - \text{Aggregate Coupon Amount}\right]$$

in each case subject as provided in Condition 16 (*Payments – Registered Notes*) or, as applicable, Condition 17 (*Payments – Uncertificated Notes*).

2. **Early Redemption following the occurrence of an Event of Default**

The Early Redemption Amount payable with respect to such Notes under Condition 20 (*Events of Default*) will be Accrued Value, Fixed Redemption, Theoretical Value or Qualified Financial Institution Determination as specified in the applicable Final Terms.

3. **Other Definitions**

In this Section 2 (*Additional Terms and Conditions for Fixed Rate Notes and/or Floating Rate Notes*):

"**Aggregate Coupon Amount**" means the sum of:

(i) all Interest Amounts paid in respect of a Note on each Interest Payment Date falling prior to the Maturity Date (expressed as a percentage of the Calculation Amount of such Note), as determined by the Determination Agent; and

(ii) the Interest Amount calculated in respect of a Note for the final Interest Period (expressed as a percentage of the Calculation Amount of such Note), as determined by the Determination Agent.

"**Cap**" means an amount (expressed as a percentage) specified in the applicable Final Terms.

"**DCF**" means the Day Count Fraction specified in the applicable Final Terms.

"**Fixed Coupon Amount**" means the amount, if any, specified as such in the applicable Final Terms.

"**Floor**" means an amount (expressed as a percentage) specified in the applicable Final Terms.

"**Leverage**" means an amount (expressed as a percentage) specified in the applicable Final Terms in respect of such period or day (as applicable), which shall be preceded by either a "+" (plus) or a "−" (minus) sign (provided that if the applicable Final Terms specify Leverage to be not applicable, it shall be deemed to be 1).

"***Max***" followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a semi-colon inside those brackets.

"**Minimum Coupon Rate**" means the percentage rate specified as such in the applicable Final Terms.

"**Specified Rate**" means the percentage rate (which will be between 0% and 100%) specified as such in the applicable Final Terms **provided that** if no such rate is specified, the Specified Rate shall be equal to 100 per cent.

Section 3

Additional Terms and Conditions for

Autocallable Notes

The terms set out in this Section 3 (*Additional Terms and Conditions for Autocallable Notes*) will apply to a Series of Notes if, and to the extent, so specified in the applicable Final Terms (such Notes the "**Autocallable Notes**"). The Final Terms in respect of such a Series of Notes will be in the form set out in Part 2 of Exhibit B (*Form of Final Terms*) to the Distribution Agreement and under "Pro Forma Final Terms for Autocallable Notes" in the Base Prospectus.

1. **Interest**

If the Notes of the relevant Series are specified (in respect of one or more Interest Payment Dates) in the applicable Final Terms as:

1.1 ***No Coupon***

"**Autocallable Notes (No Coupon)**", no interest shall be payable on the Notes of the relevant Series;

1.2 ***Regular Coupon***

"**Autocallable Notes (Regular Coupon)**", the Issuer shall on each Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

Coupon Rate × *Calculation Amount*

Provided that, if the applicable Final Terms specify that Fixed Rate Note Provisions are applicable in respect of the relevant Series of Notes, interest shall, instead of being determined in accordance with the formula set out above, accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a fixed Rate of Interest in accordance with Condition 5 (*Fixed Rate Note Provisions*) and the applicable Final Terms; and

provided further that, if the applicable Final Terms specify that "**Inflation Adjustment**" is applicable in respect of the relevant Series of Notes, the Coupon Rate or, as applicable, the Rate of Interest shall be adjusted by the Determination Agent to account for the effect of inflation as evidenced by the Relevant Inflation Index by multiplying such Coupon Rate or, as applicable, the Rate of Interest by the value which is (i) Relevant Inflation Index (N) *divided by* (ii) Relevant Inflation Index (Initial);

1.3 ***Barrier Conditional Coupon***

"**Autocallable Notes (Barrier Conditional Coupon)**", and if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (a) any Interest Determination Date, (b) each Barrier Observation Date, if any, specified in respect of such Interest Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of such Interest Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Coupon Barrier Value in respect of such Interest Determination Date, the Issuer shall on the immediately following Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent:

(A) unless "**Memory Barrier Conditional Coupon**" applies as specified in the applicable Final Terms, in accordance with the following formula:

Coupon Rate × *Calculation Amount*

or

(B) if "**Memory Barrier Conditional Coupon**" applies as specified in the applicable Final Terms, in accordance with the following formula:

(Coupon Rate × Calculation Amount x n) – Prior Coupon Amount

No interest will otherwise be payable on the Notes on an Interest Payment Date.

More than one of the Interest Terms set out in this Paragraph 1 of Section 3 of the Additional Conditions may be applicable in respect of any Series of Notes. The Interest Payment Dates in respect of which such Interest Terms would apply will be indicated in the applicable Final Terms.

1.4 ***Memory Double Barrier Conditional Coupon***

"**Autocallable Notes (Memory Double Barrier Conditional Coupon)**", and if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (a) any Interest Determination Date, (b) each Barrier Observation Date, if any, specified in respect of such Interest Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of such Interest Determination Date, is (A) (i) greater than, or (ii) greater than or equal to, as specified in the applicable Final Terms, the Coupon Barrier Value 1 in respect of such Interest Determination Date, and (B) (iii) less than or (iv) less than or equal to, as specified in the applicable Final Terms, the Coupon Barrier Value 2 in respect of such Interest Determination Date, the Issuer shall on the immediately following Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent:

(A) unless "**Memory Double Barrier Conditional Coupon**" applies as specified in the applicable Final Terms, in accordance with the following formula:

Coupon Rate × Calculation Amount

or

(B) if "**Memory Double Barrier Conditional Coupon**" applies as specified in the applicable Final Terms, in accordance with the following formula:

(Coupon Rate × Calculation Amount x N) - Prior Coupon Amount

No interest will otherwise be payable on the Notes on an Interest Payment Date.

More than one of the Interest Terms set out in this Paragraph 1 of Section 3 of the Additional Conditions may be applicable in respect of any Series of Notes. The Interest Payment Dates in respect of which such Interest Terms would apply will be indicated in the applicable Final Terms.

2. **Automatic Early Redemption (Autocall)**

If the Notes of the relevant Series are specified in the applicable Final Terms as:

2.1 ***Autocall 1***

"**Autocallable Notes (Autocall 1)**", and if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (a) any Automatic Early Redemption Determination Date, (b) each Barrier Observation Date, if any, specified in respect of such Automatic Early Redemption Determination Date or (c) at any time during the Barrier Observation Period, if any, specified in respect of such Automatic Early Redemption Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Autocall Barrier Value in respect of such Automatic Early Redemption Determination Date, then (unless the Notes have been previously redeemed or cancelled) an Automatic Early Redemption Event shall be deemed to have occurred and the Issuer shall redeem the Notes on the immediately following Automatic Early Redemption Date at an amount per Calculation Amount (such amount, for the avoidance of doubt, to be paid in addition to the Interest Amount payable on the relevant Automatic Early Redemption Date) being, as specified in the applicable Final Terms, either:

(A) if "**Non-Memory Redemption**" applies as specified in the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Specified Rate} + [\text{Automatic Early Redemption Rate} \times \text{Multiplier}])$$

Or

(B) if "**Memory Redemption**" applies as specified in the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Specified Rate} + \text{Automatic Early Redemption Rate}) - \text{Prior Coupon Amount}$$

Or

(C) if "**Fixed Redemption**" applies, an amount equal to the product of the Specified Rate and the Calculation Amount; or

2.2 ***Autocall 2***

"**Autocallable Notes (Autocall 2)**", and if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (a) any Automatic Early Redemption Determination Date, (b) each Barrier Observation Date, if any, specified in respect of such Automatic Early Redemption Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of such Automatic Early Redemption Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Autocall Barrier Value in respect of such date, then (unless the Notes have been previously redeemed or cancelled) an Automatic Early Redemption Event shall be deemed to have occurred and the Issuer shall redeem the Notes on the immediately following Automatic Early Redemption Date at an amount per Calculation Amount (such amount, for the avoidance of doubt, to be paid in addition to the Interest Amount payable on the relevant Automatic Early Redemption Date) being, as specified in the applicable Final Terms, either:

(a) if such Automatic Early Redemption Determination Date is a Specified Automatic Early Redemption Determination Date, an amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Specified Rate} + \text{Automatic Early Redemption Rate})$$

or

(b) if (a) above does not apply, or if no Specified Automatic Early Redemption Date is specified in the applicable Final Terms, an amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Max}\left[\begin{array}{c}(\text{Specified Rate} + \text{Automatic Early Redemption Rate});\\ \left\{\text{Specified Rate} + \text{Participation Rate} \times \left(\frac{\text{Final Reference Value (Autocall)}}{\text{Initial Reference Value}} - 1\right)\right\}\end{array}\right]$$

2.3 ***Autocall 3***

"**Autocallable Notes (Autocall 3)**", and if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (a) any Automatic Early Redemption Determination Date, (b) each Barrier Observation Date, if any, specified in respect of such Automatic Early Redemption Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of such Automatic Early Redemption Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Autocall Barrier Value in respect of such date, then (unless the Notes have been previously redeemed or cancelled) an Automatic Early Redemption Event shall be deemed to have occurred and the Issuer shall

redeem the Notes on the immediately following Automatic Early Redemption Date at an amount per Calculation Amount (such amount, for the avoidance of doubt, to be paid in addition to the Interest Amount payable on the relevant Automatic Early Redemption Date) being an amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times$$

$$[\text{Specified Rate} + \text{Max (Automatic Early Redemption Rate; Relevant Underlying Performance (Autocall))}]$$

3. **Redemption at Maturity**

Unless previously redeemed or cancelled, if the Notes of the relevant Series are specified in the applicable Final Terms as:

3.1 ***Fixed Redemption***

"**Autocallable Notes (Fixed Redemption)**", such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount equal to the product of the Specified Rate and the Calculation Amount.

3.2 ***Capitalised Non-Memory Redemption***

"**Autocallable Notes (Capitalised Non-Memory Redemption)**", such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Specified Rate} + \text{Final Redemption Rate})$$

3.3 ***Capitalised Memory Redemption***

"**Autocallable Notes (Capitalised Memory Redemption)**", such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$[\text{Calculation Amount} \times (\text{Specified Rate} + \text{Final Redemption Rate})] - \text{Prior Coupon Amount}$$

3.4 ***Basic Performance Linked Redemption***

"**Autocallable Notes (Basic Performance Linked Redemption)**", such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Participation Rate} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}$$

Provided that:

(i) if the applicable Final Terms specify that "**Capped Basic Performance Linked Redemption**" applies, then the Final Redemption Amount shall be the *lesser of* (i) the Final Redemption Cap Value and (ii) the amount determined in accordance with the above formula;

(ii) if the applicable Final Terms specify that "**Floored Basic Performance Linked Redemption**" applies, then the Final Redemption Amount shall be the *greater of* (i) the Final Redemption Floor Value and (ii) the amount determined in accordance with the above formula; and

(iii) if the applicable Final Terms specify that "**Collared Basic Performance Linked Redemption**" applies, then the Final Redemption Amount shall be (i) if the amount

determined in accordance with the above formula is less than or equal to the Final Redemption Floor Value, the Final Redemption Floor Value, (ii) if the amount determined in accordance with the above formula is equal to or greater than the Final Redemption Cap Value, the Final Redemption Cap Value, or (iii) if the amount determined in accordance with the above formula is more than the Final Redemption Floor Value and less than the Final Redemption Cap Value, the amount determined in accordance with the above formula.

3.5 ***Single Barrier Final Redemption***

"**Autocallable Notes (Single Barrier Final Redemption)**" and if:

(a) the Knock-in Value as of, as specified in the applicable Final Terms (a) the Determination Date (b) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value, such Notes, unless previously redeemed or cancelled, shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount:

(i) if "**Fixed Redemption**" is applicable as specified in the applicable Final Terms, equal to the product of the Calculation Amount and Specified Rate 1; or

(ii) if "**Capitalised Non-Memory Redemption**" is applicable as specified in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Specified Rate 1} + \text{Final Redemption Rate})$$

(iii) if "**Capitalised Memory Redemption**" is applicable as specified in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$[\text{Calculation Amount} \times (\text{Specified Rate 1} + \text{Final Redemption Rate})] - \text{Prior Coupon Amount}$$

(iv) if "**Highest Performance Redemption**" is applicable as specified in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times [\text{Specified Rate 1} + \text{Max (Final Redemption Rate; Highest Performance)}]$$

(b) (a) above does not apply and Physical Settlement is not applicable, such Notes, unless previously redeemed or cancelled, shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount:

(i) if "**Basic Performance-Linked Redemption**" is applicable as specified in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Participation Rate} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}$$

(ii) if "**Worst-of Basket Performance-Linked Redemption 1**" is specified as being applicable in respect of the Notes of the relevant Series, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 2} + \left(\text{Participation Rate} \times \frac{\text{Final Reference Value of Worst Performing Basket Component}}{\text{Initial Reference Value of Worst Performing Basket Component}}\right)\right]$$

or

(iii) if "**Worst-of Basket Performance-Linked Redemption 2**" is applicable as specified in the applicable Final Terms and:

(A) the Determination Agent Determines that the Final Reference Value of any Basket Component is greater than or equal to the Knock-in Barrier Level, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 2} + \left(\text{Participation Rate} \times \frac{\text{Final Reference Value of Worst Performing Basket Component}}{\text{Initial Reference Value of Worst Performing Basket Component}}\right)\right]$$

(B) if (A) above does not apply, equal to the product of the Specified Rate and the Calculation Amount.

(c) (a) above does apply and Physical Settlement is applicable as specified in the applicable Final Terms, Condition 18 (*Physical Settlement*) shall apply and

(i) if "**Basic Performance-Linked Redemption** " is applicable as specified in the applicable Final Terms, the Physical Delivery Amount for the purposes of such Condition shall be the amount of Underlying Securities determined by the Determination Agent in accordance with the following formula:

$$\text{Physical Delivery Amount} = \sum_{i=1}^{n} \text{Physical Delivery Amount}_i$$

"**n**" being equal to 1 (where the Notes are linked to a Single Underlying) or the number of Basket Components comprising the Basket (where the Notes are linked to a Basket), and where the Determination Agent shall determine "**Physical Delivery Amount$_i$**" in accordance with the following formula:

$$\text{Physical Delivery Amount}_i = \frac{1}{n} \times \frac{\text{Noteholder Par Value}}{\text{Initial Reference Value}_i}$$

rounded down to the nearest whole round lot as permitted by the Exchange for trading purposes, in which case the Issuer will also pay, in addition, a Cash Residual Amount; or

(ii) if "**Worst-of Basket Performance-Linked Redemption**" is applicable as specified in the applicable Final Terms, the Physical Delivery Amount for the purposes of such Condition shall be the amount of the Worst Performing Basket Component determined by the Determination Agent in accordance with the following formula:

$$\text{Physical Delivery Amount} = \frac{\text{Noteholder Par Value}}{\text{Initial Reference Value of the Worst Performing Basket Component}}$$

rounded down to the nearest round lot as permitted by the Exchange for trading purposes, in which case the Issuer will also pay, in addition, a Cash Residual Amount.

3.6 ***Dual Barrier Final Redemption 1***

"**Autocallable Notes (Dual Barrier Final Redemption 1)**", such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount:

(a) if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms (a) the Determination Date (b) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (c) at any time during the Barrier

Observation Period, if any, specified in respect of the Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value 1, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Max}\left[(\text{Specified Rate 1} + \text{Final Redemption Rate}); \left(\text{Participation Rate 1} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right)\right]$$

(b) if (a) above does not apply but the Determination Agent determines that Knock-in Value as of, as specified in the applicable Final Terms as of (a) the Determination Date, (b) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of such Interest Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value 2, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Specified Rate 2} + \text{Final Redemption Rate})$$

or

(c) if neither (a) nor (b) above applies, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Participation Rate 2} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}$$

3.7 ***Dual Barrier Final Redemption 2***

"**Autocallable Notes (Dual Barrier Final Redemption 2)**", such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount:

(a) if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms (a) the Determination Date (b) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value 1, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times [\text{Specified Rate 1} + \{\text{Participation Rate 1} \times \text{Max}(\text{Final Redemption Rate};\text{Relevant Underlying Performance})\}]$$

(b) if (a) above does not apply but the Determination Agent determines that Knock-in Value as of, as specified in the applicable Final Terms as of (a) the Determination Date, (b) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of such Interest Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value 2, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Participation Rate 2} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}$$

or

(c) if neither (a) nor (b) above applies, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Specified Rate 2}$$

3.8 **Dual Barrier Final Redemption 3**

"**Autocallable Notes (Dual Barrier Final Redemption 3)**", such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount:

(a) if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms (a) the Determination Date (b) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value 1, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Specified Rate 1} + \text{Final Redemption Rate 1})$$

(b) if (a) above does not apply but the Determination Agent determines that Knock-in Value as of, as specified in the applicable Final Terms as of (a) the Determination Date, (b) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value 2, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Specified Rate 2} + \text{Final Redemption Rate 2})$$

(c) if neither (a) nor (b) above applies, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \frac{\text{Final Reference Value of Worst Performing Basket Component}}{\text{Initial Reference Value of Worst Performing Basket Component}}$$

provided that if the applicable Final Terms specify that "Par Redemption" applies, equal to Calculation Amount.

4. **Early Redemption following the occurrence of an Event of Default**

The Early Redemption Amount payable with respect to such Notes under Condition 20 (*Events of Default*) will be Accrued Value, Fixed Redemption, Theoretical Value or Qualified Financial Institution Determination as specified in the applicable Final Terms.

5. **Definitions**

In this Section 3 (*Additional Terms and Conditions for Autocallable Notes*):

"**Autocall Barrier Value**" means, in respect of an Automatic Early Redemption Determination Date, the value specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value);

"**Automatic Early Redemption Date**" means each date specified as such in the applicable Final Terms;

"**Automatic Early Redemption Determination Date**" means each date specified as such in the applicable Final Terms;

"**Automatic Early Redemption Rate**" means, in respect of an Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms;

"**Barrier Observation Dates**" means, in respect of any Interest Determination Date or Automatic Early Redemption Determination Date, the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), **provided that** (i) if any such date is not a Scheduled Trading Day, the relevant Barrier Observation Date shall fall on the next succeeding Scheduled Trading Day, and (ii) if any Barrier Observation Date is a Disrupted Day, the provisions of, as applicable, Condition 9.1, Condition 10.1 (*Corrections to Published Price*) or Condition 12.1 (*Delay of Publication*) shall apply *mutatis mutandis* as if such Barrier Observation Date were a Valuation Date;

"**Barrier Observation Period**" means, in respect of any Interest Determination Date, any Automatic Early Redemption Determination Date or the Determination Date, as applicable, a period specified as such in the applicable Final Terms, expressed as either (i) beginning from (and including) a specified date and ending on and excluding a specified date, or (ii) being a specified date, **provided that** if such specified date is not a Scheduled Trading Day, the Barrier Observation Period will fall on the next succeeding Scheduled Trading Day and if any such specified date is a Disrupted Day, the provisions of, as applicable, Condition 9.1, Condition 10.1 (*Corrections to Published Price*) or Condition 12.1 (*Delay of Publication*) shall apply as if such Barrier Observation Period were a Valuation Date;

"**Base Currency**" means the currency specified in the applicable Final Terms.

"**Best Performing Basket Component**" means the Basket Component determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1 of this Section 3, the Final Reference Value (Coupon) by the Initial Reference Value, (ii) for the purposes of Paragraph 2 of this Section 3, the Final Reference Value (Autocall) for such Basket Component by its Initial Reference Value, and (iii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting the Basket Component with the highest such value (Basket Component 1);

"**Cash Residual Amount**" means the amount determined by the Determination Agent in accordance with the following formula:

$$\text{Noteholder Par Value} - \left(\text{Physical Delivery Amount} \times \text{Initial Reference Value} \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right)$$

"**Coupon Barrier Value 1**" means, in respect of an Interest Determination Date, the value specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value);

"**Coupon Barrier Value 2**" means, in respect of an Interest Determination Date, the value specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value);

"**Coupon Barrier Value**" means, in respect of an Interest Determination Date, the value specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value);

"**Coupon Rate**" means, in respect of an Interest Determination Date, the rate (which may be zero) specified as such in the applicable Final Terms corresponding to such Interest Determination Date;

"**Currency Business Day**" means a day on which commercial banks are open for general business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Principal Financial Centre(s) of the Specified Currency and the Second Currency and (2) where one of either the Specified Currency or the Second Currency is euro, a day that is a TARGET Settlement Day;

"**Determination Date**" means, subject to the Conditions, the date specified as such in the applicable Final Terms;

"**Final Redemption Barrier Value**" and, if applicable, each of "**Final Redemption Barrier Value 1**" and "**Final Redemption Barrier Value 2**" means the value specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value), **provided that** if no such value is specified, the relevant value shall be equal to 100 per cent. of the Initial Reference Value;

"**Final Redemption Cap Value**" means the value specified as such in the applicable Final Terms, (which may be expressed as a percentage) **provided that** if no such value is specified, the relevant value shall be equal to 100 per cent.;

"**Final Redemption Floor Value**" means the value specified as such in the applicable Final Terms, (which may be expressed as a percentage) **provided that** if no such value is specified, the relevant value shall be equal to 100 per cent.;

"**Final Redemption Observation Dates**" means, in relation to the Determination Date, the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), **provided that** (i) if any such date is not a Scheduled Trading Day, the relevant Final Redemption Observation Date shall fall on the next succeeding Scheduled Trading Day, and (ii) if any Final Redemption Observation Date is a Disrupted Day, the provisions of, as applicable, Condition 9.1, Condition 10.1 (*Corrections to Published Price*) or Condition 12.1 (*Delay of Publication*) shall apply *mutatis mutandis* as if such Final Redemption Observation Date were a Valuation Date;

"**Final Redemption Rate**" and, if applicable, each of "**Final Redemption Rate 1**" and "**Final Redemption Rate 2**" means the percentage rate specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (Value Determination Terms) as are specified as being applicable in the applicable Final Terms;

"**Final Reference Value (Autocall)**" means the Relevant Underlying Value as of the Automatic Early Redemption Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Final Reference Value (Coupon)**" means the Relevant Underlying Value as of the relevant Interest Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**FX_{Final}**" means the FX Rate determined by the Determination Agent on the FX_{Final} Determination Date, **provided that** if FX_{Final} is specified as being "Not Applicable" in respect of any determination, FX_{Final} shall be equal to 1 for such determination;

"**FX_{Final} Determination Date**" means the date specified in the applicable Final Terms.

"**$FX_{Initial}$**" means the FX Rate determined by the Determination Agent on the $FX_{Initial}$ Determination Date, **provided that** if $FX_{Initial}$ is specified as being "Not Applicable" in respect of any determination, $FX_{Initial}$ shall be equal to 1 for such determination;

"**$FX_{Initial}$ Determination Date**" means the date specified in the applicable Final Terms.

"**FX Rate**" means the rate of exchange, determined by the Determination Agent and rounded to 4 decimal points, by *dividing* (i) the daily fixing published on the Relevant Screen Page (as at the Specified Time) in respect of exchanging an amount in the Specified Currency for an amount in the Base Currency *by* (ii) the daily fixing published on the Relevant Screen Page (as at the Specified Time) in respect of exchanging an amount in the Base Currency for an amount in the Second Currency, **provided that**, when a direct fixing is available between the Specified Currency and the Second Currency, the Determination Agent will determine the rate of exchange on the basis of the daily fixing published on the Relevant Screen Page (as at the Specified Time) specified in the applicable Final Terms in respect of the Specified Currency in respect of exchanging an amount in the Specified Currency for an amount in the Second Currency;

"**Highest Performance**" means the value determined by the Determination Agent in accordance with the following formula:

$$\text{Highest Performance} = \frac{\text{Highest Reference Value}}{\text{Initial Reference Value}} - 1$$

"**Highest Reference Value**" means the Relevant Underlying Value determined by the Determination Agent as being the highest of the Relevant Underlying Values determined on each Final Redemption Observation Date;

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination*

Terms) as are specified as being applicable in the applicable Final Terms and, if applicable, "**Initial Reference Value$_i$**" means, in respect of any Basket Component "i", the Initial Reference Value of such Basket Component;

"**Interest Determination Dates**" means the dates specified as such in the applicable Final Terms;

"**Knock-in Barrier Level**" means the value specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value);

"**Knock-in Value**" means, (a) if "**Worst Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the Relevant Underlying Value of the Worst Performing Basket Component, (b) if "**Best Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the Relevant Underlying Value of the Best Performing Basket Component, (c) if "**Selected Worst of Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the value determined by adding the Relevant Underlying Value of each Selected Worst Performing Basket Component and dividing the sum by the number of such Selected Worst Performing Basket Components, (d) if "**Selected Best of Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the value determined by adding the Relevant Underlying Value of each Selected Best Performing Basket Component and dividing the sum by the number of Selected Best Performing Basket Components, (e) if "**Relevant Underlying Performance**" is specified as being applicable in respect of the relevant Series of Notes for the purposes of determining Knock-in Value in the applicable Final Terms, the Relevant Underlying Performance for such purposes, or (f) in all other cases, the Relevant Underlying Value;

"**Multiplier**" means, in respect of each Automatic Early Redemption Date, a value (which may be zero) specified as such in the applicable Final Terms corresponding to such Automatic Early Redemption Date;

"**N**" means a value specified as such in the applicable Final Terms.

"**Noteholder Par Value**" means, in respect of any Noteholder, the par value of such Noteholder's interests in the Notes;

"**Participation Rate"** and, if applicable, each of "**Participation Rate 1**" and "**Participation Rate 2**" means the percentage rate specified as such in the applicable Final Terms;

"**Prior Coupon Amount**" means, for each Interest Determination Date or the Determination Date (as applicable), the sum of all Interest Amounts determined for preceding Interest Determination Dates (if any);

"**Relevant Inflation Index**" means, in respect of any Series of Notes, the inflation index specified as such in the applicable Final Terms;

"**Relevant Inflation Index (Initial)**" means the value specified as such in the applicable Final Terms, which may, without limitation, be expressed as the official determination of the Relevant Inflation Index for a calendar month specified in the applicable Final Terms;

"**Relevant Inflation Index (N)**" means, in respect of each Interest Payment Date, the official determination of the Relevant Inflation Index published for the Determination Month in respect of such Interest Payment Date, **provided that** the provisions of Condition 12 (*Provisions Relating to Inflation-Linked Notes*) will apply as if the Relevant Inflation Index were an Inflation Index as defined in such Condition;

"**Relevant Screen Page**" means, in respect of the Specified Currency or the Second Currency, the page, section or other part of a particular information service (including, without limitation, Reuters) specified as such in the applicable Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the FX Rate;

"**Relevant Underlying Value**" means the value of the Relevant Underlying as determined by the Determination Agent in accordance with the applicable Value Determination Terms as specified in the applicable Final Terms;

"**Relevant Underlying Performance**" means, for the purposes of any relevant determination (including, without limitation, any determination of Knock-in Value or Relevant Underlying Performance (Autocall)

or for any determination of the Final Redemption Amount payable in respect of the Notes) the value determined by the Determination Agent as of the Determination Date in accordance with such provisions of Section 8 (*Performance Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Relevant Underlying Performance (Autocall)**" means the Relevant Underlying Performance determined by the Determination Agent as of each Automatic Early Redemption Determination Date

"**Scheduled Trading Day**" means (I) in respect of a Series of Equity-Linked Notes, (a) except with respect to a Multi-Exchange Index, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading session, and (b) with respect to any Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session, (II) in respect of a Series of Fund-Linked Notes, any day which is a Fund Business Day, (III) in respect of a Series of Currency-Linked Notes, any day which is a Currency Business Day, and (IV) in respect of a Series of Commodity-Linked Notes, and day which is a Commodity Business Day;

"**Second Currency**" means the currency specified as such in the applicable Final Terms;

"**Selected Best Performing Basket Components**" means the Basket Components determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1 of this Section 3, the Final Reference Value (Coupon) by the Initial Reference Value, (ii) for the purposes of Paragraph 2 of this Section 3, the Final Reference Value (Autocall) for such Basket Component by its Initial Reference Value, and (iii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting "N" Basket Components with the highest such values (Basket Component 1 to N), where "**N**" is the number of Basket Components to be selected, as specified in the applicable Final Terms.

"**Selected Worst Performing Basket Components**" means the Basket Components determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1 of this Section 3, the Final Reference Value (Coupon) by the Initial Reference Value, (ii) for the purposes of Paragraph 2 of this Section 3, the Final Reference Value (Autocall) for such Basket Component by its Initial Reference Value, and (iii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the lowest such value (Basket Component 1) and ending with the Basket Component with the highest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting "N" Basket Components with the lowest such values (Basket Component 1 to N), where "**N**" is the number of Basket Components to be selected, as specified in the applicable Final Terms.

"**Specified Currency**" means the currency specified as such in the applicable Final Terms;

"**Specified Rate**" and, if applicable, "**Specified Rate 1**" and "**Specified Rate 2**" means, in respect of an Automatic Early Redemption Date or the Determination Date, as applicable, the percentage rate (which will be between 0% and 100%) specified as such in the applicable Final Terms **provided that** if no such rate is specified, the Specified Rate, Specified Rate 1 or Specified Rate 2, as applicable, shall be equal to 100 per cent.;

"**Specified Time**" means, in respect of a Series of Notes and the Specified Currency or the Second Currency, the time specified as such in the applicable Final Terms or if no such time is specified the time chosen by the Determination Agent;

"**Underlying Securities**" means the securities specified as such in the applicable Final Terms or, if no such securities are specified, (i) where the Relevant Underlying comprises a Single Underlying, such Single Underlying or (ii) where the Relevant Underlying comprises a Basket, the Worst Performing Basket Component; and

"**Worst Performing Basket Component**" means the Basket Component determined by the Determination Agent by numbering the Basket Components in order according to the respective values

for each Basket Component determined by dividing (i) for the purposes of Paragraph 1 of this Section 3, the Final Reference Value (Coupon) by the Initial Reference Value, (ii) for the purposes of Paragraph 2.1 of this Section 3, the Final Reference Value (Autocall) for such Basket Component by its Initial Reference Value, and (iii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the lowest such value (Basket Component 1) and ending with the Basket Component with the highest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting the Basket Component with the lowest such value (Basket Component 1).

Section 4

Additional Terms and Conditions for

Reverse Convertible Notes

The terms set out in this Section 4 (*Additional Terms and Conditions for Reverse Convertible Notes*) will apply to a Series of Notes if, and to the extent, so specified in the applicable Final Terms (such Notes the "**Reverse Convertible Notes**"). The Final Terms in respect of a Series of Notes to which this Section 4 (*Additional Terms and Conditions for Reverse Convertible Notes*) applies will be in the form set out in Part 2 of Exhibit B (*Form of Final Terms*) to the Distribution Agreement and under "Pro Forma Final Terms for Reverse Convertible Notes" in the Base Prospectus.

1. **Reverse Convertible Notes: Interest**

If the Notes of the relevant Series are specified as "**Reverse Convertible Notes**" in the applicable Final Terms:

More than one of the following Interest Terms set out in this Paragraph 1.1 or 1.2 of this Section 4 of the Additional Conditions may be applicable in respect of any Series of Notes. The Interest Payment Dates in respect of which such Interest Terms would apply will be indicated in the applicable Final Terms.

1.1 ***Interest (Regular Coupon)***

and if "**Reverse Convertible Notes (Regular Coupon)**" is specified as being applicable in respect of any Series of Notes in the applicable Final Terms, the Issuer shall on each Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

Coupon Rate× *Calculation Amount*

Provided that:

(i) if the applicable Final Terms specify that Fixed Rate Note Provisions are applicable in respect of the relevant Series of Notes, interest shall, instead of being determined in accordance with the formula set out above, accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a fixed Rate of Interest in accordance with Condition 5 (*Fixed Rate Note Provisions*) and the applicable Final Terms;

(ii) if the applicable Final Terms specify that "**Inflation Adjustment**" is applicable in respect of the relevant Series of Notes, the Coupon Rate or, as applicable, the Rate of Interest shall be adjusted by the Determination Agent to account for the effect of inflation as evidenced by the Relevant Inflation Index by multiplying such Coupon Rate or, as applicable, the Rate of Interest by the value which is (i) Relevant Inflation Index (N) *divided by* (ii) Relevant Inflation Index (Initial); and

(iii) if "**Barrier Additional Coupon Amount**" is specified as being applicable in respect of any Series of Notes in the applicable Final Terms, and the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (a) any Interest Determination Date, (b) each Barrier Observation Date, if any, specified in respect of such Interest Determination Date or (c) at any time during any Barrier Observation Period specified in respect of such Interest Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Coupon Barrier Value in respect of such Interest Determination Date, the Issuer shall on the immediately following Interest Payment Date pay, in addition to the interest calculated as above, an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

Additional Rate × Calculation Amount

1.2 ***Interest (Barrier Conditional Coupon)***

and if "**Reverse Convertible Notes (Barrier Conditional Coupon)**" is specified as being applicable in the applicable Final Terms, and if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (a) any Interest Determination Date, (b) each Barrier Observation Date, if any, specified in respect of such Interest Determination Date, or (c) at any time during the Barrier Observation Period, if any, specified in respect of such Interest Determination Date, is (i) greater than, (ii) greater than or equal to, (iii) equal to, (iv) less than or (v) less than or equal to, as specified in the applicable Final Terms, the Coupon Barrier Value in respect of such Interest Determination Date, the Issuer shall on the immediately following Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent:

(A) unless "**Memory Barrier Conditional Coupon**" applies as specified in the applicable Final Terms, in accordance with the following formula:

$$Coupon\ Rate \times Calculation\ Amount$$

or

(B) if "**Memory Barrier Conditional Coupon**" applies as specified in the applicable Final Terms, in accordance with the following formula:

$$[(\text{Coupon Rate} \times \text{Calculation Amount X Multiplier}) - \text{Prior Coupon Amount}]$$

No interest will otherwise be payable on the Notes on an Interest Payment Date.

More than one of the Interest Terms set out in this Paragraph 1.1 or 1.2 of this Section 4 of the Additional Conditions may be applicable in respect of any Series of Notes. The Interest Payment Dates in respect of which such Interest Terms would apply will be indicated in the applicable Final Terms.

2. **Redemption at Maturity**

If the Notes of the relevant Series are specified as "**Reverse Convertible Notes**" in the applicable Final Terms:

2.1 ***Barrier Redemption***

and if "**Reverse Convertible Notes (Barrier Redemption)**" is specified as being applicable in respect of any Series of Notes in the applicable Final Terms, unless previously redeemed or cancelled:

(i) such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount equal to the product of Specified Rate 1 and the Calculation Amount, if:

(A) "**Final Observation**" applies as specified in the applicable Final Terms and the Knock-in Value is (1) greater than, (2) greater than or equal to, (3) equal to, (4) less than or (5) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value; or

(B) "**Daily Observation**" applies as specified in the applicable Final Terms and the Knock-in Value as of each Observation Date is (1) greater than, (2) greater than or equal to, (3) equal to, (4) less than or (5) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value; or

(C) "**Continuous Observation**" applies as specified in the applicable Final Terms and the Determination Agent has not made a determination that the Knock-in Value was, at any time during the Observation Period, (1) greater than, (2) greater than or equal to, (3) equal to, (4) less than or (5) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value;

or

(ii) if the applicable condition set out in (i)(A), (B) or (C) above, as the case may be, is not satisfied and:

(A) unless "Physical Settlement" applies as specified in the applicable Final Terms, such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 2} + \left\{\text{Participation Rate} \times \left(\frac{\text{Final Reference Value}}{\text{Initial Reference Value}} - \text{Strike}\right)\right\}\right]$$

Provided that:

(i) if the applicable Final Terms specify that "**Capped Redemption**" applies, then the Final Redemption Amount shall be the lesser of (a) the Final Redemption Cap Value and (b) the amount determined in accordance with the above formula;

(ii) if the applicable Final Terms specify that "**Floored Redemption**" applies, then the Final Redemption Amount shall be the greater of (a) the Final Redemption Floor Value and (b) the amount determined in accordance with the above formula; and

(iii) if the applicable Final Terms specify that "**Collared Redemption**" applies, then the Final Redemption Amount (a) shall be at least equal to the Final Redemption Floor Value and (b) shall not be greater than the Final Redemption Cap Value.

(B) if "**Physical Settlement**" applies as specified in the applicable Final Terms, Condition 18 (*Physical Settlement*) shall apply and the Physical Delivery Amount for the purposes of such Condition shall be the amount of Underlying Securities determined by the Determination Agent in accordance with the following formula:

$$\text{Physical Delivery Amount} = \frac{\text{Noteholder Par Value}}{\text{Initial Reference Value}}$$

rounded down to the nearest whole round lot as permitted by the Exchange for trading purposes, in which case the Issuer will also pay, in addition, a Cash Residual Amount.

2.2 ***Basic Participation and Performance Linked Redemption***

and if "**Reverse Convertible Notes (Basic Participation and Performance Linked Redemption)**" is specified as being applicable in respect of any Series of Notes in the applicable Final Terms, unless previously redeemed or cancelled, such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate} + \left(\text{Participation Rate} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right)\right]$$

3. **Early Redemption following the occurrence of an Event of Default**

The Early Redemption Amount payable with respect to such Notes under Condition 20 (*Events of Default*) will be Accrued Value, Fixed Redemption, Theoretical Value or Qualified Financial Institution Determination as specified in the applicable Final Terms.

4. **Definitions**

As used in this Section 4 (*Additional Terms and Conditions for Reverse Convertible Notes*):

"**Additional Rate**" means, in respect of any Interest Payment Date, the percentage rate specified as such in the applicable Final Terms;

"**Barrier Observation Dates**" means, in respect of any Interest Determination Date, the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), **provided that** (i) if any such date is not a Scheduled Trading Day, the relevant Barrier Observation Date shall fall on the next succeeding Scheduled Trading Day, and (ii) if any Barrier Observation Date is a Disrupted Day, the provisions of, as applicable, Condition 9.1, Condition 10.1 (*Corrections to Published Prices*) or Condition 12.1 (*Delay of Publication*) shall apply *mutatis mutandis* as if such Barrier Observation Date were a Valuation Date;

"**Barrier Observation Period**" means, in respect of any Interest Determination Date, as applicable, a period specified as such in the applicable Final Terms, expressed as *either* (i) beginning from (and including) a specified date and ending on and excluding a specified date, *or* (ii) being a specified date, **provided that** if such specified date is not a Scheduled Trading Day, the Barrier Observation Period will fall on the next succeeding Scheduled Trading Day and if any such specified date is a Disrupted Day, the provisions of, as applicable, Condition 9.1, Condition 10.1 or Condition 12.1 shall apply as if such Barrier Observation Period were a Valuation Date;

"**Base Currency**" means the currency specified in the applicable Final Terms.

"**Best Performing Basket Component**" means the Basket Component determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1.1 of this Section 4 (*Additional Terms and Conditions for Reverse Convertible Notes*), the Final Reference Value (Coupon) by the Initial Reference Value, (ii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting the Basket Component with the highest such value (Basket Component 1);

"**Cash Residual Amount**" means the amount determined by the Determination Agent in accordance with the following formula:

$$\text{Noteholder Par Value} - \left(\text{Physical Delivery Amount} \times \text{Initial Reference Value} \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right)$$

"**Coupon Rate**" means, in respect of an Interest Determination Date, the rate (which may be zero) specified as such in the applicable Final Terms corresponding to such Interest Determination Date;

"**Coupon Barrier Value**" means, in respect of an Interest Determination Date, the value specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value);

"**Currency Business Day**" means a day on which commercial banks are open for general business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Principal Financial Centre(s) of the Specified Currency and the Second Currency and (2) where one of either the Specified Currency or the Second Currency is euro, a day that is a TARGET Settlement Day;

"**Determination Date**" means, subject to the Conditions, the date specified as such in the applicable Final Terms;

"**Final Redemption Barrier Value**" means the value specified as such in the Final Terms (which may be expressed as a percentage of the Initial Reference Value), **provided that** if no such value is specified as such in the applicable Final Terms, the Final Redemption Barrier Value shall be equal to 100 per cent. of the Initial Reference Value;

"**Final Redemption Cap Value**" means the value specified as such in the applicable Final Terms, (which may be expressed as a percentage) **provided that** if no such value is specified, the relevant value shall be equal to 100 per cent.;

"**Final Redemption Floor Value**" means the value specified as such in the applicable Final Terms, (which may be expressed as a percentage) **provided that** if no such value is specified, the relevant value shall be equal to 100 per cent.;

"**Final Reference Value**" means the Relevant Underlying Value as of the Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Final Reference Value (Coupon)**" means the Relevant Underlying Value as of the relevant Interest Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**FX_{Final}**" means the FX Rate determined by the Determination Agent on the FX_{Final} Determination Date, **provided that** if FX_{Final} is specified as being "Not Applicable" in respect of any determination, FX_{Final} shall be equal to 1 for such determination;

"FX_{Final} Determination Date" means the date specified in the applicable Final Terms.

"**$FX_{Initial}$**" means the FX Rate determined by the Determination Agent on the $FX_{Initial}$ Determination Date, **provided that** if $FX_{Initial}$ is specified as being "Not Applicable" in respect of any determination, $FX_{Initial}$ shall be equal to 1 for such determination;

"**$FX_{Initial}$ Determination Date**" means the date specified in the applicable Final Terms.

"**FX Rate**" means the rate of exchange, determined by the Determination Agent and rounded to 4 decimal points, by *dividing* (i) the daily fixing published on the Relevant Screen Page (as at the Specified Time) in respect of exchanging an amount in the Specified Currency for an amount in the Base Currency *by* (ii) the daily fixing published on the Relevant Screen Page (as at the Specified Time) in respect of exchanging an amount in the Base Currency for an amount in the Second Currency, **provided that**, when a direct fixing is available between the Specified Currency and the Second Currency, the Determination Agent will determine the rate of exchange on the basis of the daily fixing published on the Relevant Screen Page (as at the Specified Time) specified in the applicable Final Terms in respect of the Specified Currency in respect of exchanging an amount in the Specified Currency for an amount in the Second Currency;

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Interest Determination Dates**" means the dates specified as such in the applicable Final Terms;

"**Knock-in Value**" means, (a) if "**Worst Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the Relevant Underlying Value of the Worst Performing Basket Component, (b) if "**Best Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the Relevant Underlying Value of the Best Performing Basket Component, (c) if "**Selected Worst of Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the value determined by adding the Relevant Underlying Value of each Selected Worst Performing Basket Component and dividing the sum by the number of such Selected Worst Performing Basket Components, (d) if "**Selected Best of Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the value determined by adding the Relevant Underlying Value of each Selected Best Performing Basket Component and dividing the sum by the number of Selected Best Performing Basket Components, (e) if "**Relevant Underlying Performance**" is specified as being applicable in respect of the relevant Series of Notes for the purposes of determining Knock-in Value in the applicable Final Terms, the Relevant Underlying Performance for such purposes, or (f) in all other cases, the Relevant Underlying Value;

"**Observation Date**" means each date specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), **provided that** (i) if any such date is not a Scheduled Trading Day, the relevant Observation Date shall fall on the next succeeding Scheduled Trading Day, and (ii) if any Observation Date is a Disrupted Day, the provisions of, as applicable, Condition 9.1, Condition 10.1 (*Corrections to Published Prices*) or Condition 12.1 (*Delay of Publication*) shall apply *mutatis mutandis* as if such Observation Date were a Valuation Date;

"**Observation Period**" means the period from and including the Strike Date to and including the Determination Date*;*

"**Participation Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Prior Coupon Amount**" means, for each Interest Determination Date or the Determination Date (as applicable), the sum of all Interest Amounts determined for preceding Interest Determination Dates (if any);

"**Relevant Inflation Index**" means, in respect of any Series of Notes, the inflation index specified as such in the applicable Final Terms;

"**Relevant Inflation Index (Initial)**" means the value specified as such in the applicable Final Terms, which may, without limitation, be expressed as the official determination of the Relevant Inflation Index for a calendar month specified in the applicable Final Terms;

"**Relevant Inflation Index (N)**" means, in respect of each Interest Payment Date, the official determination of the Relevant Inflation Index published for the Determination Month in respect of such Interest Payment Date, **provided that** the provisions of Condition 12 (*Provisions Relating to Inflation-Linked Notes*) will apply as if the Relevant Inflation Index were an Inflation Index as defined in such Condition;

"**Relevant Screen Page**" means, in respect of the Specified Currency or the Second Currency, the page, section or other part of a particular information service (including, without limitation, Reuters) specified as such in the applicable Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the FX Rate;

"**Relevant Underlying Performance**" means, for the purposes of any relevant determination (including, without limitation, any determination of Knock-in Value or the Final Redemption Amount calculated in accordance with any formula) the value determined by the Determination Agent as of the Determination Date in accordance with such provisions of Section 8 (*Performance Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Relevant Underlying Value**" means the value of the Relevant Underlying as determined by the Determination Agent in accordance with the applicable Value Determination Terms as specified in the applicable Final Terms;

"**Scheduled Trading Day**" means (I) in respect of a Series of Equity-Linked Notes, (a) except with respect to a Multi-Exchange Index, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading session, and (b) with respect to any Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session, (II) in respect of a Series of Fund-Linked Notes, any day which is a Fund Business Day, (III) in respect of a Series of Currency-Linked Notes, any day which is a Currency Business Day, and (IV) in respect of a Series of Commodity-Linked Notes, and day which is a Commodity Business Day;

"**Second Currency**" means the currency specified as such in the applicable Final Terms;

"**Selected Best Performing Basket Components**" means the Basket Components determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1.1 of this Section 4 (*Additional Terms and Conditions for Reverse Convertible Notes*), the Final Reference Value (Coupon) by the Initial Reference Value, (ii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting "N" Basket Components with the highest such values (Basket Component 1 to N), where "**N**" is the number of Basket Components to be selected, as specified in the applicable Final Terms;

"**Selected Worst Performing Basket Components**" means the Basket Components determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1.1 of this Section 4 (*Additional Terms and Conditions for Reverse Convertible Notes*), the Final Reference Value (Coupon) by the Initial Reference Value, (ii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the lowest such value (Basket Component 1) and ending with the Basket Component with the highest such value (and so that, if

more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting "N" Basket Components with the lowest such values (Basket Component 1 to N), where "**N**" is the number of Basket Components to be selected, as specified in the applicable Final Terms;

"**Specified Currency**" means the currency specified as such in the applicable Final Terms;

"**Specified Rate**" and, if applicable, "**Specified Rate 1**" and "**Specified Rate 2**" means the percentage rate (which will be between 0% and 100%) specified as such in the applicable Final Terms **provided that** if no such rate is specified, the Specified Rate, Specified Rate 1 or Specified Rate 2, as applicable, shall be equal to 100 per cent.;

"**Specified Time**" means, in respect of a Series of Notes and the Specified Currency or the Second Currency, the time specified as such in the applicable Final Terms or if no such time is specified the time chosen by the Determination Agent;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Underlying Securities**" means the securities specified as such in the applicable Final Terms or, if no such securities are specified, (i) where the Relevant Underlying is comprised of a Single Underlying, such Single Underlying or (ii) where the Relevant Underlying is comprised of a Basket, the Worst Performing Basket Component; and

"**Worst Performing Basket Component**" means the Basket Component determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1.1 of this Section 4 (*Additional Terms and Conditions for Reverse Convertible Notes*), the Final Reference Value (Coupon) by the Initial Reference Value, (ii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the lowest such value (Basket Component 1) and ending with the Basket Component with the highest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting the Basket Component with the lowest such value (Basket Component 1).

Section 5
Additional Terms and Conditions for Certain Linked Notes

The terms set out in this Section 5 (*Additional Terms and Conditions for Certain Linked Notes*) will apply to a Series of Notes if, and to the extent, so specified in the applicable Final Terms (such Notes the "**Certain Linked Notes**"). The Final Terms in respect of such a Series of Notes will be in the form set out in Part 4 of Exhibit B (*Form of Final Terms*) to the Distribution Agreement and under "Pro Forma Final Terms for Certain Linked Notes" in the Base Prospectus.

1. **Interest**

More than one of the following terms set out in this Paragraph 1 of this Section 5 of the Additional Conditions (the "**Interest Terms**") may be applicable in respect of any Series of Notes. The applicable Final Terms will specify the Interest Period(s) and/or the Interest Payment Date(s) subject to the applicable Interest Terms specified in the Final Terms.

If the Notes of the relevant Series are specified in the applicable Final Terms as:

1.1 ***No Coupon***

"**Linked Notes (No Coupon)**", no interest shall be payable on the Notes of the relevant Series;

1.2 ***Regular Coupon***

"**Linked Notes (Regular Coupon)**", the Issuer shall on each Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Coupon Rate} \times \text{Calculation Amount}$$

Provided that if the applicable Final Terms specify that Fixed Rate Note Provisions are applicable in respect of the relevant Series of Notes, interest shall, instead of being determined in accordance with the formula set out above, accrue and be payable on the Notes of the relevant Series in respect of each Interest Period at a fixed Rate of Interest in accordance with Condition 5 (*Fixed Rate Note Provisions*) and the applicable Final Terms, and

Provided further that if the applicable Final Terms specify that "**Inflation Adjustment**" is applicable in respect of the relevant Series of Notes, the Coupon Rate or, as applicable, the Rate of Interest shall be adjusted by the Determination Agent to account for the effect of inflation as evidenced by the Relevant Inflation Index by multiplying such Coupon Rate or, as applicable, the Rate of Interest by the value which is (i) Relevant Inflation Index (N) *divided by* (ii) Relevant Inflation Index (Initial).

1.3 ***Barrier Conditional Coupon***

"**Linked Notes (Barrier Conditional Coupon)**", and if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) any Interest Determination Date, (ii) each Barrier Observation Date, if any, specified in respect of such Interest Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of such Interest Determination Date, is (a) greater than, (b) greater than or equal to, (c) less than or (d) less than or equal to, as specified in the applicable Final Terms, the Coupon Barrier Value in respect of such date, the Issuer shall on the immediately following Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent:

(i) unless "**Memory Barrier Conditional Coupon**" applies as specified in the applicable Final Terms, in accordance with the following formula:

$$\text{Coupon Rate} \times \text{Calculation Amount}$$

or

(ii) if "**Memory Barrier Conditional Coupon**" applies as specified in the applicable Final Terms, in accordance with the following formula:

[(Coupon Rate × Calculation Amount X Multiplier) - Prior Coupon Amount]

No interest will otherwise be payable on the relevant Notes on an Interest Payment Date;

1.4 ***Dual Barrier Conditional Coupon***

"**Linked Notes (Dual Barrier Conditional Coupon)**", and:

(a) if the Determination Agent Knock-in Value, as specified in the applicable Final Terms, as of (i) any Interest Determination Date, (ii) each Barrier Observation Date, if any, specified in respect of such Interest Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of such Interest Determination Date, is (a) greater than, (b) greater than or equal to, (c) less than or (d) less than or equal to, as specified in the applicable Final Terms, as specified in the applicable Final Terms, the Upper Coupon Barrier Value in respect of such date, the Issuer shall on the immediately following Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Upper Coupon Rate} \times \text{Calculation Amount}$$

or

(b) if (a) above does not apply and the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) any Interest Determination Date, (ii) each Barrier Observation Date, if any, specified in respect of such Interest Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of such Interest Determination Date, is (a) greater than, (b) greater than or equal to, (c) less than or (d) less than or equal to, as specified in the applicable Final Terms, as specified in the applicable Final Terms, the Lower Coupon Barrier Value in respect of such date, the Issuer shall on the immediately following Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Lower Coupon Rate} \times \text{Calculation Amount}$$

No interest will otherwise be payable on the relevant Notes on an Interest Payment Date;

1.5 ***Range Barrier Conditional Coupon***

"**Linked Notes (Range Barrier Conditional Coupon)**", the Issuer shall, on each Interest Payment Date, pay interest on the Notes of the relevant Series in an amount (which may be zero) per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Coupon Rate} \times \text{Calculation Amount} \times \frac{\text{Number of Exchange Business Days (Barrier Condition Satisfied)}}{\text{Nunber of Exchange Business Days (Total)}} \times \text{Day Count Fraction}$$

1.6 ***Range Accrual Coupon***

"**Linked Notes (Range Accrual Coupon)**", the Issuer shall, on each Interest Payment Date, pay interest on the Notes of the relevant Series in an amount (which may be zero) per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Coupon Rate} \times \text{Calculation Amount} \times \frac{\text{Number of Observation Dates (Barrier Condition Satisfied)}}{\text{Relevant Factor}} \times \text{Day Count Fraction}$$

1.7 ***Performance Linked Coupon***

"**Linked Notes (Performance Linked Coupon)**", the Issuer shall on each Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Max}\left[\text{Interest Floor}; \left(\frac{\text{Final Reference Value (Coupon)}}{\text{Initial Reference Value}} - \text{Strike}\right)\right] \times \frac{\text{FX}_{\text{Coupon}}}{\text{FX}_{\text{Initial}}}$$

provided that if the applicable Final Terms specify "**FX Return**" to be "**Not Applicable**", then $\frac{\text{FX}_{\text{Coupon}}}{\text{FX}_{\text{Initial}}}$ shall be equal to 1.

1.8 ***Participation and Performance Linked Coupon***

"**Linked Notes (Participation and Performance Linked Coupon)**", the Issuer shall on each Interest Payment Date pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Max}\left[\text{Interest Floor}; \left(\frac{\text{Final Reference Value (Coupon)}}{\text{Initial Reference Value}}\right) - \text{Strike}\right] \times \text{Participation Rate} \times \frac{\text{FX}_{\text{Coupon}}}{\text{FX}_{\text{Initial}}}$$

provided that if the applicable Final Terms specify "**FX Return**" to be "**Not Applicable**", then $\frac{\text{FX}_{\text{Coupon}}}{\text{FX}_{\text{Initial}}}$ shall be equal to 1.

1.9 ***Inflation Linked Coupon***

"**Linked Notes (Inflation Linked Coupon)**" to be applicable and applicable Final Terms specify the Inflation Linked Coupon to be:

(a) Leveraged Inflation Coupon

"**Leveraged Inflation Coupon**", the Issuer shall, on each Interest Payment Date subject to the Linked Notes (Inflation Linked Coupon) Provisions (as specified in the applicable Final Terms), pay interest on the Notes of the relevant Series in an amount (which may be zero) per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left\{\left[\text{Leverage} \times \left(\frac{\text{CPI}_{\text{n}}}{\text{CPI}_{\text{m}}} - 1\right)\right] + \text{Spread}\right\} \times \text{Day Count Fraction}$$

provided that if the applicable Final Terms specify:

(i) an Interest Cap, the amount calculated in accordance with the above formula shall not exceed the Interest Cap; or

(ii) an Interest Floor, the amount calculated in accordance with the above formula shall not be less than the Interest Floor; or

(iii) an Interest Cap and an Interest Floor, the amount calculated in accordance with the above formula shall not exceed the Interest Cap and shall not be less than the Interest Floor.

(b) Real Inflation Coupon

"**Real Inflation Coupon**", the Issuer shall, on each Interest Payment Date subject to the Linked Notes (Inflation Linked Coupon) Provisions (as specified in the applicable Final Terms), pay interest on the Notes of the relevant Series in an amount (which may be zero) per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Leverage} \times \frac{\text{CPI}_{\text{n}}}{\text{CPI}_{\text{Initial}}} \times \text{Day Count Fraction}$$

provided that if the applicable Final Terms specify:

(i) an Interest Cap, the amount calculated in accordance with the above formula shall not exceed the Interest Cap; or

(ii) an Interest Floor, the amount calculated in accordance with the above formula shall not be less than the Interest Floor; or

(iii) an Interest Cap and an Interest Floor, the amount calculated in accordance with the above formula shall not exceed the Interest Cap and shall not be less than the Interest Floor.

(c) Cumulative Inflation Coupon

"**Cumulative Inflation Coupon**", the Issuer shall, on each Interest Payment Date subject to the Linked Notes (Inflation Linked Coupon) Provisions (as specified in the applicable Final Terms), pay interest on the Notes of the relevant Series in an amount (which may be zero) per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Leverage} \times \left(\frac{\text{CPI}_{\text{n}}}{\text{CPI}_{\text{Initial}}} - 1\right) \times \text{Day Count Fraction}$$

provided that if the applicable Final Terms specify:

(i) an Interest Cap, the amount calculated in accordance with the above formula shall not exceed the Interest Cap; or

(ii) an Interest Floor, the amount calculated in accordance with the above formula shall not be less than the Interest Floor; or

(iii) an Interest Cap and an Interest Floor, the amount calculated in accordance with the above formula shall not exceed the Interest Cap and shall not be less than the Interest Floor.

2. **Redemption at Maturity**

Unless previously redeemed or cancelled, the Notes of a Series shall be redeemed on the applicable Maturity Date at their Final Redemption Amount, which shall be an amount per Calculation Amount:

2.1 ***Fixed Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Fixed Redemption)**", determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times (\text{Specified Rate} + \text{Final Redemption Rate})$$

2.2 ***Basic Performance Linked Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Basic Performance Linked Redemption)**" determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\left(\text{Participation Rate} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right] + \text{Bonus Amount}$$

Provided that:

(i) if the applicable Final Terms specify that "**Capped Basic Performance Linked Redemption**" applies, then the Final Redemption Amount shall be the *lesser of* (i) the Final Redemption Cap Value and (ii) the amount determined in accordance with the above formula;

(ii) if the applicable Final Terms specify that "**Floored Basic Performance Linked Redemption**" applies, then the Final Redemption Amount shall be the *greater of* (i) the Final Redemption Floor Value and (ii) the amount determined in accordance with the above formula; and

(iii) if the applicable Final Terms specify that "**Collared Basic Performance Linked Redemption**" applies, then the Final Redemption Amount shall be (i) if the amount determined in accordance with the above formula is less than or equal to the Final Redemption Floor Value, the Final Redemption Floor Value, (ii) if the amount determined in accordance with the above formula is equal to or greater than the Final Redemption Cap Value, the Final Redemption Cap Value, or (iii) if the amount determined in accordance with the above formula is more than the Final Redemption Floor Value and less than the Final Redemption Cap Value, the amount determined in accordance with the above formula,

provided that if the applicable Final Terms specify "**FX Return**" to be "Not Applicable", then $\frac{FX_{Final}}{FX_{Initial}}$ in the formula set out in this Paragraph 2.2 shall be equal to 1.

"**Bonus Amount**" means the amount specified as such in the applicable Final Terms provided that if Bonus Amount is said to be 'Not Applicable' in respect of any determination, Bonus Amount shall be equal to zero for such determination.

2.3 ***Participation and Performance-Linked Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Participation and Performance-Linked Redemption)**", determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate} + \left\{\text{Participation Rate} \times \text{Max}(\text{Final Redemption Rate}; \text{Relevant Underlying Performance}) \times \frac{FX_{Final}}{FX_{Initial}}\right\}\right]$$

2.4 ***Barrier Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Barrier Redemption)**":

(a) equal to the product of Specified Rate 1 and the Calculation Amount, if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) the Determination Date, (ii) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date is (A) greater than, (B) greater than or equal to, (C) equal to, (D) less than or (E) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value; or

(b) if (a) above does not apply, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 2} + \left(\text{Participation Rate} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}} \times \frac{FX_{Final}}{FX_{Initial}}\right)\right]$$

provided that if the applicable Final Terms specify that "**Capped Redemption**" applies, then the Final Redemption Amount shall be the *lesser* of (i) the Final Redemption Cap Value and (b) the amount determined in accordance with the formula in paragraph 2.4(b) above.

2.5 ***Barrier and Participation Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Barrier and Participation Redemption)**" and:

(a) if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) the Determination Date, (ii) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date is (A) greater than, (B) greater than or equal to, (C) equal to, (D) less than or (E) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value,

(i) if "**Final Redemption 1**" is specified as being applicable in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 1} + \left\{\text{Participation Rate 1} \times \text{Max}(\text{Final Redemption Rate; Relevant Underlying Performance}) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right\}\right]$$

(ii) if "**Final Redemption 2**" is specified as being applicable in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Final Redemption Rate} + \left\{\text{Max}(0;\text{Relevant Underlying Performance-Performance Rate}) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right\}\right]$$

or

(b) if (a) above does not apply,

(i) unless "**Worst Performance**" is specified as being applicable in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 2} + \left(\text{Participation Rate 2} \times \frac{\text{Final Reference Value (Final Redemption)}}{\text{Initial Reference Value}} \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right)\right]$$

provided that if the applicable Final Terms specify "**FX Return (Downside Redemption)**" to be "Not Applicable", then $\frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}$ in the formula set out in this Paragraph 2.5(b)(i) shall be equal to 1.

(ii) if "**Worst Performance**" is specified as being applicable in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times [\text{Specified Rate 2} + (\text{Participation Rate 2} \times \text{Lowest Basket Component Performance})]$$

2.6 ***Barrier and Participation Redemption – FX Performance Adjustment***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Barrier and Participation Redemption – FX Performance Adjustment)**" and:

(a) if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) the Determination Date, (ii) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date is (A) greater than, (B) greater than or equal to, (C) equal to, (D) less than or (E) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 1} \times \frac{\text{FX}_{\text{FinalPrincipal}}}{\text{FX}_{\text{InitialPrincipal}}} + \left\{\text{Participation Rate 1} \times \text{Max}(\text{Final Redemption Rate;Relevant Underlying Performance}) \times \frac{\text{FX}_{\text{FinalOption}}}{\text{FX}_{\text{InitialOption}}}\right\}\right]$$

(b) if (a) above does not apply,

(i) unless "**Worst Performance**" is specified as being applicable in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 2} + \left(\text{Participation Rate 2} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right) \times \frac{\text{FX}_{\text{FinalPrincipal}}}{\text{FX}_{\text{InitialPrincipal}}}\right]$$

provided that if the applicable Final Terms specify "**FX Return (Downside Redemption)**" to be "Not Applicable", then $\frac{\text{FX}_{\text{FinalPrincipal}}}{\text{FX}_{\text{InitialPrincipal}}}$ in the formula set out in this Paragraph 2.6(b)(i) shall be equal to 1; or

(ii) if "**Worst Performance**" is specified as being applicable in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 2} + (\text{Participation Rate 2} \times \text{Lowest Basket Component Performance}) \times \frac{\text{FX}_{\text{FinalPrincipal}}}{\text{FX}_{\text{InitialPrincipal}}}\right]$$

provided that if the applicable Final Terms specify "**FX Return (Downside Redemption)**" to be "Not Applicable", then $\frac{\text{FX}_{\text{FinalPrincipal}}}{\text{FX}_{\text{InitialPrincipal}}}$ in the formula set out in this Paragraph 2.6(b)(ii) shall be equal to 1.

2.7 ***Dual Barrier Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Dual Barrier Redemption)**" and:

(a) if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) the Determination Date, (ii) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date is (A) greater than, (B) greater than or equal to, (C) less than or (D) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value 1, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 1} + \left\{\text{Participation Rate 1} \times \text{Max}(\text{Final Redemption Rate};\text{Relevant Underlying Performance}) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right\}\right]$$

(b) if (a) above does not apply, but the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) the Determination Date, (ii) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date is (A) greater than, (B) greater than or equal to, (C) less than or (D) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value 2, equal to the product of Specified Rate 2 and the Calculation Amount; and

(c) if neither (a) nor (b) above applies, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 3} + \left(\text{Participation Rate 2} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right]$$

2.8 ***Dual Barrier Redemption - Twin Win***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Dual Barrier Redemption - Twin Win)**" and:

(a) if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) the Determination Date, (ii) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date is (A) greater than, (B) greater than or equal to, (C) less than or (D) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value 1, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 1} + \left\{\text{Participation Rate 1} \times \text{Max}(\text{Final Redemption Rate 1};\text{Relevant Underlying Performance}) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right\}\right]$$

(b) if (a) above does not apply, but the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) the Determination Date, (ii) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date is (A) greater than, (B) greater than or equal to, (C) less than or (D) less than or equal to, as

specified in the applicable Final Terms, as specified in the applicable Final Terms, the Final Redemption Barrier Value 2, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 2} + \left\{\text{Participation Rate 2} \times \text{Max}(\text{Final Redemption Rate 2; Relevant Underlying Performance (Put)}) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right\}\right]$$

or

(c) if neither (a) nor (b) above applies, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 3} + \left(\text{Participation Rate 3} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}} \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right)\right]$$

2.9 ***Synthetic Zero Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Synthetic Zero Redemption)**", determined by the Determination Agent in accordance with the following formula (**provided that** if the value determined by the Determination Agent in accordance with such formula is a negative number, the Final Redemption Amount in respect of the Notes shall be zero):

$$\text{Calculation Amount} \times \left[1 - \text{Max}\left\{0; \text{Participation Rate} \times \frac{\text{(Specified Strike Value-Initial Reference Value)}}{\text{Final Reference Value}}\right\}\right]$$

2.10 ***Lock In Ladder Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Lock In Ladder Redemption)**", determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate} + \left\{\text{Participation Rate} \times \text{Max}(\text{Final Redemption Rate; Relevant Underlying Performance; Multiplier} \times \text{Maximum Lock in Step}) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right\}\right]$$

2.11 ***Lock In Ladder Barrier Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Lock In Ladder Barrier Redemption)**" and:

(a) if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) the Determination Date, (ii) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date is (A) greater than, (B) greater than or equal to, (C) less than or (D) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Barrier Value, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 1} + \left\{\text{Participation Rate 1} \times \text{Max}(\text{Final Redemption Rate; Relevant Underlying Performance; Multiplier} \times \text{Maximum Lock in Step}) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right\}\right]$$

or

(b) if (a) above does not apply and the Maximum Lock in Step is greater than zero, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 1} + \left\{\text{Participation Rate 1} \times \text{Max}(\text{Final Redemption Rate; Relevant Underlying Performance; Multiplier} \times \text{Maximum Lock in Step}) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right\}\right]$$

or

(c) if neither (a) nor (b) above applies,

(i) unless "Worst Performance" is specified as being applicable in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 2} + \left(\text{Participation Rate 2} \times \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right]$$

(ii) if "**Worst Performance**" is specified as being applicable in the applicable Final Terms, determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate 2} + \left(\text{Participation Rate 2} \times \frac{\text{Final Reference Value of Worst Performing Basket Component}}{\text{Initial Reference Value of Worst Performing Basket Component}}\right) \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right]$$

2.12 ***Ranked Underlying Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Ranked Underlying Redemption)**", determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left[\text{Specified Rate} + \left\{\text{Participation Rate} \times \text{Max (Final Redemption Rate;Top Rank Underlying Performance)} \times \frac{\text{FX}_{\text{Final}}}{\text{FX}_{\text{Initial}}}\right\}\right]$$

2.13 ***Multiple Barrier Redemption***

if the Notes are specified in the applicable Final Terms as "**Linked Notes (Multiple Barrier Redemption)**", and if the Determination Agent determines that the Knock-in Value as of, as specified in the applicable Final Terms, (i) the Determination Date, (ii) each Final Redemption Observation Date, if any, specified in respect of the Determination Date, or (iii) at any time during the Barrier Observation Period, if any, specified in respect of the Determination Date is (A) greater than, (B) greater than or equal to, (C) less than or (D) less than or equal to, as specified in the applicable Final Terms, any Specified Final Redemption Barrier Value, determined by the Determination Agent by multiplying the Specified Final Redemption Rate specified in respect of that Specified Final Redemption Barrier Value and the Calculation Amount.

2.14 ***Inflation Linked Redemption***

If the Notes are specified in the applicable Final Terms as "**Linked Notes (Inflation Linked Redemption)**", determined by the Determination Agent in accordance with the following formula (provided that if the value determined by the Determination Agent in accordance with such formula is a negative number, the Final Redemption Amount in respect of the Notes shall be zero):

$$\text{Calculation Amount} \times \left[\text{Specified Rate} + \left(\text{Participation Rate} \times \left(\frac{\text{CPI}_{\text{Final}}}{\text{CPI}_{\text{Initial}}} - 1\right)\right)\right]$$

and further provided that if the applicable Final Terms specify:

(i) a Redemption Cap, the amount calculated in accordance with the above formula shall not exceed the Redemption Cap; or

(ii) a Redemption Floor, the amount calculated in accordance with the above formula shall not be less than the Redemption Floor; or

(iii) a Redemption Cap and a Redemption Floor, the amount calculated in accordance with the above formula shall not exceed the Redemption Cap and shall not be less than the Redemption Floor.

3. **Early Redemption following the occurrence of an Event of Default**

The Early Redemption Amount payable with respect to such Notes under Condition 20 (*Events of Default*) will be Accrued Value, Fixed Redemption, Theoretical Value or Qualified Financial Institution Determination as specified in the applicable Final Terms.

4. **Definitions**

In this Section 5 (*Additional Terms and Conditions for Certain Linked Notes*):

"**Barrier Observation Dates**" means, in respect of any Interest Determination Date, the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), **provided that** (i) if any such date is not a Scheduled Trading Day, the relevant Barrier Observation Date shall fall on the next succeeding Scheduled Trading Day, and (ii) if any Barrier Observation Date is a Disrupted Day, the provisions of, as applicable, Condition 9.1, Condition 10.1 (*Corrections to Published Prices*) or Condition 12.1 (*Delay of Publication*) shall apply *mutatis mutandis,* as if such Barrier Observation Date were a Valuation Date;

"**Barrier Observation Period**" means, in respect of any Interest Determination Date or the Determination Date, as applicable, a period specified as such in the applicable Final Terms, expressed as either (i) beginning from (and including) a specified date and ending on and excluding a specified date, or (ii) being a specified date, **provided that** if such specified date is not a Scheduled Trading Day, the Barrier Observation Period will fall on the next succeeding Scheduled Trading Day, and if any such specified date is a Disrupted Day, the provisions of, as applicable, Condition 9.1, Condition 10.1 (*Corrections to Published Prices*) or Condition 12.1 (*Delay of Publication*) shall apply as if such Barrier Observation Period were a Valuation Date;

"**Base Currency**" means the currency specified in the applicable Final Terms.

"**Best Performing Basket Component**" means the Basket Component determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1 of this Section 5 (*Additional Terms and Conditions for Certain Linked Notes*), the Final Reference Value (Coupon) by the Initial Reference Value, (ii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting the Basket Component with the highest such value (Basket Component 1);

"**Bonus Amount**" means the amount specified as such in the applicable Final Terms provided that if Bonus Amount is said to be 'Not Applicable' in respect of any determination, Bonus Amount shall be equal to zero for such determination.

"**Coupon Barrier Value**" and, if applicable, each of "**Upper Coupon Barrier Value**" and "**Lower Coupon Barrier Value**" means, in respect of each relevant Interest Determination Date, the value specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value);

"**Coupon Rate**" and, if applicable, each of "**Upper Coupon Rate**" and "**Lower Coupon Rate**" means, in respect of each relevant Interest Determination Date, the rate specified as such in the applicable Final Terms;

"**CPI_{Final}**" means the official determination of the Inflation Index published for the Determination Month (Final) subject to adjustment in accordance with the provisions of Condition 12 (*Provisions Relating to Inflation-Linked Notes*);

"**$CPI_{Initial}$**" means either of the following as specified in the applicable Final Terms: (i) the value specified as "$CPI_{Initial}$" in the applicable Final Terms, or (ii) the Initial Inflation Index Level;

"**CPI_m**" means, in respect of each Interest Payment Date and each Interest Period ending on (but excluding) such Interest Payment Date, the official determination of the Inflation Index published for the Determination Month (m) in respect of such Interest Payment Date, subject to adjustment in accordance with the provisions of Condition 12 (*Provisions Relating to Inflation-Linked Notes*);

"**CPI_n**" means, in respect of each Interest Payment Date and each Interest Period ending on (but excluding) such Interest Payment Date, the official determination of the Inflation Index published for the Determination Month (n) in respect of such Interest Payment Date, subject to adjustment in accordance with the provisions of Condition 12 (*Provisions Relating to Inflation-Linked Notes*);

"**Currency Business Day**" means a day on which commercial banks are open for general business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Principal Financial Centre(s) of the Specified Currency and the Second Currency and (2)

where one of either the Specified Currency or the Second Currency is euro, a day that is a TARGET Settlement Day;

"**Determination Date**" means, subject to the Conditions, the date specified as such in the applicable Final Terms;

"**Determination Month**" means, in respect of each Interest Payment Date, the month specified as such in the applicable Final Terms, which may, without limitation, also be expressed as a specified number of months before or after, as specified in the applicable Final Terms, the relevant Interest Payment Date;

"**Determination Month (Final)**" means a calendar month of the year specified as such in the applicable Final Terms, and each Determination Month (Final) shall be a "Reference Month" for the purposes of the Conditions;

"**Determination Month (Initial)**" means a calendar month of the year specified as such in the applicable Final Terms, and each Determination Month (Initial) shall be a "Reference Month" for the purposes of the Conditions;

"**Determination Month (m)**" means, any of the following as specified in the applicable Final Terms: (i) in respect of each Interest Payment Date and the Interest Period ending on (but excluding) such Interest Payment Date, the calendar month of the year specified in the column headed "Determination Month (m)" of the Determination Month Table in the row corresponding to the date (specified in the column headed "Interest Payment Date(s)") on which such Interest Payment Date is scheduled to fall, or (ii) in respect of each Interest Period and the Interest Payment Date on which such Interest Period ends (but is not included in such Interest Period), a specified number of calendar months before or after (or the same calendar month as) the month in which such Interest Payment Date falls, or (iii) in respect of each Interest Period and the Scheduled Interest Payment Date on which such Interest Period ends (but is not included in such Interest Period), a specified number of calendar months before or after (or the same calendar month as) the month in which the Scheduled Interest Payment Date falls. Each Determination Month (m) shall be a "Reference Month" for the purposes of the Conditions;

"**Determination Month (n)**" means, any of the following as specified in the applicable Final Terms: (i) in respect of each Interest Payment Date and the Interest Period ending on (but excluding) such Interest Payment Date, the calendar month of the year specified in the column headed "Determination Month (n)" of the Determination Month Table in the row corresponding to the date (specified in the column headed "Interest Payment Date(s)") on which such Interest Payment Date is scheduled to fall, or (ii) in respect of each Interest Period and the Interest Payment Date on which such Interest Period ends (but is not included in such Interest Period), a specified number of calendar months before or after (or the same calendar month as) the month in which such Interest Payment Date falls, or (iii) in respect of each Interest Period and the Scheduled Interest Payment Date on which such Interest Period ends (but is not included in such Interest Period), a specified number of calendar months before or after (or the same calendar month as) the month in which the Scheduled Interest Payment Date falls. Each Determination Month (n) shall be a "Reference Month" for the purposes of the Conditions;

"**Determination Month Table**" means a table specified as such in the applicable Final Terms, which will be in or substantially in the form set out below;

Determination Month Table

Interest Payment Date(s)	**Determination Month (n)**	**Determination Month (m)**
[*insert date*] (*repeat as required*)	[*insert calendar month and year*] (*repeat as required*)	[*insert calendar month and year*] (*repeat as required*)

"**Final Redemption Barrier Value**" and, if applicable, each of "**Final Redemption Barrier Value 1**" and "**Final Redemption Barrier Value 2**" means the value specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value), **provided that** if no such value is specified, the relevant value shall be equal to 100 per cent. of the Initial Reference Value;

"**Final Redemption Cap Value**" means the value specified as such in the applicable Final Terms, (which may be expressed as a percentage) **provided that** if no such value is specified, the relevant value shall be equal to 100 per cent.;

"**Final Redemption Floor Value**" means the value specified as such in the applicable Final Terms, (which may be expressed as a percentage) **provided that** if no such value is specified, the relevant value shall be equal to 100 per cent.;

"**Final Redemption Determination Date(s)**" means, subject to the Conditions, the date(s) specified as such in the applicable Final Terms (which may include, without limitation, the Determination Date, each Averaging Date or each Final Redemption Observation Date);

"**Final Redemption Observation Dates**" means, in relation to the Determination Date, the dates specified as such in the applicable Final Terms, (and may also be expressed as being each Scheduled Trading Day within specified dates), **provided that** (i) if any such date is not a Scheduled Trading Day, the relevant Final Redemption Observation Date shall fall on the next succeeding Scheduled Trading Day, and (ii) if any Final Redemption Observation Date is a Disrupted Day, the provisions of, as applicable, Condition 9.1, Condition 10.1 (*Corrections to Published Prices*) or Condition 12.1 (*Delay of Publication*) shall apply *mutatis mutandis* as if such Final Redemption Observation Date were a Valuation Date;

"**Final Redemption Rate**" and, if applicable, each of "**Final Redemption Rate 1**" and "**Final Redemption Rate 2**" means the percentage rate specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Final Reference Value (Coupon)**" means the Relevant Underlying Value as of the relevant Interest Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Final Reference Value (Final Redemption)**" means the Relevant Underlying Value as of the Final Redemption Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**FX_{Coupon}**" means, in respect of each Interest Determination Date, the FX Rate determined by the Determination Agent on the Currency Business Day immediately succeeding such Interest Determination Date, provided that if FX_{Coupon} is specified as being "**Not Applicable**" in respect of any determination, FX_{Coupon} shall be equal to 1 for such determination;

"**FX_{Final}**" means the FX Rate determined by the Determination Agent on the FX_{Final} Determination Date, **provided that** if FX_{Final} is specified as being "Not Applicable" in respect of any determination, FX_{Final} shall be equal to 1 for such determination;

"FX_{Final} Determination Date" means the date specified in the applicable Final Terms.

"**$FX_{FinalOption}$**" means the FX Rate determined by the Determination Agent on the $FX_{FinalOption}$ Determination Date, **provided that** if $FX_{FinalOption}$ is specified as being "Not Applicable" in respect of any determination, $FX_{FinalOption}$ shall be equal to 1 for such determination;

"$FX_{FinalOption}$ Determination Date" means the date specified in the applicable Final Terms;

"**$FX_{FinalPrincipal}$**" means the FX Rate determined by the Determination Agent on the $FX_{FinalPrincipal}$ Determination Date, **provided that** if $FX_{FinalPrincipal}$ is specified as being "Not Applicable" in respect of any determination, $FX_{FinalPrincipal}$ shall be equal to 1 for such determination;

"**$FX_{FinalPrincipal}$ Determination Date**" means the date specified in the applicable Final Terms;

"**$FX_{Initial}$**" means the FX Rate determined by the Determination Agent on the $FX_{Initial}$ Determination Date, **provided that** if $FX_{Initial}$ is specified as being "Not Applicable" in respect of any determination, $FX_{Initial}$ shall be equal to 1 for such determination;

"**$FX_{Initial}$ Determination Date**" means the date specified in the applicable Final Terms.

"**$FX_{InitialOption}$**" means the FX Rate determined by the Determination Agent on the $FX_{InitialOption}$ Determination Date, **provided that** if $FX_{InitialOption}$ is specified as being "Not Applicable" in respect of any determination, $FX_{InitialOption}$ shall be equal to 1 for such determination;

"$FX_{InitialOption}$ Determination Date" means the date specified in the applicable Final Terms;

"**$FX_{InitialPrincipal}$**" means the FX Rate determined by the Determination Agent on the $FX_{InitialPrincipal}$ Determination Date, **provided that** if $FX_{InitialPrincipal}$ is specified as being "Not Applicable" in respect of any determination, $FX_{InitialPrincipal}$ shall be equal to 1 for such determination;

"**$FX_{InitialPrincipal}$ Determination Date**" means the date specified in the applicable Final Terms;

"**FX Rate**" means the rate of exchange, determined by the Determination Agent and rounded to 4 decimal points, by *dividing* (i) the daily fixing published on the Relevant Screen Page (as at the Specified Time) in respect of exchanging an amount in the Specified Currency for an amount in the Base Currency *by* (ii) the daily fixing published on the Relevant Screen Page (as at the Specified Time) in respect of exchanging an amount in the Base Currency for an amount in the Second Currency, **provided that**, when a direct fixing is available between the Specified Currency and the Second Currency, the Determination Agent will determine the rate of exchange on the basis of the daily fixing published on the Relevant Screen Page (as at the Specified Time) specified in the applicable Final Terms in respect of the Specified Currency in respect of exchanging an amount in the Specified Currency for an amount in the Second Currency;

"**Initial Inflation Index Level**" means the official determination of the Inflation Index published for the Determination Month (Initial) subject to adjustment in accordance with the provisions of Condition 12 (*Provisions Relating to Inflation-Linked Notes*);

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Interest Cap**" means an amount specified as such in the applicable Final Terms;

"**Interest Determination Dates**" means, subject to the Conditions, the dates specified as such in the applicable Final Terms;

"**Interest Floor**" means an amount specified as such in the applicable Final Terms;

"**Interest Period**" means each period specified as such in the applicable Final Terms, and may be expressed as beginning on (and including) a specified date and ending on (and not including) another date;

"**Knock-in Value**" means, (a) if "**Worst Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the Relevant Underlying Value of the Worst Performing Basket Component, (b) if "**Best Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the Relevant Underlying Value of the Best Performing Basket Component, (c) if "**Selected Worst of Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the value determined by adding the Relevant Underlying Value of each Selected Worst Performing Basket Component and dividing the sum by the number of such Selected Worst Performing Basket Components, (d) if "**Selected Best of Performance**" is specified as being applicable in respect of the relevant Series of Notes in the applicable Final Terms, the value determined by adding the Relevant Underlying Value of each Selected Best Performing Basket Component and dividing the sum by the number of Selected Best Performing Basket Components, (e) if "**Relevant Underlying Performance**" is specified as being applicable in respect of the relevant Series of Notes for the purposes of determining Knock-in Value in the applicable Final Terms, the Relevant Underlying Performance for such purposes, or (f) in all other cases, the Relevant Underlying Value;

"**Leverage**" means the percentage rate specified as such in the applicable Final Terms;

"**Linked Notes (Inflation Linked Coupon) Provisions**" means the terms set out in Paragraph 1.9 (*Linked Notes (Inflation Linked Coupon)*);

"**Lock In Observation Dates**" means; in relation to the Determination Date, the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), **provided that** (i) if any such date is not a Scheduled Trading Day, the relevant Lock In Observation Date shall fall on the next succeeding Scheduled Trading Day, and (ii) if any Lock In Observation Date is a Disrupted Day, the provisions of, as applicable, Condition 9.1, Condition 10.1 (*Corrections to Published Prices*) or Condition 12.1 (*Delay of Publication*) shall apply *mutatis mutandis* as if such Lock In Observation Date were a Valuation Date;

"**Lock In Steps**" means a set of incremental values (for example, 5%, 10%, 15%… or 10%, 20%, 30%….) specified as such in the applicable Final Terms, or incremental values determined by the Determination Agent and notified to the Noteholders as soon as practicable following the date of the applicable determination, which fall within the Lock In Steps Ranges, with each such value being a "**Lock In Step**";

"**Lock In Steps Range**" means a range of incremental values (for example, between 5%-9%, 10%-14…) specified as such in the applicable Final Terms, with each such range of values being a "**Lock In Step Range**";

"**Lowest Basket Component Performance**" means the Final Performance of the Worst Performing Basket Component, where the "**Final Performance**" in respect of such Worst Performing Basket Component is an amount determined by the Determination Agent by dividing (i) the Final Reference Value (Final Redemption) of such Basket Component, by (ii) the Initial Reference Value of such Basket Component;

"***Max***" followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a semi-colon inside those brackets;

"**Maximum Lock In Step**" means, as determined by the Determination Agent, the highest Lock In Step achieved as of any Lock In Observation Date (and so that the Lock In Step achieved as of any Lock In Step Observation Date is the Lock In Step equal to the Relevant Underlying Performance as of such date or, if there is no such equal Lock In Step, the highest Lock In Step exceeded by the Relevant Underlying Performance as of that Lock In Observation Date, and "**Maximum Lock In Step**" means, in respect of a Lock In Observation Date, the highest Lock In Step which may be included in the Relevant Underlying Performance on such Lock In Observation Date;

"***Min***" followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a semi-colon inside those brackets;

"**Multiplier**" means a value (which may be zero) specified as such in the applicable Final Terms;

"**Number of Exchange Business Days (Barrier Condition Satisfied)**" means, in respect of each Interest Period and as determined by the Determination Agent, the number of Exchange Business Days in such Interest Period on which the Knock-in Value is: (A) if "**Single Barrier Range Accrual**" is specified in the applicable Final Terms, (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to, as specified in the applicable Final Terms, the Coupon Barrier Value, or (B) if "**Dual Barrier Range Accrual**" is specified in the applicable Final Terms, (i) greater than or (ii) greater than or equal to, as specified in the applicable Final Terms, the Lower Coupon Barrier Value and (i) less than or (ii) less than or equal to, as specified in the applicable Final Terms, the Upper Coupon Barrier Value;

"**Number of Exchange Business Days (Total)**" means, in respect of each Interest Period and as determined by the Determination Agent, the total number of Exchange Business Days in such Interest Period;

"**Number of Observation Dates (Barrier Condition Satisfied)**" means, in respect of each Interest Period, the number of Observation Dates in such Interest Period, as determined by the Determination Agent, that the Knock-in Value is (A) if "**Single Barrier Range Accrual**" is specified in the applicable Final Terms, (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to, as specified in the applicable Final Terms, the Coupon Barrier Value, or (B) if "**Dual Barrier Range Accrual**" is specified in the applicable Final Terms, (i) greater than or (ii) greater than or equal to, as specified in the applicable Final Terms, the Lower Coupon Barrier Value and (i) less than or (ii) less than or equal to, as specified in the applicable Final Terms, the Upper Coupon Barrier Value;

"**OTM Performance**" means the Relevant Underlying Performance, determined by the Determination Agent as if "OTM Performance (Single Underlying)" or "Selected Average OTM Performance" (as applicable) were specified as being applicable in respect of the relevant Notes;

"**OTM Rate**" means a percentage rate specified as such in the applicable Final Terms;

"**Participation Rate**" and, if applicable, each of "**Participation Rate 1**", "**Participation Rate 2**" and "**Participation Rate 3**" means the percentage rate specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms, or, if no such rate is specified, 100 per cent.;

"**Prior Coupon Amount**" means, for each Interest Determination Date or Determination Date (as applicable), the sum of all Interest Amounts determined for preceding Interest Determination Dates (if any);

"**Redemption Cap**" means an amount specified as such in the applicable Final Terms;

"**Redemption Floor**" means an amount specified as such in the applicable Final Terms;

"**Relevant Factor**" means, in respect of any Interest Period, the number specified as such in the applicable Final Terms;

"**Relevant Inflation Index**" means, in respect of any Series of Notes, the inflation index specified as such in the applicable Final Terms;

"**Relevant Inflation Index (Initial)**" means the value specified as such in the applicable Final Terms, which may, without limitation, be expressed as the official determination of the Relevant Inflation Index for a calendar month specified in the applicable Final Terms;

"**Relevant Inflation Index (N)**" means, in respect of each Interest Payment Date, the official determination of the Relevant Inflation Index published for the Determination Month in respect of such Interest Payment Date, **provided that** the provisions of Condition 12 (*Provisions Relating to Inflation-Linked Notes*) will apply as if the Relevant Inflation Index were an Inflation Index as defined in such Condition;

"**Relevant Screen Page**" means, in respect of the Specified Currency or the Second Currency, the page, section or other part of a particular information service (including, without limitation, Reuters) specified as such in the applicable Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the FX Rate;

"**Relevant Underlying Performance**" means, for the purposes of any relevant determination (including, without limitation, any determination of Knock-in Value or the Final Redemption Amount calculated in accordance with any formula) the value determined by the Determination Agent as of the Determination Date in accordance with such provisions of Section 8 (*Performance Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Relevant Underlying Performance$_t$**" means the Relevant Underlying Performance determined by the Determination Agent as of the Lock In Observation Date;

"**Relevant Underlying Performance (Put)** " means the value determined by the Determination Agent as of the Determination Date in accordance with such provisions of Section 8 (*Performance Determination Terms*) as are specified as being applicable in the applicable Final Terms, as if "Put Performance" were specified as being applicable;

"**Relevant Underlying Value**" means the value as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Scheduled Interest Payment Date**" means each date specified as such in the applicable Final Terms;

"**Scheduled Trading Day**" means (I) in respect of a Series of Equity-Linked Notes, (a) except with respect to a Multi-Exchange Index, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading session, and (b) with respect to any

Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session, (II) in respect of a Series of Fund-Linked Notes, any day which is a Fund Business Day, (III) in respect of a Series of Currency-Linked Notes, any day which is a Currency Business Day, and (IV) in respect of a Series of Commodity-Linked Notes, and day which is a Commodity Business Day;

"**Second Currency**" means the currency specified as such in the applicable Final Terms;

"**Selected Best Performing Basket Components**" means the Basket Components determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1 of this Section 5 (*Additional Terms and Conditions for Certain Linked Notes*), the Final Reference Value (Coupon) by the Initial Reference Value, (ii) in all other cases, the Final Reference Value (Final Redemption) for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting "N" Basket Components with the highest such values (Basket Component 1 to N), where "**N**" is the number of Basket Components to be selected, as specified in the applicable Final Terms;

"**Selected Worst Performing Basket Components**" means the Basket Components determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1 of this Section 5 (*Additional Terms and Conditions for Certain Linked Notes*), the Final Reference Value (Coupon) by the Initial Reference Value, (ii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the lowest such value (Basket Component 1) and ending with the Basket Component with the highest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting "N" Basket Components with the lowest such values (Basket Component 1 to N), where "**N**" is the number of Basket Components to be selected, as specified in the applicable Final Terms;

"**Specified Currency**" means the currency specified as such in the applicable Final Terms;

"**Specified Final Redemption Barrier Values**" means a set of values (for example, 60 per cent. of the Initial Reference Value, 63 per cent. of the Initial Reference Value, 70 per cent. of the Initial Reference Value, and so on) specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value), which each such value being a "**Specified Final Redemption Barrier Value**";

"**Specified Final Redemption Rate**" means the percentage rate specified in respect of each Specified Final Redemption Barrier Value;

"**Specified Rate**" and, if applicable, "**Specified Rate 1**", "**Specified Rate 2**" and "**Specified Rate 3**" means the percentage rate (which will be between 0% and 100%) specified as such in the applicable Final Terms **provided that** if no such rate is specified, the Specified Rate, Specified Rate 1, Specified Rate 2 or Specified Rate 3, as applicable, shall be equal to 100 per cent.;

"**Specified Strike Value**" means the value specified as such in the applicable Final Terms (which may be expressed as a single value or as a specified percentage of the Initial Reference Value);

"**Specified Time**" means, in respect of a Series of Notes and the Specified Currency or the Second Currency, the time specified as such in the applicable Final Terms or if no such time is specified the time chosen by the Determination Agent;

"**Spread**" means an amount (expressed as a percentage) specified in the applicable Final Terms, which shall be preceded by either a "+" (plus) or a "−" (minus) sign (provided that if the applicable Final Terms specify Spread to be not applicable, it shall be deemed to be zero);

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Top Rank Underlying Performance**" means the Relevant Underlying Performance, determined by the Determination Agent as if "Selected Average Top Rank Performance" were specified as being applicable in respect of the relevant Notes;

"**Underlying Securities**" means the securities specified as such in the applicable Final Terms or, if no such securities are specified, (i) where the Relevant Underlying comprises a Single Underlying, such Single Underlying or (ii) where the Relevant Underlying comprises a Basket, the Worst Performing Basket Component; and

"**Worst Performing Basket Component**" means the Basket Component determined by the Determination Agent by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing (i) for the purposes of Paragraph 1.1 of this Section 5 (*Additional Terms and Conditions for Certain Linked Notes*), the Final Reference Value (Coupon) by the Initial Reference Value, (ii) for the purposes of Paragraph 2.5 of this Section 5 (*Additional Terms and Conditions for Certain Linked Notes*), the Final Reference Value (Final Redemption) for such Basket Component by its Initial Reference Value, (iii) in all other cases, the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the lowest such value (Basket Component 1) and ending with the Basket Component with the highest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent) and by selecting the Basket Component with the lowest such value (Basket Component 1).

Section 6

Additional Terms and Conditions for Preference Share-Linked Notes

The terms set out in this Section 6 (*Additional Terms and Conditions for Preference Share-Linked Notes*) apply to a Series of Preference Share-Linked Notes if, and to the extent, so specified in the applicable Final Terms. The Final Terms in respect of a Series of Preference Share-Linked Notes to which this Section 6 (*Additional Terms and Conditions for Preference Share-Linked Notes*) applies will be in the form set out in Part 4 of Exhibit B (*Form of Final Terms*) to the Distribution Agreement and under "Pro Forma Final Terms for Preference Share-Linked Notes" in the Base Prospectus.

1. **Preference share-Linked Notes**

1.1 **If the Notes of the relevant Series are specified as "Preference Share-Linked Notes" in the applicable Final Terms:**

(a) no interest shall be payable on the Notes;

(b) the Notes may be redeemed prior to the Maturity Date at the election of the Issuer and at the Early Preference Share Redemption Note Amount as defined in Condition 14.8 (*Definitions applicable to Preference Share-Linked Notes*) in any of the circumstances contemplated in Condition 14.2 (*Early Redemption for Taxation Reasons*), 14.4 (*Early Redemption in respect of Preference Share-Linked Notes*), 14.5 (*Extraordinary Events*), or 14.6 (*Additional Disruption Events*), and at the "**Early Redemption Amount**" as defined in Condition 2.1 in any of the circumstances contemplated in Condition 20 (*Events of Default*) or 32 (*Inconvertibility Events*); and

(c) unless previously redeemed or cancelled, such Notes shall be redeemed on the Maturity Date at their Final Redemption Amount being an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Participation Rate} \times \frac{\text{Preference Share Value}_{\text{final}}}{\text{Preference Share Value}_{\text{initial}}}$$

1.2 **As used in this paragraph 1:**

"**Final Valuation Date**" means the day falling the number of Business Days specified in the applicable Final Terms following the Preference Share Determination Date;

"**Maturity Date**" means:

(a) if Underlying Determination Event is specified as applicable in the applicable Final Terms:

(i) if the Preference Shares become subject to redemption pursuant to the underlying determination provisions contained in the terms and conditions of the Preference Shares and redemption occurs (or which redemption but for the delay of the date for valuation or determination of the underlying asset or reference basis (or any part thereof) for the Preference Shares on or about such date, would have occurred), the day falling the number of Business Days specified in the applicable Final Terms following the Final Valuation Date; or

(ii) otherwise, the No Underlying Determination Event Maturity Date or, if later, the day falling the number of Business Days specified in the applicable Final Terms following the Final Valuation Date; or

(b) if Underlying Determination Event is specified as not applicable in the applicable Final Terms, the date specified as such in the applicable Final Terms or, if later, the day falling the number of Business Days specified in the applicable Final Terms following the Final Valuation Date;

"**No Underlying Determination Event Maturity Date**" means the date specified as such in the applicable Final Terms;

"**No Underlying Determination Event Valuation Date**" means the date specified as such in the applicable;

"**Participation Rate**" means the percentage rate specified as such in the applicable Final Terms, or, if no such rate is specified, 100 per cent;

"**Preference Share Determination Date**" means:

(a) if Underlying Determination Event is specified as applicable in the applicable Final Terms:

(i) if the Preference Shares become subject to redemption pursuant to the underlying determination provisions contained in the terms and conditions of the Preference Shares, the Underlying Determination Event Valuation Date falling in the year in which such redemption occurs (or which but for the delay of the date for valuation or determination of the underlying asset or reference basis (or any part thereof) for the Preference Shares on or about such date, would have occurred); or

(ii) otherwise, the No Underlying Determination Event Valuation Date; or

(b) if Underlying Determination Event is specified as not applicable in the applicable Final Terms, the date specified as such in the applicable Final Terms,

or, in each case, if any date(s) for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Preference Shares falling on or about such day is to be delayed in accordance with the terms and conditions of the Preference Shares by reason of a disruption or adjustment event, the Preference Share Determination Date shall be such delayed valuation or determination date(s), all as determined by the Determination Agent;

"**Preference Share Value**" means, in respect of any day, the fair market value of the Preference Share at the Valuation Time on such Day, as determined by the Determination Agent;

"**Preference Share Value$_{early}$**" means the Preference Share Value on the Early Redemption Valuation Date;

"**Preference Share Value$_{final}$**" means the Preference Share Value on the Final Valuation Date;

"**Preference Share Value$_{initial}$**" means the Preference Share Value on the Initial Valuation Date; and

"**Underlying Determination Event Valuation Date**" means each date specified as such in the applicable Final Terms.

Section 7

Additional Terms and Conditions for Value Determination Terms

With respect to each Series of Linked Notes, the "**Relevant Underlying Value**" for a Relevant Underlying as of any date (including but not limited to a Valuation Date, Interest Determination Date, Determination Date, Observation Date, Pricing Date or Averaging Date) for the purposes of determinations linked to the value or performance of the Relevant Underlying shall be, as determined by the Determination Agent and subject as provided in the Conditions:

(a) for an Share or ETF Interest and a Series of Equity-Linked Notes, the price (or, if applicable, two or more such prices) of such Share or ETF Interest on the relevant Exchange;

(b) for an Index and a Series of Equity-Linked Notes, the official level of the Index (or, if applicable, two or more such levels);

(c) for a Commodity and a Series of Commodity-Linked Notes, the Commodities Reference Price (or, if applicable, two or more such prices);

(d) for a Commodity Index and a Series of Commodity-Linked Notes, the Commodities Reference Price (or, if applicable, two or more such prices);

(e) for an Inflation Index and a Series of Inflation-Linked Notes, the level of the Inflation Index for a specified calendar month (or, if applicable, two or more such levels);

(f) for a Currency Pair and a Series of Currency-Linked Notes, means the Specified Rate.

(g) for a Fund and a Series of Fund Linked Notes, (A) the official Fund NAV which is published by the Fund, Fund Manager or any service provider appointed by the Fund or Fund Manager who reports such value on behalf of the Fund, on Bloomberg, Reuters or other similar publishing service, or on the website of the Fund, or in any other manner, divided by (B) the total number of Fund Interests, **provided that** if the information is published on more than one source and the information published on one source differs from the information published on another, the Determination Agent shall choose one of these in its reasonable discretion, acting in good faith and in a commercially reasonable manner;

(h) for a Relevant Underlying which is a basket comprising any combination of the foregoing, the value for the Relevant Underlying equal to the sum of the weighted values of the components of the Relevant Underlying applying (a) to (f) above, as applicable,

determined, in each case, in accordance with such of the provisions contained in the following provisions of this Section 7 ("**Value Determination Terms**") as are applicable to the relevant determination as specified in the applicable Final Terms.

Sub-Section I

Basic Value Determination Terms

1. **Spot Value**

If "Spot Value" is specified in the applicable Final Terms or referred to in any other Value Determination Terms that are relevant to the applicable Final Terms, the Relevant Underlying Value will be determined as of such time as the Determination Agent determines is appropriate in respect of the Relevant Underlying on the relevant date.

2. **Intraday Value**

If "**Intraday Value**" is specified in the applicable Final Terms or referred to in any other Value Determination Terms in the context of comparing the Relevant Underlying Value against any other value, the Relevant Underlying Value may be determined at any time on the relevant date for the purposes of such comparison.

3. **Opening Value**

If "**Opening Value**" is specified in the applicable Final Terms or referred to in any other Value Determination Terms that are relevant to the applicable Final Terms, the Relevant Underlying Value will be determined:

(a) for an Share, Index or ETF Interest and a Series of Equity-Linked Notes, as of the scheduled weekday opening time of the Exchange, without regard to after hours or any other trading outside of the regular trading session hours of the Exchange, in respect of such Relevant Underlying on the relevant date;

(b) for a Basket of Shares, Indices or ETFs and a Series of Equity-Linked Notes, as of the scheduled weekday opening time of the Exchange, without regard to after hours or any other trading outside of the regular trading session hours of the Exchange in respect of such Relevant Underlying on the relevant date; and

(c) for a Basket of Inflation Indices and a Series of Inflation-Linked Notes, for the month specified as the Reference Month with respect to the relevant date in the applicable Final Terms.

4. **Closing Value**

If "**Closing Value**" is specified in the applicable Final Terms or referred to in any other Value Determination Terms that are relevant to the applicable Final Terms, the Relevant Underlying Value will be determined:

(a) for a Share, Index or ETF Interest and a Series of Equity-Linked Notes, as of the Determination Time in respect of such Relevant Underlying on the relevant date;

(b) for an Inflation Index and a Series of Inflation-Linked Notes, for the month specified as the Reference Month with respect to the relevant date in the applicable Final Terms;

(c) for a Currency Pair and a Series of Currency-Linked Notes, as of the close of business hours in the Principal Financial Centre in respect of the Reference Currency on the relevant date;

(d) for a Fund Interest and a Series of Fund-Linked Notes, as of close of business in respect of such Relevant Underlying on the Fund Business Day immediately succeeding the relevant date;

(e) for a Basket of Shares, Indices or ETFs and a Series of Equity-Linked Notes, as of the Scheduled Closing Time of the Exchange in respect of such Relevant Underlying on the relevant date;

(f) for a Basket of Indices and a Series of Inflation-Linked Notes, for the month specified as the Reference Month with respect to the relevant date in the applicable Final Terms;

(g) for a Basket of Currencies and a Series of Currency-Linked Notes, as of the close of business hours in the Principal Financial Centre in respect of such Relevant Underlying on the relevant date; and

(h) for a Basket of Fund Interests and a Series of Fund-Linked Notes, as of close of business in respect of such Relevant Underlying on the Fund Business Day immediately succeeding the relevant date.

5. **Commodity Specified Price**

The Relevant Underlying Value with respect to any Commodity Linked Note shall be determined in accordance with the "**Commodity Specified Price**" specified in the Final Terms or referred to in any other Value Determination Terms that are relevant as provided in the applicable Final Terms, being one of the prices or levels set out below (which terms shall have their natural meanings within the commodities market):

(a) The "High Price";

(b) the "Low Price";

(c) the "Average of High Price and Low Price";

(d) the "Commodities Closing Price";

(e) the "Commodities Opening Price";

(f) the "Bid Price";

(g) the "Asked Price";

(h) the "Average of Bid Price and Asked Price";

(i) the "Settlement Price";

(j) the "Official Settlement Price";

(k) the "Official Price";

(l) the "Morning Fixing";

(m) the "Afternoon Fixing";

(n) the "Spot Price";

(o) the "Official Cash Offer Price"; or

(p) any other price specified in the applicable Final Terms,

provided that, (i) with respect to any Commodity specified in the Final Terms as "**Non Metal**", the relevant price shall be the Official Settlement Price, and (ii) with respect to any Commodity Specified in the Final Terms as "**Precious Metal**" the relevant price shall be the Afternoon Fixing.

Each of the Value Determination Terms set out at 1 to 5 above shall be referred to as a "**Basic Value Determination Term**".

Sub-Section II

Lookback Value Determination Terms

1. **Max Lookback Value**

If "**Max Lookback Value**" is specified in the applicable Final Terms or referred to in any other Value Determination Terms that are relevant to the applicable Final Terms, the Relevant Underlying Value will be the value determined by the Determination Agent to be the highest of, as specified in the applicable Final Terms, (i) the Spot Values, (ii) the Intraday Values, (iii) the Opening Values, (iv) the Closing Values or (v) the relevant Commodity Specified Prices, observed on each Value Observation Date.

where:

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*); and

"**Value Observation Dates**" means the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), subject to adjustment in accordance with the Conditions;

2. **Min Lookback Value**

If "**Min Lookback Value**" is specified in the applicable Final Terms or referred to in any other Value Determination Terms that are relevant to the applicable Final Terms, the Relevant Underlying Value will be the value determined by the Determination Agent to be the lowest of, as specified in the applicable Final Terms, (i) the Spot Values, (ii) the Intraday Values, (iii) the Opening Values, (iv) the Closing Values or (v) the relevant Commodity Specified Prices observed on each Value Observation Date.

where:

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*); and

"**Value Observation Dates**" means the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), subject to adjustment in accordance with the Conditions.

3. **Floored Max Lookback Value**

If "**Floored Max Lookback Value**" is specified in the applicable Final Terms or referred to in any other Value Determination Terms that are relevant to the applicable Final Terms, the Relevant Underlying Value will be the value determined by the Determination Agent to be the greater of (A) the highest of, as specified in the applicable Final Terms, (i) the Spot Values, (ii) the Intraday Values, (iii) the Opening Values, (iv) the Closing Values or (v) the Commodity Specified Prices, observed on each Value Observation Date and (B) the Floor Value.

where:

"**Floor Value**" means the value specified as such in the applicable Final Terms;

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*); and

"**Value Observation Dates**" means the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), subject to adjustment in accordance with the Conditions.

4. **Floored Min Lookback Value**

If "**Floored Max Lookback Value**" is specified in the applicable Final Terms or referred to in any other Value Determination Terms that are relevant to the applicable Final Terms, the Relevant Underlying Value will be the value determined by the Determination Agent to be the greater of (A) the lowest of, as specified in the applicable Final Terms, (i) the Spot Values, (ii) the Intraday Values, (iii) the Opening Values, (iv) the Closing Values or (v) the Commodity Specified Prices, observed on each Value Observation Date and (B) the Floor Value.

where:

"**Floor Value**" means the value specified as such in the applicable Final Terms;

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*); and

"**Value Observation Dates**" means the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), subject to adjustment in accordance with the Conditions.

5. **Capped Max Lookback Value**

If "**Capped Max Lookback Value**" is specified in the applicable Final Terms or referred to in any other Value Determination Terms that are relevant to the applicable Final Terms, the Relevant Underlying Value will be the value determined by the Determination Agent to be the lesser of (A) the highest of, as specified in the applicable Final Terms, (i) the Spot Values, (ii) the Intraday Values, (iii) the Opening Values, (iv) the Closing Values or (v) the Commodity Specified Prices, observed on each Value Observation Date and (B) the Cap Value.

where:

"**Cap Value**" means the value specified as such in the applicable Final Terms;

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*); and

"**Value Observation Dates**" means the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), subject to adjustment in accordance with the Conditions.

6. **Capped Min Lookback Value**

If "**Capped Min Lookback Value**" is specified in the applicable Final Terms or referred to in any other Value Determination Terms that are relevant to the applicable Final Terms, the Relevant Underlying Value will be the value determined by the Determination Agent to be the lesser of (A) lowest of, as specified in the applicable Final Terms, (i) the Spot Values, (ii) the Intraday Values, (iii) the Opening Values, (iv) the Closing Values or (v) the Commodity Specified Prices, observed on each Value Observation Date and (B) the Cap Value.

where:

"**Cap Value**" means the value specified as such in the applicable Final Terms;

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*); and

"**Value Observation Dates**" means the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), subject to adjustment in accordance with the Conditions.

Sub-Section III

Average Value Determination Terms

1. **Average Value**

If "**Average Value**" is specified in the applicable Final Terms, the Relevant Underlying Value will be equal to the arithmetic mean of, as specified in the applicable Final Terms, (i) the Spot Values, (ii) the Intraday Values, (iii) the Opening Values, (iv) the Closing Values or (v) the Commodity Specified Prices, of the Relevant Underlying on each of the Averaging Dates

where:

"**Averaging Dates**" means the dates specified as such in the applicable Final Terms, subject to adjustment in accordance with the Conditions; and

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*).

2. **Individually Floored Average Value**

If "Individually Floored Average Value" is specified in the applicable Final Terms, the Relevant Underlying Value will be the value determined by the Determination Agent to be equal to the arithmetic mean of the values for each Averaging Date equal to the greater of: (a) the Basic Value Determination Term applicable to the Relevant Underlying as of such Averaging Date; and (b) the Floor Value in respect of the Relevant Underlying as of such Averaging Date, and determined in accordance with the following formula:

(A) if "**Spot Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Valu e} = \sum_{i=1}^{n} \frac{1}{n} \times \text{Max [Floor Value; Spot Value}_i\text{]}$$

(B) if "**Intraday Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \sum_{i=1}^{n} \frac{1}{n} \times \text{Max [Floor Value; Intraday Value}_i\text{]}$$

(C) if "**Opening Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \sum_{i=1}^{n} \frac{1}{n} \times \text{Max [Floor Value; Opening Value}_i\text{]}$$

(D) if "**Closing Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \sum_{i=1}^{n} \frac{1}{n} \times \text{Max [Floor Value; Closing Value}_i\text{]}$$

(E) if a "**Commodity Specified Price**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Min} \left[\text{Global Cap Value}; \sum_{i=1}^{n} \frac{1}{n} \times \text{Commodity Specified Price}_i\right]$$

where:

"**i**" is a series of numbers from one to n, each representing an Averaging Date;

"**n**" means the number of Averaging Dates;

"**Averaging Dates**" means the dates specified as such in the applicable Final Terms, subject to adjustment in accordance with the Conditions;

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*)

"**Spot Value$_i$**" means the Spot Value of the Relevant Underlying on the relevant Averaging Date;

"**Intraday Value$_i$**" means the Intraday Value of the Relevant Underlying on the relevant Averaging Date;

"**Opening Value$_i$**" means the Opening Value of the Relevant Underlying on the relevant Averaging Date;

"**Closing Value$_i$**" means the Closing Value of the Relevant Underlying on the relevant Averaging Date;

"**Commodity Specified Price$_i$**" means the Commodity Specified Price of the Relevant Underlying on the relevant Averaging Date; and

"**Floor Value**" means the value specified as such in the applicable Final Terms.

3. **Individually Capped Average Value**

If "Individually Capped Average Value" is specified in the applicable Final Terms, the Relevant Underlying Value will be the value determined by the Determination Agent to be equal to the arithmetic mean of the values for each Averaging Date equal to the lower of: (a) the Basic Value Determination Term applicable to the Relevant Underlying as of such Averaging Date; and (b) the Cap Value in respect of such Relevant Underlying as of such Averaging Date and determined in accordance with the following formula:

(A) if "**Spot Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \sum_{i=1}^{n} \frac{1}{n} \times \text{Min}\left[\text{Cap Value}; \text{Spot Value}_i\right]$$

(B) if "**Intraday Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \sum_{i=1}^{n} \frac{1}{n} \times \text{Min}\left[\text{Cap Value}; \text{Intraday Value}_i\right]$$

(C) if "**Opening Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \sum_{i=1}^{n} \frac{1}{n} \times \text{Min}\left[\text{Cap Value}; \text{Opening Value}_i\right]$$

(D) if "**Closing Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \sum_{i=1}^{n} \frac{1}{n} \times \text{Min}\left[\text{Cap Value}; \text{Closing Value}_i\right]$$

(E) if a "**Commodity Specified Price**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \sum_{i=1}^{n} \frac{1}{n} \times \text{Min}\left[\text{Cap Value}; \text{Commodity Specified Price}_i\right]$$

where:

"**i**" is a series of numbers from one to n, each representing an Averaging Date;

"**n**" means the number of Averaging Dates;

"**Averaging Dates**" means the dates specified as such in the applicable Final Terms, subject to adjustment in accordance with the Conditions;

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*)

"**Spot Value$_i$**" means the Spot Value of the Relevant Underlying on the relevant Averaging Date;

"**Intraday Value$_i$**" means the Intraday Value of the Relevant Underlying on the relevant Averaging Date;

"**Opening Value$_i$**" means the Opening Value of the Relevant Underlying on the relevant Averaging Date;

"**Closing Value$_i$**" means the Closing Value of the Relevant Underlying on the relevant Averaging Date;

"**Commodity Specified Price$_i$**" means the Commodity Specified Price of the Relevant Underlying on the relevant Averaging Date; and

"**Cap Value**" means the value specified as such in the applicable Final Terms.

4. **Globally Floored Average Value**

If "Globally Floored Average Value" is specified in the applicable Final Terms, the Relevant Underlying Value will be the value determined by the Determination Agent to be equal to the greater of: (a) arithmetic mean of the Basic Value Determination Term applicable to the Relevant Underlying as of each of the Averaging Dates; and (b) the Global Floor Value, and determined in accordance with the following formula:

(A) if "**Spot Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Max}\left[\text{Global Floor Value};\ \sum_{i=1}^{n}\frac{1}{n}\times \text{Spot Value}_i\right]$$

(B) if "**Intraday Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Max}\left[\text{Global Floor Value};\ \sum_{i=1}^{n}\frac{1}{n}\times \text{Intraday Value}_i\right]$$

(C) if "**Opening Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Max}\left[\text{Global Floor Value};\ \sum_{i=1}^{n}\frac{1}{n}\times \text{Opening Value}_i\right]$$

(D) if "**Closing Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Max}\left[\text{Global Floor Value};\ \sum_{i=1}^{n}\frac{1}{n}\times \text{Closing Value}_i\right]$$

(E) if a "**Commodity Specified Price**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Max}\left[\text{Global Floor Value};\ \sum_{i=1}^{n}\frac{1}{n}\times \text{Commodity Specified Price}_i\right]$$

where:

"**i**" is a series of numbers from one to n, each representing an Averaging Date;

"**n**" means the number of Averaging Dates;

"**Averaging Dates**" means the dates specified as such in the applicable Final Terms, subject to adjustment in accordance with the Conditions;

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*);

"**Spot Value$_i$**" means the Spot Value of the Relevant Underlying on the relevant Averaging Date;

"**Intraday Value$_i$**" means the Intraday Value of the Relevant Underlying on the relevant Averaging Date;

"**Opening Value$_i$**" means the Opening Value of the Relevant Underlying on the relevant Averaging Date;

"**Closing Value$_i$**" means the Closing Value of the Relevant Underlying on the relevant Averaging Date;

"**Commodity Specified Price$_i$**" means the Commodity Specified Price of the Relevant Underlying on the relevant Averaging Date; and

"**Global Floor Value**" means the value specified as such in the applicable Final Terms.

5. **Globally Capped Average Value**

If "Globally Capped Average Value" is specified in the applicable Final Terms, the Relevant Underlying Value will be the value determined by the Determination Agent to be equal to the lower of: (a) the arithmetic mean of the Basic Value Determination Term applicable to the Relevant Underlying as of each of the Averaging Dates; and (b) the Global Cap Value, and determined in accordance with the following formula:

(A) if "**Spot Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Min}\left[\text{Global Cap Value}; \sum_{i=1}^{n}\frac{1}{n}\times \text{Spot Value}_i\right]$$

(B) if "**Intraday Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Min}\left[\text{Global Cap Value}; \sum_{i=1}^{n}\frac{1}{n}\times \text{Intraday Value}_i\right]$$

(C) if "**Opening Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Min}\left[\text{Global Cap Value}; \sum_{i=1}^{n}\frac{1}{n}\times \text{Opening Value}_i\right]$$

(D) if "**Closing Value**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Min}\left[\text{Global Cap Value}; \sum_{i=1}^{n}\frac{1}{n}\times \text{Closing Value}_i\right]$$

(E) if a "**Commodity Specified Price**" is specified in the applicable Final Terms:

$$\text{Relevant Underlying Value} = \text{Min}\left[\text{Global Cap Value};\ \sum_{i=1}^{n}\frac{1}{n} \times \text{Commodity Specified Price}_i\right]$$

where:

"**i**" is a series of numbers from one to n, each representing an Averaging Date;

"**n**" means the number of Averaging Dates;

"**Averaging Dates**" means the dates specified as such in the applicable Final Terms, subject to adjustment in accordance with the Conditions;

"**Spot Value**", "**Intraday Value**", "**Opening Value**", "**Closing Value**" and "**Commodity Specified Price**" each has the meaning given to it in Sub-Section I above of this Section 7 (*Value Determination Terms*);

"**Spot Value$_i$**" means the Spot Value of the Relevant Underlying on the relevant Averaging Date;

"**Intraday Value$_i$**" means the Intraday Value of the Relevant Underlying on the relevant Averaging Date;

"**Opening Value$_i$**" means the Opening Value of the Relevant Underlying on the relevant Averaging Date;

"**Closing Value$_i$**" means the Closing Value of the Relevant Underlying on the relevant Averaging Date;

"**Commodity Specified Price$_i$**" means the Commodity Specified Price of the Relevant Underlying on the relevant Averaging Date; and

"**Global Cap Value**" means the value specified as such in the applicable Final Terms.

Section 8

Performance Determination Terms

Where the performance of the Relevant Underlying is to be determined for the purposes of determining any Interest Amount, any Early Redemption Amount or the Final Redemption Amount for the Linked Notes of any Series, the value of such performance will be determined applying the provisions of one or more of the paragraphs set out below in this Section 8 (*Performance Determination Terms*) (each, "**Performance Determination Terms**") as specified in the applicable Final Terms. For the purposes of such provisions, "**Performance Determination Date**" means, as applicable, the Interest Determination Date, Valuation Date, Automatic Early Redemption Determination, Determination Date or any other date in these Additional Terms and Conditions as of which performance is to be determined. The "**Relevant Underlying Performance**" of a Relevant Underlying shall be the "**Performance**" determined in accordance with this Section 8.

Sub-Section I

Performance Determination Terms for Notes linked to a single Share, Index, ETF Interest, Commodity, Currency, Fund Interest or Inflation Index

1. **Basic Performance**

If "**Basic Performance**" is specified in the applicable Final Terms, the Performance will be determined by the Determination Agent as of the relevant Performance Determination Date:

(a) Unless "**Put Performance**" is specified as being applicable, in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \left(\frac{\text{Final Reference Value}}{\text{Initial Reference Value}} - \text{Strike}\right)$$

(b) If "**Put Performance**" is specified as being applicable, in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \left(\text{Strike} - \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right)$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms; and

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms.

2. **Cliquet Performance**

If "**Cliquet Performance**" is specified in the applicable Final Terms, the Performance will be determined by the Determination Agent as of the relevant Performance Determination Date:

(a) Unless "**Put Performance**" is specified as being applicable, in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \left(\frac{\text{Final Reference Value}}{\text{PIDD Reference Value}} - \text{Strike}\right)$$

(b) If "**Put Performance**" is specified as being applicable, in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \left(\text{Strike} - \frac{\text{Final Reference Value}}{\text{PIDD Reference Value}}\right)$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms; and

"**PIDD Reference Value**" means the Relevant Underlying Value as of the Interest Determination Date immediately preceding the relevant Performance Determination Date, or, if there is no such Interest Determination Date, the Relevant Underlying Value as of the Strike Date, in each case as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms.

3. **Capped Performance**

If "**Capped Performance**" is specified in the applicable Final Terms, the Performance will be determined by the Determination Agent as of the relevant Performance Determination Date:

(a) Unless "**Put Performance**" is specified as being applicable, in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate x Min}\left(\text{Cap}; \frac{\text{Final Reference Value}}{\text{Initial Reference Value}} - \text{Strike}\right)$$

(b) If "**Put Performance**" is specified as being applicable, in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate x Min}\left(\text{Cap}; \text{Strike} - \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right)$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Cap**" means the value specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms; and

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms.

4. **Floored Performance**

If "**Floored Performance**" is specified in the applicable Final Terms, the Performance will be determined by the Determination Agent as of the relevant Performance Determination Date:

(a) Unless "**Put Performance**" is specified as being applicable, in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \text{Max}\left(\text{Floor}; \frac{\text{Final Reference Value}}{\text{Initial Reference Value}} - \text{Strike}\right)$$

(b) If "**Put Performance**" is specified as being applicable, in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \text{Max}\left(\text{Floor}; \text{Strike} - \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right)$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Floor**" means the value specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms; and

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms.

5. **Capped & Floored Performance**

If "**Capped & Floored Performance**" is specified in the applicable Final Terms, the Performance will be determined by the Determination Agent as of the relevant Performance Determination Date:

(a) Unless "**Put Performance**" is specified as being applicable, in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \text{Min}\left(\text{Cap}; \text{Max}\left[\text{Floor}; \frac{\text{Final Reference Value}}{\text{Initial Reference Value}} - \text{Strike}\right]\right)$$

(b) If "**Put Performance**" is specified as being applicable, in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \text{Min}\left(\text{Cap}; \text{Max}\left[\text{Floor}; \text{Strike} - \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right]\right)$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Cap**" means the value specified as such in the applicable Final Terms;

"**Floor**" means the value specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms; and

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms.

6. **Absolute Basic Performance**

If "**Absolute Basic Performance**" is specified in the applicable Final Terms, the Performance will be determined by the Determination Agent as of the relevant Performance Determination Date:

(a) Unless "**Put Performance**" is specified as being applicable, in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value by the Initial Reference Value and the subsequent subtraction of 1):

$$\text{Performance} = \text{Performance Rate} \times \left| \frac{\text{Final Reference Value}}{\text{Initial Reference Value}} - \text{Strike} \right|$$

(b) If "**Put Performance**" is specified as being applicable, in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value by the Initial Reference Value and the subsequent subtraction of the result from 1):

$$\text{Performance} = \text{Performance Rate} \times \left| \text{Strike} - \frac{\text{Final Reference Value}}{\text{Initial Reference Value}} \right|$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms; and

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms.

7. **Absolute Capped Performance**

If "**Absolute Capped Performance**" is specified in the applicable Final Terms, the Performance will be determined by the Determination Agent as of the relevant Performance Determination Date:

(a) Unless "**Put Performance**" is specified as being applicable, in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value by the Initial Reference Value and the subsequent subtraction of 1):

$$\text{Performance} = \text{Performance Rate} \times \text{Min}\left[\text{Cap}; \left|\left(\frac{\text{Final Reference Value}}{\text{Initial Reference Value}} - \text{Strike}\right)\right|\right]$$

(b) If "**Put Performance**" is specified as being applicable, in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value by the Initial Reference Value and the subsequent subtraction of the resultant value from 1):

$$\text{Performance} = \text{Performance Rate} \times \text{Min}\left[\text{Cap}; \left|\left(\text{Strike} - \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right)\right|\right]$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Cap**" means the value specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms; and

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms.

8. **Absolute Floored Performance**

If "**Absolute Floored Performance**" is specified in the applicable Final Terms, the Performance will be determined by the Determination Agent as of the relevant Performance Determination Date:

(a) Unless "**Put Performance**" is specified as being applicable, in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value by the Initial Reference Value and the subsequent subtraction of 1):

$$\text{Performance} = \text{Performance Rate} \times \text{Max}\left(\text{Floor}; \left|\left(\frac{\text{Final Reference Value}}{\text{Initial Reference Value}} - \text{Strike}\right)\right|\right)$$

(b) If "**Put Performance**" is specified as being applicable, in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value by the Initial Reference Value and the subsequent subtraction of the resultant value from 1):

$$\text{Performance} = \text{Performance Rate} \times \text{Max}\left(\text{Floor}; \left|\left(\text{Strike} - \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right)\right|\right)$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Floor**" means the value specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms; and

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms.

9. **Absolute Capped & Floored Performance**

If "**Absolute Capped & Floored Performance**" is specified in the applicable Final Terms, the Performance will be determined by the Determination Agent as of the relevant Performance Determination Date:

(a) Unless "**Put Performance**" is specified as being applicable, in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value by the Initial Reference Value and the subsequent subtraction of 1):

$$\text{Performance} = \text{Performance Rate} \times \text{Min}\left(\text{Cap};\text{Max}\left[\text{Floor};\left|\left(\frac{\text{Final Reference Value}}{\text{Initial Reference Value}} - \text{Strike}\right)\right|\right]\right)$$

(b) If "**Put Performance**" is specified as being applicable, in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value by the Initial Reference Value and the subsequent subtraction of the resultant value from 1):

$$\text{Performance} = \text{Performance Rate} \times \text{Min}\left(\text{Cap};\text{Max}\left[\text{Floor};\left|\left(\text{Strike} - \frac{\text{Final Reference Value}}{\text{Initial Reference Value}}\right)\right|\right]\right)$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Cap**" means the value specified as such in the applicable Final Terms;

"**Floor**" means the value specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms; and

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms.

10. **OTM Performance (Single Underlying)**

If "**OTM Performance (Single Underlying)**" is specified in the applicable Final Terms or in these Additional Terms and Conditions as applying in respect of any Series of Notes, and where the Relevant Underlying is a Single Underlying, the Performance of the Relevant Underlying will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \left(\frac{\text{Final Reference Value}}{\text{Initial Reference Value}} - \text{OTM Rate}\right)$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms; and

"**OTM Rate**" means a percentage rate specified as such in the applicable Final Terms.

11. **Optimised Performance (Type 1)**

If "**Optimised Performance (Type 1)**" is specified in the applicable Final Terms or in these Additional Terms and Conditions as applying in respect of any Series of Notes, and where the Relevant Underlying is a Single Underlying, the Performance of the Relevant Underlying will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \frac{\text{Final Reference Value-Optimised Initial Reference Value}}{\text{Initial Reference Value}}$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Optimised Initial Reference Value**" means the value determined by the Determination Agent to be equal to, as specified in the applicable final terms, either (A) the lowest or (B) the highest of the Closing Values of the Relevant Underlying as of each of the Optimised Observation Dates; and

"**Optimised Observation Date**" means the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), subject to adjustment in accordance with the Conditions.

12. **Optimised Performance (Type 2)**

If "**Optimised Performance (Type 2)**" is specified in the applicable Final Terms or in these Additional Terms and Conditions as applying in respect of any Series of Notes, and where the Relevant Underlying is a Single Underlying, the Performance of the Relevant Underlying will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \text{Performance Rate} \times \frac{\text{Final Reference Value-Optimised Initial Reference Value}}{\text{Optimised Initial Reference Value}}$$

where:

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Final Reference Value**" means the Relevant Underlying Value as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms;

"**Initial Reference Value**" means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms.

"**Optimised Initial Reference Value**" means the value determined by the Determination Agent to be equal to, as specified in the applicable final terms, either (A) the lowest or (B) the highest of the Closing Values of the Relevant Underlying as of each of the Optimised Observation Dates; and

"**Optimised Observation Date**" means the dates specified as such in the applicable Final Terms (and may also be expressed as being each Scheduled Trading Day within specified dates), subject to adjustment in accordance with the Conditions.

Sub-Section II

Performance Determination Terms for Notes linked to a Relevant Underlying which is a Basket

1. **Selected Average Basic Performance**

If "**Selected Average Basic Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \sum_{i=1}^{n} \frac{1}{n} \left\{ \text{Performance Rate} \times \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike} \right) \right\}$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …"

(so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components, and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

2. **Selected Cliquet Average Performance**

If "**Selected Cliquet Average Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \sum_{i=1}^{n} \frac{1}{n} \left\{ \text{Performance Rate} \times \left(\frac{\text{Final Reference Value}_i}{\text{PIDD Reference Value}_i} - \text{Strike} \right) \right\}$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Strike**" means the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**PIDD Reference Value**", for any Basket Component, means the Relevant Underlying Value for such Basket Component as of the Interest Determination Date immediately preceding the relevant Performance Determination Date, or, if there is no such Interest Determination Date, the Relevant Underlying Value as of the Strike Date, in each case as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms "**PIDD Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket

Components, and **provided that**, if "Selected Basket Component" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

3. **Selected Average Individually Capped Performance**

If "**Selected Average Individually Capped Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \sum_{i=1}^{n} \frac{1}{n} \left(\text{Performance Rate} \times \text{Min} \left[\text{Cap}_i ; \frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike} \right] \right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Basket Components in the Basket;

"**Cap*i***" means, in respect of any Selected Basket Component, the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value*i***" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value*i***" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components, and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

4. **Selected Average Individually Floored Performance**

If "**Selected Average Individually Floored Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \sum_{i=1}^{n} \frac{1}{n} \left(\text{Performance Rate} \times \text{Max} \left[\text{Floor}_i ; \frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike} \right] \right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Floor**$_i$" means, in respect of any Selected Basket Component, the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value**$_i$" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value**$_i$" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components, and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

5. **Selected Average Individually Capped & Floored Performance**

If "**Selected Average Individually Capped & Floored Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the

Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \sum_{i=1}^{n} \frac{1}{n} \text{ Performance Rate} \times \text{Min}\left(\text{Cap}_i; \text{Max}\left[\text{Floor}_i; \frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right]\right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Cap*i***" means, in respect of any Selected Basket Component, the value specified as such in the applicable Final Terms;

"**Floor*i***" means, in respect of any Selected Basket Component, the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value*i***" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value*i***" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components, and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

6. **Selected Average Global Capped Performance**

If "**Selected Average Global Capped Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \text{Min}\left[\text{Cap};\ \sum_{i=1}^{n}\frac{1}{n}\left(\text{Performance Rate} \times \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right)\right)\right]$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Cap**" means the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components, and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

7. **Selected Average Global Floored Performance**

If "**Selected Average Global Floored Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \text{Max}\left[\text{Floor};\ \sum_{i=1}^{n}\frac{1}{n}\left(\text{Performance Rate} \times \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right)\right)\right]$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Floor**" means the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components, and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

8. **Selected Average Global Capped & Floored Performance**

If "**Selected Average Global Capped & Floored Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \text{Min}\left[\text{Cap};\ \text{Max}\left[\text{Floor};\ \sum_{i=1}^{n}\frac{1}{n}\left(\text{Performance Rate} \times \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right)\right)\right]\right]$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Cap**" means the value specified as such in the applicable Final Terms;

"**Floor**" means the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components, and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

9. **Selected Absolute Average Basic Performance**

If "**Selected Absolute Average Basic Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value$_i$ by the Initial Reference Value$_i$ and the subsequent subtraction of 1):

$$\text{Performance} = \sum_{i=1}^{n} \frac{1}{n}\left(\text{Performance Rate} \times \left| \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right) \right|\right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value**$_i$" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value**$_i$" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components, and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

10. **Selected Absolute Average Individually Capped Performance**

If "**Selected Absolute Average Individually Capped Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value$_i$ by the Initial Reference Value$_i$ and the subsequent subtraction of 1):

$$\text{Performance} = \sum_{i=1}^{n} \frac{1}{n}\left(\text{Performance Rate} \times \text{Min}\left[\text{Cap}_i; \left|\left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right)\right|\right]\right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Cap**$_i$" means, in respect of any Selected Basket Component, the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value**$_i$" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value**$_i$" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,2…5" in the applicable Final Terms, the Selected Basket Components will comprise the five Basket Components from and including Basket Component 1 to and including Basket Component 5),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components, and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

11. **Selected Absolute Average Individually Floored Performance**

If "**Selected Absolute Average Individually Floored Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value$_i$ by the Initial Reference Value$_i$ and the subsequent subtraction of 1):

$$\text{Performanc e} = \sum_{i=1}^{n} \frac{1}{n}\left(\text{Performance Rate} \times \text{Max}\left[\text{Floor}_i;\left|\left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right)\right|\right]\right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Floor$_i$**" means, in respect of any Selected Basket Component, the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components, and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

12. **Selected Absolute Average Individually Capped & Floored Performance**

If "**Selected Absolute Average Individually Capped & Floored Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value$_i$ by the Initial Reference Value$_i$ and the subsequent subtraction of 1):

$$\sum_{i=1}^{n} \frac{1}{n} \left(\text{Performance Rate} \times \text{Min} \left[\text{Cap}_i ; \text{Max} \left[\text{Floor}_i ; \left| \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike} \right) \right| \right] \right] \right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Cap$_i$**" means, in respect of any Selected Basket Component, the value specified as such in the applicable Final Terms;

"**Floor$_i$**" means, in respect of any Selected Basket Component, the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

13. **Selected Absolute Average Global Capped Performance**

If "**Selected Absolute Average Global Capped Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value$_i$ by the Initial Reference Value$_i$ and the subsequent subtraction of 1):

$$\text{Performance} = \text{Min}\left[\text{Cap}; \sum_{i=1}^{n}\frac{1}{n}\left(\text{Performance Rate} \times \left|\left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right)\right|\right)\right]$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Cap**" means the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

14. **Selected Absolute Average Global Floored Performance**

If "**Selected Absolute Average Global Floored Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value$_i$ by the Initial Reference Value$_i$ and the subsequent subtraction of 1):

$$\text{Performance} = \text{Max}\left[\text{Floor}; \sum_{i=1}^{n}\frac{1}{n}\left(\text{Performance Rate} \times \left|\left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right)\right|\right)\right]$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Floor**" means the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value**$_i$" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value**$_i$" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

15. **Selected Absolute Average Global Capped & Floored Performance**

If "**Selected Absolute Average Global Capped & Floored Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula (treating as an absolute value any negative value resulting from the division of the Final Reference Value$_i$ by the Initial Reference Value$_i$ and the subsequent subtraction of 1):

$$\text{Performance} = \text{Min}\left[\text{Cap}; \text{Max}\left[\text{Floor}; \sum_{i=1}^{n}\frac{1}{n}\left(\text{Performance Rate} \times \left|\left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right)\right|\right)\right]\right]$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Cap**" means the value specified as such in the applicable Final Terms;

"**Floor**" means the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

16. **Best of – Weighted Average Performance**

If "**Best of –Weighted Average Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \sum_{i=1}^{n} W_i \times \text{Performance Rate} \times \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike} \right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**W$_i$**" or "**Relevant Weighting**" means, for any Selected Basket Component, the value specified as the Weighting for such Selected Basket Component in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the *highest* such value (Basket Component 1) and ending with the Basket Component with the *lowest* such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,2…5" in the applicable Final Terms, the Selected Basket Components will comprise the five Basket Components from and including Basket Component 1 to and including Basket Component 5),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

17. **Worst of – Weighted Average Performance**

If "**Worst of – Weighted Average Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\sum_{i=1}^{n} W_i \text{ x Performance Rate} \times \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike} \right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**W_i**" or "**Relevant Weighting**" means, for any Selected Basket Component, the value specified as the Weighting for such Selected Basket Component in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and

"**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the *lowest* such value (Basket Component 1) and ending with the Basket Component with the *highest* such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,2…5" in the applicable Final Terms, the Selected Basket Components will comprise the five Basket Components from and including Basket Component 1 to and including Basket Component 5),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

18. **Selection of – Weighted Average Performance**

If "**Selection of – Non Equally Weighted Average Performance**" is specified in the applicable Final Terms, the Performance in respect of the Basket will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\sum_{i=1}^{n} W_i \times \text{Performance Rate} \times \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike} \right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**W$_i$**" or "**Relevant Weighting**" means, for any Selected Basket Component, the value specified as the Weighting for such Selected Basket Component in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Strike**" means the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the *highest* such value (Basket Component 1) and ending with the Basket Component with the *lowest* such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

19. **Selected Equally Weighted Average OTM Performance**

If "**Selected Average OTM Performance**" is specified in the applicable Final Terms or in these Additional Terms and Conditions as applying in respect of any Series of Notes, and where the Relevant Underlying is a Basket, the Performance of the Relevant Underlying will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \sum_{i=1}^{n} \frac{1}{n} \times \left\{ \text{Performance Rate} \times \frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} \right\} - \text{OTM Rate}_i$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**OTM Rate**" means the percentage rate specified as such in the applicable Final Terms and "**OTM Rate$_i$**" means such percentage rate in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the *highest* such value (Basket Component 1) and ending with the Basket Component with the *lowest* such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

20. **Selected Non-Equally Weighted Average OTM Performance**

If "**Selected Average Lock In Performance**" is specified in the applicable Final Terms or in these Additional Terms and Conditions as applying in respect of any Series of Notes, the Performance of the Relevant Underlying will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \sum_{i=n}^{n} W_i \times \text{Performance Rate} \times \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i}\right) - \text{OTM Rate}_i$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**W$_i$**" or "**Relevant Weighting**" means, for any Selected Basket Component, the value specified as the Weighting for such Selected Basket Component in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**OTM Rate**" means the percentage rate specified as such in the applicable Final Terms and "**OTM Rate$_i$**" means such percentage rate in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the *highest* such value (Basket Component 1) and ending with the Basket Component with the *lowest* such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,5…7" in the applicable Final Terms, the Selected Basket Components will comprise the four Basket Components numbered 1, 5, 6 and 7),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and "N" is the total number of Basket Components and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

21. **Selected Average Top Rank Performance**

If "**Selected Average Top Rank Performance**" is specified in the applicable Final Terms or in these Additional Terms and Conditions as applying in respect of any Series of Notes, the Performance of the Relevant Underlying will be determined by the Determination Agent as of the relevant Performance Determination Date in accordance with the following formula:

$$\text{Performance} = \left(\frac{n}{N} \times \text{Default Performance}\right) + \frac{1}{N} \times \sum_{i=1}^{N-n} \left(\frac{\text{Final Reference Value}_i}{\text{Initial Reference Value}_i} - \text{Strike}\right)$$

where:

"***i***" is a series of numbers from one to *n*, each representing a Selected Basket Component;

"***n***" means the number of Selected Basket Components in the Basket;

"**N**" means the total number of Basket Components in the Basket;

"**Default Performance**" means the value specified as such in the applicable Final Terms;

"**Performance Rate**" means the percentage rate specified as such in the applicable Final Terms;

"**Final Reference Value**", for any Basket Component, means the Relevant Underlying Value in respect of such Basket Component as of the relevant Performance Determination Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Final Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component;

"**Initial Reference Value**", for any Basket Component, means, as specified in the applicable Final Terms, either the value specified as such in the applicable Final Terms or the Relevant Underlying Value in respect of such Basket Component as of the Strike Date as determined by the Determination Agent in accordance with such provisions of Section 7 (*Value Determination Terms*) as are specified as being applicable in the applicable Final Terms and "**Initial Reference Value$_i$**" means such value in respect of the relevant Selected Basket Component; and

"**Selected Basket Component**" means the Basket Components determined by the Determination Agent as follows:

(a) by numbering the Basket Components in order according to the respective values for each Basket Component determined by dividing the Final Reference Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the *lowest* such value (Basket Component 1) and ending with the Basket Component with the *highest* such value (and so that, if more than one Basket Component has the same value, the order of the relevant Basket Components shall be as determined by the Determination Agent); and

(b) by selecting the numbered Basket Components corresponding to the numbers specified for the Selected Basket Components in the applicable Final Terms in the format "J = …" (so that, for example, where there are 10 Basket Components and the Selected Basket Components are identified as "J=1,2…5" in the applicable Final Terms, the Selected Basket Components will comprise the five Basket Components from and including Basket Component 1 to and including Basket Component 5),

where "J" is a number from 1 to N denoting one of the Basket Components numbered as described in (a) and selected as described in (b) above and **provided that**, if "**Selected Basket Component**" is specified in the applicable Final Terms as being not applicable, then all Basket Components are deemed to be Selected Basket Components.

"**Strike"** mean the value specified as such in the applicable Final Terms, **provided that** if no such value is specified, the Strike will be 1.

Section 9

Commodity Reference Price

Subject to the Terms and Conditions of the Notes, for the purposes of determining the Relevant Underlying Value for a Commodity or a Commodity Index:

1. **Gold**

(a) "GOLD-P.M. FIX" means that the price for a Pricing Date will be that day's afternoon Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMS authorized to effect such delivery, stated in U.S. Dollars, as calculated by the London Gold Market, as determined by the Determination Agent by reference to such publication (or such other origin of reference) containing or reporting such Commodity Specified Price (or prices from which such Commodity Specified Price is calculated) as the Determination Agent selects.

Delivery Date: Pricing Date

Commodity Specified Price: Afternoon Fixing

2. **Copper**

(a) "COPPER-LME CASH" means that the price for a Pricing Date will be that day's Commodity Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME, as determined by the Determination Agent by reference to such publication (or such other origin of reference) containing or reporting such Commodity Specified Price (or prices from which such Commodity Specified Price is calculated) as the Determination Agent selects.

Delivery Date: Pricing Date

Commodity Specified Price: Official Cash Offer Price

3. **Wheat**

(a) "**WHEAT-CBOT**" means that the price for a Pricing Date will be that day's Commodity Specified Price per bushel of deliverable grade wheat on the CBOT of the Futures Contract for the Delivery Date, stated in U.S. cents, as made public by the CBOT on that Pricing Date, as determined by the Determination Agent by reference to such publication (or such other origin of reference) containing or reporting such Commodity Specified Price (or prices from which such Commodity Specified Price is calculated) as the Determination Agent selects.

Delivery Date: First Nearby Month Futures Contract; provided that any Pricing Date after the date of the Last Trade of the Options Contract (if there is more than one Options Contract, then the Options Contract with the latest date) pertaining to the First Nearby Month (the "**Last Trading Day**"), shall look to the Second Nearby Month Futures Contract, as determined by the Determination Agent.

Commodity Specified Price: Official Settlement Price

"**First Nearby Month**" means the month of expiration of the first Futures Contract to expire following that Pricing Date.

4. **Oil-Brent**

(a) "**OIL-BRENT-ICE-A**" means the Commodity Specified Price per barrel of Brent blend crude oil on the ICE Futures for the Delivery Date, stated in U.S. Dollars, as made public by the ICE Futures, as adjusted by the Determination Agent to ensure that such price fairly represents the value of the Underlying Commodity at such relevant time. This can include, but is not limited to, reference to the First Alternative Commodity Reference Price.

Delivery Date: First Nearby Month.

Commodity Specified Price: Official Settlement Price.

"**First Nearby Month**" means the month of expiration of the first Futures Contract to expire following that Pricing Date.

"**First Alternative Commodity Reference Price**" means ICE Brent NX (New Expiry) Crude Futures and Options Contracts.

(b) "**OIL-BRENT-ICE-B**" means the Commodity Specified Price per barrel of Brent blend crude oil on ICE Futures for the Delivery Date, stated in U.S. Dollars, as made public by the ICE Futures. On November 7, 2011, Intercontinental Exchange, Inc. announced that ICE Futures Europe will introduce new ICE Brent NX (New Expiry) Crude Futures and Options contracts ("Ice Brent NX"), to be available for trading with a first trade date of December 5, 2011. During any period in which existing ICE Brent Futures and Options are still being used, the Determination Agent may, in its reasonable discretion, determine that the Notes will instead be linked to ICE Brent NX. The Determination Agent may make such adjustments as it determines to be necessary to ensure that the price of the Underlying Commodity is comparable to the Commodity Price prior to payments on the Notes being based upon ICE Brent NX and fairly represents the value of the Underlying Commodity.

Delivery Date: First Nearby Month

Commodity Specified Price: Official Settlement Price

"**First Nearby Month**" means the month of expiration of the first Futures Contract to expire following that Pricing Date.

(c) "OIL-BRENT-ICE-C" The Commodity Specified Price per barrel of Brent blend crude oil on the ICE Futures of the most commonly used Futures Contract for the Delivery Date (currently Bloomberg Code "CO1 Comdty"), stated in U.S. Dollars, as made public by the ICE Futures or any successor.

Delivery Date: First Nearby Month.

Commodity Specified Price: Official Settlement Price.

"**First Nearby Month**" means the month of expiration of the first Futures Contract to expire following that Pricing Date.

5. **Oil - WTI**

(a) "**WTI (OIL-WTI-NYMEX)**" means the Commodity Specified Price per barrel of West Texas Intermediate light sweet crude oil on the NYMEX for the Futures Contract on the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX.

Delivery Date: First Nearby Month

Commodity Specified Price: Official Settlement Price

"**First Nearby Month**" means the month of expiration of the first Futures Contract to expire following that Pricing Date.

6. **DJ-UBS Commodity Indices**

(a) "**DJ-UBS CI**" means that the price for a Pricing Date will be that day's Specified Price for the Dow Jones – UBS Commodity Index, stated in U.S. Dollars, published by Dow Jones & Company, Inc, or its successor, UBS AG or its successor, and UBS Securities LLC or its successor, as determined by the Determination Agent by reference to such publication (or such other origin of reference) containing or reporting such Specified Price (or prices from which such Specified Price is calculated) as the Determination Agent selects.

Delivery Date: Not Applicable

Commodity Specified Price: Official Settlement Price

PRO FORMA FINAL TERMS FOR NOTES OTHER THAN LINKED NOTES

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED[, FROM 1 JANUARY 2018,] TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND, WITH EFFECT FROM SUCH DATE, SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

(A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU ("MIFID II");

(B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR

(C) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC, AS AMENDED.

CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.][1]

Final Terms dated [●]

[MORGAN STANLEY] / [MORGAN STANLEY & CO, INTERNATIONAL plc] / [MORGAN STANLEY B.V.] / [MORGAN STANLEY FINANCE LLC]

Issue of [*Aggregate Nominal Amount of Tranche*] [*Title of Notes*]

[Guaranteed by Morgan Stanley]

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

PART A – CONTRACTUAL TERMS

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 Notes set forth in the Base Prospectus dated 10 October 2017 [and the supplement[s] dated [●][,[●] … [●]] to the Base Prospectus] which [together] constitute[s] 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 the 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. [However, a summary of the Issue is annexed to these Final Terms.][2] Copies of the Base Prospectus [and any supplement(s) thereto] are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [and any supplement(s) thereto] and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.]

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[1] Prior to the date of application of the PRIIPs Regulation, this legend is not required and "Prohibition of Sales to EEA Retail Investors" (see Part B, Para 12) may be specified as "Not Applicable". This legend will be required after the date of application of the PRIIPs Regulation if "Prohibition of Sales to EEA Retail Investors" is specified as being "Applicable" (See Part B, Para 12).

[2] Insert if Notes are for denominations lower than EUR 100,000.

[OR USE THE FOLLOWING ALTERNATIVE LANGUAGE IF THE FIRST TRANCHE OF AN ISSUE WHICH IS BEING INCREASED WAS ISSUED UNDER A BASE PROSPECTUS WITH AN EARLIER DATE:

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Base Prospectus dated [17 July 2013 and the supplement to it dated 30 August 2013]/[16 December 2013]/[16 December 2014]/[15 December 2015]/[21 October 2016] which are incorporated by reference in the Base Prospectus dated 10 October 2017. 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 the Base Prospectus dated 10 October 2017 [and the supplement(s) to it dated •], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "Base Prospectus"), save in respect of the Terms and Conditions of the Notes which are extracted from the Base Prospectus dated [17 July 2013 and the supplement to it dated 30 August 2013]/[16 December 2013]/[16 December 2014]/[15 December 2015]/[21 October 2016]. Full information on the Issuer [, the Guarantor(s)] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus [and the supplement(s) dated [•]]. However, a summary of the issue of the Notes is annexed to these Final Terms. Copies of the Base Prospectus [and any supplement(s) thereto] are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [and any supplement(s) thereto] and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.]

[*In case of Public Offer continuing after the validity of the Base Prospectus:* The Base Prospectus expires on 09 October 2018. The updated base prospectus will be available at http://sp.morganstanley.com/EU/Documents.]

[(Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms)]

1.	(i)	Series Number:	[●]
	(ii)	Series Designation:	[Series A] / [Series B]
	[(iii)	[Tranche Number:]	[●] [Fungible with the [*currency*] [●] [*Title of the Notes*] issued by [●], bearing ISIN [●]]
2.	Specified Currency or Currencies:		[●]
3.	Aggregate [Nominal Amount] /[Number] of the Notes:		[●][3]
	[(i)]	Series:	[●]
	[(ii)	Tranche:	[●]]
4.	Issue Price		[●] per cent. of par per Note/[●] per Note
5.	(i)	Specified Denominations (Par):	[●] [and integral multiples of [●] in excess thereof]. (*N.B. where multiple denominations above €100,000 (or its equivalent in other currencies) are being used the following sample wording should be followed*: [€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in

[3] Where the amount is not known at the beginning of the offer period (e.g. an "up to" amount), notices of final offer amount will need to be submitted where the Notes are listed or admitted to trading.

			definitive form will be issued with a denomination above [€199,000]"])
			(*NB: The exchange upon notice at any time shall not be applicable if this language is used. Furthermore, such Specified Denomination construction is not permitted in relation to any issuance of Notes which are to be represented on issue by Permanent Bearer Global Notes exchangeable for Definitive Notes.*)
			(N.B. Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies)).
	(ii)	Calculation Amount:	[●]
6.	(i)	Issue Date:	[●]
	(ii)	Interest Commencement Date:	[●] / [Issue Date] / [Not Applicable]
			[OR]
			[In relation to interest payable under General Condition 5 (*Fixed Rate Note Provisions*), [●]. See paragraph 13 below for further details]
			[In relation to interest payable under General Condition 5.10 (*Floating Rate Note, Equity-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked and Fund-Linked Note Provisions*), [●]. See paragraph 14 below for further details]
			[As specified in the Interest Basis Table set out in paragraph 8 below] *(include if Notes are subject to different Interest Basis during their lifetime, and delete as appropriate)*
7.	Maturity Date:		[[Scheduled Maturity Date is] [●]] / [The Interest Payment Date falling in, or nearest to, [*month*] [*year*]]
			(specify date or (for Floating Rate Notes) Interest Payment Date falling in, or nearest to, the relevant month and year)
8.	Specified Day(s):		[Applicable] / [Not Applicable]
			(*if Not Applicable, delete the below*)
			[●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]
9.	Strike Date:		[●] / [Not Applicable]
10.	Interest Basis:		[Zero Coupon]/
			[Fixed Rate Notes]/
			[Floating Rate Notes]/

[Step-Up Notes]/

[Step-Down Notes]/

[Fixed to Floating Rate Notes]/

[Floating to Fixed Rate Notes]/

[Floored Floating Rate Notes]/

[Capped Floating Rate]/]

[Collared Floating Rate Notes]/

[Floored] [Capped] [Collared] [Range Accrual Notes]/

[Barrier Notes]/

[Steepener Notes]/

[Digital Option Notes]/

[Inverse Floater Notes]/

[Switchable Notes]/

(repeat as required)

Interest Basis Table		
Interest Commencement Date(s)	**Interest Payment Date(s)**	**Type of Notes**
[●] (*repeat as required*)	[●]/[As set forth in paragraph [●] below (*repeat as required*)	[Zero Coupon]/ [Fixed Rate Notes]/ [Floating Rate Notes]/ [Step-Up Notes]/ [Step-Down Notes]/ [Fixed to Floating Rate Notes]/ [Floating to Fixed Rate Notes]/ [Floored Floating Rate Notes]/ [Capped Floating Rate Notes]/ [Collared Floating Rate Notes]/ [Floored] [Capped] [Collared] [Range Accrual Notes]/ [Barrier Notes]/ [Steepener Notes]/ [Digital Option Notes]/ [Inverse Floater Notes]/ [Switchable Notes]/ *(repeat as required)*

11.	Redemption/Payment Basis:	Paragraph 1.15 (*Redemption at Maturity*) of Section 2 of the Additional Conditions is applicable. [Minimum Coupon applies.] Specified Rate: [●] per cent. [Minimum Coupon Rate: [●] per cent.]
12.	Put/Call Options:	
	(i) Redemption at the option of the Issuer: (General Condition 15.5)	[Applicable/Not Applicable]
	(ii) Redemption at the option of the Noteholders: (General Condition 15.7)	[Applicable/Not Applicable]
13.	Automatic Change of Interest Basis:	[Applicable: [Paragraph 1.14 (*Automatic Change of Interest Basis*) of Section 2 of the Additional Conditions is applicable: [●] [*describe changes*]/[further particulars as set out in the Interest Basis Table set out in Paragraph 8]] / [Not Applicable]
14.	Method of distribution:	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions** (General Condition 5 and Section 2 of the Additional Conditions)	[Applicable/Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Step-Up Notes: (Paragraph 1.2(a) of Section 2 of the Additional Conditions)	[Applicable/Not Applicable]
	(ii) Step-Down Notes: (Paragraph 1.2(b) of Section 2 of the Additional Conditions)	[Applicable/Not Applicable]
	(iii) Fixed to Floating Rate Notes: (Paragraph 1.3(a) of Section 2 of the Additional Conditions)	[Applicable/Not Applicable]
	(iv) Fixed Interest Rate:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ other *(specify)*] in arrear]/ [*OR*]

Interest Period	**Fixed Interest Rate**

From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[●] per cent. per annum [payable [annually/semi-annually/quarterly /monthly/ other *(specify)*] in arrear] *(repeat as required)*

[*OR*]

(for Swedish Notes, specify the following)

Interest Period	**Fixed Interest Rate**
From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[●] per cent. per annum [payable [annually/semi-annually/quarterly/ monthly/ other *(specify)*] in arrear] *(repeat as required)*

(v) Interest Period(s) subject only to Fixed Rate Notes Provisions: From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●]

(repeat as required)

(for Swedish Notes, specify the following)

From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●]

(repeat as required)

(vi) Interest Payment Date(s): [Each of the [●] day of [*month*], [*month*] *(repeat as required)* in each calendar year from (and including) [●] to (and including) [●]] / [[●] *(specify dates)* [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

(specify Interest Payment Dates to which <u>only</u> Fixed Rate Notes Provisions apply)

(vii) Business Day Convention [Following Business Day Convention] / [Modified Following Business Day Convention / Modified Business Day Convention] / [Preceding Business Day Convention] / [No Adjustment / Unadjusted]

(delete as appropriate)

(viii) Fixed Coupon Amount(s): [●] per Calculation Amount/ [Not Applicable]

[OR]

Interest Period	**Fixed Coupon Amount**
From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[●] per Calculation Amount/[Not Applicable] *(repeat as required)*

[OR]

(for Swedish Notes, specify the following)

Interest Period	**Fixed Coupon Amount**
From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[●] per Calculation Amount/[Not Applicable] *(repeat as required)*

(ix) Broken Amount(s): [[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]] / [Not Applicable]

[OR]

Interest Payment Date(s)	**Broken Amount**
[●] *(repeat as required)*	[[●] per Calculation Amount] / [Not Applicable] *(repeat as required)*

(x) Day Count Fraction: [Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]

(xi) Additional Business Centre(s): [●]

	(xii) Party responsible for calculating the Interest Amount(s):	[●] / [Morgan Stanley & Co. International plc]
16.	**Floating Rate Note Provisions**	[Applicable. The Notes are [Floored] / [Capped] / [Collared] Floating Rate Notes] / [Not Applicable]
	(General Condition 5.10)	*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Floating to Fixed Rate Notes: (Paragraph 1.3(b) of Section 2 of the Additional Conditions)	[Applicable/Not Applicable]
	(ii) Interest Payment Dates:	[Each of the [●] day of [*month*], [*month*] *(repeat as required)* in each calendar year from (and including) [●] to (and including) [●]] / [[●] *(specify dates)* [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]
	(iii) Interest Period(s):	From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)* *(for Swedish Notes, specify the following)* From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*
	(iv) Linear Interpolation: (General Condition 6.4)	[Applicable in respect of the Interest Period: *(repeat applicable Interest Periods from above)* / [Not Applicable]
	(v) Business Day Convention:	[Following Business Day Convention] / [Modified Following Business Day Convention] /[Modified Business Day Convention] / [Preceding Business Day Convention] / [FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] / [No Adjustment] / [Unadjusted] *(delete as appropriate)*
	(v) Additional Business	[●]

Centre(s):

(vi) Manner in which the Floating Interest Rate(s) is/are to be determined:

[Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable]

(if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)

[OR]

(specify the following if the Notes are "Floating to Fixed Rate Notes" or "Floating to Fixed Switchable Notes" (for the relevant period(s) during which a floating rate is payable).

Interest Period	**Floating Interest Rate**
From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[Screen Rate Determination]/ [ISDA Determination]/[CMS Rate Determination]/[[●] per cent.] *(repeat as required)*

[OR]

(for Swedish Notes, specify the following)

Interest Period	**Floating Interest Rate**
From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[Screen Rate Determination] [ISDA Determination] [CMS Rate Determination] [[●] per cent.] *(repeat as required)*

(vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): [●]/[Calculation Agent]

(viii) Screen Rate Determination: [Applicable] / [Not Applicable]

- Reference Rate: [●]

- Interest Determination Date(s): [●]
- Relevant Screen Page: [●]
- Margin: [[+/-][●] per cent. per annum] / [As specified in the Rate Table below]
- Interest Participation Rate: [●] / [As specified in the Rate Table below]
- [Rate Table:]

Rate Table		
Interest Payment Date(s)	**Margin**	**Interest Participation Rate**
[●] *(repeat as required)*	[[+/-][●] per cent. per annum] *(repeat as required)*	[●] *(repeat as required)*

(ix) ISDA Determination: [Applicable] / [Not Applicable]

- Floating Rate Option: [●]
- Designated Maturity: [●]
- Reset Date: [●]
- Margin: [[+/-][●] per cent. per annum] / [As specified in the Rate Table below]
- Interest Participation Rate: [●] / [As specified in the Rate Table below]
- [Rate Table:]

Rate Table		
Interest Payment Date(s)	**Margin**	**Interest Participation Rate**
[●] *(repeat as required)*	[[+/-][●] per cent. per annum] *(repeat as required)*	[●] *(repeat as required)*

(x) CMS Rate [Applicable] / [Not Applicable]

	Determination:	(if Not Applicable, *delete the remaining sub-paragraphs of this paragraph*)	
	• CMS Interest Rate:	[Single CMS Rate] [Spread CMS Rate]	
		[CMS Reference Rate [1]] (*If CMS Interest Rate is "Spread CMS Rate", insert this column and heading "CMS Reference Rate 1"*)	[CMS Reference Rate 2] (*If CMS Interest Rate is "Spread CMS Rate", insert this column and heading "CMS Reference Rate 2"*)
	• Specified Swap Rate:	[the swap rate/annual swap rate/ semi-annual swap rate/ quarterly swap rate/ quarterly-annual swap rate/ quarterly-quarterly swap rate]	[the swap rate/annual swap rate/ semi-annual swap rate/ quarterly swap rate/ quarterly-annual swap rate/ quarterly-quarterly swap rate]
•	Reference Currency:	[●]	[●]
•	Designated Maturity:	[●][month[s]/year[s]]	[●][month[s]/year[s]]
•	Relevant Screen Page:	[●]	[●]
•	Relevant Time:	[●]	[●]
•	Interest Determination Date(s):	[Periodic Rate Determination is applicable. The Interest Determination Date(s) [is/are]: [●] / [the first day of each Interest Period] / [the second TARGET Settlement Day prior to the start of each Interest Period]] / [Daily Rate Determination is applicable]	[Periodic Rate Determination is applicable. The Interest Determination Date(s) [is/are]: [●] / [the first day of each Interest Period] / [the second TARGET Settlement Day prior to the start of each Interest Period]] / [Daily Rate Determination is applicable]
•	Fallback Rate Determination:	[Determination Agent Fallback: Applicable - to be applied first / second / third] / [Not Applicable]	[Determination Agent Fallback: Applicable - to be applied first / second / third] / [Not Applicable]
		Fallback Screen Page: Applicable - to be applied first / second / third] / [Not Applicable]	Fallback Screen Page: Applicable - to be applied first / second / third] / [Not Applicable]
		Mid-Market Quotations: Applicable - to be applied first / second / third] / [Not Applicable]	Mid-Market Quotations: Applicable - to be applied first / second / third] / [Not Applicable]
		[Reference Banks: [●]]	[Reference Banks: [●]]
•	Specified Fixed Leg (*for determination of Mid-Market Quotations if specified to be*	[annual fixed leg / semi-annual fixed leg / quarterly-annual fixed leg / quarterly-quarterly fixed leg]	[annual fixed leg / semi-annual fixed leg / quarterly-annual fixed leg / quarterly-quarterly fixed leg]

applicable):

• Fixed Leg Day Count Basis:	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]
• Floating Leg Day Count Basis:	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]
• Floating Leg Rate Option:	[●]	[●]
• Margin [1]: (*If CMS Interest Rate is "Spread CMS Rate", insert "Margin 1"*)	[●] / [As specified in the Rate Table below]	
• Margin 2:	[●]/ [As specified in the Rate Table below] (*Specify "Margin 2" if CMS Interest Rate is "Spread CMS Rate", otherwise, delete this paragraph*)	
• Interest Participation Rate [1]: (*If CMS Interest Rate is "Spread CMS Rate", insert "Interest Participation Rate 1"*)	[●] / [As specified in the Rate Table below]	
• Interest Participation Rate 2:	[●] / [As specified in the Rate Table below] (*Specify "Interest Participation Rate 2" if CMS Interest Rate is "Spread CMS Rate", otherwise delete this paragraph*)	

• [Rate Table:]

Rate Table				
Interest Payment Date	**[Margin [1]]**	**[Margin 2]**	**[Interest Participation Rate [1]]**	**[Interest Participation Rate 2]**
[●] *(repeat as required)*	[●] *(repeat as required)*	[●] *(repeat as required)*	[●] *(repeat as required)*	[●] *(repeat as required)*

	(xi) Minimum Rate of Interest:	[[Not Applicable] / [●] per cent. per annum] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] (*insert website address*), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(Specify if Notes are Floored Floating Rate Notes or Collared Floating Rate Notes, otherwise specify "Not Applicable")*
	(xii) Maximum Rate of Interest:	[[Not Applicable] / [●] per cent. per annum] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] (*insert website address*), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(specify if Notes are Capped Floating Rate Notes or Collared Floating Rate Notes, otherwise specify "Not Applicable")*
	(xiii) Day Count Fraction:	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]
17.	**Range Accrual Notes**:	[Applicable. The Notes are [Floored] / [Capped] / [Collared] Range Accrual Notes] / [Not Applicable]
	(General Conditions 5 and 6 and Paragraph 1.8 of Section 2 of the Additional Conditions)	*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Coupon Rate:	[Fixed Interest Rate]/[Floating Interest Rate] [OR]

Interest Period	**Coupon Rate**
From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[Fixed Interest Rate]/[Floating Interest Rate] *(repeat as required)*

[*OR*]

(for Swedish Notes, specify the following)

Interest Period	**Coupon Rate**
From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[Fixed Interest Rate]/[Floating Interest Rate] *(repeat as required)*

- Fixed Interest Rate: In respect of the Interest Period ending on [and including]/[but excluding] [●], [●] per cent. per annum]/[Not Applicable]

  (if Fixed Interest Rate is applicable, insert drafting Schedule 1 (Additional Provisions for determination of Fixed Interest Rate))

  (repeat as required)

- Manner in which the Floating Interest Rate is to be determined: In respect of the Interest Period ending on [and including]/[but excluding] [●], [Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable]

  (if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)

  (repeat as required)

(ii) Interest Payment Date(s) subject to the Range Accrual Note Provisions: [Each of the [●] day of [*month*], [*month*] *(repeat as required)* in each calendar year from (and including) [●] to (and including) [●]/[●] *(specify dates)* [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

(iii) Business Day Convention: [Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(iv) Interest Period(s) subject From (and including) the [Interest Commencement

	to the Range Accrual Note Provisions:	Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)* *(for Swedish Notes, specify the following)* From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*
(v)	Additional Business Centre(s):	[●]
(vi)	Accrual Condition:	[Single Barrier Range Accrual is applicable: Accrual Reference Observation [greater than] / [greater than or equal to] / [equal to] / [less than or equal to]/ [less than] the Coupon Barrier Value] [OR] [Dual Barrier Range Accrual is applicable: Accrual Reference Observation [greater than] / [greater than or equal to] the Lower Barrier Value and [less than] / [less than or equal to] the Upper Barrier Value]
(vii)	Coupon Barrier Value:	[Not Applicable]/ [●] per cent. [*OR*]

Interest Determination Date falling on:	**Coupon Barrier Value**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(viii)	Lower Barrier Value:	[Not Applicable]/ [●] per cent. [*OR*]

Interest Determination Date falling on:	**Lower Barrier Value**
[●] *(repeat as required)*	[Not Applicable]/ [●] per cent. *(repeat as required)*

(ix)	Upper Barrier Value:	[Not Applicable]/ [●] per cent. [*OR*]

Interest Determination	**Upper Barrier Value**

		Date falling on:	
		[●] *(repeat as required)*	[Not Applicable]/ [●] per cent. *(repeat as required)*

(x)	Accrual Observation Day:	[calendar day]/[Business Day]
(xi)	Accrual Period:	[Each Interest Period]/ [In respect of each Scheduled Interest Payment Date, the period commencing on (and including) the Accrual Period Start Date falling immediately prior to such Scheduled Interest Payment Date and ending on (but excluding) the Accrual Period End Date on which such Scheduled Interest Payment Date falls]
	• Accrual Period Start Date:	[Interest Commencement Date] [and] [each Scheduled Interest Payment Date other than any Scheduled Interest Payment Date falling on the Scheduled Maturity Date / each Interest Payment Date other than any Interest Payment Date falling on the Maturity Date] / [●] / [Not Applicable]
	• Accrual Period End Date:	[in respect of each Accrual Period Start Date, the Scheduled Interest Payment Date immediately following such Accrual Period Start Date] / [in respect of each Accrual Period Start Date, the Interest Payment Date immediately following such Accrual Period Start Date] / [●] / [Not Applicable]
	[– Scheduled Interest Payment Date(s):]	[●] (*delete if Not Applicable*)
	[– Scheduled Maturity Date:]	[●] *(delete if Not Applicable)*
(xii)	Accrual Reference Observation:	[single Underlying Rate] [sum of Underlying Rate 1 plus Underlying Rate 2] [difference between Underlying Rate 1 minus Underlying Rate 2]
(xiii)	Underlying Rate:	[Fixed Interest Rate] / [Floating Interest Rate] / [*specify other Reference Rate*] / [Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	• Fixed Interest Rate:	[●] per cent. per annum]/[Not Applicable] *(if Fixed Interest Rate is applicable, insert drafting Schedule 1 (Additional Provisions for determination of Fixed Interest Rate))*
	• Manner in which the Floating Interest Rate is to be determined:	[Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable] *(if any of Screen Rate Determination, ISDA*

		Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)
(xiv)	Underlying Rate 1:	[Fixed Interest Rate] / [Floating Interest Rate] / [*specify other Reference Rate*] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Fixed Interest Rate:	[[●] per cent. per annum]/Not Applicable] *(if Fixed Interest Rate is applicable, insert drafting Schedule 1 (Additional Provisions for determination of Fixed Interest Rate))*
	• Manner in which the Floating Interest Rate is to be determined:	[Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable] *(if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)*
(xv)	Underlying Rate 2:	[Fixed Interest Rate] / [Floating Interest Rate] / [*specify other Reference Rate*] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Fixed Interest Rate:	[[●] per cent. per annum]/Not Applicable] *(if Fixed Interest Rate is applicable, insert drafting Schedule 1 (Additional Provisions for determination of Fixed Interest Rate))*
	• Manner in which the Floating Interest Rate is to be determined:	[Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable] *(if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)*
(xvi)	Rate Cut-Off Date:	[Default Rate Cut-Off Date] / [Specified Rate Cut-Off Date: [*insert number*] [Accrual Business Days/calendar days] falling prior to the Accrual Period End Date for each Accrual Period]
	• Accrual Business Day Centre(s):	[●]/[Not Applicable]

(xvii) Minimum Rate of Interest: [[Not Applicable] / [●] per cent. per annum] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] (*insert website address*), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

(specify if Notes are Floored Range Accrual Notes or Collared Range Accrual Notes, otherwise specify "Not Applicable")

(xviii) Maximum Rate of Interest: [[Not Applicable] / [●] per cent. per annum] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] (*insert website address*), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

(specify if Notes are Capped Range Accrual Notes or Collared Range Accrual Notes, otherwise specify "Not Applicable")

(xix) Day Count Fraction: [Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]

(xx) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): [●]/[Calculation Agent]

18. **Barrier Notes**: [Applicable/Not Applicable]

(Paragraph 1.9 of Section 2 of the Additional Conditions) *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Coupon Barrier Value: [●] per cent.

[*OR*]

Interest Determination Date falling on:	**Coupon Barrier Value**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(ii) Reference Rate: [●]

(iii) Manner in which the Floating Interest Rate(s) is/are to be determined: [Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable]

(if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is

			applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)
	(iv)	Party responsible for determining the Reference Rate:	[●]/[Calculation Agent]
	(v)	Interest Determination Date(s):	[●]
	(vi)	Interest will be payable on the Notes if, as of the relevant Interest Determination Date, the Reference Rate is:	[greater than] / [greater than or equal to] / [equal to] / [less than or equal to]/ [less than] the Coupon Barrier Value. *(delete as appropriate)*
19.	**Steepener Notes**:		[Applicable/Not Applicable]
	(Paragraph 1.10 of Section 2 of the Additional Conditions)		(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Interest Payment Date(s) subject to the Steepener Note Provisions:	[Each of the [●] day of [*month*], [*month*] *(repeat as required)* in each calendar year from (and including) [●] to (and including) [●]/[●] *(specify dates)* [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]
	(ii)	Business Day Convention:	[Following Business Day Convention] / [Modified Following Business Day Convention] /[Modified Business Day Convention] / [Preceding Business Day Convention] / [FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] / [No Adjustment] / [Unadjusted] *(delete as appropriate)*
	(iii)	Interest Period(s) subject to the Steepener Note Provisions:	From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)* *(for Swedish Notes, specify the following)* From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*

(iv)	Additional Business Centre(s):	[●]
(v)	Spread:	[●]/[Not Applicable]
(vi)	Leverage 1:	[●] per cent.
(vii)	Leverage 2:	[●] per cent.
(viii)	Party responsible for determining the Reference Rate:	[●]/[Calculation Agent]
(ix)	Rate 1:	[Fixed Interest Rate] / [Floating Interest Rate]
	• Fixed Interest Rate:	[[●] per cent. per annum]/Not Applicable]
	• Manner in which the Floating Interest Rate is to be determined:	[Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable] *(if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)*
(x)	Rate 2:	[Fixed Interest Rate] / [Floating Interest Rate]
	• Fixed Interest Rate:	[[●] per cent. per annum]/Not Applicable]
	• Manner in which the Floating Interest Rate is to be determined:	[Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable] *(if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)*
(xi)	Day Count Fraction:	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]
(xii)	Cap:	[[●] per cent. per annum] / [Not Applicable]
(xiii)	Floor:	[[●] per cent. per annum] / [Not Applicable]
(xiv)	Curve Cap:	[Applicable] / [Not Applicable] (if Not Applicable, delete the sub-paragraphs of this paragraph)
	• Leverage 3:	[●]
	• Rate 3:	[Fixed Interest Rate] / [Floating Interest Rate]
	- Fixed Interest Rate:	[[●] per cent. per annum]/Not Applicable]

		- Manner in which the Floating Interest Rate is to be determined:	[Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable] *(if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)*
		• Curve Cap Spread:	[●] per cent./[Not Applicable]
20.	**Digital Option Notes**:		[Applicable/Not Applicable]
	(Paragraph 1.11 of Section 2 of the Additional Conditions)		*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Interest Payment Date(s) subject to the Digital Option Note Provisions:	[Each of the [●] day of [*month*], [*month*] *(repeat as required)* in each calendar year from (and including) [●] to (and including) [●]/[●] *(specify dates)* [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]
	(ii)	Business Day Convention:	[Following Business Day Convention] / [Modified Following Business Day Convention] /[Modified Business Day Convention] / [Preceding Business Day Convention] / [FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] / [No Adjustment] / [Unadjusted] *(delete as appropriate)*
	(iii)	Interest Period(s) subject to the Digital Option Note Provisions:	From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)* *(for Swedish Notes, specify the following)* From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*
	(iv)	Additional Business Centre(s):	[●]
	(v)	Leverage:	[[+/-][●] per cent.] / [Not Applicable]
	(vi)	Margin:	[●]

(vii) Reference Rate: [Fixed Interest Rate] / [Floating Interest Rate]

- Fixed Interest Rate: [[●] per cent. per annum]/Not Applicable]
- Manner in which the Floating Interest Rate is to be determined: [Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable]

  (if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)

(viii) Cap: [[●] per cent. per annum] / [Not Applicable]

(ix) Floor: [[●] per cent. per annum] / [Not Applicable]

(x) Digital Condition: Digital Reference Rate [greater than] / [greater than or equal to] / [less than or equal to] / [less than] Strike 1 and Digital Reference Rate [greater than] / [greater than or equal to] / [less than or equal to] / [less than] Strike 2

- Strike 1: [●]
- Strike 2: [●]

(xi) Digital Condition Determination Date(s): [●]

[OR]

Interest Period	**Digital Condition Determination Date**
From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[●] *(repeat as required)*

[*OR*]

(for Swedish Notes, specify)

Interest Period	**Digital Condition Determination Date**
From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the	[●] *(repeat as required)*

Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	

(xii) Digital Reference Rate:

(a) Leverage 1: [[+/-][●] per cent.] / [Not Applicable]

(b) Leverage 2: [[+/-][●] per cent.] / [Not Applicable]

(c) Rate 1: [Fixed Interest Rate] / [Floating Interest Rate]

- Fixed Interest Rate: [[●] per cent. per annum]/Not Applicable]

- Manner in which the Floating Interest Rate is to be determined: [Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable]

  (if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)

(d) Rate 2: [Fixed Interest Rate] / [Floating Interest Rate]

- Fixed Interest Rate: [[●] per cent. per annum]/Not Applicable]

- Manner in which the Floating Interest Rate is to be determined: [Screen Rate Determination] / [ISDA Determination] [CMS Rate Determination] / [Not Applicable]

  (if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)

(e) Spread: [●]

(xiii) Digital Condition Fixed Rate: [[●] per cent. per annum]/ [Not Applicable]

[OR]

Interest Period	**Digital Condition Fixed Rate**
From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] (*repeat as required*)	[[●] per cent. per annum] *(repeat as required)*

[*OR*]

for Swedish Notes, specify the following:

Interest Period	Digital Condition Fixed Rate
From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] (*repeat as required*)	[[●] per cent. per annum] (*repeat as required*)

(xiv) Day Count Fraction: [Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]

21. **Inverse Floater Notes:** [Applicable/Not Applicable]

(Paragraph 1.12 of the Additional Conditions) *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Interest Payment Date(s) subject to the Inverse Floater Note Provisions: [Each of the [●] day of [*month*], [*month*] *(repeat as required)* in each calendar year from (and including) [●] to (and including) [●]/[●] *(specify dates)* [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

(ii) Business Day Convention: [Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(iii) Interest Period(s) subject to the Inverse Floater Note Provisions: From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●]

(repeat as required)

			(for Swedish Notes, specify the following) From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*
	(iv)	Additional Business Centre(s):	[●]
	(v)	Fixed Interest Rate:	*(insert drafting Schedule 1 (Additional Provisions for determination of Fixed Interest Rate) hereto)*
	(vi)	Manner in which Floating Interest Rate is to be determined:	[Screen Rate Determination] / [ISDA Determination] / [CMS Rate Determination] *(insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)*
	(vii)	Leverage:	[[+/-][●] per cent.] / [Not Applicable]
	(viii)	Cap:	[[●] per cent. per annum] / [Not Applicable]
	(ix)	Floor:	[[●] per cent. per annum] / [Not Applicable]
22.	**Switchable Notes**:		[Applicable]/[Not Applicable] (*if Not Applicable, delete the following sub-paragraph*) [Fixed to Floating Switchable Notes] / [Floating to Fixed Switchable Notes]
	(Paragraph 1.13 of Section 2 of the Additional Conditions)		(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Interest Payment Date(s) subject to the Switchable Note Provisions:	[Each of the [●] day of [*month*], [*month*] *(repeat as required)* in each calendar year from (and including) [●] to (and including) [●]/[●] *(specify dates)* [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]
	(ii)	Business Day Convention:	[Following Business Day Convention] / [Modified Following Business Day Convention] /[Modified Business Day Convention] / [Preceding Business Day Convention] / [FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] (repeat as required)]/ Floating Rate Convention] /[Eurodollar Convention] / [No Adjustment] / [Unadjusted] (delete as appropriate)

	(iii)	Interest Period(s) subject to the Switchable Note Provisions:	From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)* *(for Swedish Notes, specify the following)* From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*
	(iv)	Additional Business Centre(s):	[●]/ [Not Applicable]
	(v)	Conversion Exercise Date:	[Each Interest Payment Date] / [●]
	(vi)	Conversion Notice Cut-Off Date:	[Default Conversion Notice Cut-Off Date]/ [●]
	(vii)	Fixed Interest Rate:	[●] per cent. per annum *(insert drafting Schedule 1 (Additional Provisions for determination of Fixed Interest Rate) hereto)*
	(viii)	Manner in which Floating Interest Rate is to be determined:	[Screen Rate Determination] / [ISDA Determination] / [CMS Rate Determination] *(if any of Screen Rate Determination, ISDA Determination or CMS Rate Determination is applicable, insert drafting Schedule 2 (Additional Provisions for determination of Floating Interest Rate) hereto)*
23.	**Zero Coupon Note Provisions**		[Applicable/Not Applicable]
	(General Condition 7)		*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Accrual Yield:	[●] per cent. per annum
	(ii)	Reference Price:	[●]

PROVISIONS RELATING TO REDEMPTION

24.	**Call Option**		[Applicable/Not Applicable]
	(General Condition 15.5)		*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Call Option Date(s):	[●]
	(ii)	Optional Redemption Date(s) (Call):	[●]

	(iii)	Participation Rate (Call) for determining the Optional Redemption Amount (Call):	[[●] per cent.] / [100 per cent.]
	(iv)	Optional Redemption in part only:	[Applicable. Redemption will be effected in accordance with sub-clause [(a)/(b)/(c)] of General Condition 15.6 (*Partial Redemption*)] / [Not Applicable] *(delete as appropriate)*
	(v)	Maximum Notice Number of Day(s):	[●] [calendar day[s]] / [Business Day[s]]
	(vi)	Minimum Notice Number of Day(s):	[●] [calendar day[s]] / [Business Day[s]]
25.	**Put Option**		[Applicable/Not Applicable]
	(General Condition 15.7)		*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Put Option Exercise Date:	[●] / [Not Applicable]
	(ii)	Put Option Exercise Period:	[From (and including) [●] to (but excluding) [●]] / [Not Applicable]
	(iii)	Optional Redemption Date(s) (Put):	[●] / [Any date after the Put Option Exercise Date] / [Any date falling in the Put Option Exercise Period
	(iv)	Participation Rate (Put) for determining the Optional Redemption Amount (Put):	[[●] per cent.] / [100 per cent.]
26.	(i)	**Early Redemption Amount upon Event of Default** (General Condition 20):	*[For Zero Coupon Notes, choose one of the following options:* [[●] per cent. Per Calculation Amount] /[an amount per Calculation Amount determined by the Determination Agent in accordance with General Condition 15.8 (*Early Redemption of Zero Coupon Notes*). For these purposes, the Accrual Yield is [●] per cent. and the Reference Price is [*specify*].] *[For Notes which are not Zero Coupon Notes, choose one of the following options:* [Fixed Redemption. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination. The Determination Agent will determine the amount a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to such Notes as if no such Event of Default had occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Notes] / [Accrued Value. The Accrual Yield is [•] and the Reference Price is [•].].

		[Theoretical Value.]
	(ii) **Early Redemption Amount (Tax) upon redemption pursuant to [Condition 15.2 (*Tax Redemption – Morgan Stanley and MSFL Notes*)][Condition 15.3 (*Tax Redemption – MSI plc and MSBV Notes*)].**	[*For Morgan Stanley or MSFL Notes*: [Not Applicable] / [Early Redemption Amount (Tax) – Fair Market Value Less Costs] / [Early Redemption Amount (Tax) – Fair Market Value] / [Early Redemption Amount (Tax) – Par] [*For MSI plc or MSBV Notes*: [Early Redemption Amount (Tax) – Fair Market Value Less Costs] / [Early Redemption Amount (Tax) – Fair Market Value] / [Early Redemption Amount (Tax) – Par]] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Tax) – Fair Market Value Less Costs" may not be selected)*
27.	**Inconvertibility Event Provisions**:	[Applicable] / [Not Applicable]
	(General Condition 32)	*(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Consequences of the occurrence of an Inconvertibility Event:	[Converted Payment] / [Early Redemption] / [Suspended Payment]
	(ii) Inconvertibility Early Redemption Amount upon Inconvertibility Event:	[Not Applicable] *[OR]* *[For Zero Coupon Notes, choose one of the following options:* [[●] per cent. Per Calculation Amount] /[an amount per Calculation Amount determined by the Determination Agent in accordance with General Condition 15.8 (*Early Redemption of Zero Coupon Notes*). For these purposes, the Accrual Yield is [●] per cent. and the Reference Price is [*specify*].] *[For Notes which are not Zero Coupon Notes, choose one of the following options:* [[●] per cent. per Calculation Amount] / [Early Redemption Amount Less Costs applies. For the purposes of the definition of Early Redemption Amount Less Costs, [Fixed Redemption applies. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination applies.]] / [Accrued Value applies. The Accrual Yield is [•] and the Reference Price is [•].] [Theoretical Value applies.]] / [Early Redemption Amount applies. For the purposes of the definition of Early Redemption Amount, [Fixed Redemption applies. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination applies.] / [Accrued Value applies. The Accrual Yield is [•] and the Reference Price is [•].] / [Theoretical Value applies.]] / [Fair Market Value applies] / [Fair

		Market Value Less Costs applies] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount Less Costs" and "Fair Market Value Less Costs" may not be selected)*
(iii)	Relevant Currenc(y)/(ies):	[●]
(iv)	Relevant Jurisdiction(s):	[●]
(v)	Inconvertibility Specified Currenc(y)/(ies):	[●]
(vi)	Settlement Rate Option:	[Currency Reference Dealers] / [Not Applicable]
28.	**Automatic Early Redemption Event** (General Condition 15.11)	[Applicable] / [Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Automatic Early Redemption Valuation Date (s):	[●]
(ii)	Automatic Early Redemption Event occurs if the Cumulative Interest Amount is:	[greater than] / [greater than or equal to] / [equal to] / [less than or equal to]/ [less than] the Automatic Early Redemption Level. *(delete as appropriate)*
(iii)	Automatic Early Redemption Level:	[●] [per cent.] of the Calculation Amount
(iv)	Automatic Early Redemption Amount:	[[●] [per cent.] per Calculation Amount] / [Paragraph (c) of the definition of Automatic Early Redemption Amount in General Condition 15.11 (*Automatic Early Redemption Event*) applies]
(v)	Automatic Early Redemption Rate:	[[●]/[100] per cent.] [in respect of Automatic Early Redemption Date falling on [●] and [●]/[100] per cent. in respect of Automatic Early Redemption Date falling on [●]]] / [Not Applicable] *(specify if fallback in paragraph (c) of the definition of Automatic Early Redemption Amount in* General *Condition 15.11 applies)*
(vi)	Automatic Early Redemption Date(s):	[[Scheduled Automatic Early Redemption Date [is]/[are]] [●]]
(vii)	Automatic Early Redemption Specified Day(s):	[Applicable] / [Not Applicable] (*if Not Applicable, delete the below*) [●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]
(viii)	Determination Time:	[●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

29.	**Form of Notes**: (General Condition 3)	[Registered Notes: [Global Note Certificate registered in the name of [a nominee for] [a common depositary for Euroclear and Clearstream, Luxembourg]/[a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))][4], exchangeable for Individual Note Certificates on [●] days' notice/at any time/ in the limited circumstances described in the Global Note Certificate] [Individual Note Certificates]] [Finnish Notes] [Swedish Notes] [Uncertificated Notes]
30.	**Additional Business Centre(s) or other special provisions relating to Payment Dates:**	[Not Applicable] / [*give details*] (*Note that this item relates to the date and place of payment, and not interest period end dates, to which items 12(v) and 13(vii) relate*)[5]
31.	**Record Date**:	[As set out in the General Conditions/The Record Date is [●] [Business Day/day/clearing system business day] before the relevant due date for payment/Not Applicable]
32.	**Redenomination, renominalisation and reconventioning provisions:**	[Not Applicable] / [The provisions in General Condition 31 (*Redenomination, Renominalisation and Reconventioning*) apply]
33.	**Taxation:**	
	(i) General Condition 19.1:	"Additional Amounts" is [Applicable] / [Not Applicable]
	(ii) General Condition 19.3:	Implementation of Financial Transaction Tax Event is [Applicable] / [Not Applicable]
34.	**CNY Centre:**	[•]/[Not Applicable]
35.	**Illegality and Regulatory Event:** **(General Condition 21)**	
	(i) Illegality and Regulatory Event (General Condition 21):	[Applicable] / [Not Applicable]
	(ii) Early Redemption Amount (Illegality and Regulatory Event):	[[Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value] / [Early Redemption Amount (Illegality and Regulatory Event) – Par] shall apply] /

[4] To be included for Registered Notes in global form which are to be held under the NSS.
[5] This should specify "Not applicable" unless, exceptionally, location of Fiscal Agent is to be included as a business day for the purposes of payments whilst Notes are in global form in the clearing systems.

		[Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs" may not be selected)*
36.	**Index Adjustment Events:** **(General Condition 9.2(b))**	[[Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs] / [Early Redemption Amount (Index Cancellation) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs" may not be selected)*
37.	**Merger Event or Tender Offer:** **(General Condition 9.4(a))**	[[Merger Event Settlement Amount – Fair Market Value Less Costs] / [Merger Event Settlement Amount – Fair Market Value] shall apply] / [Not Applicable] [[Tender Offer Settlement Amount – Fair Market Value Less Costs] / [Tender Offer Settlement Amount – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Merger Event Settlement Amount – Fair Market Value Less Costs" and "Tender Offer Settlement Amount – Fair Market Value Less Costs" may not be selected)*
38.	**Nationalisation, Insolvency and Delisting:** **(General Condition 9.4(b))**	[[Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs] / [Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs" may not be selected)*
39.	**Extraordinary ETF Events:** **(General Condition 9.5)**	[[Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs" may not be selected)*
40.	**Additional Disruption Events:** **(General Condition 9.6)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
41.	**Partial Lookthrough Depositary Receipt Provisions:**	[[Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs] / [Early

	(General Condition 9.7)	Redemption Amount (Potential Adjustment Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" may not be selected)*
42.	**Full Lookthrough Depositary Receipt Provisions:** **(General Condition 9.8)**	[[Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Potential Adjustment Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" may not be selected)*
43.	**Additional Disruption Events:** **(General Condition 10.7)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
44.	**Additional Disruption Events:** **(General Condition 11.5)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
45.	**Additional Disruption Events:** **(General Condition 12.7)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
46.	**Fund Events:** **(General Condition 13.5)**	[[Fund-Linked Early Redemption Amount – Fair Market Value Less Costs] / [Fund-Linked Early Redemption Amount – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Fund-Linked Early Redemption Amount – Fair Market Value Less Costs" may not be selected)*
47.	**CNY Disruption Events:** **(General Condition 33)**	[Applicable] / [Not Applicable] *(Note – for issuances of Notes to retail investors, General Condition 33 should be specified as Not Applicable)*

48.	**Substitution of Issuer or Guarantor with non Morgan Stanley Group entities:** **(General Condition 34.2)**	[Applicable] / [Not Applicable]

DISTRIBUTION

49.	(i)	If syndicated, names [and addresses][6] of Managers [and underwriting commitments][7]: 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.)][8]	[Not Applicable/*give names[, addresses and underwriting commitments]] [(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis.)]*
	(ii)	[Date of [Subscription] Agreement:	[●]][9]
	(iii)	Stabilising Manager(s) (if any):	[Not Applicable/*give name*]
50.		If non-syndicated, name [and address][10] of dealer:	[Not Applicable/give name [*and address*][11]]
51.		Non-exempt Offer and Offer Period:	[Not Applicable]/ [An offer of the Notes may be made by the [insert names] / [any person who is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC] other than pursuant to Article 3(2) of the Prospective Directive in [Austria] / [Belgium] / [Czech Republic] / [Denmark] / [Finland] / [France] / [Germany] / [Ireland] / [Italy] / [Luxembourg] / [Norway] / [Portugal] / [Spain] / [Sweden] / [The Netherlands] / [United Kingdom] ("Public Offer Jurisdictions") during [the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] ("**Offer Period**")]/[the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] for the Notes that will be offered by means of ["online selling"]/["door-to-door" selling]] ("**Offer Period**")] (*delete as appropriate*) [subject to the following conditions: [*specify*]]. See further paragraph 8 of Part B below.
52.		[Total commission and concession:	[In connection with the offer and sale of the Notes, [the Issuer][Morgan Stanley & Co. International plc] will pay [*name[s]*] a [one time][recurring] [distribution] / [structuring]

[6] Delete for Notes with a denomination per Note of EUR 100,000 or more.
[7] Delete for Notes with a denomination per Note of EUR 100,000 or more.
[8] Delete for Notes with a denomination per Note of EUR 100,000 or more.
[9] Delete for Notes with a denomination per Note of EUR 100,000 or more
[10] Delete for Notes with a denomination per Note of EUR 100,000 or more
[11] Delete for Notes with a denomination per Note of EUR 100,000 or more.

fee amount equal to [a maximum of] [●] [of the Aggregate Nominal Amount] / [*specify amount*] / [per annum/*other*]] / [No fees will be paid by the Issuer or Morgan Stanley & Co. International plc, directly or indirectly, in connection with any advised sale of Notes]][12]

Taxation

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Holders should seek their own advice based upon their particular circumstances from an independent tax advisor.

A Non-U.S. Holder (as defined in the Base Prospectus) should review carefully the section entitled "*United States Federal Taxation*" in the Base Prospectus.

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 11 of Part B – Other Information of these Final Terms for additional information regarding withholding under Section 871(m) of the Code.

[13][**THIRD PARTY INFORMATION**

(*Relevant third party information*) has been extracted from [●] (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By ……..

Duly authorised

[12] Delete for Notes with a denomination per Note of EUR 100,000 or more.
[13] Insert if any third party information has been provided.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing and admission to Trading:	[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange's Regulated Market and to be listed on the official list of the Luxembourg Stock Exchange with effect from [●].] / [Application [has [also] been made/is [also] expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to listing and/or trading on [*insert name of exchange*] with effect from [●].] [No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by the Issue Date.][The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.] [Not Applicable.] *[Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading.]*
[Last day of Trading:	[●]]
[Estimate of total expenses related to admission to trading:	[●]][14]

2. RATINGS

Ratings:	[The Notes to be issued have been rated: [S & P: [●]] [Moody's: [●]] [Fitch: [●]] [[Other]: [●]] *Option 1* [*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"). *Option 2* [*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA and is not registered under Regulation (EU) No

[14] Delete for Notes with a denomination per Note of less than EUR 100,000.

1060/2009, as amended (the "**CRA Regulation**").

Option 3

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA but the rating it has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

Option 4

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").][15]

[*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*][16]

(*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Program generally or, where the issue has been specifically rated, that rating.*)

[The Notes will not be rated].]

3. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

[*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*]

"So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer".] OR

[*Specify material conflicts*]

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

[(i) Reasons for the offer: [●]

(If reasons for offer different from making profit and/or hedging certain risks, will need to include those reasons here.)]

[(ii)] Estimated net proceeds: [●]

(If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[15] Edit and delete options as appropriate for the relevant rating agency/agencies providing the rating(s).

[16] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[(iii)] Estimated total expenses:	[●] (*Include breakdown of expenses*)

5. **[Fixed Rate Notes only – YIELD**

Indication of yield:	[●]]

6. **[*Floating Rate Notes/ Range Accrual Notes / Barrier Notes only* - HISTORIC INTEREST RATES**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].][17]

7. **OPERATIONAL INFORMATION**

ISIN Code:	[●]
Common Code:	[●]
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] / [give [name(s)], [addresses of the clearing system(s)], [relevant identification number(s)] *Finnish Notes*: Finnish CSD: Euroclear Finland Oy, Urho Kekkosen katu 5 C, Box 1110, FI-00101 Helsinki, Finland *Swedish Notes*: Swedish CSD: Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden Nordic Issuing Agent: [●],[●] [*give relevant name and address*] [Japan Securities Depositary Center, Inc. [*insert address*]] [*other relevant clearing system, as applicable*]: [●], [●] [*give relevant name and address*]
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	[●]
Names and addresses of additional Paying Agent(s) (if any):	[●]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No]

[17] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[Note that designation "**yes**" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs[18] as common safekeeper [[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper]][19] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either on issue or subsequently. Such recognition will depend on satisfaction of Eurosystem eligibility criteria]

(include this text if "yes" selected)

8. TERMS AND CONDITIONS OF THE OFFER

Offer Price:	[Issue Price] [*specify*]
Conditions to which the offer is subject:	[Not Applicable/ Offers of the Notes are conditional upon their issue/*give details*] *(Example: Offers of the Notes are conditional upon their issue. The Issuer has the right to withdraw the offering of the Notes and cancel the issuance of the Notes prior to the end of the subscription period for any reason. Reasons for the cancellation of the offer include, in particular: (i) adverse market conditions, as determined by the Issuer in its reasonable discretion (such as, for example, increased equity market volatility and increased currency exchange rate volatility) or (ii) that the number of applications received at that time is [insufficient, in the Issuer's opinion, to make an economically viable issuance][less than [•]].)*
Description of the application process:	[Not Applicable/*give details*]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/*give details*]
Details of the minimum and/or maximum amount of application:	[Not Applicable/*give details*]
Details of the method and time limited for paying up and delivering the Notes:	[Not Applicable/ 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:	[Not Applicable/*give details*]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights	[Not Applicable/*give details*]

[18] International Central Securities Depositories.

[19] To be included for Registered Notes

	not exercised:	
	Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/*give details*]
	Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not Applicable] / [Estimated expenses charged to the investor by the relevant Issuer or the offeror are [●].] / [No expenses will be charged by the Issuer to the investor, however a subscription charge of up to [*specify amount*] may be charged by the Authorised Offeror] / [Not applicable. There are no estimated expenses charged to the investor by the Issuer [or the Authorised Offeror] / [*give details*]
	Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	[None/give details]
9.	**PLACING AND UNDERWRITING**	
	Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the issuer or to the offeror, of the placers in the various countries where the offer takes place:	[●]
	Name and address of any paying agents and depository agents in each country:	[●]
	Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" agreements. Where not all of the issue is underwritten, a statement of the portion not covered:	[●]
10.	**OTHER MARKETS**	
	All the regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of securities to be offered or admitted to trading are already admitted to trading:	[[●]/None]
11.	**POTENTIAL SECTION 871(M) TRANSACTION**	[Not Applicable] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code[, and hereby instructs its agents and withholding agents that no withholding is

		required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code because the Relevant Underlying is a "qualified index" under the applicable U.S. Treasury Regulations[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Notes are U.S. equity linked Notes subject to withholding under Section 871(m) of the Code.] [For further information please [call [•]] / [visit our website at [•]] / [write to [•]].]
12.	**Prohibition of Sales to EEA Retail Investors:**	[Applicable]/[Not Applicable]] [*If the offer of the Notes is concluded prior to 1 January 2018, or on and after that date the Notes do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified*]
13.	**Index Sponsor:**	[Applicable]/[Not Applicable]] [The Index is administered by [*insert name of Index Sponsor*], who as at the Issue Date, is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.] / [The Index is administered by [*insert name of Index Sponsor*], who as at the Issue Date, is not included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.]

SCHEDULE 1

(Additional Provisions for Determination of Fixed Interest Rate)

(a) Fixed Interest Rate: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ other *(specify)*] in arrear]/

[*OR*]

Interest Period	**Fixed Interest Rate**
From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ other *(specify)*] in arrear] *(repeat as required)*

[*OR*]

(for Swedish Notes, specify the following)

Interest Period	**Fixed Interest Rate**
From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ other *(specify)*] in arrear] *(repeat as required)*

(b) Fixed Coupon Amount(s): [●] per Calculation Amount/ [Not Applicable]

[OR]

Interest Period	**Fixed Coupon Amount**
From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[●] per Calculation Amount/[Not Applicable] *(repeat as required)*

[OR]

(for Swedish Notes, specify the following)

Interest Period	**Fixed Coupon Amount**
From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*	[●] per Calculation Amount/[Not Applicable] *(repeat as required)*

(c) Broken Amount(s): [[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]] / [Not Applicable]

[OR]

Interest Payment Date(s)	**Broken Amount**
[●] *(repeat as required)*	[●] per Calculation Amount / [Not Applicable] *(repeat as required)*

(d) Day Count Fraction:

(General Condition 58)

[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]

SCHEDULE 2

(ADDITIONAL PROVISIONS FOR DETERMINATION OF FLOATING INTEREST RATE)

(a) Screen Rate Determination: [Applicable] / [Not Applicable] (*If Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Rate: [●]
- Interest Determination Date(s): [Periodic Rate Determination is applicable. The Interest Determination Date(s) [is/are]: [●] / [the first day of each Interest Period] / [the second TARGET Settlement Day prior to the start of each Interest Period]] / [Daily Rate Determination is applicable]
- Relevant Screen Page: [●]
- Margin: [[+/-][●] per cent. per annum] / [As specified in the Rate Table below]
- Interest Participation Rate: [●] / [As specified in the Rate Table below]
- [Rate Table:]

Rate Table		
Interest Payment Date(s)	**Margin**	**Interest Participation Rate**
[●] *(repeat as required)*	[[+/-][●] per cent. per annum] *(repeat as required)*	[●] *(repeat as required)*

- Minimum Rate of Interest: [[Not Applicable] / [●] per cent. per annum] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] (*insert website address*), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
- Maximum Rate of Interest: [[Not Applicable] / [●] per cent. per annum] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] (*insert website address*), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

(b) ISDA Determination: [Applicable] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Floating Rate Option: [●]
- Designated Maturity: [●]
- Reset Date: [●]

- Margin: [[+/-][●] per cent. per annum] / [As specified in the Rate Table below]

- Interest Participation Rate: [●] / [As specified in the Rate Table below]

- [Rate Table:]

Rate Table		
Interest Payment Date(s)	**Margin**	**Interest Participation Rate**
[●] *(repeat as required)*	[[+/-][●] per cent. per annum] *(repeat as required)*	[●] *(repeat as required)*

- Minimum Rate of Interest: [[Not Applicable] / [●] per cent. per annum] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] (*insert website address*), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

- Maximum Rate of Interest: [[Not Applicable] / [●] per cent. per annum] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] (*insert website address*), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

(c) CMS Rate Determination: [Applicable] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- CMS Interest Rate: [Single CMS Rate] [Spread CMS Rate]

	[CMS Reference Rate [1]] (*If CMS Interest Rate is "Spread CMS Rate", insert this column and heading "CMS Reference Rate 1"*)	[CMS Reference Rate 2] (*If CMS Interest Rate is "Spread CMS Rate", insert this column and heading "CMS Reference Rate 2"*)
• Specified Swap Rate:	[the swap rate/annual swap rate/ semi-annual swap rate/ quarterly swap rate/ quarterly-annual swap rate/ quarterly-quarterly swap rate]	[the swap rate/annual swap rate/ semi-annual swap rate/ quarterly swap rate/ quarterly-annual swap rate/ quarterly-quarterly swap rate]
• Reference Currency:	[●]	[●]
• Designated Maturity:	[●][month[s]/year[s]]	[●][month[s]/year[s]]
• Relevant Screen Page:	[●]	[●]
• Relevant Time:	[●]	[●]

• Interest Determination Date(s):	[Periodic Rate Determination is applicable. The Interest Determination Date(s) [is/are]: [●] / [the first day of each Interest Period] / [the second TARGET Settlement Day prior to the start of each Interest Period]] / [Daily Rate Determination is applicable]	[Periodic Rate Determination is applicable. The Interest Determination Date(s) [is/are]: [●] / [the first day of each Interest Period] / [the second TARGET Settlement Day prior to the start of each Interest Period]] / [Daily Rate Determination is applicable]
• Fallback Rate Determination:	[Determination Agent Fallback: Applicable - to be applied first / second / third] / [Not Applicable]	[Determination Agent Fallback: Applicable - to be applied first / second / third] / [Not Applicable]
	Fallback Screen Page: Applicable - to be applied first / second / third] / [Not Applicable]	Fallback Screen Page: Applicable - to be applied first / second / third] / [Not Applicable]
	Mid-Market Quotations: Applicable - to be applied first / second / third] / [Not Applicable]	Mid-Market Quotations: Applicable - to be applied first / second / third] / [Not Applicable]
	[Reference Banks: [●]]	[Reference Banks: [●]]
• Specified Fixed Leg (*for determination of Mid-Market Quotations if specified to be applicable*):	[annual fixed leg / semi-annual fixed leg / quarterly-annual fixed leg / quarterly-quarterly fixed leg]	[annual fixed leg / semi-annual fixed leg / quarterly-annual fixed leg / quarterly-quarterly fixed leg]
• Fixed Leg Day Count Basis:	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]
• Floating Leg Day Count Basis:	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]

- Floating Leg Rate Option: [●] [●]

- Margin [1]: *(If CMS Interest Rate is "Spread CMS Rate", insert "Margin 1")* [●] / [As specified in the Rate Table below]

- Margin 2: [●]/ [As specified in the Rate Table below] (*Specify "Margin 2" if CMS Interest Rate is "Spread CMS Rate", otherwise, delete this paragraph*)

- Interest Participation Rate [1]: (*If CMS Interest Rate is "Spread CMS Rate", insert "Interest Participation Rate 1"*) [●] / [As specified in the Rate Table below]

- Interest Participation Rate 2: [●] / [As specified in the Rate Table below] (*Specify "Interest Participation Rate 2" if CMS Interest Rate is "Spread CMS Rate", otherwise delete this paragraph*)

- [Rate Table:]

Rate Table				
Interest Payment Date	**[Margin [1]]**	**[Margin 2]**	**[Interest Participation Rate [1]]**	**[Interest Participation Rate 2]**
[●] *(repeat as required)*	[●] *(repeat as required)*	[●] *(repeat as required)*	[●] *(repeat as required)*	[●] *(repeat as required)*

- Minimum Rate of Interest: [[Not Applicable] / [●] per cent. per annum] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] (*insert website address*), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

- Maximum Rate of Interest: [[Not Applicable] / [●] per cent. per annum] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] (*insert website address*), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

(d) Linear Interpolation: [Applicable in respect of the Interest Period: *(repeat applicable Interest Periods)*] /

(General Condition 6.4) [Not Applicable]

(e) Day Count Fraction: [Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]

ISSUE-SPECIFIC SUMMARY OF THE NOTES

[Insert]

PRO FORMA FINAL TERMS FOR AUTOCALLABLE NOTES

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED[, FROM 1 JANUARY 2018,] TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND, WITH EFFECT FROM SUCH DATE, SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

(A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU ("MIFID II");

(B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR

(C) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC, AS AMENDED.

CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.][1]

Final Terms dated [●]

[MORGAN STANLEY] / [MORGAN STANLEY & CO, INTERNATIONAL plc] / [MORGAN STANLEY B.V.] / [MORGAN STANLEY FINANCE LLC]

Issue of [*Aggregate Nominal Amount of Tranche*] [*Title of Notes*]

[Guaranteed by Morgan Stanley]

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

PART A – CONTRACTUAL TERMS

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 Notes set forth in the Base Prospectus dated 10 October 2017 [and the supplement[s] dated [●][,[●] … [●]] to the Base Prospectus] which [together] constitute[s] 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 the 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. [However, a summary of the Issue is annexed to these Final Terms.][2] Copies of the Base Prospectus [and any supplement(s) thereto] are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [and any supplement(s) thereto] and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.

[1] Prior to the date of application of the PRIIPs Regulation, this legend is not required and "Prohibition of Sales to EEA Retail Investors" (see Part B, Para 11) may be specified as "Not Applicable". This legend will be required after the date of application of the PRIIPs Regulation if "Prohibition of Sales to EEA Retail Investors" is specified as being "Applicable" (See Part B, Para 11).

[2] Insert if Notes are for denominations lower than EUR 100,000.

[OR USE THE FOLLOWING ALTERNATIVE LANGUAGE IF THE FIRST TRANCHE OF AN ISSUE WHICH IS BEING INCREASED WAS ISSUED UNDER A BASE PROSPECTUS WITH AN EARLIER DATE:

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Base Prospectus dated [17 July 2013 and the supplement to it dated 30 August 2013]/[16 December 2013]/[16 December 2014]/[15 December 2015]/[21 October 2016] which are incorporated by reference in the Base Prospectus dated 10 October 2017. 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 the Base Prospectus dated 10 October 2017 [and the supplement(s) to it dated •], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "Base Prospectus"), save in respect of the Terms and Conditions of the Notes which are extracted from the Base Prospectus dated [17 July 2013 and the supplement to it dated 30 August 2013]/[16 December 2013]/[16 December 2014]/[15 December 2015]/[21 October 2016]. Full information on the Issuer [, the Guarantor(s)] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus [and the supplement(s) dated [•]]. However, a summary of the issue of the Notes is annexed to these Final Terms. Copies of the Base Prospectus [and any supplement(s) thereto] are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [and any supplement(s) thereto] and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.]

[*In case of Public Offer continuing after the validity of the Base Prospectus:* The Base Prospectus expires on 09 October 2018. The updated base prospectus will be available at http://sp.morganstanley.com/EU/Documents.]

[(Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms)]

1.	(i)	Series Number:	[●]
	(ii)	Series Designation:	[Series A] / [Series B]
	[(iii)	[Tranche Number:]	[●] [Fungible with the [*currency*] [●] [*Title of the Notes*] issued by [●], bearing ISIN [●]]
2.	Specified Currency or Currencies:		[●]
3.	Aggregate [Nominal Amount]/[Number] of the Notes:		[●][3]
	[(i)]	Series:	[●]
	[(ii)	Tranche:	[●]]
4.	Issue Price		[●] per cent. of par per Note/[●] per Note
5.	(i)	Specified Denominations (Par):	[●] [and integral multiples of [●] in excess thereof]. (*N.B. where multiple denominations above €100,000 (or its equivalent in other currencies) are being used the following sample wording should be followed*: [€100,000] and integral multiples of [€1,000] in excess

[3] Where the amount is not known at the beginning of the offer period (e.g. an "up to" amount), notices of final offer amount will need to be submitted where the Notes are listed or admitted to trading.

			thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]"]) (*NB: The exchange upon notice at any time shall not be applicable if this language is used. Furthermore, such Specified Denomination construction is not permitted in relation to any issuance of Notes which are to be represented on issue by Permanent Bearer Global Notes exchangeable for Definitive Notes.*) (N.B. Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies)).
	(ii)	Calculation Amount:	[●]
6.	(i)	Issue Date:	[●]
	(ii)	Trade Date:	[●]
	(iii)	Interest Commencement Date	[●] / [Issue Date] / [Not Applicable]
	(iv)	Strike Date:	[●]
	(v)	Determination Date:	[●]
7.	Maturity Date:		[[Scheduled Maturity Date is] [●]] / [The Interest Payment Date falling in, or nearest to, [*month*] [*year*]]
8.	Specified Day(s):		[Applicable] / [Not Applicable] (*if Not Applicable, delete the below*) [●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]
9.	Interest Basis:		[[●] per cent. Fixed Rate] [Equity-Linked Interest][4] [Commodity-Linked Interest] [Currency-Linked Interest] [Inflation-Linked Interest] [Fund-Linked Interest] (further particulars specified below) *(include all that apply)*
10.	Redemption/Payment Basis:		[Redemption at par]

[4] Specify if interest provisions are linked to one or more Shares, ETF Interests or Indices.

			[Equity-Linked Redemption][5]
			[Commodity-Linked Redemption]
			[Currency-Linked Redemption]
			[Inflation-Linked Redemption]
			[Fund-Linked Redemption]
11.	Put/Call Options:		
	(i)	Redemption at the option of the Issuer: (General Condition 15.5)	[Applicable/Not Applicable]
	(ii)	Redemption at the option of the Noteholders: (General Condition 15.7)	[Applicable/Not Applicable]
12.	Method of distribution:		[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13.	**Linked Interest Provisions: Relevant Underlying** (General Conditions 6.8 and 8)		[Applicable/Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
(A)	Equity-Linked Interest Notes: Single Share-Linked Interest Notes, Share Basket-Linked Interest Notes: (General Condition 9)		[Applicable/Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Whether the Notes relate to a single share or a basket of shares (each, a "**Share**"):	[Single Share-Linked Interest Notes] / [Share Basket-Linked Interest Notes]
	(ii)	The identity of the relevant issuer(s) (each an "**Underlying Issuer**"), class of the Share and ISINs or other security identification code for the Share:	(a) Share/Shares: [●]](*ISIN*: [●]) (Bloomberg code [●]) (*repeat as required*)) (b) Share Issuer(s): [●] (*repeat as required*)) *(insert (c) and (d) below for ADRs/GDRs)* [(c) Underlying Share/Shares: (*ISIN:* [●]) (Bloomberg code [●]) (*repeat as required)*

[5] Specify if redemption provisions are linked to one or more Shares, ETF Interests or Indices.

(d) Underlying Share Issuer(s): [●] (*repeat as required*)]

(iii) Partial Lookthrough ADR Provisions: [Applicable/Not Applicable]

(iv) Full Lookthrough ADR Provisions: [Applicable/Not Applicable]

(v) Exchange(s): [●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(vi) Related Exchange(s): [●] / [All Exchanges]

[OR]

Share	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(vii) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(viii) Determination Time: [●] / As per General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(ix) Additional Disruption Event(s):

(General Condition 9.6)

[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(*delete any which are not applicable*)

(x) Correction Cut Off Time:

(General Condition 9.3(b))

[●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date

(xi) Weighting for each Share comprised in the Basket: [●] / [Not Applicable]

[*OR*]

Share	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(B) Equity-Linked Interest Notes: Single Index-Linked Interest Notes / Index Basket-Linked Interest Notes: [Applicable/Not Applicable]

(General Condition 9) *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Types of Notes: [Single Index-Linked Interest Notes]

[Index Basket-Linked Interest Notes]

(ii) Index / Indices: [●] [, which is a Multi-Exchange Index]; (Bloomberg Code [●])

(repeat as required)

(*Specify Index for Single Index-Linked Interest Notes, and specify each of Indices for Index Basket-Linked Interest Notes*)

(iii) Exchange(s): [●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

[*OR*]

Index	**Exchange**
[●] *(repeat as required)*	[●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*) *(repeat as required)*

(iv) Related Exchange(s): [●] / [All Exchanges]

[OR[

Index	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: [●] / As per General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(vii) Additional Disruption Event(s):

(General Condition 9.6)

[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(*delete any which are not applicable*)

(viii) Correction Cut Off Time:

(General Condition 9.2(c))

[●] / [within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date]

(iv) Weighting for each Index comprised in the Basket: [●] / [Not Applicable]

[*OR*]

Index	Weighting
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(C) **Equity-Linked Interest Notes: Single ETF-Linked Interest Notes, ETF Basket Linked Interest Notes:** [Applicable/Not Applicable]

(General Condition 9) *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Whether the Notes relate to a single ETF or a basket of ETFs (each, an "**ETF**": [Single ETF-Linked Interest Notes]

[ETF Basket-Linked Interest Notes]

(ii) Names of each ETF Interest and the identity of the related ETF: [●] (*specify ETF Interest(s) and ETF(s)*), (Bloomberg Code [●])

(iii) Exchange(s): [●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(iv) Related Exchange(s): [●] / [All Exchanges]

[OR]

ETF	Related Exchange(s)
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: [●] As per General Condition 9.9

(vii) Additional Disruption Event(s):

(General Condition 9.6) [[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(*delete any which are not applicable*)

(viii) Correction Cut Off Time:

(General Condition 9.3(b)) [●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date

(ix) Eligible ETF Interest: [●] (*specify or delete if Not Applicable or fallback provisions in General Condition 9.5 (Extraordinary ETF Events) apply.*)

(x) Weighting for each ETF Interest comprising the basket: [●] / [Not Applicable]

[*OR*]

ETF Interest	Weighting
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(D) **Commodity-Linked Interest Notes**

(General Condition 10)

[Applicable/ Not Applicable]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Commodity/ies or Commodity Index/Indices: *[●] [if applicable, specify whether Non Metal, Base Metal or Precious Metal]*

(ii) Commodity Reference Price: *[specify Commodity Reference Price] / [Commodity Reference Dealers]*

(iii) Delivery Date: [●]

(Delivery Date shall always be Pricing date where the Commodity Reference Price is GOLD-P.M.-FIX)

(iv) Pricing Date: *[specify any date other than an Interest Determination Date, Determination Date, Barrier Observation Date, Final Redemption Barrier Observation Date, Commodity Business Day in any Barrier Observation Period and Value Observation Date which is intended to be a Pricing Date]*

(v) Price Source: [●]

(vi) Commodity Specified Price: [High Price] / [Low Price] / [Average of High Price and Low Price] / [Closing Price] / [Commodity Opening Price] / [Commodity Closing Price] / [Bid Price] / [Asked Price] / [Average of Bid Price and Asked Price] / [Settlement Price] / [Official Settlement Price] / [Official Price] / [Morning Fixing] / [Afternoon Fixing] / [Spot Price] / [Official Cash Offer Price] / [●]

(Afternoon Fixing shall always apply where the Commodity Reference Price is GOLD-P.M.-FIX)

(vii) Weighting for each Commodity/Commodity Index comprising the basket: [●] / [Not Applicable]

[*OR*]

Commodity / Commodity Index	Weighting
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(viii) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(ix)	Correction cut off time: (General Condition 10.1)	[●] / within thirty calendar days after the original publication or announcement
(x)	Commodity Disruption Events: (General Condition 10.2)	[Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]
(xi)	Commodity Disruption Fallbacks: (General Condition 10.3)	[Fallback Reference Price] / [Postponement] / Commodity Fallback Value] / [Determination Agent Determination] [[Fallback Reference Price] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] [[Postponement] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] [[Commodity Fallback Value applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] [[Determination Agent Determination applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] Commodity Disruption Fallback(s) shall apply in the following order: *[specify the order in which the above Commodity Disruption Fallbacks shall apply in relation to each applicable Commodity Disruption Event. For [specify type of Notes] Determination Agent Determination alone should apply]*
(xii)	Fallback Commodity Reference Price:	[●] / [Not Applicable]
(xiii)	Price Materiality Percentage:	[[●] per cent.] / [Not Applicable]
(xiv)	Specified Maximum Days of Disruption:	[●] / [3 Commodity Business Days] / [Not Applicable]
(xv)	Exchange(s):	[●]
(xvi)	Date to be considered by the Determination Agent in order to determine whether a Commodity Disruption Event has	[●] / [Pricing Date]

occurred:

(xvii) Date to be considered by the Determination Agent in order to determine whether a Commodity Index Disruption Event has occurred: [●] / [Pricing Date]

(xviii) Common Pricing: [Applicable/ Not Applicable]

(xix) Additional Disruption Event(s): Change in Law – [Applicable] / [Not Applicable]

Hedging Disruption - [Applicable] / [Not Applicable]

Increased Cost of Hedging - [Applicable] / [Not Applicable]

(General Condition 10.7)

(delete any which are not applicable)

(E) Currency Linked Interest Notes [Applicable/ Not Applicable]

(General Condition 11) *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Settlement Currency for Single Currency-Linked Notes: [●] / *[Not Applicable]*

(ii) Reference Currency for Single Currency-Linked Notes: [●] / *[Not Applicable]*

(iii) Specified Amount for Single Currency-Linked Notes: [●] / *[Not Applicable]*

(iv) Reference Currency Jurisdiction for Single Currency-Linked Notes: [●] / *[Not Applicable]*

(v) Settlement Currencies, Reference Currencies, Specified Amounts and Reference Currency Jurisdiction for Currency Basket-Linked Notes *[Not Applicable] /*

Settlement Currency	Reference Currency	Specified Amount	Reference Currency Jurisdiction
[●] (*repeat as required*)	[●] (*repeat as required*)	[●] (*repeat as required*)	[●] (*repeat as required*)

(vi) Specified Rate: *Specify one of:*

Reference Currency bid exchange rate;

Reference Currency offer exchange rate;

Average of Reference Currency bid and offer exchange rates;

Settlement Currency bid exchange rate;

Settlement Currency offer exchange rate;

Average of Settlement Currency bid and offer exchange rates;

Official fixing rate;

(vii) Determination Agent responsible for calculating the Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(viii) Settlement Rate Option: [Currency Reference Dealers] / [Not Applicable]

(ix) Currency Disruption Events:

(General Condition 11.3) [[Price Source Disruption[is]/[is not] Applicable] [and] [Additional Price Source Disruption][,/and] [Price Materiality Event] [is]/[are] [applicable] / [Not Applicable] [in respect of all dates] / [in respect of [*insert dates, for example, Observation Date*]]

(x) Currency Disruption Fallbacks: Currency Disruption Fallback(s) shall apply in the following order:

(General Condition 11.4)

Currency Disruption Event	Currency Disruption Fallback
Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if only multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Additional Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent

	Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if only multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Price Materiality Event	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if only multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]

(xi)	Price Materiality Percentage:	[●] per cent. / [Not Applicable]
(xii)	Reference Source:	[●] / [Not Applicable]
(xiii)	Additional Disruption Event(s): (General Condition 11.5)	Change in Law – [Applicable] / [Not Applicable] Hedging Disruption - [Applicable] / [Not Applicable] Increased Cost of Hedging - [Applicable] / [Not Applicable]

(*delete any which are not applicable*)

(F)	**Inflation-Linked Interest Notes**		[Applicable/ Not Applicable]
	(General Condition 12)		*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Inflation Index / Inflation Indices:	[●]
	(ii)	Inflation Index Sponsor(s):	[●]
	(iii)	Determination Agent responsible for calculating Interest Amount:	[●] / [Morgan Stanley & Co. International plc]
	(iv)	Additional Disruption Event(s): (General Condition 11.5)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] *(delete any which are not applicable)*
	(v)	Index Level Adjustment Correction: (General Condition 12.6)	[The first publication or announcement of the level of the Inflation Index (disregarding estimates) by the relevant Inflation Index Sponsor for any Reference Month shall be final and conclusive and, subject to General Condition 12 (*Provisions relating to Inflation-Linked Notes*), later revisions to the level of the Inflation Index for such Reference Month will not be used in any calculations] / [The first publication or announcement of a level of the Inflation Index (disregarding estimates) published by the relevant Index Sponsor or, if revised, any subsequent revision of such level for a Reference Month shall be final and conclusive for such Reference Month, **provided that** such revisions are published or announced up to and including the day that is two Business Days prior to the relevant Interest Payment Date]. *(delete as appropriate)*
	(vi)	Related Bond:	[*specify*] / [Fallback Bond] / [Fallback Bond: Not Applicable]
	(vii)	Weighting for each Inflation Index comprising the basket:	[●] / [Not Applicable] [*OR*]

Inflation Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(G)	**Fund-Linked Interest Notes**		[Applicable/ Not Applicable]
	(General Condition 13)		*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Fund:	[●] (*specify)* / [As defined in General Condition 13.7]
	(ii)	Fund Interest:	[●] (*specify)*
	(iii)	Fund Interest Unit:	[●] (*specify)*
	(iv)	Basket of Funds:	[Not Applicable] *[OR]*

Fund	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

	(v)	Company:	[●] (*specify)* / [Not Applicable]
	(vi)	Fund Business Day:	[●] (*specify)* / [As defined in General Condition 13.7]
	(vii)	Fund Administrator:	[●] (*specify)* / [As defined in General Condition 13.7]
	(viii)	Fund Adviser:	[●] (*specify)* / [As defined in General Condition 13.7]
	(ix)	Fund Custodian:	[●] (*specify)* / [As defined in General Condition 13.7]
	(x)	Additional Fund Service Provider:	[●] (*specify)* / [Not Applicable]
	(xi)	Cut-off Period: (General Condition 13.1)	[●] (*specify)* / [As defined in General Condition 13.7]
	(xii)	Final Cut-off Date:	[●] (*specify)* / [Not Applicable]
	(xiii)	Settlement Determination Period: (General Condition 13.2(a))	[Condition 13.2(a) applies/[●] Business Days (*specify if other period applies)*]
	(xiv)	Scheduled Fund Valuation Date(s):	[●] (*specify)*
	(xv)	Extraordinary Dividend:	[Determination Agent Characterisation applies] *[OR]* [The following is the Schedule of Ordinary Dividends in respect of the Fund for the purposes of the definition of Extraordinary Dividend in General Condition 13.7:

		[specify scheduled dividend payment dates and dividend amounts]]
(xvi)	Adjustment Determination Period: (General Condition 13.4)	[Condition 13.4 applies/[●] (*specify if other period applies)*]
(xvii)	Fund Subscription Date:	[●] (*specify)* / [As defined in General Condition 13.7]
(xviii)	Hypothetical Investor Jurisdiction:	[●] (*specify)* / [As defined in General Condition 13.7]
(xix)	Subscription Notice Date:	[●] (*specify)* / [As defined in General Condition 13.7]
(xx)	Relevant Fund Interest Unit Price:	[Determined in accordance with the applicable Value Determination Terms specified below] / [As defined in General Condition 13.7]
(xxi)	Eligible Fund Interest: (General Condition 13.5)	[●] (*specify)* / [As defined in General Condition 13.7]
(xxii)	Fund Event(s): (General Condition 13.5)	The following are the applicable Fund Events in relation to the Notes: *(specify all of the following which apply)* [Nationalisation;] / [Insolvency Event;] / [NAV Trigger / Restriction Event;] / [Aggregate NAV Trigger Event;] / [Changes to Fund or Fund Services Providers;] / [Fund Modification;] / [Strategy Breach;] / [Breach by Fund Service Provider;] / [General Regulatory Event;] / [Reporting Disruption;] / [Compulsory Redemption or Assignment;] / [Closure to Subscriptions; Dealing Restrictions;] / [Disposals: Material Change: Merger;] / [Hedging Disruption;] / [Fraud;] / [Special Regulatory Event;] / [Force Majeure Event;] / [Value Limitation;]
	(a) NAV Trigger Percentage:	[[●] per cent.] / [Not Applicable] *(specify relevant percentage if "NAV Trigger / Restriction Event" is an applicable Fund Event)*
	(b) NAV Trigger Period:	[*specify*] / [Not Applicable] *(specify relevant period if "NAV Trigger / Restriction Event" is an applicable Fund Event)*
	(c) Aggregate NAV Trigger Value:	[*specify*] / [Not Applicable] *(specify relevant percentage if "Aggregate NAV Trigger Event" is an applicable Fund Event)*
	(d) Aggregate NAV Trigger Period:	[*specify*] / [Not Applicable] *(specify relevant period if "Aggregate NAV Trigger Event" is an applicable Fund Event)*

	(e) NAV Source:	[●] *(specify where the NAV of any Fund will be published)*
14.	**Linked Interest Provisions: Interest Terms** (General Condition 6.8 and Section 3 of the Additional Conditions)	[Applicable/ Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
(A)	**Autocallable Notes (No Coupon):** (Paragraph 1.1 of Section 3 of the Additional Conditions)	[Applicable/ Not Applicable]
(B)	**Autocallable Notes (Regular Coupon):** (Paragraph 1.2 of Section 3 of the Additional Conditions)	[Applicable/ Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Interest Payment Date(s):	[Each of the [●] day of [*month*], [*month*] *(repeat as required)* in each calendar year from (and including) [●] to (and including) [●]] / [[●] *(specify dates)* [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]
	(ii) Coupon Rate:	[[Not Applicable] /[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] [OR]

Interest Determination Date	Coupon Rate

[●] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(iii) Interest Determination Date(s): [●] (*specify)*

(iv) Business Day Convention: [Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(C) Autocallable Notes (Barrier Conditional Coupon): [Applicable/ Not Applicable]

(Paragraph 1.3 of Section 3 of the Additional Conditions)

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Interest Payment Dates: [●] (*specify*) [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

(ii) Memory Barrier Conditional Coupon: [Applicable/ Not Applicable]

(iii) Interest Amount is payable if Knock-in Value as of: the [relevant Interest Determination Date] / [each Barrier Observation Date in respect of the relevant Interest Determination Date] / [any time during the Barrier Observation Period in respect of the relevant Interest Determination Date] is [greater than] / [greater than or equal to] / [equal to] / [less than or equal to] / [less than] the relevant Coupon Barrier Value

(delete as appropriate)

(iv) Knock-in Value: [[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value]

- "N": [●]

(specify if Selected Best of Performance or Selected Worst of Performance is applicable otherwise delete this provision)

(v) Coupon Rate: [[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

[OR]

Interest Determination Date	**Coupon Rate**	**n**
[●] *(repeat as required)*	[[Not Applicable] /[●] /[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website*	**[●]** [*Insert this column if Memory Barrier Conditional Coupon is applicable*]

	address), provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*	

(vi) Coupon Barrier Value: [[●] / [●] per cent. of Initial Reference Value]

[OR]

Interest Determination Date	**Coupon Barrier Value**
In respect of the Interest Determination Date falling on [●] *(repeat as required)*	[[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(vii) Interest Determination Date(s): [●]

(viii) Barrier Observation Date(s): [●] / [Not Applicable]

[*OR*]

Interest Determination Date	**Barrier Observation Date**
In respect of the Interest Determination Date falling on [●] *(repeat as required)*	[●] *(repeat as required)*

(ix) Barrier Observation Period: [●] / [Not Applicable]

[*OR*]

Interest Determination Date	**Barrier Observation Period**

[●] *(repeat as required)*	[●] / [From [and including]/[but excluding] [●] to [but excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]] *(repeat as required)*

(x) Business Day Convention:

[Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(xi) Initial Reference Value:

[●]/[Determined in accordance with the Value Determination Terms specified below]/[Not Applicable]

[OR]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xii) **Value Determination Terms** for Initial Reference Value:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

• Reference Month:	[●]
(specify if Notes are Inflation-Linked Notes otherwise delete this provision)	
• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)	
• Averaging Dates in relation to Strike Date:	[●]
(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)	
• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)	

• Value Observation Dates in respect of Strike Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)	
• Floor Value:	[●]
(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))	
• Global Floor Value:	[●]
(specify if Globally Floored Average Value is selected, otherwise delete this provision)	
• Cap Value:	[●]
(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)	
• Global Cap Value:	[●]
(specify if Globally Capped Average Value is selected, otherwise delete this provision)	
(xiii) **Value Determination Terms** for Final Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

• Reference Month:	[●]

(specify if Notes are Inflation-Linked Notes otherwise delete this provision)

• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

• Averaging Dates in relation to the relevant Interest Determination Date:	[●] [in respect of the Interest Determination Date falling on [*date*]; [...] and [●] [in respect of the Interest Determination Date falling on [*date*]]

(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]

(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

	• Value Observation Dates in respect of each Interest Determination Date: *(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]]; […] and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]
	• Floor Value: *(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))*	[●]
	• Global Floor Value: *(specify if Globally Floored Average Value is selected, otherwise delete this provision)*	[●]
	• Cap Value: *(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)*	[●]
	• Global Cap Value: *(specify if Globally Capped Average Value is selected, otherwise delete this provision)*	[●]
(xiv)	**Value Determination Terms** for Relevant Underlying Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

• Reference Month:	[●]
(specify if Notes are Inflation-Linked Notes otherwise delete this provision)	
Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]/ [Commodity Specified Price]
(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)	
Averaging Dates in relation to the relevant date or period:	[●]
(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)	

[*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

Averaging Date Disruption: *(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)*	[Omission] / [Postponement] / [Modified Postponement]

Value Observation Dates in respect of the relevant date or period:

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

[*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(specify if Globally Floored Average Value is selected, otherwise delete this provision)

- Cap Value: [●]

(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)

- Global Cap Value: [●]

(specify if Globally Capped Average Value is selected, otherwise delete this provision)

(D)	**Autocallable Notes (Memory Double Barrier Conditional Coupon):** (Paragraph 1.4 of Section 3 of the Additional Conditions)		[Applicable/ Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Interest Payment Dates:	[●] (*specify*) [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]
	(ii)	Memory Double Barrier Conditional Coupon:	[Applicable/ Not Applicable]
	(iii)	Interest Amount is payable if Knock-in Value as of:	the [relevant Interest Determination Date] / [each Barrier Observation Date in respect of the relevant Interest Determination Date] / [any time during the Barrier Observation Period in respect of the relevant Interest Determination Date] is (A) [greater than] / [greater than or equal to] and (B) [less than] / [less than or equal to] the relevant Coupon Barrier Value *(delete as appropriate)*
	(iv)	Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value]
		• "N":	[●]
	(specify if Selected Best of Performance or Selected Worst of Performance is applicable otherwise delete this provision)		
	(v)	Coupon Rate:	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] [OR]

Interest Determination Date	**Coupon Rate**	**n**
[●] *(repeat as required)*	[[Not Applicable] /[●] /[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*	**[●]** [*Insert this column if Memory Double Barrier Conditional Coupon is applicable*]

(vi) Coupon Barrier Value 1: [[●] / [●] per cent. of Initial Reference Value]

[OR]

Interest Determination Date	**Coupon Barrier Value**
In respect of the Interest Determination Date falling on [●] *(repeat as required)*	[[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(vii) Coupon Barrier Value 2: [[●] / [●] per cent. of Initial Reference Value]

[OR]

Interest Determination Date	**Coupon Barrier Value**
In respect of the Interest Determination Date falling on [●] *(repeat as required)*	[[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(viii) Interest Determination Date(s): [●]

(ix) Barrier Observation Date(s): [●] / [Not Applicable]

[OR]

Interest Determination Date	**Barrier Observation Date**
In respect of the Interest Determination Date falling on [●] *(repeat as required)*	[●] *(repeat as required)*

(x) Barrier Observation Period: [●] / [Not Applicable]

[*OR*]

Interest Determination Date	**Barrier Observation Period**
[●] *(repeat as required)*	[●] / [From [and including]/[but excluding] [●] to [but excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]] *(repeat as required)*

(xi) Business Day Convention: [Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(xii) Initial Reference Value: [●]/[Determined in accordance with the Value Determination Terms specified below]/[Not Applicable]

[OR]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xiii) **Value Determination Terms** for Initial Reference Value: (Section 7 of the Additional Conditions) [Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

- Reference Month: [●]

(specify if Notes are Inflation-Linked Notes otherwise delete this provision)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

• Averaging Dates in relation to Strike Date:	[●]
(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)	
• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)	
• Value Observation Dates in respect of Strike Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)	
• Floor Value:	[●]
(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))	
• Global Floor Value:	[●]
(specify if Globally Floored Average Value is selected, otherwise delete this provision)	

	• Cap Value:	[●]
(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)		
	• Global Cap Value:	[●]
(specify if Globally Capped Average Value is selected, otherwise delete this provision)		
(xiv)	**Value Determination Terms** for Final Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month:	[●]
(specify if Notes are Inflation-Linked Notes otherwise delete this provision)		
	• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)		

• Averaging Dates in relation to the relevant Interest Determination Date:	[●] [in respect of the Interest Determination Date falling on [*date*]; [...] and [●] [in respect of the Interest Determination Date falling on [*date*]]
(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)	
• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)	
• Value Observation Dates in respect of each Interest Determination Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]]; […] and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]
(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)	
• Floor Value:	[●]
(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))	

	• Global Floor Value:	[●]
(specify if Globally Floored Average Value is selected, otherwise delete this provision)		
	• Cap Value:	[●]
(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)		
	• Global Cap Value:	[●]
(specify if Globally Capped Average Value is selected, otherwise delete this provision)		
(xv)	**Value Determination Terms** for Relevant Underlying Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	• Reference Month:	[●]
(specify if Notes are Inflation-Linked Notes otherwise delete this provision)		
Basic Value Determination Terms: *(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)*		[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]/ [Commodity Specified Price]

Averaging Dates in relation to the relevant date or period:

(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

[●]

[*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

Averaging Date Disruption:

(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

[Omission] / [Postponement] / [Modified Postponement]

Value Observation Dates in respect of the relevant date or period:

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

[*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(specify if Globally Floored Average Value is selected, otherwise delete this provision)

- Cap Value: [●]

(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)

- Global Cap Value: [●]

(specify if Globally Capped Average Value is selected, otherwise delete this provision)

PROVISIONS RELATING TO REDEMPTION

15. **Call Option** [Applicable/Not Applicable]

(General Condition 15.5) *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Call Option Date(s): [●]

(ii) Optional Redemption Date(s) (Call): [●]

(iii) Participation Rate (Call) for determining [[●] per cent.] / [100 per cent.]

		the Optional Redemption Amount (Call):	
	(iv)	Optional Redemption in part only:	[Applicable. Redemption will be effected in accordance with sub-clause [(a)/(b)/(c)] of General Condition 15.6 (*Partial Redemption*)] / [Not Applicable] *(delete as appropriate)*
	(v)	Maximum Notice Number of Day(s):	[●] [calendar day[s]] / [Business Day[s]]
	(vi)	Minimum Notice Number of Day(s):	[●] [calendar day[s]] / [Business Day[s]]
16.	**Put Option** (General Condition 15.7)		[Applicable/Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Put Option Exercise Date:	[●] / [Not Applicable]
	(ii)	Put Option Exercise Period:	[From (and including) [●] to (but excluding) [●]] / [Not Applicable]
	(iii)	Optional Redemption Date(s) (Put):	[●] / [Any date after the Put Option Exercise Date] / [Any date falling in the Put Option Exercise Period]
	(iv)	Participation Rate (Put) for determining the Optional Redemption Amount (Put):	[[●] per cent.] / [100 per cent.]
	(v)	Notice period:	[●]
17.	**Final Redemption Amount of each Note** (General Condition 15.1)		[[●] per Calculation Amount]/ [As determined in accordance with paragraph 19 (*Linked Redemption Provisions: Final Redemption Amount*) below]
18.	**Linked Redemption Provisions: Relevant Underlying** (General Conditions 9 and 15)		
(A)	**Equity-Linked Redemption Notes: Single Share-Linked Redemption Notes/ Share Basket-Linked Redemption Notes:**		[Applicable/Not Applicable]

(General Condition 9)		*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Whether the Notes relate to a single share or a basket of shares (each, a "**Share**"):	[Single Share-Linked Redemption Notes] / [Share Basket-Linked Redemption Notes]
(ii)	The identity of the relevant issuer(s) (each an "**Underlying Issuer**"), class of the Share and ISINs or other security identification code for the Share:	(a) Share/Shares: [●](*ISIN*: [•]) (Bloomberg code [•]) (*repeat as required*)) (b) Share Issuer(s): [●] (*repeat as required*)) *(insert (c) and (d) below for ADRs/GDRs)* [(c) Underlying Share/Shares: (*ISIN:* [●]) (Bloomberg code [•]) (*repeat as required*) (d) Underlying Share Issuer(s): [●] (*repeat as required*)]
(iii)	Partial Lookthrough ADR Provisions:	[Applicable/Not Applicable]
(iv)	Full Lookthrough ADR Provisions:	[Applicable/Not Applicable]
(v)	Exchange(s):	[●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)
(vi)	Related Exchange(s):	[●] / [All Exchanges] [OR]

Share	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(vii)	Determination Agent responsible for calculating the Final Redemption Amount:	[●] / [Morgan Stanley & Co. International plc]
(viii)	Determination Time:	[●] / As per General Condition 9.9
(ix)	Additional Disruption Event(s): (General Condition 9.6)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] (*delete any which are not applicable*)
(x)	Correction Cut Off Time: (General Condition 9.3(b))	[●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date
(xi)	Weighting for each Share comprising the Basket:	[●] / [Not Applicable]

[*OR*]

Share	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(B) **Equity-Linked Redemption Notes: Single Index-Linked Redemption Notes/ Index Basket-Linked Redemption Notes:** [Applicable/Not Applicable]

(General Condition 9) *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Types of Notes: [Single Index-Linked Redemption Notes] / [Index Basket-Linked Redemption Notes]

(ii) Index / Indices: [●] [, which is a Multi-Exchange Index]; (Bloomberg Code [●])

(repeat as required)

(*Specify Index for Single Index-Linked Redemption Notes, and specify each of Indices for Index Basket-Linked Redemption Notes*)

(iii) Exchange(s): [●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

[OR]

Index	**Exchange**
[●] *(repeat as required)*	[●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(iv) Related Exchange(s): [●] / [All Exchanges]

[OR[

Index	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating Final Redemption Amount: [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: [●] / As per General Condition 9.9

(vii) Additional Disruption Event(s): [[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not

(General Condition 9.6) | Applicable]

(*delete any which are not applicable*)

(viii) Correction Cut Off Time: (General Condition 9.2(c)) | [●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date

(ix) Weighting for each Index: | [●] / [Not Applicable]

[*OR*]

Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(C) **Equity-Linked Redemption Notes: Single ETF-Linked Redemption Notes/ ETF Basket-Linked Redemption Notes**: | [Applicable/Not Applicable]

(General Condition 9) | *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Whether the Notes relate to a single ETF or a basket of ETFs (each, an "**ETF**" | [Single ETF-Linked Redemption Notes]

[ETF Basket-Linked Redemption Notes]

(ii) Names of each ETF Interest and the identity of the related ETF: | [●] *(specify ETF Interest(s) and ETF(s)),* (Bloomberg Code [●])

(*repeat as required*)

(iii) Exchange(s): | [●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(iv) Related Exchange(s): | [●] / [All Exchanges]

[OR]

Index	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating the Final Redemption Amount: | [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: | [●] As per General Condition 9.9

(vii) Additional Disruption | [[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of

		Event(s):	Hedging] shall apply]/ [Not Applicable]
	(General Condition 9.6)		(*delete any which are not applicable*)
	(viii)	Correction Cut Off Time: (General Condition 9.3(b))	[●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date
	(ix)	Eligible ETF Interest:	[●] (*specify or delete if Not Applicable or fallback provisions in General Condition 9.5 apply.)*
	(x)	Weighting for each ETF Interest comprising the basket:	[●] / [Not Applicable] [*OR*]

ETF Interest	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(D)	**Commodity-Linked Redemption Notes** (General Condition 10)		[Applicable/Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Commodity/ies or Commodity Index/Indices:	[●] *[if applicable, specify whether Non Metal, Base Metal or Precious Metal]*
	(ii)	Commodity Reference Price:	*[specify Commodity Reference Price] / [Commodity Reference Dealers]*
	(iii)	Delivery Date:	[●] (Delivery Date shall always be Pricing date where the Commodity Reference Price is GOLD-P.M.-FIX)
	(iv)	Pricing Date:	*[specify any date other than an Interest Determination Date, Determination Date, Barrier Observation Date, Final Redemption Barrier Observation Date, Commodity Business Day in any Barrier Observation Period and Value Observation Date which is intended to be a Pricing Date]*
	(v)	Price Source:	[●]
	(vi)	Commodity Specified Price:	[High Price] / [Low Price] / [Average of High Price and Low Price] / [Closing Price] / [Commodity Opening Price] / [Commodity Closing Price] / [Bid Price] / [Asked Price] / [Average of Bid Price and Asked Price] / [Settlement Price] / [Official Settlement Price] / [Official Price] / [Morning Fixing] / [Afternoon Fixing] / [Spot Price] / [Official Cash Offer Price] / [●] *(Afternoon Fixing shall always apply where the Commodity Reference Price is GOLD-P.M.-FIX)*

(vii) Weighting for each Commodity/Commodity Index comprising the basket: [●] / [Not Applicable]

[*OR*]

Commodity/Commodity Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(viii) Determination Agent responsible for calculating Redemption Amount: [●] / [Morgan Stanley & Co. International plc]

(ix) Correction cut off time:

(General Condition 10.1) [●] / within thirty calendar days after the original publication or announcement

(x) Commodity Disruption Events: (General Condition 10.2) [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]

(xi) Commodity Disruption Fallbacks: (General Condition 10.3) [Fallback Reference Price] / [Postponement] / Commodity Fallback Value] / [Determination Agent Determination]

[[Fallback Reference Price] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]]

[[Postponement] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]]

[[Commodity Fallback Value applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]]

[[Determination Agent Determination applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]]

Commodity Disruption Fallback(s) shall apply in the following order:

[specify the order in which the above Commodity Disruption Fallbacks shall apply in relation to each applicable Commodity Disruption Event. For [specify

			type of Notes] Determination Agent Determination alone should apply]
	(xii)	Fallback Commodity Reference Price:	[●] / [Not Applicable]
	(xiii)	Price Materiality Percentage:	[●] per cent. / [Not Applicable]
	(xiv)	Specified Maximum Days of Disruption:	[●] / [3 Commodity Business Days] / [Not Applicable]
	(xv)	Exchange(s):	[●]
	(xvi)	Date to be considered by the Determination Agent in order to determine whether a Commodity Disruption Event has occurred:	[●] / [Pricing Date]
	(xvii)	Date to be considered by the Determination Agent in order to determine whether a Commodity Index Disruption Event has occurred:	[●] / [Pricing Date]
	(xviii)	Common Pricing:	[Applicable / Not Applicable]
	(xix)	Additional Disruption Event(s): (General Condition 10.7)	Change in Law – [Applicable] / [Not Applicable] Hedging Disruption - [Applicable] / [Not Applicable] Increased Cost of Hedging - [Applicable] / [Not Applicable]

(delete any which are not applicable)

(E)	**Currency-Linked Redemption Notes** (General Condition 11)		[Applicable / Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Settlement Currency for Single Currency-Linked Notes:	[●]/ [Not Applicable]
	(ii)	Reference Currency for Single Currency-Linked Notes:	[●] / [Not Applicable]
	(iii)	Specified Amount for Single Currency-Linked Notes:	[●]/ [Not Applicable]
	(iv)	Reference Currency Jurisdiction for Single Currency-Linked	[●]/ [Not Applicable]

Notes:

(v) Settlement Currencies, Reference Currencies, Specified Amounts and Reference Currency Jurisdiction for Currency Basket-Linked Notes

[Not Applicable] /

Settlement Currency	Reference Currency	Specified Amount	Reference Currency Jurisdiction
[●] (*repeat as required*)	[●] (*repeat as required*)	[●] (*repeat as required*)	[●] (*repeat as required*)

(vi) Specified Rate:

Specify one of:

[Reference Currency bid exchange rate;]

[Reference Currency offer exchange rate;]

[Average of Reference Currency bid and offer exchange rates;]

[Settlement Currency bid exchange rate;]

[Settlement Currency offer exchange rate;]

[Average of Settlement Currency bid and offer exchange rates;]

[Official fixing rate;]

(vii) Determination Agent responsible for calculating the Final Redemption Amount:

[●] / [Morgan Stanley & Co. International plc]

(viii) Settlement Rate Option:

[Currency Reference Dealers] / [Not Applicable]

(ix) Currency Disruption Events:

[[Price Source Disruption[is]/[is not] Applicable] [and] [Additional Price Source Disruption][,/and] [Price Materiality Event] [is]/[are] [applicable] / [Not Applicable] [in respect of all dates] / [in respect of [*insert dates, for example, Observation Date*]]

(x) Currency Disruption Fallbacks:

Currency Disruption Event	Currency Disruption Fallback
Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s)

	shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Additional Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Price Materiality Event	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of

	Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]

(xi)	Price Materiality Percentage:	[[●] per cent. / Not Applicable]
(xii)	Reference Source:	[[●] / Not Applicable]
(xiii)	Additional Disruption Events (General Condition 11.5)	Change in Law – [Applicable] / [Not Applicable] Hedging Disruption - [Applicable] / [Not Applicable] Increased Cost of Hedging - [Applicable] / [Not Applicable] (*delete any which are not applicable*)

(F)	**Inflation-Linked Redemption Provisions** (General Condition 12)		[Applicable/Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Inflation Index / Inflation Indices:		[●]
(ii)	Inflation Index Sponsor(s):		[●]
(iii)	Determination Agent responsible for calculating Redemption Amount:		[●] / [Morgan Stanley & Co. International plc]
(iv)	Additional Disruption Event(s): (General Condition 12.7)		[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] *(delete any which are not applicable)*
(v)	Index Level Adjustment Correction: (General Condition 12.6)		The first publication or announcement of the level of the Inflation Index (disregarding estimates) by the relevant Inflation Index Sponsor for any Reference Month shall be final and conclusive and, subject to this General Condition 12, later revisions to the level of the Inflation Index for such Reference Month will not be used in any calculations / The first publication or announcement of a level of the Inflation Index (disregarding estimates) published by the relevant Index Sponsor or, if revised, any subsequent revision of such level for a Reference Month shall be final and conclusive for such Reference Month, **provided that** such revisions are published or announced up to and including the day that is two Business Days prior to the

relevant Interest Payment Date].

(delete as appropriate)

(vi) Related Bond: [*specify*] / [Fallback Bond] / [Fallback Bond: Not Applicable]

(vii) Weighting for each Inflation Index comprising the basket: [●] / [Not Applicable]

[*OR*]

Inflation Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(G) **Fund-Linked Redemption Provisions**

(General Condition 13)

[Applicable/ Not Applicable]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Fund: [*specify* / As defined in General Condition 13.7]

(ii) Fund Interest: [*specify*]

(iii) Fund Interest Unit: [*specify*]

(iv) Basket of Funds: [Not Applicable]

[OR]

Fund	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(v) Company: [*specify* / Not Applicable]

(vi) Fund Business Day: [*specify* / As defined in General Condition 13.7]

(vii) Fund Administrator: [*specify* / As defined in General Condition 13.7]

(viii) Fund Adviser: [*specify* / As defined in General Condition 13.7]

(ix) Fund Custodian: [*specify* / As defined in General Condition 13.7]

(x) Additional Fund Service Provider [*specify* / Not Applicable]

(xi) Cut-off Period: [*specify* / As defined in General Condition 13.7]

(General Condition 12.1)

(xii) Final Cut-off Date: [*specify* / Not Applicable]

(xiii) Settlement [Condition 13.2(a) applies/[●] Business Days (*specify*

	Determination Period: (General Condition 13.2(a))	*if other period applies)*]
(xiv)	Scheduled Fund Valuation Date(s):	[specify]
(xv)	Extraordinary Dividend:	[Determination Agent Characterisation applies] *[OR]* [The following is the Schedule of Ordinary Dividends in respect of the Fund for the purposes of the definition of Extraordinary Dividend in General Condition 13.7: [specify scheduled dividend payment dates and dividend amounts]]
(xvi)	Adjustment Determination Period: (General Condition 13.4)	[Condition 13.4 applies/[●] (*specify if other period applies)*]
(xvii)	Fund Subscription Date:	[*specify* / As defined in General Condition 13.7]
(xviii)	Hypothetical Investor Jurisdiction:	[*specify* / As defined in General Condition 13.7]
(xix)	Scheduled Redemption Payment Date:	[*specify* / As defined in General Condition 13.7]
(xx)	Subscription Notice Date:	[*specify* / As defined in General Condition 13.7]
(xxi)	Redemption Notice Date:	[*specify* / As defined in General Condition 13.7]
(xxii)	Relevant Fund Interest Unit Price:	[Determined in accordance with the applicable Value Determination Terms specified below] / [As defined in General Condition 13.7]
(xxiii)	Eligible Fund Interest: (General Condition 13.5)	[*specify* / As defined in General Condition 13.7]
(xxiv)	Fund Event(s): (General Condition 13.5)	The following are the applicable Fund Events in relation to the Notes: *(specify all of the following which apply)* [Nationalisation;] / [Insolvency Event;] / [NAV Trigger / Restriction Event;] / [Aggregate NAV Trigger Event;] / [Changes to Fund or Fund Services Providers;] / [Fund Modification;] / [Strategy Breach;] / [Breach by Fund Service Provider;] / [General Regulatory Event;] / [Reporting Disruption;] / [Compulsory Redemption or

		Assignment;] / [Closure to Subscriptions; Dealing Restrictions;] / [Disposals: Material Change: Merger;] / [Hedging Disruption;] / [Fraud;] / [Special Regulatory Event;] / [Force Majeure Event;] / [Value Limitation;]
	(a) NAV Trigger Percentage:	[[●] per cent.] / [Not Applicable] *(specify relevant percentage if "NAV Trigger / Restriction Event" is an applicable Fund Event)*
	(b) NAV Trigger Period:	[*specify*] / [Not Applicable] (specify relevant period if "NAV Trigger / Restriction Event" is an applicable Fund Event)
	(c) Aggregate NAV Trigger Value:	[*specify*] / [Not Applicable] (specify relevant percentage if "Aggregate NAV Trigger Event" is an applicable Fund Event)
	(d) Aggregate NAV Trigger Period:	[*specify*] / [Not Applicable] *(specify relevant period if "Aggregate NAV Trigger Event" is an applicable Fund Event)*
	(e) NAV Source:	[●] *(specify where the NAV of any Fund will be published)*
19.	**Linked Redemption Provisions: Final Redemption Amount** (General Condition 15 and Section 3 of the Additional Conditions)	
(i)	Autocallable Notes (Fixed Redemption): **(Paragraph 3.1 of Section 3 of the Additional Conditions)**	[Applicable. The Specified Rate is [●] per cent.] / [Not Applicable]
(ii)	Autocallable Notes (Capitalised Non-Memory Redemption): (Paragraph 3.2 of Section 3 of the Additional Conditions)	[Applicable/ Not Applicable]
	• Specified Rate:	[[●]/[100] per cent.]
	• Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

(iii)	Autocallable Notes (Capitalised Memory Redemption): (Paragraph 3.3 of Section 3 of the Additional Conditions)	[Applicable/ Not Applicable]
	• Specified Rate:	[[●]/[100] per cent.]
	• Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(iv)	Autocallable Notes (Basic Performance Linked Redemption): (Paragraph 3.4 of Section 3 of the Additional Conditions)	[Applicable. [[Capped] / [Floored] / [Collared] Basic Performance Linked Redemption applies.]] / [Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	• Participation Rate:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
	• Final Redemption Cap Value:	[●] [per cent.] per Calculation Amount / [Not Applicable] *(Specify if Capped Basic Performance Linked Redemption or Collared Basic Performance Linked Redemption applies in respect of the Notes, otherwise specify as Not Applicable.)*
	• Final Redemption Floor Value:	[●] [per cent.] per Calculation Amount / [Not Applicable] *(Specify if Floored Basic Performance Linked Redemption or Collared Basic Performance Linked Redemption applies in respect of the Notes, otherwise specify as Not Applicable.)*
(v)	Autocallable Notes (Single Barrier Final Redemption): (Paragraph 3.5 of Section 3 of the Additional Conditions)	[Applicable] / [Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	• Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is

applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

- Elections for Paragraph 3.5(a) of Section 3 of the Additional Conditions: If the Determination Agent determines that the Knock-in Value as of [the Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] is [greater than] / [greater than or equal to] / [equal to] / [less than or equal to]/ [less than] the Final Redemption Barrier Value, [Fixed Redemption] / [Capitalised Non-Memory Redemption] / [Capitalised Memory Redemption] / [Highest Performance Redemption] shall apply.]

  (delete as appropriate)

- Elections for Paragraph 3.5(b) of Section 3 of the Additional Conditions: [Not Applicable] / [Basic Performance-Linked Redemption] / [Worst-of Basket Performance-Linked Redemption 1] / [Worst-of Basket Performance-Linked Redemption 2]

  (delete as appropriate)

  (*Specify "Not Applicable" if Physical Settlement applies in respect of the Notes.)*

- Elections for Paragraph 3.5(c) of Section 3 of the Additional Conditions: [Not Applicable] / [Basic Performance-Linked Redemption] / [Worst-of Basket Performance-Linked Redemption]

  (delete as appropriate)

  (Specify "Not Applicable" if Physical Settlement does not apply in respect of the Notes.)

- Final Redemption Barrier Value: [●] / [[●] per cent of Initial Reference Value]

- Final Redemption Rate: [[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

  (Specify if Capitalised Non-Memory Redemption, Capitalised Memory Redemption or Highest Performance Redemption is applicable, otherwise specify Not Applicable)

- Specified Rate 1: [[●]/[100] per cent.] / [Not Applicable]

- Specified Rate 2: [[●]/[100] per cent.] / [Not Applicable]

- Participation Rate: [[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders

		not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(Specify if Basic Performance-Linked Redemption / Worst-of Basket Performance-Linked Redemption 1 / Worst-of Basket Performance-Linked Redemption 2 is applicable, otherwise specify Not Applicable)*
	• Knock-in Barrier Level:	[●] / [[●] per cent of Initial Reference Value] / [Not Applicable] *(Specify if "Worst of Performance Linked Redemption 2" is applicable, otherwise specify Not Applicable.)*
(vi)	Autocallable Notes (Dual Barrier Final Redemption 1): (Paragraph 3.6 of Section 3 of the Additional Conditions)	[Applicable] / [Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	• Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]
	• Elections for Paragraph 3.6(a) of Section 3 of the Additional Conditions:	Final Redemption Amount shall be determined in accordance with Paragraph 3.6(a) if, as of [the Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than or equal to]/ [less than] the Final Redemption Barrier Value 1 *(delete as appropriate)*
	• Elections for Paragraph 3.6(b) of Section 3 of the Additional Conditions:	Final Redemption Amount shall be determined in accordance with Paragraph 3.6(b) if 3.6(a) does not apply and if, as of [the Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than or equal to]/ [less than] the Final Redemption Barrier Value 2 *(delete as appropriate)*
	• Final Redemption Barrier Value 1:	[●] / [[●] per cent of Initial Reference Value]
	• Final	[●] / [[●] per cent of Initial Reference Value]

	Redemption Barrier Value 2:	
•	Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
•	Specified Rate 1:	[●]/[100] per cent.
•	Specified Rate 2:	[●]/[100] per cent.
•	Participation Rate 1:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
•	Participation Rate 2:	[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(vii)	Autocallable Notes (Dual Barrier Final Redemption 2): (Paragraph 3.7 of Section 3 of the Additional Conditions)	[Applicable] / [Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
•	Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]
•	Elections for Paragraph 3.7(a) of Section 3 of the Additional Conditions:	Final Redemption Amount shall be determined in accordance with Paragraph 3.7(a) if, as of [the Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than or equal to]/ [less than] the Final Redemption Barrier Value 1 *(delete as appropriate)*

	• Elections for Paragraph 3.7(b) of Section 3 of the Additional Conditions:	Final Redemption Amount shall be determined in accordance with Paragraph 3.7(b) if 3.7(a) does not apply and if, as of [the Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than or equal to]/ [less than] the Final Redemption Barrier Value 2 *(delete as appropriate)*
	• Final Redemption Barrier Value 1:	[●] / [[●] per cent of Initial Reference Value]
	• Final Redemption Barrier Value 2:	[●] / [[●] per cent of Initial Reference Value]
	• Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
	• Specified Rate 1:	[●]/[100] per cent.
	• Specified Rate 2:	[●]/[100] per cent.
	• Participation Rate 1:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
	• Participation Rate 2:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(viii)	Autocallable Notes (Dual Barrier Final Redemption 3): (Paragraph 3.8 of Section 3 of the Additional Conditions)	[Applicable] / [Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

• Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]
• Elections for Paragraph 3.8(a) of Section 3 of the Additional Conditions:	Final Redemption Amount shall be determined in accordance with Paragraph 3.8(a) if, as of [the Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / /[equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 1 *(delete as appropriate)*
• Elections for Paragraph 3.8(b) of Section 3 of the Additional Conditions:	Final Redemption Amount shall be determined in accordance with Paragraph 3.8(b) if 3.8(a) does not apply and if, as of [the Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] the Determination Agent determines that the Knock-in Value is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 2 *(delete as appropriate)*
• Elections for Paragraph 3.8(c) of Section 3 of the Additional Conditions	Final Redemption Amount shall be determined in accordance with Paragraph 3.8(c) if both Paragraphs 3.8(a) and 3.8(b) do not apply. [Par Redemption applies.] *(delete as appropriate)*
• Final Redemption Barrier Value 1:	[●] / [[●] per cent of Initial Reference Value]
• Final Redemption Barrier Value 2:	[●] / [[●] per cent of Initial Reference Value]
• Final Redemption Rate 1:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)* [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
• Final Redemption	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent

	Rate 2:	before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
•	Specified Rate 1:	[●]/[100] per cent.
•	Specified Rate 2:	[●]/[100] per cent.
•	Underlying Securities:	[*specify*] / [As defined in Paragraph 5 of Section 3 of the Additional Conditions applies]
•	Clearing System:	*[specify in respect of each Underlying Security] / [Not Applicable]* *(Specify as Not Applicable if the fallbacks in General Condition 18 are to apply.)*
•	$FX_{Initial}$:	[Determined in accordance with Section 3 of the Additional Conditions] / [Not Applicable]
•	FX_{Final}:	[Determined in accordance with Section 3 of the Additional Conditions] / [Not Applicable]
•	Specified Currency:	[●] / [Not Applicable]
•	Relevant Screen Page in respect of Specified Currency:	[●] / [Not Applicable]
•	Specified Time in respect of Specified Currency:	[●] / [Not Applicable]
•	Second Currency:	[●] / [Not Applicable]
•	Relevant Screen Page Second Currency:	[●] / [Not Applicable]
•	Specified Time in respect of Second Currency:	[●] / [Not Applicable]
(ix)	Determination Date:	[●]
(x)	Final Redemption	[●] / [Not Applicable]

Observation Date(s):

(xi) Barrier Observation Period: [●] / [From [and including]/[but excluding] [●] to [but excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]] / [Not Applicable]

(xii) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable]

[OR]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xiii) **Value Determination Terms** for Initial Reference Value as of Strike Date:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(specify if Notes are Inflation-Linked Notes otherwise delete this provision)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped

Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to Strike Date: [●]

(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

- Floor Value: [●]

(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(specify if Globally Floored Average Value is selected, otherwise delete this provision)

	• Cap Value:	[●]
(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)		
	• Global Cap Value:	[●]
(specify if Globally Capped Average Value is selected, otherwise delete this provision)		
(xiv)	**Value Determination Terms** for Final Reference Value as of the Determination Date	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	• Reference Month:	[●]
(specify if Notes are Inflation-Linked Notes otherwise delete this provision)		
	• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)		
	• Averaging Dates in relation to Determination Date:	[●]

(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in relation to Determination Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

- Floor Value: [●]

(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(specify if Globally Floored Average Value is selected, otherwise delete this provision)

- Cap Value: [●]

(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this

provision)

Global Cap Value: *(specify if Globally Capped Average Value is selected, otherwise delete this provision)*	[●]
(xv) **Value Determination Terms** for Relevant Underlying Value as of the relevant date or period: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
• Reference Month: *(specify if Notes are Inflation-Linked Notes otherwise delete this provision)*	[●]
• Basic Value Determination Terms: *(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)*	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to the relevant date or period: *(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)*	[●]

[OR]

[Determination Date] / [Final Redemption Observation Date] / [Barrier Observation Period]	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in respect of the relevant date or period: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

[*OR*]

[Determination Date] / [Final Redemption Observation Date] / [Barrier Observation Period]	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(specify if Globally Floored Average Value is selected, otherwise delete this provision)

- Cap Value: [●]

(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)

- Global Cap Value: [●]

(specify if Globally Capped Average Value is selected, otherwise delete this provision)

- Physical Settlement: [Applicable] / [Not Applicable]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

20. **Early Redemption**

(A) **Autocallable Notes (Autocall 1):**

(Paragraph 2.1 of Section 3 of the Additional Conditions)

[Applicable. [Non-Memory Redemption] / [Memory Redemption] / [Fixed Redemption] applies.] / [Not Applicable]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Knock-in Value: [[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(ii) Automatic Early Redemption Event occurs if: the Knock-in Value [as of the relevant Automatic Early Redemption Determination Date] / [as of each Barrier Observation Date in respect of the relevant Automatic Early Redemption Determination Date] / [at any time during the Barrier Observation Period in respect of the relevant Automatic Early Redemption Determination Date] is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Autocall Barrier Value in respect of such Automatic Early Redemption Determination Date.

(iii) Automatic Early Redemption Determination Date(s): [●]

(iv) Barrier Observation Date(s): [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Barrier Observation Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

(v) Barrier Observation Period: [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Barrier Observation Period**
[●] *(repeat as required)*	[●] / [From [and including]/[but excluding] [●] to [but excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]] *(repeat as required)*

(vi) Automatic Early Redemption Date(s): [[Scheduled Automatic Early Redemption Date [is]/[are]] [●]]

(vii) Automatic Early Redemption Specified [Applicable] / [Not Applicable]

(*if Not Applicable, delete the below*)

Day(s): [●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]

(viii) Autocall Barrier Value: [●] / [[●] per cent. of the Initial Reference Value]

[OR]

Automatic Early Redemption Determination Date	**Autocall Barrier Value**
[●] *(repeat as required)*	[●] / [[●] per cent. of the Initial Reference Value] *(repeat as required)*

(ix) Automatic Early Redemption Rate: [[●] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)* [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] / [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Automatic Early Redemption Rate**
[●] *(repeat as required)*	[[●] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)* [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] / [Not Applicable] *(repeat as required)*

(x) Specified Rate: [[●] / [100] per cent.] / [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Specified Rate**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(xi) Multiplier: [[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

Automatic Early Redemption Date	**Multiplier**
[●] *(repeat as required)*	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(xii) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xiii) **Value Determination Terms** for Initial Reference Value as of Strike Date:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

- Reference Month: [●]

(specify if Notes are Inflation-Linked Notes otherwise delete this provision)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to Strike Date: [●]

(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped

Min Lookback Value is selected, otherwise delete this provision)

- Floor Value: [●]

(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(specify if Globally Floored Average Value is selected, otherwise delete this provision)

- Cap Value: [●]

(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)

- Global Cap Value: [●]

(specify if Globally Capped Average Value is selected, otherwise delete this provision)

(xiv) **Value Determination Terms** for determining Final Reference Value (Autocall): [Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(specify if Notes are Inflation-Linked Notes otherwise delete this provision)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(specify if Max Lookback Value / Min Lookback Value / Floored

Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to Automatic Early Redemption Determination Date:

[●]

(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

[*OR*]

Automatic Early Redemption Determination Date	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

- Averaging Date Disruption:

[Omission] / [Postponement] / [Modified Postponement]

(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in relation to Automatic Early

[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

Redemption Determination Date:

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

[*OR*]

Automatic Early Redemption Determination Date	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(specify if Globally Floored Average Value is selected, otherwise delete this provision)

- Cap Value: [●]

(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)

- Global Cap Value: [●]

(specify if Globally Capped Average Value is selected, otherwise delete this provision)

- **Value Determination Terms** for Relevant [Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] /

Underlying Value as of the relevant date or period:

(Section 7 of the Additional Conditions)

[Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

- Reference Month: [●]

(specify if Notes are Inflation-Linked Notes otherwise delete this provision)

- Basic Value Determination Terms: [Spot Value]/ [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to the relevant date or period: [●]

(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

[*OR*]

[Automatic Early Redemption Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Averaging Dates**
[●]	[●]

(repeat as required)	*(repeat as required)*

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in respect of the relevant date or period: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

[*OR*]

[Automatic Early Redemption Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(specify if Globally Floored

Average Value is selected, otherwise delete this provision)

- Cap Value: [●]

(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)

- Global Cap Value: [●]

(specify if Globally Capped Average Value is selected, otherwise delete this provision)

(B) **Autocallable Notes (Autocall 2):** [Applicable] / [Not Applicable]

(Paragraph 2.2 of Section 3 of the Additional Conditions)

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Knock-in Value: [[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(ii) Automatic Early Redemption Event occurs if: the Knock-in Value [as of the relevant Automatic Early Redemption Determination Date] / [as of each Barrier Observation Date in respect of the relevant Automatic Early Redemption Determination Date] / [at any time during the Barrier Observation Period in respect of the relevant Automatic Early Redemption Determination Date] is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Autocall Barrier Value in respect of such Automatic Early Redemption Determination Date.

(iii) Automatic Early Redemption Determination Date(s): [●]

(iv) Barrier Observation Date(s): [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Barrier Observation Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

(v) Barrier Observation Period: [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Barrier Observation Period**
[●] *(repeat as required)*	[●] / [From [and including]/[but excluding] [●] to [but excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]] *(repeat as required)*

(vi) Automatic Early Redemption Date(s): [[Scheduled Automatic Early Redemption Date [is]/[are]] [●]]

(vii) Automatic Early Redemption Specified Day(s): [Applicable] / [Not Applicable]

(*if Not Applicable, delete the below*)

[●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]

(viii) Autocall Barrier Value: [●] / [[●] per cent. of the Initial Reference Value]

[*OR*]

Automatic Early Redemption Determination Date	**Autocall Barrier Value**
[●] *(repeat as required)*	[●] / [[●] per cent. of the Initial Reference Value] *(repeat as required)*

(ix) Specified Automatic Early Redemption Determination Date(s): [●] / [Not Applicable]

Specified Rate: [[●] / [100] per cent.] / [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Specified Rate**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(x) Automatic Early [[●] per cent.] / [Not Applicable]

Redemption Rate: _____

[*OR*]

Automatic Early Redemption Determination Date	Automatic Early Redemption Rate
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(xi) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable]

[*OR*]

Basket Component	Initial Reference Value
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xii) Value Determination Terms for Initial Reference Value as:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

- Reference Month: [●]

(specify if Notes are Inflation-Linked Notes otherwise delete this provision)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value /

Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to Strike Date: [●]

(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

- Floor Value: [●]

(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(specify if Globally Floored Average Value is selected,

otherwise delete this provision)

- Cap Value: [●]

(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)

- Global Cap Value: [●]

(specify if Globally Capped Average Value is selected, otherwise delete this provision)

(xiii) **Value Determination Terms** for determining Final Reference Value (Autocall): [Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

(xiv) Averaging Dates in relation to Automatic Early Redemption Determination Date: [●]

(specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

[*OR*]

Automatic Early Redemption Determination Date	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in relation to Automatic Early Redemption Determination Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

[*OR*]

Automatic Early Redemption Determination Date	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and

	ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(specify if Globally Floored Average Value is selected, otherwise delete this provision)

- Cap Value: [●]

(specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)

- Global Cap Value: [●]

(specify if Globally Capped Average Value is selected, otherwise delete this provision)

(xv) **Value Determination Terms** for Relevant Underlying Value as of the relevant date or period:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value*

/ Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to the relevant date or period: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

[*OR*]

[Automatic Early Redemption Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of the relevant date [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

or period:

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

[OR]

[Automatic Early Redemption Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(C) **Autocallable Notes (Autocall 3):**

(Paragraph 2.3 of Section 3 of the Additional Conditions)

[Applicable. [Non-Memory Redemption] / [Memory Redemption] / [Fixed Redemption] applies.] / [Not Applicable]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Knock-in Value: [[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(ii) Automatic Early Redemption Event occurs if: the Knock-in Value [as of the relevant Automatic Early Redemption Determination Date] / [as of each Barrier Observation Date in respect of the relevant Automatic Early Redemption Determination Date] / [at any time during the Barrier Observation Period in respect of the relevant Automatic Early Redemption Determination Date] is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Autocall Barrier Value in respect of such Automatic Early Redemption Determination Date.

(iii) Automatic Early Redemption Determination Date(s): [●]

(iv) Barrier Observation Date(s): [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Barrier Observation Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

(v) Barrier Observation Period: [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Barrier Observation Period**
[●] *(repeat as required)*	[●] / [From [and including]/[but excluding] [●] to [but excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]] *(repeat as required)*

(vi) Automatic Early Redemption Date(s): [[Scheduled Automatic Early Redemption Date [is]/[are]] [●]]

(vii) Automatic Early Redemption Specified Day(s): [Applicable] / [Not Applicable]

(*if Not Applicable, delete the below*)

[●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]

(viii) Autocall Barrier Value: [●] / [[●] per cent. of the Initial Reference Value]

[*OR*]

Automatic Early Redemption Determination Date	**Autocall Barrier Value**
[●] *(repeat as required)*	[●] / [[●] per cent. of the Initial Reference Value] *(repeat as required)*

ix) Automatic Early Redemption Rate: [[●] per cent.] / [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Automatic Early Redemption Rate**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(x) Specified Rate: [[●] / [100] per cent.] / [Not Applicable]

[*OR*]

Automatic Early Redemption Determination Date	**Specified Rate**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(xi) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xii) Value Determination Terms for Initial Reference Value as of Strike Date: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to Strike Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value /*	[Omission] / [Postponement] / [Modified Postponement]

Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(xiii) Value Determination Terms for determining Final Reference Value (Autocall): [Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of*

this paragraph)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

- Averaging Dates in relation to Automatic Early Redemption Determination Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

[*OR*]

Automatic Early Redemption Determination Date	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average*

Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in relation to Automatic Early Redemption Determination Date:

[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

[*OR*]

Automatic Early Redemption Determination Date	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this*

provision)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(xiv) **Value Determination Terms** for Relevant Underlying Value as of the relevant date or period: [Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(Section 7 of the Additional Conditions)

(*if not applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

- Averaging Dates in relation to the relevant date or period: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

[*OR*]

[Automatic Early Redemption Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of the relevant date or period: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

[*OR*]

[Automatic Early Redemption Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

	(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
	• Global Floor Value:	[●]
	(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
	• Cap Value:	[●]
	(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
	• Global Cap Value:	[●]
	(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(D)	(i) **Early Redemption Amount upon Event of Default** (General Condition 20):	[Fixed Redemption. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination. The Determination Agent will determine the amount a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to such Notes as if no such Event of Default had occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Notes] / [Accrued Value. The Accrual Yield is [•] and the Reference Price is [•].] [Theoretical Value] *(delete as appropriate)*
	(ii) **Early Redemption Amount (Tax) upon redemption pursuant to [Condition 15.2 (*Tax Redemption – Morgan Stanley and MSFL Notes*)][Condition 15.3 (*Tax Redemption – MSI plc and MSBV Notes*)].**	[*For Morgan Stanley or MSFL Notes*: [Not Applicable] / [Early Redemption Amount (Tax) – Fair Market Value Less Costs] / [Early Redemption Amount (Tax) – Fair Market Value] / [Early Redemption Amount (Tax) – Par] [*For MSI plc or MSBV Notes*: [Early Redemption Amount (Tax) – Fair Market Value Less Costs] / [Early Redemption Amount (Tax) – Fair Market Value] / [Early Redemption Amount (Tax) – Par]] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Tax) – Fair Market Value*

			Less Costs" may not be selected)
(E)	**Inconvertibility Event Provisions:**		[Applicable] / [Not Applicable] / [Not Applicable – Commodity-Linked Note Inconvertibility Provisions apply]
	(General Condition 32)		(*if Not Applicable, or if Commodity-Linked Note Inconvertibility Provisions apply, delete sub-paragraphs (i) to (vi) below*)
	(i)	Consequences of the occurrence of an Inconvertibility Event:	[Converted Payment] / [Early Redemption] / [Suspended Payment]
	(ii)	Inconvertibility Early Redemption Amount:	[Not Applicable] [*OR*] [[●] per cent. per Calculation Amount] / [Early Redemption Amount Less Costs applies. For the purposes of the definition of Early Redemption Amount Less Costs, [Fixed Redemption applies. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination applies.] / [Accrued Value applies. The Accrual Yield is [•] and the Reference Price is [•].] [Theoretical Value applies.]] / [Early Redemption Amount applies. For the purposes of the definition of Early Redemption Amount, [Fixed Redemption applies. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination applies.] / [Accrued Value applies. The Accrual Yield is [•] and the Reference Price is [•].] / [Theoretical Value applies.]] / [Fair Market Value applies] / [Fair Market Value Less Costs applies] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount Less Costs" and "Fair Market Value Less Costs" may not be selected)*
	(iii)	Relevant Currenc(y)/(ies):	[●]
	(iv)	Relevant Jurisdiction(s):	[●]
	(v)	Inconvertibility Specified Currenc(y)/(ies):	[●]
	(vi)	Settlement Rate Option:	[Currency Reference Dealers] / [Not Applicable] (*If Commodity-Linked Note Inconvertibility Provisions apply, insert (i) to (iii) below. If Commodity-Linked Note Inconvertibility Provisions do not apply delete (i) to (iii) below*)
	(v)	Relevant Currenc(y)/(ies):	[●]
	(vi)	Relevant	[●]

	Jurisdiction(s):	
(vii)	Inconvertibility Specified Currenc(y)/(ies):	[●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21.	Form of Notes: (General Condition 3)	[Registered Notes: [Global Note Certificate registered in the name of [a nominee for] [a common depositary for Euroclear and Clearstream, Luxembourg]/[a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))][6], exchangeable for Individual Note Certificates on [●] days' notice/at any time/ in the limited circumstances described in the Global Note Certificate] [Individual Note Certificates]] [Finnish Notes] [Swedish Notes] [Uncertificated Notes]
22.	Additional Business Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/[●]]. *Note that this item relates to the date and place of payment, and not interest period end dates. This should specify "Not applicable" unless, exceptionally, location of Fiscal Agent is to be included as a business day for the purposes of payments whilst Notes are in global form in the clearing systems.*
23.	Record Date:	[As set out in the General Conditions/The Record Date is [●] [Business Day/day/clearing system business day] before the relevant due date for payment/Not Applicable]
24.	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable] / [The provisions in General Condition 31 (*Redenomination, Renominalisation and Reconventioning*) apply]
25.	Taxation:	
	(i) General Condition 19.1:	"Additional Amounts" is [Applicable] / [Not Applicable]
	(ii) General Condition 19.3:	Implementation of Financial Transaction Tax Event is [Applicable] / [Not Applicable]
26.	CNY Centre:	[•]/[Not Applicable]
27.	Illegality and Regulatory Event: (General Condition 21)	

[6] To be included for Registered Notes in global form which are to be held under the NSS.

	(i)	Illegality and Regulatory Event (General Condition 21):	Applicable
	(ii)	Early Redemption Amount (Illegality and Regulatory Event):	[[Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value] / [Early Redemption Amount (Illegality and Regulatory Event) – Par] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs" may not be selected)*
28.	Index Adjustment Events: (General Condition 9.2(b))		[[Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs] / [Early Redemption Amount (Index Cancellation) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs" may not be selected)*
29.	Merger Event or Tender Offer: (General Condition 9.4(a))		[[Merger Event Settlement Amount – Fair Market Value Less Costs] / [Merger Event Settlement Amount – Fair Market Value] shall apply] / [Not Applicable] [[Tender Offer Settlement Amount – Fair Market Value Less Costs] / [Tender Offer Settlement Amount – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Merger Event Settlement Amount – Fair Market Value Less Costs" and "Tender Offer Settlement Amount – Fair Market Value Less Costs" may not be selected)*
30.	Nationalisation, Insolvency and Delisting: (General Condition 9.4(b))		[[Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs] / [Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs" may not be selected)*
31.	Extraordinary ETF Events: (General Condition 9.5)		[[Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs" may not be selected)*
32.	Additional Disruption Events:		[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early

	(General Condition 9.6)	Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
33.	Partial Lookthrough Depositary Receipt Provisions: (General Condition 9.7)	[[Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Potential Adjustment Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" may not be selected)*
34.	Full Lookthrough Depositary Receipt Provisions: (General Condition 9.8)	[[Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Potential Adjustment Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" may not be selected)*
35.	Additional Disruption Events: (General Condition 10.7)	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
36.	Additional Disruption Events: (General Condition 11.5)	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
37.	Additional Disruption Events: (General Condition 12.7)	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
38.	Fund Events: (General Condition 13.5)	[[Fund-Linked Early Redemption Amount – Fair Market Value Less Costs] / [Fund-Linked Early Redemption Amount – Fair Market Value] shall apply] / [Not Applicable]

		(Note – for issuances of Notes to retail investors, "Fund-Linked Early Redemption Amount – Fair Market Value Less Costs" may not be selected)
39.	CNY Disruption Events: (General Condition 33)	[Applicable] / [Not Applicable] *(Note – for issuances of Notes to retail investors, General Condition 33 should be specified as Not Applicable)*
40.	Substitution of Issuer or Guarantor with non Morgan Stanley Group entities: (General Condition 34.2)	Applicable
41.	FX_{Final} Determination Date:	[The Currency Business Day [[immediately succeeding] OR [[•] days succeeding]] the Determination Date]/[[•] [*specify date*]] / [Not Applicable]
42.	$FX_{Initial}$ Determination Date:	[The Currency Business Day [[immediately preceding] OR [[•] days preceding]] the Strike Date]/[[•] [*specify date*]] / [Not Applicable]

DISTRIBUTION

(i)	If syndicated, names [and addresses][7] of Managers [and underwriting commitments][8]: 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.)][9]	[Not Applicable/give names[, *addresses and underwriting commitments*]] [(*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis.*)]
(ii)	[Date of [Subscription] Agreement:	[●]][10]
(iii)	Stabilising Manager(s) (if any):	[Not Applicable/*give name*]
43.	If non-syndicated, name [and address][11] of dealer:	[Not Applicable/give name [*and address*][12]]
44.	Non-exempt Offer and Offer	[Not Applicable]/ [An offer of the Notes may be made by the [insert names] / [any person who is authorised to

[7] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[8] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[9] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[10] Delete for Notes with a denomination per Note of EUR 100,000 or more

[11] Delete for Notes with a denomination per Note of EUR 100,000 or more

[12] Delete for Notes with a denomination per Note of EUR 100,000 or more.

	Period:	make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC] other than pursuant to Article 3(2) of the Prospective Directive in [Austria] / [Belgium] / [Czech Republic] / [Denmark] / [Finland] / [France] / [Germany] / [Ireland] / [Italy] / [Luxembourg] / [Norway] / [Portugal] / [Spain] / [Sweden] / [The Netherlands] / [United Kingdom] ("Public Offer Jurisdictions") during [the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] ("**Offer Period**")]/[the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] for the Notes that will be offered by means of ["online selling"]/["door-to-door" selling]] ("**Offer Period**")] (*delete as appropriate*) [subject to the following conditions: [*specify*]]. See further paragraph 7 of Part B below.
45.	[Total commission and concession:	[In connection with the offer and sale of the Notes, [the Issuer][Morgan Stanley & Co. International plc] will pay [*name[s]*] a [one time][recurring] [distribution] / [structuring] fee amount equal to [a maximum of] [●] [of the Aggregate Nominal Amount] / [*specify amount*] / [per annum/*other*]] / [No fees will be paid by the Issuer or Morgan Stanley & Co. International plc, directly or indirectly, in connection with any advised sale of Notes]][13]

Taxation

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Holders should seek their own advice based upon their particular circumstances from an independent tax advisor.

A Non-U.S. Holder (as defined in the Base Prospectus) should review carefully the section entitled "*United States Federal Taxation*" in the Base Prospectus.

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 10 of Part B – Other Information of these Final Terms for additional information regarding withholding under Section 871(m) of the Code.

[14][THIRD PARTY INFORMATION

(*Relevant third party information*) has been extracted from [●] (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

[13] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[14] Insert if any third party information has been provided.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing and admission to Trading:	[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange's Regulated Market and to be listed on the official list of the Luxembourg Stock Exchange with effect from [●].] / [Application [has [also] been made/is [also] expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to listing and/or trading on [*insert name of exchange*] with effect from [●].] [No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by the Issue Date.][The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.] [Not Applicable.] [Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading.]
[Last day of Trading:	[●]]
[Estimate of total expenses related to admission to trading:	[●]][15]

2. RATINGS

Ratings:	[The Notes to be issued have been rated: [S & P: [●]] [Moody's: [●]] [Fitch: [●]] [[Other]: [●]] Option 1 [*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"). Option 2 [*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA and is not registered under Regulation (EU) No

[15] Delete for Notes with a denomination per Note of less than EUR 100,000.

1060/2009, as amended (the "**CRA Regulation**").

Option 3

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA but the rating it has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

Option 4

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").][16]

[*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider*.][17]

(*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Program generally or, where the issue has been specifically rated, that rating*.)

Option 5

[The Notes will not be rated].]

3. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

[*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*]

["So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer".] OR

[*Specify material Conflicts*]

(*When adding any other description, consideration should be given as to whether the new matters described constitute a "significant new factor" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive*)

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

[(i) Reasons for the offer: [●]

(If reasons for offer different from making profit and/or hedging, certain risks will need to include those reasons here.)]

[16] Edit and delete options as appropriate for the relevant rating agency/agencies providing the rating(s).

[17] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[(ii)] Estimated net proceeds: [●]

(If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii)] Estimated total expenses: [●]

[Include breakdown of expenses.](If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

5. **[*Linked Notes only* – PERFORMANCE OF UNDERLYING/ [EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS][18] AND OTHER INFORMATION CONCERNING THE UNDERLYING**

[*Need to include details of where past and future performance and volatility of the index/equity/formula/other variable can be obtained [and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.] [Where the underlying is a Share or ETF Interest include name of issuer of such Share or ETF Interest and ISIN or other relevant identification number of such underlying.] [Where the underlying is a commodity or commodity index, include name of such commodity or commodity index, including for these purposes where the commodity index is published] [Where the underlying is an Index or Inflation Index need to include the name of the Index or Inflation Index and an indication of where to obtain information about the Index or Inflation Index, including for these purposes where the Index or Inflation Index is published]*

[The value of the Notes is linked to the positive or negative performance of the [specify Underlying]. An increase in the [value]/[level] of the [specify Underlying] will have a [positive]/[negative] effect on the value of the Notes, and a decrease in the [value]/[level] of the [specify Underlying] will have a [positive]/[negative] effect on the value of the Notes.]

[The [interest] [and] [redemption] amount[s] payable on the Notes [is/are] dependent on the value or performance of the Relevant Underlying [reaching] / [not reaching] a threshold or barrier and a small increase or decrease in the value or performance of the Relevant Underlying near to the threshold or barrier may lead to a significant increase or decrease in the return of the Notes[and Noteholders] may receive no interest at all].

[The [interest] [and] [redemption] amount[s] payable on the Notes [is/are] linked to the value or performance of the Relevant Underlying as of one or more predefined dates and, irrespective of the level of the Relevant Underlying between these dates, the values or performance of the Relevant Underlying on these dates will affect the value of the Notes more than any other factor.]

[The Final Redemption Amount payable on the Notes is linked to [a specified percentage of] the performance of the Relevant Underlying and Noteholders may not receive the amount initially invested, and may receive a significantly lesser amount [/ subject to the minimum amount specified].

The market price or value of the Notes at any time is expected to be affected by

[18] Delete for Notes with a denomination per Note of EUR 100,000 or more.

changes in the value of the Relevant Underlying to which the Notes are linked.

[The market price or value of the Notes could, in certain circumstances, be affected by fluctuations in the actual or anticipated rates of dividend (if any) or any other distributions on the Relevant Underlying.]

[Determinations of amounts payable under the Notes are made by reference to the arithmetic mean of the values or performances of [all] / [the selected] Basket Components. The Basket Components are given different weightings. The higher the weighting applicable to a particular Basket Component, the more Noteholders will be exposed to the value or performance of that Basket Component in comparison with the remaining Basket Components.]

(*When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive*)

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].*

6. **OPERATIONAL INFORMATION**

ISIN Code:	[●]
Common Code:	[●]
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] / [give [*name*(*s*)], [*addresses of the clearing system*(*s*)], [*relevant identification number*(*s*)]
	[*Nordic Notes, specify relevant NCSD and Nordic Issuing Agent*.
	Finnish Notes: Finnish CSD: Euroclear Finland Oy, Urho Kekkosen katu 5 C, Box 1110, FI-00101 Helsinki, Finland
	Swedish Notes: Swedish CSD: Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden
	Nordic Issuing Agent: [●],[●] [*give relevant name and address*]
	[Japan Securities Depositary Center, Inc. [*insert address*]]
	[*other relevant clearing system, as applicable*]: [●], [●]
	[*give relevant name and address*]
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	[●]
Names and addresses of additional Paying Agent(s) (if	[●]

any):

Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No] [Note that designation "**yes**" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs[19] as common safekeeper [[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper]][20] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either on issue or subsequently. Such recognition will depend on satisfaction of Eurosystem eligibility criteria][*include this text if "yes" selected]*

7. TERMS AND CONDITIONS OF THE OFFER

Offer Price:	[Issue Price] [*specify*]
Conditions to which the offer is subject:	[Not Applicable/ Offers of the Notes are conditional upon their issue/*give details*] *(Example: Offers of the Notes are conditional upon their issue. The Issuer has the right to withdraw the offering of the Notes and cancel the issuance of the Notes prior to the end of the subscription period for any reason. Reasons for the cancellation of the offer include, in particular: (i) adverse market conditions, as determined by the Issuer in its reasonable discretion (such as, for example, increased equity market volatility and increased currency exchange rate volatility) or (ii) that the number of applications received at that time is [insufficient, in the Issuer's opinion, to make an economically viable issuance][less than [•]].)*
Description of the application process:	[Not Applicable/*give details*]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/*give details*]
Details of the minimum and/or maximum amount of application:	[Not Applicable/*give details*]
Details of the method and time limited for paying up and delivering the Notes:	[Not Applicable/ 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	[Not Applicable/*give details*]

[19] International Central Securities Depositories.

[20] To be included for Registered Notes

public:	
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/*give details*]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/*give details*]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not Applicable] / [Estimated expenses charged to the investor by the relevant Issuer or the offeror are [●].] / [No expenses will be charged by the Issuer to the investor, however a subscription charge of up to [*specify amount*] may be charged by the Authorised Offeror] / [Not applicable. There are no estimated expenses charged to the investor by the Issuer [or the Authorised Offeror] / [*give details*]
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	[None/*give details*]

8. **PLACING AND UNDERWRITING**

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extend known to the issuer or to the offeror, of the placers in the various countries where the offer takes place:	[●]
Name and address of any paying agents and depository agents in each country:	[●]
Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" agreements. Where not all of the issue is underwritten, a statement of the portion not covered:	[●]

9. **OTHER MARKETS**

	All the regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of securities to be offered or admitted to trading are already admitted to trading:	[[●]/None]
10.	**POTENTIAL SECTION 871(M) TRANSACTION**	[Not Applicable] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code because the Relevant Underlying is a "qualified index" under the applicable U.S. Treasury Regulations[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Notes are U.S. equity linked Notes subject to withholding under Section 871(m) of the Code.] [For further information please [call [•]] / [visit our website at [•]] / [write to [•]].]
11.	**Prohibition of Sales to EEA Retail Investors:**	[Applicable]/[Not Applicable]] [*If the offer of the Notes is concluded prior to 1 January 2018, or on and after that date the Notes do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified*]
12.	**Index Sponsor:**	[Applicable]/[Not Applicable]] [The Index is administered by [*insert name of Index Sponsor*], who as at the Issue Date, is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.] / [The Index is administered by [*insert name of Index Sponsor*], who as at the Issue Date, is not included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.]

ISSUE-SPECIFIC SUMMARY OF THE NOTES

[Insert]

PRO FORMA FINAL TERMS FOR REVERSE CONVERTIBLE NOTES

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED[, FROM 1 JANUARY 2018,] TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND, WITH EFFECT FROM SUCH DATE, SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

(A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU ("MIFID II");

(B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR

(C) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC, AS AMENDED.

CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.][1]

Final Terms dated [●]

[MORGAN STANLEY] / [MORGAN STANLEY & CO, INTERNATIONAL plc] / [MORGAN STANLEY B.V.] / [MORGAN STANLEY FINANCE LLC]

Issue of [*Aggregate Nominal Amount of Tranche*] [*Title of Notes*]

[Guaranteed by Morgan Stanley]

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

PART A – CONTRACTUAL TERMS

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 Notes set forth in the Base Prospectus dated 10 October 2017 [and the supplement[s] dated [●][,[●] … [●]] to the Base Prospectus] which [together] constitute[s] 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 the 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. [However, a summary of the Issue is annexed to these Final Terms.][2] Copies of the Base Prospectus [and any supplement(s) thereto] are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [and any supplement(s) thereto] and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.

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[1] Prior to the date of application of the PRIIPs Regulation, this legend is not required and "Prohibition of Sales to EEA Retail Investors" (see Part B, Para 12) may be specified as "Not Applicable". This legend will be required after the date of application of the PRIIPs Regulation if "Prohibition of Sales to EEA Retail Investors" is specified as being "Applicable" (See Part B, Para 12).

[2] Insert if Notes are for denominations lower than EUR 100,000.

[OR USE THE FOLLOWING ALTERNATIVE LANGUAGE IF THE FIRST TRANCHE OF AN ISSUE WHICH IS BEING INCREASED WAS ISSUED UNDER A BASE PROSPECTUS WITH AN EARLIER DATE:

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Base Prospectus dated [17 July 2013 and the supplement to it dated 30 August 2013]/[16 December 2013]/[16 December 2014]/[15 December 2015]/[21 October 2016] which are incorporated by reference in the Base Prospectus dated 10 October 2017. 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 the Base Prospectus dated 10 October 2017 [and the supplement(s) to it dated •], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "Base Prospectus"), save in respect of the Terms and Conditions of the Notes which are extracted from the Base Prospectus dated [17 July 2013 and the supplement to it dated 30 August 2013]/[16 December 2013]/[16 December 2014]/[15 December 2015]/[21 October 2016]. Full information on the Issuer [, the Guarantor(s)] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus [and the supplement(s) dated [•]]. However, a summary of the issue of the Notes is annexed to these Final Terms. Copies of the Base Prospectus [and any supplement(s) thereto] are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [and any supplement(s) thereto] and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.]

[*In case of Public Offer continuing after the validity of the Base Prospectus:* The Base Prospectus expires on 09 October 2018. The updated base prospectus will be available at http://sp.morganstanley.com/EU/Documents.]

[(Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms)]

1.	(i)	Series Number:	[●]
	(ii)	Series Designation:	[Series A] / [Series B]
	[(iii)	[Tranche Number:]	[●] [Fungible with the [*currency*] [●] [*Title of the Notes*] issued by [●], bearing ISIN [●]]
2.	Specified Currency or Currencies:		[●]
3.	Aggregate [Nominal Amount]/[Number] of the Notes:		[●][3]
	[(i)]	Series:	[●]
	[(ii)	Tranche:	[●]]
4.	Issue Price		[●] per cent. of par per Note/[●] per Note
5.	(i)	Specified Denominations (Par):	[●] [and integral multiples of [●] in excess thereof]. (*N.B. where multiple denominations above €100,000 (or its equivalent in other currencies) are being used the following sample wording should be followed*: [€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination

[3] Where the amount is not known at the beginning of the offer period (e.g. an "up to" amount), notices of final offer amount will need to be submitted where the Notes are listed or admitted to trading.

			above [€199,000]"]) (*NB: The exchange upon notice at any time shall not be applicable if this language is used. Furthermore, such Specified Denomination construction is not permitted in relation to any issuance of Notes which are to be represented on issue by Permanent Bearer Global Notes exchangeable for Definitive Notes.*) (N.B. Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies)).
	(ii)	Calculation Amount:	
6.	(i)	Issue Date:	[●]
	(ii)	Trade Date:	[●]
	(iii)	Interest Commencement Date	[●] *(Specify)* / [Issue Date] / [Not Applicable]
	(iv)	Strike Date:	[●]
	(v)	Determination Date:	[●]
7.	Maturity Date:		[[Scheduled Maturity Date is] [●]] / [The Interest Payment Date falling in, or nearest to, [*month*] [*year*]]
8.	Specified Day(s):		[Applicable] / [Not Applicable] (*if Not Applicable, delete the below*) [●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]
9.	Interest Basis:		[[●] per cent. Fixed Rate] [Equity-Linked Interest][4] [Commodity-Linked Interest] [Currency-Linked Interest] [Inflation-Linked Interest] [Fund-Linked Interest] *(include all that apply)*
10.	Redemption/Payment Basis:		[Redemption at par] [Equity-Linked Redemption][5]

[4] Specify if interest provisions are linked to one or more Shares, ETF Interests or Indices.

[5] Specify if redemption provisions are linked to one or more Shares, ETF Interests or Indices.

			[Commodity-Linked Redemption] [Currency-Linked Redemption] [Inflation-Linked Redemption] [Fund-Linked Redemption]
11.	Put/Call Options:		
	(i)	Redemption at the option of the Issuer: (General Condition 15.5)	[Applicable/Not Applicable]
	(ii)	Redemption at the option of the Noteholders: (General Condition 15.7)	[Applicable/Not Applicable]
12.	Method of distribution:		[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13.	**Linked Interest Provisions: Relevant Underlying** (General Conditions 6.8 and 8)		[Applicable/Not Applicable] (*Specify as applicable if Barrier Additional Coupon Amount applies. Otherwise specify as Not Applicable*) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(A)	**Equity-Linked Interest Notes: Single Share-Linked Interest Notes, Share Basket-Linked Interest Notes**: (General Condition 9)		[Applicable/Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Whether the Notes relate to a single share or a basket of shares (each, a "Share"):	[Single Share-Linked Interest Notes] / [Share Basket-Linked Interest Notes]
	(ii)	The identity of the relevant issuer(s) (each an "Underlying Issuer"), class of the Share and ISINs or other security identification code for the Share:	(a) Share/Shares: [●] (*ISIN:* [●]) (Bloomberg Code [●]) (*repeat as required)* (b) Share Issuer(s): [●](*repeat as required)* *(insert (c) and (d) below for ADRs/GDRs)* [(c) Underlying Share/Shares: (*ISIN:* [●]) (Bloomberg code [•])(*repeat as required)* (d) Underlying Share Issuer(s): [●]]
	(iii)	Partial Lookthrough ADR Provisions:	[Applicable/Not Applicable]
	(iv)	Full Lookthrough ADR	[Applicable/Not Applicable]

Provisions:

(v) Exchange(s): [●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(vi) Related Exchange(s): [●] / [All Exchanges]

[OR]

Share	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(vii) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(viii) Determination Time: [●] / [As per General Condition 9.9]

(ix) Additional Disruption Event(s):

(General Condition 9.6)

[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(*delete any which are not applicable*)

(x) Correction Cut Off Time:

(General Condition 9.3.2)

[●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date

(xi) Weighting for each Share comprised in the Basket: [●] / [Not Applicable]

[*OR*]

Share	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(B) **Equity-Linked Interest Notes: Single Index-Linked Interest Notes / Index Basket-Linked Interest Notes:** [Applicable/Not Applicable]

(General Condition 9) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Types of Notes: [Single Index-Linked Interest Notes]

[Index Basket-Linked Interest Notes]

(ii) Index / Indices: [●] [, which is a Multi-Exchange Index] (Bloomberg

Code [●])

(repeat as required)

(*Specify Index for Single Index-Linked Interest Notes, and specify each of Indices for Index Basket-Linked Interest Notes*)

(iii) Exchange(s): [●] (*Specify*) / [As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)]

[*OR*]

Index	**Exchange**
[●] *(repeat as required)*	[●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(iv) Related Exchange(s): [●] / [All Exchanges]

[OR]

Index	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: [●] / As per General Condition 9.9

(vii) Additional Disruption Event(s):

(General Condition 9.6) [[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(*delete any which are not applicable*)

(viii) Correction Cut Off Time:

(General Condition 9.2(c)) [●] / [within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date]

(iv) Weighting for each Index comprised in the Basket: [●] / [Not Applicable]

[*OR*]

Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(C)	**Equity-Linked Interest Notes: Single ETF-Linked Interest Notes, ETF Basket Linked Interest Notes:**		[Applicable/Not Applicable]
	(General Condition 9)		(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Whether the Notes relate to a single ETF or a basket of ETFs (each, an "**ETF**"	[Single ETF-Linked Interest Notes] [ETF Basket-Linked Interest Notes]
	(ii)	Names of each ETF Interest and the identity of the related ETF:	[●] (*specify ETF Interest(s) and ETF(s)*) (Bloomberg Code [●])
	(iii)	Exchange(s):	[●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)
	(iv)	Related Exchange(s):	[●] / [All Exchanges] [OR]

ETF	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

	(v)	Determination Agent responsible for calculating Interest Amount:	[●] / [Morgan Stanley & Co. International plc]
	(vi)	Determination Time:	[●] As per General Condition 9.9
	(vii)	Additional Disruption Event(s): (General Condition 9.6)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] (*delete any which are not applicable*)
	(viii)	Correction Cut Off Time: (General Condition 9.3(b))	[●] / [within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date]
	(ix)	Eligible ETF Interest:	[*specify or delete if Not Applicable or fallback provisions in General Condition 9.5 apply*.]
	(x)	Weighting for each ETF Interest comprising the basket:	[●] / [Not Applicable] [*OR*]

ETF Interest	**Weighting**

[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(D) **Commodity Linked Interest Notes**

(General Condition 10)

[Applicable/ Not Applicable]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Commodity/ies or Commodity Index/Indices: [●] (*if applicable, specify whether Non Metal, Base Metal or Precious Metal*)

(ii) Commodity Reference Price: [*specify Commodity Reference Price*] / [Commodity Reference Dealers]

(iii) Delivery Date: [●]

(*Delivery Date shall always be Pricing date where the Commodity Reference Price is GOLD-P.M.-FIX*)

(iv) Pricing Date: [*specify any date other than an Interest Determination Date, Determination Date, Barrier Observation Date, Final Redemption Barrier Observation Date, Commodity Business Day in any Barrier Observation Period and Value Observation Date which is intended to be a Pricing Date*]

(v) Price Source: [●]

(vi) Commodity Specified Price: [High Price] / [Low Price] / [Average of High Price and Low Price] / [Closing Price] / [Commodity Opening Price] / [Commodity Closing Price] / [Bid Price] / [Asked Price] / [Average of Bid Price and Asked Price] / [Settlement Price] / [Official Settlement Price] / [Official Price] / [Morning Fixing] / [Afternoon Fixing] / [Spot Price] / [Official Cash Offer Price] / [●]

(*Afternoon Fixing shall always apply where the Commodity Reference Price is GOLD-P.M.-FIX*)

(vii) Weighting for each Commodity/Commodity Index comprising the basket: [●] / [Not Applicable]

[*OR*]

Commodity/Commodity Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(viii) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(ix)	Correction cut off time: (General Condition 10.1)	[●] / within thirty calendar days after the original publication or announcement
(x)	Commodity Disruption Events: (General Condition 10.2)	[Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]
(xi)	Commodity Disruption Fallbacks: (General Condition 10.3)	[Fallback Reference Price] / [Postponement] / Commodity Fallback Value] / [Determination Agent Determination] [[Fallback Reference Price] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] [[Postponement] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] [[Commodity Fallback Value applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] [[Determination Agent Determination applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] Commodity Disruption Fallback(s) shall apply in the following order: [*specify the order in which the above Commodity Disruption Fallbacks shall apply in relation to each applicable Commodity Disruption Event For [specify type of Notes] Determination Agent Determination alone should apply*]
(xii)	Fallback Commodity Reference Price:	[●] / [Not Applicable]
(xiii)	Price Materiality Percentage:	[[●] per cent.] / [Not Applicable]
(xiv)	Specified Maximum Days of Disruption:	[●] / [3 Commodity Business Days] / [Not Applicable]
(xv)	Exchange(s):	[●]
(xvi)	Date to be considered by the Determination Agent in order to determine whether a Commodity Disruption Event has	[●] / [Pricing Date]

occurred:

(xvii)	Date to be considered by the Determination Agent in order to determine whether a Commodity Index Disruption Event has occurred:	[●] / [Pricing Date]
(xviii)	Common Pricing:	[Applicable / Not Applicable]
(xix)	Additional Disruption Event(s): (General Condition 10.7)	Change in Law – [Applicable] / [Not Applicable] Hedging Disruption - [Applicable] / [Not Applicable] Increased Cost of Hedging - [Applicable] / [Not Applicable] (*delete any which are not applicable*)

(E) **Currency Linked Interest Notes** [Applicable/ Not Applicable]

(General Condition 11) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Settlement Currency for Single Currency-Linked Notes: [●] / [Not Applicable]

(ii) Reference Currency for Single Currency-Linked Notes: [●] / [Not Applicable]

(iii) Specified Amount for Single Currency-Linked Notes: [●] / [Not Applicable]

(iv) Reference Currency Jurisdiction for Single Currency-Linked Notes: [●] / [Not Applicable]

(v) Settlement Currencies, Reference Currencies, Specified Amounts and Reference Currency Jurisdiction for Currency Basket-Linked Notes: [Not Applicable] /

Settlement Currency	Reference Currency	Specified Amount	Reference Currency Jurisdiction
[●]	[●]	[●]	[●]
(*repeat as required*)	(*repeat as required*)	(*repeat as required*)	(*repeat as required*)

(vi) Specified Rate: Specify one of:

Reference Currency bid exchange rate;

Reference Currency offer exchange rate;

Average of Reference Currency bid and offer exchange rates;

Settlement Currency bid exchange rate;

Settlement Currency offer exchange rate;

		Average of Settlement Currency bid and offer exchange rates; Official fixing rate;
(vii)	Determination Agent responsible for calculating the Interest Amount:	[●] / [Morgan Stanley & Co. International plc]
(viii)	Settlement Rate Option:	[Currency Reference Dealers] / [Not Applicable]
(ix)	Currency Disruption Events: (General Condition 11.3)	[[Price Source Disruption[is]/[is not] Applicable] [and] [Additional Price Source Disruption][,/and] [Price Materiality Event] [is]/[are] [applicable] / [Not Applicable] [in respect of all dates] / [in respect of [*insert dates, for example, Observation Date*]]
(x)	Currency Disruption Fallbacks: (General Condition 11.4)	

Currency Disruption Event	Currency Disruption Fallback
Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if only multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Additional Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate]

	[*OR*] [Fallback Reference Price]] *[insert the following if only multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Price Materiality Event	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if only multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]

(xi) Price Materiality Percentage: [[●] per cent.] / [Not Applicable]

(xii) Reference Source: [●]/ [Not Applicable]

(xiii) Additional Disruption Event(s):

(General Condition 11.5)

Change in Law – [Applicable] / [Not Applicable]

Hedging Disruption - [Applicable] / [Not Applicable]

Increased Cost of Hedging - [Applicable] / [Not Applicable]

(*delete any which are not applicable*)

(F) **Inflation-Linked Interest Notes** [Applicable/ Not Applicable]

(General Condition 12) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Inflation Index / Inflation Indices: [●]

(ii) Inflation Index Sponsor(s): [●]

(iii) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(iv) Additional Disruption Event(s): [[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(General Condition 12.7)

(delete any which are not applicable)

(v) Index Level Adjustment Correction: [The first publication or announcement of the level of the Inflation Index (disregarding estimates) by the relevant Inflation Index Sponsor for any Reference Month shall be final and conclusive and, subject to General Condition 12, later revisions to the level of the Inflation Index for such Reference Month will not be used in any calculations] / [The first publication or announcement of a level of the Inflation Index (disregarding estimates) published by the relevant Index Sponsor or, if revised, any subsequent revision of such level for a Reference Month shall be final and conclusive for such Reference Month, **provided that** such revisions are published or announced up to and including the day that is two Business Days prior to the relevant Interest Payment Date].

(General Condition 12.6)

(delete as appropriate)

(vi) Related Bond: [*specify*] / [Fallback Bond] / [Fallback Bond: Not Applicable]

(vii) Weighting for each Inflation Index comprising the basket: [●] / [Not Applicable]

[OR]

Inflation Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(G) **Fund-Linked Interest Notes** [Applicable/ Not Applicable]

(General Condition 13) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Fund: [*specify* / As defined in General Condition 13.7]

(ii) Fund Interest: [*specify*]

(iii) Fund Interest Unit: [*specify*]

(iv) Basket of Funds: [Not Applicable]

[OR]

Fund	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(v) Company: [*specify* / Not Applicable]

(vi) Fund Business Day: [*specify* / As defined in General Condition 13.7]

(vii) Fund Administrator: [*specify* / As defined in General Condition 13.7]

(viii) Fund Adviser: [*specify* / As defined in General Condition 13.7]

(ix) Fund Custodian: [*specify* / As defined in General Condition 13.7]

(x) Additional Fund Service Provider: [*specify* / Not Applicable]

(xi) Cut-off Period: [*specify* / As defined in General Condition 13.7]

(General Condition 13.1)

(xii) Final Cut-off Date: [*specify* / Not Applicable]

(xiii) Settlement Determination Period: [Condition 13.2(a) applies/[●] Business Days (*specify if other period applies)*]

(General Condition 13.2(a))

(xiv) Scheduled Fund Valuation Date(s): [*specify*]

(xv) Extraordinary Dividend: [Determination Agent Characterisation applies]

[OR]

[The following is the Schedule of Ordinary Dividends in respect of the Fund for the purposes of the definition of Extraordinary Dividend in General Condition 13.7:

[*specify scheduled dividend payment dates and*

dividend amounts]]

(xvi)	Adjustment Determination Period: (General Condition 13.4)	[Condition 13.4 applies/[●] (*specify if other period applies)*]
(xvii)	Fund Subscription Date:	[*specify* / As defined in General Condition 13.7]
(xviii)	Hypothetical Investor Jurisdiction:	[*specify* / As defined in General Condition 13.7]
(xix)	Subscription Notice Date:	[*specify* / As defined in General Condition 13.7]
(xx)	Relevant Fund Interest Unit Price:	[Determined in accordance with the applicable Value Determination Terms specified below] / [As defined in General Condition 13.7]
(xxi)	Eligible Fund Interest: (General Condition 13.5)	[*specify* / As defined in General Condition 13.7]
(xxii)	Fund Event(s): (General Condition 13.5)	The following are the applicable Fund Events in relation to the Notes: (*specify all of the following which apply*) [Nationalisation;] / [Insolvency Event;] / [NAV Trigger / Restriction Event;] / [Aggregate NAV Trigger Event;] / [Changes to Fund or Fund Services Providers;] / [Fund Modification;] / [Strategy Breach;] / [Breach by Fund Service Provider;] / [General Regulatory Event;] / [Reporting Disruption;] / [Compulsory Redemption or Assignment;] / [Closure to Subscriptions; Dealing Restrictions;] / [Disposals: Material Change: Merger;] / [Hedging Disruption;] / [Fraud;] / [Special Regulatory Event;] / [Force Majeure Event;] / [Value Limitation;]
	(a) NAV Trigger Percentage:	[[●] per cent.] / [Not Applicable] (*specify relevant percentage if "NAV Trigger / Restriction Event" is an applicable Fund Event*)
	(b) NAV Trigger Period:	[*specify*] / [Not Applicable] (*specify relevant period if "NAV Trigger / Restriction Event" is an applicable Fund Event*)
	(c) Aggregate NAV Trigger Value:	[*specify*] / [Not Applicable] (*specify relevant percentage if "Aggregate NAV Trigger Event" is an applicable Fund Event*)
	(d) Aggregate NAV Trigger Period:	[*specify*] / [Not Applicable] (*specify relevant period if "Aggregate NAV Trigger Event" is an applicable Fund Event*)
	(e) NAV Source:	[●] *(specify where the NAV of any Fund will be published)*

14. **Linked Interest Provisions: Interest Terms**

(General Condition 6.8 and Section 4 of the Additional Conditions)

[Applicable/ Not Applicable]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(A) **Reverse Convertible Notes (Regular Coupon)**

(Paragraph 1.1 of Section 4 of the Additional Conditions)

[Applicable / Not Applicable]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Coupon Rate:

[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

[*OR*]

Interest Payment Date	**Coupon Rate**
[●] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(ii) Interest Payment Date(s):

[Each of the [●] day of [*month*], [*month*] (*repeat as required*) in each calendar year from (and including) [●] to (and including) [●]] / [[●] (*specify dates*) [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

[[Scheduled Interest Payment Date [is]/[are]] [●]]

(iii) Interest Specified Day(s): [Applicable] / [Not Applicable]

(*if Not Applicable, delete the below*)

[●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]

(iv) Barrier Additional Coupon Amount: [Applicable] / [Not Applicable]

(v) Additional Rate: [●] per cent.

[*OR*]

Interest Determination Date	**Additional Rate**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(vi) Interest Determination Date(s): [●]

(vii) Additional interest amount is payable if the Knock-in Value: the [relevant Interest Determination Date] / [each Barrier Observation Date in respect of the relevant Interest Determination Date] / [any time during the Barrier Observation Period in respect of the relevant Interest Determination Date] is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the relevant Coupon Barrier Value

(delete as appropriate)

(viii) Knock-in Value: [[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(ix) Barrier Observation Date(s): [Not Applicable]

[*OR*]

Interest Determination Date	**Barrier Observation Date**
In respect of the Interest Determination Date falling on [●] *(repeat as required)*	[●] *(repeat as required)*

(x) Barrier Observation Period: [Not Applicable]

[*OR*]

Interest Determination Date	**Barrier Observation Period**

[●] *(repeat as required)*	[●] / [From [and including]/[but excluding] [●] to [but excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]] *(repeat as required)*

(xi) Business Day Convention:

[Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(xii) Initial Reference Value:

[●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xiii) **Value Determination Terms** for Initial Reference Value:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

- Averaging Dates in relation to Strike Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

	• Value Observation Dates in respect of Strike Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
	(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	
	• Floor Value:	[●]
	(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
	• Global Floor Value:	[●]
	(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
	• Cap Value:	[●]
	(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
	• Global Cap Value:	[●]
	(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(xiv)	**Value Determination Terms** for Final Reference Value (Coupon): (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

• Reference Month:	[●]
(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	
• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	
• Averaging Dates in relation to the relevant Interest Determination Date:	[●] [in respect of the Interest Determination Date falling on [*date*]]; […] and [●] [in respect of the Interest Determination Date falling on [*date*]]
(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	
• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	

	• Value Observation Dates in respect of each Interest Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]]; […] and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]]
	• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
	• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
	• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
	• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(xv)	**Value Determination Terms** for Relevant Underlying Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

- Averaging Dates in relation to the relevant date or period: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

[*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of the relevant date or period: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]

- Global Floor Value: [●]
- (specify if Globally Floored Average Value is selected, otherwise delete this provision)
- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(B) **Reverse Convertible Notes (Barrier Conditional Coupon):** [Applicable/ Not Applicable]

(Paragraph 1.2 of Section 4 of the Additional Conditions) *(if Not Applicable, delete the remaining sub paragraphs of this paragraph)*

(i) Interest Payment Dates: [●][, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

(ii) Memory Barrier Conditional Coupon: [Applicable/ Not Applicable]

(iii) Interest Amount is payable if Knock-in Value as of: the [relevant Interest Determination Date] / [each Barrier Observation Date in respect of the relevant Interest Determination Date] / [any time during the Barrier Observation Period in respect of the relevant Interest Determination Date] is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the relevant Coupon Barrier Value

(delete as appropriate)

(iv) Knock-in Value: [[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(v) Coupon Rate: [[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

[*OR*]

Interest Determination Date	**Coupon Rate**	**n**
[●] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*	**[●]** [*Insert this column if Memory Barrier Conditional Coupon is applicable*] *(repeat as required)*

(vi) Coupon Barrier Value: [[●] / [●] per cent. of Initial Reference Value]

[*OR*]

Interest Determination Date	**Coupon Barrier Value**
In respect of the Interest Determination Date falling on [●] *(repeat as required)*	[[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(vii) Interest Determination Date(s): [●]

(viii) Barrier Observation Date(s): [●] / [Not Applicable]

[*OR*]

Interest Determination Date	Barrier Observation Date
In respect of the Interest Determination Date falling on [●] *(repeat as required)*	[●] *(repeat as required)*

(ix) Barrier Observation Period: [●] / [Not Applicable]

[*OR*]

Interest Determination Date	Barrier Observation Period
[●] *(repeat as required)*	[●] / [From [and including]/[but excluding] [●] to [but excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]] *(repeat as required)*

(x) Business Day Convention: [Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(xi) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable]

[*OR*]

Basket Component	Initial Reference Value
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xii)	**Value Determination Terms** for Initial Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
	• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
	• Averaging Dates in relation to Strike Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]

• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	
• Value Observation Dates in respect of Strike Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	
• Floor Value:	[●]
(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
• Global Floor Value:	[●]
(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
• Cap Value:	[●]
(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
• Global Cap Value:	[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	

(xiii)	**Value Determination Terms** for Final Reference Value (Coupon): (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
	• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
	• Averaging Dates in relation to the relevant Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] [in respect of the Interest Determination Date falling on [*date*]]; […] and [●] [in respect of the Interest Determination Date falling on [*date*]]

• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	
• Value Observation Dates in respect of each Interest Determination Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]]; […] and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	
• Floor Value:	[●]
(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
• Global Floor Value:	[●]
(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
• Cap Value:	[●]
(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
• Global Cap Value:	[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	

(xiv)	**Value Determination Terms** for Relevant Underlying Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
	• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
	• Averaging Dates in relation to the relevant date or period: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] [*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Averaging Dates**

[●] *(repeat as required)*	[●] *(repeat as required)*

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of the relevant date or period: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

[*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

	• Global Floor Value:	[●]
	(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
	• Cap Value:	[●]
	(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
	• Global Cap Value:	[●]
	(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
	(xv) **Performance Determination Terms for Knock-in Value** (for determining Relevant Underlying Performance, where used for determining the Knock-in Value) (Section 8 of the Additional Conditions)	
(A)	**Performance Determination Terms for Notes linked to a Single Underlying:** (for determining "Relevant Underlying Performance")	[Not Applicable] / [Basic Performance] / [Cliquet] Performance] / [Capped Performance] / [Floored Performance] / [Capped & Floored Performance] / [Absolute Basic Performance] / [Absolute Capped Performance] / [Absolute Floored Performance] / [Absolute Capped & Floored Performance] / [OTM Performance (Single Underlying)] / [Optimised Performance (Type 1)] / [Optimised Performance (Type 2)] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Put Performance:	[Applicable] / [Not Applicable]
(ii)	Performance Rate:	[●] per cent.
(iii)	Strike:	[●] / [1]/ [Not Applicable]
(iv)	OTM Rate:	[[●] per cent.] / [Not Applicable] (*specify if OTM Performance (Single Underlying) is specified as being applicable, other specify Not Applicable*)
(v)	Election for Optimised	[means the value determined by the Determination Agent to be equal to the [lowest] / [highest] of the

	Initial Reference Value:	Closing Values of the Relevant Underlying as of each of the Optimised Observation Dates] / [Not Applicable] (*specify if Optimised Performance (Type 1) or Optimised Performance (Type 2) is specified as being applicable, otherwise specify Not Applicable*)
(vi)	Optimised Observation Date(s):	[●] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]] / [Not Applicable] (*specify dates if Optimised Performance is specified as being applicable, otherwise specify Not Applicable*)
(vii)	Initial Reference Value:	[●] / [Determined in accordance with the Value Determination Terms specified below]
(viii)	**Value Determination Terms** for Initial Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
	• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
	• Averaging Dates in relation to Strike Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally*	[●]

Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of Strike Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]

(ix)	**Value Determination Terms** for Final Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
	• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
	• Averaging Dates in relation to Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
	• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not*	[Omission] / [Postponement] / [Modified Postponement]

an Equity-Linked Note) delete this provision)

- Value Observation Dates in respect of the Determination Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(x) **Value Determination Terms** for PIDD Reference Value as of each Interest Determination Date:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Opening Value] / [Closing Value] / [Floored Lookback Value] / [Capped Lookback Value] / [Globally Floored Lookback Value] / [Globally Capped Lookback Value] / [Average Value] / [Min Value] / [Max Value] / [Floored Min Value] / [Capped Max Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(*Specify if "Cliquet Performance" is selected otherwise specify as Not Applicable*)

• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
• Averaging Dates in relation to each Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] in respect of the Interest Determination Date falling on [*date*] [, [●] in respect of the Interest Determination Date falling on [*date*] and [●] in respect of the Interest Determination Date falling on [*date*]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in relation to each Interest Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected,*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*] [, [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]…. and [●] / [Each Scheduled Trading Day beginning on (and

	otherwise delete this provision)	including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]
	• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
	• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
	• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
	• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(B)	**Performance Determination Terms for Notes linked to a Relevant Underlying which is a Basket:** (for determining "Relevant Underlying Performance") (Section 8 of the Additional Conditions)	[Not Applicable] / [Selected Average Basic Performance] / [Selected Cliquet Average Performance] / [Selected Average Individually Capped Performance] / [Selected Average Individually Floored Performance] / [Selected Average Individually Capped & Floored Performance] / [Selected Average Global Capped Performance] / [Selected Average Global Floored Performance] / [Selected Average Global Capped & Floored Performance] / [Selected Absolute Average Basic Performance] / [Selected Absolute Average Individually Capped Performance] / [Selected Absolute Average Individually Floored Performance] / [Selected Absolute Average Individually Capped & Floored Performance] / [Selected Absolute Average Global Capped Performance] / [Selected Absolute Average Global Floored Performance] / [Selected Absolute Average Global Capped & Floored Performance] / [Best of –Weighted Average Performance] / [Worst of –Weighted Average Performance] / [Selection of –Weighted Average Performance] / [Selected Equally Weighted Average OTM Performance] / [Selected Non-Equally Weighted Average OTM Performance] / [Selected Average Top Rank Performance] (*if Not Applicable, delete the remaining*

sub-paragraphs of this paragraph)

(i) Performance Rate: [●] per cent.

(ii) Strike: [●] / [1] / [Not Applicable] (Bloomberg Code [●])

(*specify if Selected Average Basic Performance is specified otherwise specify "Not Applicable"*)

(iii) Default Performance: [Not Applicable] / [[●] [per cent.] [of the Initial Reference Value]]

[OR]

(*specify if Selected Average Top Rank Performance is specified otherwise specify "Not Applicable"*)

Basket Component	**Default Performance**
[●] *(repeat as required)*	[[●] [per cent.] [of the Initial Reference Value]] *(repeat as required)*

(iv) OTM Rate: [Not Applicable] / [●] per cent.

[OR]

(*specify if Selected Equally Weighted Average OTM Performance / Selected Non-Equally Weighted Average OTM Performance is specified, otherwise specify "Not Applicable"*)

Basket Component	**OTM Rate**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(v) Cap: [Not Applicable] / [●]

[OR]

(*specify if Selected Average Individually Capped Performance / Selected Average Individually Capped & Floored Performance / Selected Average Global Capped Performance / Selected Average Global Capped & Floored Performance / Selected Absolute Average Individually Capped Performance / Selected Absolute Average Individually Capped & Floored Performance / Selected Absolute Average Global Capped Performance / Selected Absolute Average Global Capped &*

Basket Component	**Cap**
[●] *(repeat as required)*	[●] *(repeat as required)*

Floored Performance is selected, otherwise specify "Not Applicable")

(vi) Floor: [Not Applicable] / [●]

[OR]

(*specify if Selected Average Individually Floored Performance / Selected Average Individually Capped & Floored Performance / Selected Average Global Floored Performance / Selected Average Global Capped & Floored Performance / Selected Absolute Average Individually Floored Performance / Selected Absolute Average Individually Capped & Floored Performance / Selected Absolute Average Global Floored Performance / Selected Absolute Average Global Capped & Floored Performance is selected, otherwise specify "Not Applicable"*)

Basket Component	**Floor**
[●] *(repeat as required)*	[●] *(repeat as required)*

(vii) Selected Basket Components: [For the purposes of determining the Selected Basket Component, "J" = [*number*], [*number*]… and [*number*]] / [Not Applicable]

[*insert number assigned to "J", where "J" is a number from 1 to N denoting one of the Basket Components numbered in order according to the respective values for each Basket Component determined by dividing the Closing Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (Basket Component N), "N" being the total number of Basket Components*]

(viii) Relevant Weighting or "$\mathbf{W_i}$": [●] / [Not Applicable]

[OR]

(*specify if Best of – Non Equally Weighted Average Performance / Worst of – Non Equally Weighted Average Performance / Selection*

Basket Component	**$\mathbf{W_i}$**
[●] *(repeat as required)*	[●] *(repeat as required)*

of - Non Equally Weighted Average Performance / Selected Non-Equally Weighted Average OTM Performance is selected, otherwise specify "Not Applicable")		

(ix) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified below]

(x) **Value Determination Terms** for Initial Reference Value:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

- Averaging Dates in relation to Strike Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of Strike Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(xi) **Value Determination Terms** for Final	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max

Reference Value: (Section 7 of the Additional Conditions)	Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
• Averaging Dates in relation to Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]

• Value Observation Dates in respect of the Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(xii) **Value Determination Terms for PIDD Reference Value as of each Interest Determination Date:** (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*) (*Specify if "Cliquet Performance" is selected otherwise specify as Not Applicable*)
• Reference Month:	[●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
• Averaging Dates in relation to each Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] in respect of the Interest Determination Date falling on [*date*][, [●] in respect of the Interest Determination Date falling on [*date*]…. and [●] in respect of the Interest Determination Date falling on [*date*]]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of each Interest Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*][, [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*] and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]]

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

PROVISIONS RELATING TO REDEMPTION

15.	**Call Option**		[Applicable/Not Applicable]
	(General Condition 15.5)		(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Call Option Date(s):	[●]
	(ii)	Optional Redemption Date(s) (Call):	[●]
	(iii)	Participation Rate (Call) for determining the Optional Redemption Amount (Call):	[[●] per cent.] / [100 per cent.]
	(iv)	Optional Redemption in part only:	[Applicable. Redemption will be effected in accordance with sub-clause [(i)/(ii)] of General Condition 15.6 (*Partial Redemption*)] / [Not Applicable] *(delete as appropriate)*
	(v)	Maximum Notice Number of Day(s):	[●] [calendar day[s]] / [Business Day[s]]
	(vi)	Minimum Notice Number of Day(s):	[●] [calendar day[s]] / [Business Day[s]]

16.	**Put Option**		[Applicable/Not Applicable]
	(General Condition 15.7)		*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Put Option Exercise Date:	[●] / [Not Applicable]
	(ii)	Put Option Exercise Period:	[From (and including) [●] to (but excluding) [●]] / [Not Applicable]
	(iii)	Optional Redemption Date(s) (Put):	[●]
	(iv)	Participation Rate (Put) for determining the Optional Redemption Amount (Put):	[[●] per cent.] / [100 per cent.]
	(v)	Notice period:	[●]
17.	**Final Redemption Amount of each Note**		As determined in accordance with Paragraph 2 (*Redemption at Maturity*) of Section 4 of the Additional Conditions and paragraph 19 (*Linked Redemption Provisions: Final Redemption Amount*) below
	(General Condition 15.1 and Paragraph 2 of Section 4 of the Additional Conditions)		
18.	**Linked Redemption Provisions: Relevant Underlying**		
	(General Conditions 9 and 15)		
(A)	**Equity-Linked Redemption Notes: Single Share-Linked Redemption Notes/ Share Basket-Linked Redemption Notes**:		[Applicable/Not Applicable]
	(General Condition 9)		(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Whether the Notes relate to a single share or a basket of shares (each, a "**Share**"):	[Single Share-Linked Redemption Notes] / [Share Basket-Linked Redemption Notes]
	(ii)	The identity of the relevant issuer(s) (each an "**Underlying Issuer**"), class of the Share and ISINs or other security identification code for the Share:	(a) Share/Shares: [●] (*ISIN:* [●]*)* (Bloomberg Code [●]) (*repeat as required*) (b) Share Issuer(s): [●] *(insert (c) and (d) below for ADRs/GDRs)* [(c) Underlying Share/Shares: (*ISIN:* [●]*)* (Bloomberg Code [●])(*repeat as required*)

(d) Underlying Share Issuer(s): [●]]

(iii)	Partial Lookthrough ADR Provisions:	[Applicable/Not Applicable]
(iv)	Full Lookthrough ADR Provisions:	[Applicable/Not Applicable]
(v)	Determination Time:	[●] / As per General Condition 9.9
(vi)	Additional Disruption Event(s): (General Condition 9.6)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] (*delete any which are not applicable*)
(vii)	Correction Cut Off Time: (General Condition 9.3(b))	[●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date
(ix)	Weighting for each Share comprising the Basket:	[●] / [Not Applicable] [*OR*]

Share	**Weighting**
[●] *(repeat as required)*	[●] *(repeat as required)*

(B)	**Equity-Linked Redemption Notes: Single Index-Linked Redemption Notes/ Index Basket-Linked Redemption Notes:** (General Condition 9)	[Applicable/Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Types of Notes:	[Single Index-Linked Redemption Notes] / [Index Basket-Linked Redemption Notes]
(ii)	Index / Indices:	[●] [, which is a Multi-Exchange Index] (Bloomberg Code [●]) *(repeat as required)* (*Specify Index for Single Index-Linked Redemption Notes, and specify each of Indices for Index Basket-Linked Redemption Notes*)
(iii)	Exchange(s):	[●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*) [*OR*]

Index	**Exchange**

[●] *(repeat as required)*	[●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*) *(repeat as required)*

(iv) Related Exchange(s): [●] / [All Exchanges]

[OR]

Index	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating Redemption Amount: [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: [●] / As per General Condition 9.9

(vii) Additional Disruption Event(s):

(General Condition 9.6) [[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(*delete any which are not applicable*)

(viii) Correction Cut Off Time:

(General Condition 9.2(c)) [●] / [within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date]

(ix) Weighting for each Index: [●] / [Not Applicable]

[*OR*]

Index	**Weighting**
[●] *(repeat as required)*	[●] *(repeat as required)*

(C) **Equity-Linked Redemption Notes: Single ETF-Linked Redemption Notes/ ETF Basket-Linked Redemption Notes**: [Applicable/Not Applicable]

(General Condition 9) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Whether the Notes relate to a single ETF or a basket of shares (each, an "**ETF Interest**") [Single ETF-Linked Redemption Notes]

[ETF Basket-Linked Redemption Notes]

(ii) Names of each ETF Interest and the identity of the related ETF ("each, an "**ETF**"): [●] (*specify ETF Interest(s) and ETF(s)*) (Bloomberg Code [●])

(iii) Exchange(s): [●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(iv) Related Exchange(s): [●] / [All Exchanges]

[OR]

ETF	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating the Final Redemption Amount: [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: [●] As per General Condition 9.9

(vii) Additional Disruption Event(s):

(General Condition 9.6)

[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(*delete any which are not applicable*)

(viii) Correction Cut Off Time:

(General Condition 9.3(b))

[●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date

(ix) Eligible ETF Interest: [●] / [specify or delete if Not Applicable or fallback provisions in General Condition 9.5 apply.]

(x) Weighting for each ETF Interest comprising the basket: [●] / [Not Applicable]

[*OR*]

ETF Interest	**Weighting**
[●] *(repeat as required)*	[●] *(repeat as required)*

(vi) Physical Settlement [Applicable]/[Not Applicable]

(D) **Commodity-Linked Redemption Notes**

(General Condition 10)

[Applicable/Not Applicable]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Commodity/ies or Commodity [●] [*if applicable, specify whether Non Metal, Base Metal or Precious Metal*]

Index/Indices:

(ii) Commodity Reference Price: [*specify Commodity Reference Price*] / [*Commodity Reference Dealers*]

(iii) Delivery Date: [●]

(*Delivery Date shall always be Pricing date where the Commodity Reference Price is GOLD-P.M.-FIX*)

(iv) Pricing Date: [*specify any date other than an Interest Determination Date, Determination Date, Barrier Observation Date, Final Redemption Barrier Observation Date, Commodity Business Day in any Barrier Observation Period and Value Observation Date which is intended to be a Pricing Date*]

(v) Price Source: [●]

(vi) Commodity Specified Price: [High Price] / [Low Price] / [Average of High Price and Low Price] / [Closing Price] / [Commodity Opening Price] / [Commodity Closing Price] / [Bid Price] / [Asked Price] / [Average of Bid Price and Asked Price] / [Settlement Price] / [Official Settlement Price] / [Official Price] / [Morning Fixing] / [Afternoon Fixing] / [Spot Price] / [Official Cash Offer Price] / [●]

(*Afternoon Fixing shall always apply where the Commodity Reference Price is GOLD-P.M.-FIX*)

(vii) Weighting for each Commodity/Commodity Index comprising the basket: [●] / [Not Applicable]

[*OR*]

Commodity/Commodity Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(viii) Determination Agent responsible for calculating Redemption Amount: [●] / [Morgan Stanley & Co. International plc]

(ix) Correction cut off time:

(General Condition 10.1) [●] / [within thirty calendar days after the original publication or announcement]

(x) Commodity Disruption Events: (General Condition 10.2) [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]

(xi) Commodity Disruption Fallbacks: (General [Fallback Reference Price] / [Postponement] / Commodity Fallback Value] / [Determination Agent

	Condition 10.3)	Determination] [[Fallback Reference Price] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] [[Postponement] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] [[Commodity Fallback Value applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] [[Determination Agent Determination applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] Commodity Disruption Fallback(s) shall apply in the following order: [*specify the order in which the above Commodity Disruption Fallbacks shall apply in relation to each applicable Commodity Disruption Event. For [specify type of Notes] Determination Agent Determination alone shall apply*]
(xii)	Fallback Commodity Reference Price:	[●] / [Not Applicable]
(xiii)	Price Materiality Percentage:	[[●] per cent.] / [Not Applicable]
(xiv)	Specified Maximum Days of Disruption:	[●] / [3 Commodity Business Days] / [Not Applicable]
(xv)	Exchange(s):	[●]
(xvi)	Date to be considered by the Determination Agent in order to determine whether a Commodity Disruption Event has occurred:	[●] / [Pricing Date]
(xvii)	Date to be considered by the Determination Agent in order to determine whether a Commodity Index Disruption Event has occurred:	[●] / [Pricing Date]
(xviii)	Common Pricing:	[Applicable / Not Applicable]

	(xix)	Additional Disruption Event(s): (General Condition 10.7)	Change in Law – [Applicable] / [Not Applicable] Hedging Disruption - [Applicable] / [Not Applicable] Increased Cost of Hedging - [Applicable] / [Not Applicable] (*delete any which are not applicable*)
(E)	**Currency-Linked Redemption Notes**		[Applicable/Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(General Condition 11)		
	(i)	Settlement Currency for Single Currency-Linked Notes:	[●]/ [Not Applicable]
	(ii)	Reference Currency for Single Currency-Linked Notes:	[●] / [Not Applicable]
	(iii)	Specified Amount for Single Currency-Linked Notes:	[●]/ [Not Applicable]
	(iv)	Reference Currency Jurisdiction for Single Currency-Linked Notes:	[●]/ [Not Applicable]
	(v)	Settlement Currencies, Reference Currencies, Specified Amounts and Reference Currency Jurisdiction for Currency Basket-Linked Notes	[Not Applicable] /

Settlement Currency	Reference Currency	Specified Amount	Reference Currency Jurisdiction
[●] (*repeat as required*)	[●] (*repeat as required*)	[●] (*repeat as required*)	[●] (*repeat as required*)

	(vi)	Specified Rate:

Specify one of:

Reference Currency bid exchange rate;

Reference Currency offer exchange rate;

Average of Reference Currency bid and offer exchange rates;

Settlement Currency bid exchange rate;

Settlement Currency offer exchange rate;

Average of Settlement Currency bid and offer exchange rates;

Official fixing rate;

	(vii)	Determination Agent responsible for	[●] / [Morgan Stanley & Co. International plc]

calculating the Final Redemption Amount:

(viii) Settlement Rate Option: [Currency Reference Dealers] / [Not Applicable]

(ix) Currency Disruption Events: [[Price Source Disruption[is]/[is not] Applicable] [and] [Additional Price Source Disruption][,/and] [Price Materiality Event] [is]/[are] [applicable] / [Not Applicable] [in respect of all dates] / [in respect of [*insert dates, for example, Observation Date*]]

(x) Currency Disruption Fallbacks:

Currency Disruption Event	Currency Disruption Fallback
Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Additional Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if multiple Currency Disruption Fallbacks apply*: [Currency Disruption

	Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Price Materiality Event	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]

(xi) Price Materiality Percentage: [●] per cent. / [Not Applicable]

(xii) Reference Source: [●] / [Not Applicable]

(xiii) Additional Disruption Events:

(General Condition 11.5)

Change in Law – [Applicable] / [Not Applicable]

Hedging Disruption - [Applicable] / [Not Applicable]

Increased Cost of Hedging - [Applicable] / [Not Applicable]

(*delete any which are not applicable*)

(F)	**Inflation-Linked Redemption Provisions** (General Condition 12)		[Applicable/Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Inflation Index / Inflation Indices:	[●]
	(ii)	Inflation Index Sponsor(s):	[●]
	(iii)	Determination Agent responsible for calculating Redemption Amount:	[●] / [Morgan Stanley & Co. International plc]
	(iv)	Additional Disruption Event(s): (General Condition 12.7)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] *(delete any which are not applicable)*
	(v)	Index Level Adjustment Correction: (General Condition 12.6)	The first publication or announcement of the level of the Inflation Index (disregarding estimates) by the relevant Inflation Index Sponsor for any Reference Month shall be final and conclusive and, subject to this General Condition 12, later revisions to the level of the Inflation Index for such Reference Month will not be used in any calculations / The first publication or announcement of a level of the Inflation Index (disregarding estimates) published by the relevant Index Sponsor or, if revised, any subsequent revision of such level for a Reference Month shall be final and conclusive for such Reference Month, **provided that** such revisions are published or announced up to and including the day that is two Business Days prior to the relevant Interest Payment Date]. *(delete as appropriate)*
	(vi)	Related Bond:	[●] *(specify)* / [Fallback Bond] / [Fallback Bond: Not Applicable]
	(vii)	Weighting for each Inflation Index comprising the basket:	[●] / [Not Applicable] [*OR*]

Inflation Index	**Weighting**
[●] *(repeat as required)*	[●] *(repeat as required)*

(G)	**Fund-Linked Redemption Provisions** (General Condition 13)		[Applicable/ Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Fund:	[●] *(specify)/[* As defined in General Condition 13.7]

(ii)	Fund Interest:	[●] *(specify)*
(iii)	Fund Interest Unit:	[●] *(specify)*
(iv)	Basket of Funds:	[Not Applicable] *[OR]*

Fund	**Weighting**
[●] *(repeat as required)*	[●] *(repeat as required)*

(v)	Company:	[[●] *(specify)*] / [Not Applicable]
(vi)	Fund Business Day:	[[●] *(specify)*] / [As defined in General Condition 13.7]
(vii)	Fund Administrator:	[[●] *(specify)*] / [As defined in General Condition 13.7]
(viii)	Fund Adviser:	[[●] *(specify)*] / [As defined in General Condition 13.7]
(ix)	Fund Custodian:	[[●] *(specify)*] / [As defined in General Condition 13.7]
(x)	Additional Fund Service Provider	[[●] *(specify)*] / [Not Applicable]
(xi)	Cut-off Period: (General Condition 13.1)	[[●] *(specify)*] / [As defined in General Condition 13.7]
(xii)	Final Cut-off Date:	[*specify* / Not Applicable]
(xiii)	Settlement Determination Period: (General Condition 13.2(a))	[Condition 13.2(a) applies/[●] Business Days (*specify if other period applies)*]
(xiv)	Scheduled Fund Valuation Date(s):	[*specify*]
(xv)	Extraordinary Dividend:	[Determination Agent Characterisation applies] *[OR]* [The following is the Schedule of Ordinary Dividends in respect of the Fund for the purposes of the definition of Extraordinary Dividend in General Condition 13.7: [*specify scheduled dividend payment dates and dividend amounts*]]
(xvi)	Adjustment Determination Period:	[Condition 13.4 applies/[●] (*specify if other period*

		applies)]
	(General Condition 13.4)	
(xvii)	Fund Subscription Date:	[[●] *(specify)*] / [As defined in General Condition 13.7]
(xviii)	Hypothetical Investor Jurisdiction:	[[●] *(specify)*] / [As defined in General Condition 13.7]
(xix)	Scheduled Redemption Payment Date:	[[●] *(specify)*] / [As defined in General Condition 13.7]
(xx)	Subscription Notice Date:	[[●] *(specify)*] / [As defined in General Condition 13.7]
(xxi)	Redemption Notice Date:	[[●] *(specify)*] / [As defined in General Condition 13.7]
(xxii)	Relevant Fund Interest Unit Price:	[Determined in accordance with the applicable Value Determination Terms specified below] / [As defined in General Condition 13.7]
(xxiii)	Eligible Fund Interest: (General Condition 13.5)	[[●] *(specify)*] / [As defined in General Condition 13.7]
(xxiv)	Fund Event(s): (General Condition 13.5)	The following are the applicable Fund Events in relation to the Notes: (*specify all of the following which apply*) [Nationalisation;] / [Insolvency Event;] / [NAV Trigger / Restriction Event;] / [Aggregate NAV Trigger Event;] / [Changes to Fund or Fund Services Providers;] / [Fund Modification;] / [Strategy Breach;] / [Breach by Fund Service Provider;] / [General Regulatory Event;] / [Reporting Disruption;] / [Compulsory Redemption or Assignment;] / [Closure to Subscriptions; Dealing Restrictions;] / [Disposals: Material Change: Merger;] / [Hedging Disruption;] / [Fraud;] / [Special Regulatory Event;] / [Force Majeure Event;] / [Value Limitation;]
	(a) NAV Trigger Percentage:	[[●] per cent.] / [Not Applicable] (*specify if "NAV Trigger / Restriction Event" is an applicable Fund Event*)
	(b) NAV Trigger Period:	[[●] *(specify)*] / [Not Applicable] (*specify if "NAV Trigger / Restriction Event" is an applicable Fund Event*)
	(c) Aggregate NAV Trigger Value:	[[●] *(specify)*] / [Not Applicable] (*specify if "Aggregate NAV Trigger Event" is an applicable Fund Event*)
	(d) Aggregate NAV Trigger Period:	[[●] *(specify)*] / [Not Applicable] (*specify if "Aggregate NAV Trigger Event" is an*

applicable Fund Event)

(e) NAV Source: [●]

(specify where the NAV of any Fund will be published)

19. **Linked Redemption Provisions: Final Redemption Amount**

(General Condition 15 and Paragraph 2 of Section 4 of the Additional Conditions)

(i) **Reverse Convertible Notes (Barrier Redemption)**: [Applicable] / [Not Applicable]

(Paragraph 2.1 of Section 4 of the Additional Conditions) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Elections for Paragraph 2.1(i): [Final Observation] / [Daily Observation] / [Continuous Observation] applies.

  (delete as appropriate)

- Knock-in Value: [[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

- Final Redemption Amount will be calculated in accordance with Paragraph 2.1(i) if the Knock-in Value: is [greater than] / [greater than or equal to] / [less than] / [equal to] / [less than or equal to] the Final Redemption Barrier Value.

- Final Redemption Barrier Value: [●] / [[●] per cent of Initial Reference Value]

- Specified Rate 1: [[●]/[100] per cent.] / [Not Applicable]

- Specified Rate 2: [[●]/[100] per cent.] / [Not Applicable]

- Participation Rate: [[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

• Strike:	[●] / [1]/ [Not Applicable]
• Capped Redemption:	[Applicable. Final Redemption Cap Value is [[●] / [●] per cent.] per Calculation Amount] / [Not Applicable]
• Floored Redemption:	[Applicable. Final Redemption Floor Value is [[●] / [●] per cent.] per Calculation Amount] / [Not Applicable]
• Collared Redemption:	[Applicable. Final Redemption Cap Value is [[●] / [●] per cent.] per Calculation Amount and Final Redemption Floor Value is [[●] / [●] per cent.] per Calculation Amount] / [Not Applicable]
• Physical Settlement:	[Applicable] / [Not Applicable]
• Underlying Securities:	[Not Applicable] [*specify*] / [As defined in Paragraph 4 of Section 4 of the Additional Conditions applies]
• Physical Settlement Date:	[Not Applicable] / [●] / [General Condition 18.5 applies.]
• Clearing System:	[specify in respect of each Underlying Security] / [Not Applicable] (Specify as Not Applicable if the fallbacks in General Condition 18 are to apply or if Physical Settlement does not apply.)
• $FX_{Initial}$:	[Determined in accordance with Paragraph 4 of Section 4 of the Additional Conditions] / [Not Applicable]
• FX_{Final}	[Determined in accordance with Paragraph 4 of Section 4 of the Additional Conditions] / [Not Applicable]
• Specified Currency:	[●] / [Not Applicable]
• Relevant Screen Page in respect of Specified Currency:	[●] / [Not Applicable]
• Specified Time in respect of Specified Currency:	[●] / [Not Applicable]
• Second Currency:	[●] / [Not Applicable]
• Relevant Screen Page in respect of Second	[●] / [Not Applicable]

Currency:

- Specified Time in respect of Second Currency: [●] / [Not Applicable]

- Physical Delivery Amount: [*specify number of Underlying Securities to be delivered*] / [Determined in accordance with Section 4 of the Additional Conditions] / [Not Applicable]

(ii) **Reverse Convertible Notes (Basic Participation and Performance Linked Redemption):** [Applicable] / [Not Applicable]

(Paragraph 2.2 of Section 4 of the Additional Conditions) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Specified Rate: [[●]/[100] per cent.] / [Not Applicable]

- Participation Rate: [[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

- Observation Date(s): [●] / [Not Applicable]

- Observation Period: [●] / [From [and including]/[but excluding] [●] to [but excluding]/[and including] [●]] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]]

(iii) Determination Date: [●]

(iv) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(v) **Value Determination Terms** for Initial Reference Value: [Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] /

(Section 7 of the Additional Conditions)	[Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to Strike Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]

	• Value Observation Dates in respect of Strike Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)		
	• Floor Value:	[●]
(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))		
	• Global Floor Value:	[●]
(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)		
	• Cap Value:	[●]
(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)		
	• Global Cap Value:	[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)		
(vi)	**Value Determination Terms** for Final Reference Value as of the Determination Date	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	• Reference Month:	[●]
(*specify if Notes are Inflation-Linked Notes otherwise delete*		

this provision)

• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

• Averaging Dates in relation to Determination Date:	[●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

• Value Observation Dates in relation to Determination Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

	• Floor Value:	[●]
(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))		
	• Global Floor Value:	[●]
(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)		
	• Cap Value:	[●]
(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)		
	• Global Cap Value:	[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)		
(vii)	**Value Determination Terms** for Relevant Underlying Value as of the relevant date or period:	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
(Section 7 of the Additional Conditions)		
	• Reference Month:	[●]
(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)		
	• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored*		

Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to the relevant date or period:

[●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

[*OR*]

[Determination Date] / [Observation Date] / [Observation Period]	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

- Averaging Date Disruption:

[Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of the relevant date or period:

[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

[*OR*]

[Determination Date] /	**Value Observation Dates**

[Observation Date] / [Observation Period]	
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(viii) **Performance Determination Terms for Knock-in Value** (for determining Relevant Underlying Performance, where used for determining the Knock-in Value)

(Section 8 of the Additional Conditions)

(A) **Performance Determination Terms for Notes linked to a Single Underlying:**

(for determining "Relevant Underlying Performance")

[Not Applicable] / [Basic Performance] / [Cliquet] Performance] / [Capped Performance] / [Floored Performance] / [Capped & Floored Performance] / [Absolute Basic Performance] / [Absolute Capped Performance] / [Absolute Floored Performance] / [Absolute Capped & Floored Performance] / [OTM Performance (Single Underlying)] / [Optimised Performance (Type 1)] / [Optimised Performance (Type 2)]

		(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Put Performance	[Applicable] / [Not Applicable]
(ii)	Performance Rate:	[●] per cent.
(iii)	Strike:	[●] / [1]/ [Not Applicable]
(iv)	OTM Rate:	[[●] per cent.] / [Not Applicable] (*specify if OTM Performance (Single Underlying) is specified as being applicable, other specify Not Applicable*)
(v)	Election for Optimised Initial Reference Value:	[means the value determined by the Determination Agent to be equal to the [lowest] / [highest] of the Closing Values of the Relevant Underlying as of each of the Optimised Observation Dates] / [Not Applicable] (*specify if Optimised Performance (Type 1) or Optimised Performance (Type 2) is specified as being applicable, otherwise specify Not Applicable*)
(vi)	Optimised Observation Date(s):	[●] / [Each Scheduled Trading Day beginning on (and including) [●] and ending on (but excluding) [●]] / [Not Applicable] (*specify dates if Optimised Performance is specified as being applicable, otherwise specify Not Applicable*)
(vii)	Initial Reference Value:	[●] / [Determined in accordance with the Value Determination Terms specified below]
(viii)	**Value Determination Terms** for Initial Reference Value: (Section 2 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
•	Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
•	Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored*	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]

Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to Strike Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected,*

otherwise delete this provision)

• Cap Value:	[●]
(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
• Global Cap Value:	[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(ix) **Value Determination Terms** for Final Reference Value: (Section 2 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month:	[●]
(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	
• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	
• Averaging Dates in relation to Determination Date:	[●]
(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped*	

Average Value is selected, otherwise delete this provision)

• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	
• Value Observation Dates in respect of the Determination Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	
• Floor Value:	[●]
(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
• Global Floor Value:	[●]
(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
• Cap Value:	[●]
(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
• Global Cap Value:	[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(x) **Value Determination Terms** for PIDD Reference Value as of	[Not Applicable] / [Spot Value] / [Opening Value] / [Closing Value] / [Floored Lookback Value] / [Capped Lookback Value] / [Globally Floored

each Interest Determination Date: (Section 2 of the Additional Conditions)	Lookback Value] / [Globally Capped Lookback Value] / [Average Value] / [Min Value] / [Max Value] / [Floored Min Value] / [Capped Max Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*) (*Specify if "Cliquet Performance" is selected otherwise specify as Not Applicable*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
• Averaging Dates in relation to each Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] in respect of the Interest Determination Date falling on [*date*] [, [●] in respect of the Interest Determination Date falling on [*date*]…. and [●] in respect of the Interest Determination Date falling on [*date*]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]

	• Value Observation Dates in relation to each Interest Determination Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*] [,
	(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]…. and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]
	• Floor Value:	[●]
	(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
	• Global Floor Value:	[●]
	(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
	• Cap Value:	[●]
	(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
	• Global Cap Value:	[●]
	(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(B)	**Performance Determination Terms for Notes linked to a Relevant Underlying which is a Basket:** (for determining "Relevant Underlying Performance") (Section 8 of the Additional Conditions)	[Not Applicable] / [Selected Average Basic Performance] / [Selected Cliquet Average Performance] / [Selected Average Individually Capped Performance] / [Selected Average Individually Floored Performance] / [Selected Average Individually Capped & Floored Performance] / [Selected Average Global Capped Performance] / [Selected Average Global Floored Performance] / [Selected Average Global Capped & Floored Performance] / [Selected Absolute Average Basic Performance] / [Selected Absolute Average Individually Capped Performance] / [Selected Absolute Average Individually Floored Performance] / [Selected Absolute Average Individually Capped & Floored Performance] / [Selected Absolute Average Global Capped Performance] / [Selected Absolute Average Global Floored Performance] / [Selected

Absolute Average Global Capped & Floored Performance] / [Best of –Weighted Average Performance] / [Worst of –Weighted Average Performance] / [Selection of –Weighted Average Performance] / [Selected Equally Weighted Average OTM Performance] / [Selected Non-Equally Weighted Average OTM Performance] / [Selected Average Top Rank Performance]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Performance Rate: [●] per cent.

(ii) Strike: [●] / [1]/ [Not Applicable]

(*specify if Selected Average Basic Performance is specified otherwise specify "Not Applicable"*)

(iii) Default Performance: [Not Applicable] *[OR]* [[●] [per cent.] [of the Initial Reference Value]] *[OR]*

(*specify if Selected Average Top Rank Performance is specified otherwise specify "Not Applicable"*)

Basket Component	**Default Performance**
[●] *(repeat as required)*	[[●] [per cent.] [of the Initial Reference Value]] *(repeat as required)*

(iv) OTM Rate: [Not Applicable] *[OR]* [●] per cent. *[OR]*

(*specify if Selected Equally Weighted Average OTM Performance / Selected Non-Equally Weighted Average OTM Performance is specified, otherwise specify "Not Applicable"*)

Basket Component	**OTM Rate**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(v) Cap: [Not Applicable] *[OR]* [●] *[OR]*

(*specify if Selected Average Individually Capped Performance / Selected Average Individually Capped & Floored Performance / Selected Average Global Capped Performance / Selected Average Global Capped & Floored Performance / Selected Absolute Average Individually Capped Performance / Selected*

Basket Component	**Cap**
[●] *(repeat as required)*	[●] *(repeat as required)*

Absolute Average Individually Capped & Floored Performance / Selected Absolute Average Global Capped Performance / Selected Absolute Average Global Capped & Floored Performance is selected, otherwise specify "Not Applicable")

(vi) Floor: [Not Applicable] *[OR]* [●] *[OR]*

(*specify if Selected Average Individually Floored Performance / Selected Average Individually Capped & Floored Performance / Selected Average Global Floored Performance / Selected Average Global Capped & Floored Performance / Selected Absolute Average Individually Floored Performance / Selected Absolute Average Individually Capped & Floored Performance / Selected Absolute Average Global Floored Performance / Selected Absolute Average Global Capped & Floored Performance is selected, otherwise specify "Not Applicable"*)

Basket Component	**Cap**
[●] *(repeat as required)*	[●] *(repeat as required)*

(vii) Selected Basket Components: [For the purposes of determining the Selected Basket Component, "J" = [*number*], [*number*]… and [*number*]] / [Not Applicable]

[*insert number assigned to "J", where "J" is a number from 1 to N denoting one of the Basket Components numbered in order according to the respective values for each Basket Component determined by dividing the Closing Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (Basket Component N), "N" being the total number of Basket Components*]

(viii) Relevant Weighting or [●] / [Not Applicable]

"$\mathbf{W_i}$":

(*specify if Best of – Non Equally Weighted Average Performance / Worst of – Non Equally Weighted Average Performance / Selection of - Non Equally Weighted Average Performance / Selected Non-Equally Weighted Average OTM Performance is selected, otherwise specify "Not Applicable"*)

[OR]

Basket Component	**OTM Rate**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(ix) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified below]

(x) **Value Determination Terms** for Initial Reference Value:

(Section 2 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

- Averaging Dates in relation to Strike [●]

Date:

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped*

Average Value is selected, otherwise delete this provision)

(xi)	**Value Determination Terms** for Final Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
•	Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
•	Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
•	Averaging Dates in relation to Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
•	Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-*	[Omission] / [Postponement] / [Modified Postponement]

Linked Note) delete this provision)

• Value Observation Dates in respect of the Determination Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	
• Floor Value:	[●]
(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
• Global Floor Value:	[●]
(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
• Cap Value:	[●]
(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
• Global Cap Value:	[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	

(xii)	**Value Determination Terms** for PIDD Reference Value as of each Interest Determination Date: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*) (*Specify if "Cliquet Performance" is selected otherwise specify as Not Applicable*)

• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
• Averaging Dates in relation to each Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] in respect of the Interest Determination Date falling on [*date*] [, [●] in respect of the Interest Determination Date falling on [*date*]…. and [●] in respect of the Interest Determination Date falling on [*date*]]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of each Interest Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*] [, [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]…. and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date

		falling on [*date*]
	• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
	• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
	• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
	• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
20.	**Early Redemption**	
(A)	**Early Redemption Amount upon Event of Default** (General Condition 20):	[Fixed Redemption. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination. The Determination Agent will determine the amount a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to such Notes as if no such Event of Default had occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Notes] / [Accrued Value. The Accrual Yield is [•] and the Reference Price is [•].] [Theoretical value.] *(delete as appropriate)*
(B)	**Early Redemption Amount (Tax) upon redemption pursuant to [Condition 15.2 (*Tax Redemption – Morgan Stanley and MSFL Notes*)][Condition 15.3 (*Tax Redemption – MSI plc and MSBV Notes*)].**	[*For Morgan Stanley or MSFL Notes*: [Not Applicable] / [Early Redemption Amount (Tax) – Fair Market Value Less Costs] / [Early Redemption Amount (Tax) – Fair Market Value] / [Early Redemption Amount (Tax) – Par] [*For MSI plc or MSBV Notes*: [Early Redemption Amount (Tax) – Fair Market Value Less Costs] / [Early Redemption Amount (Tax) – Fair Market Value] / [Early Redemption

			Amount (Tax) – Par]] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Tax) – Fair Market Value Less Costs" may not be selected)*
(C)	**Inconvertibility Event Provisions:** (General Condition 32)		[Applicable] / [Not Applicable] / [Not Applicable – Commodity-Linked Note Inconvertibility Provisions apply] (*if Not Applicable, or if Commodity-Linked Note Inconvertibility Provisions apply, delete sub-paragraphs (i) to (vi) below*)
	(i)	Consequences of the occurrence of an Inconvertibility Event:	[Converted Payment] / [Early Redemption] / [Suspended Payment]
	(ii)	Inconvertibility Early Redemption Amount upon Inconvertibility Event:	[Not Applicable] [*OR*] [[●] per cent. per Calculation Amount] / [Early Redemption Amount Less Costs applies. For the purposes of the definition of Early Redemption Amount Less Costs, [Fixed Redemption applies. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination applies.] / [Accrued Value applies. The Accrual Yield is [•] and the Reference Price is [•].][Theoretical Value applies.]] / [Early Redemption Amount applies. For the purposes of the definition of Early Redemption Amount, [Fixed Redemption applies. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination applies.] / [Accrued Value applies. The Accrual Yield is [•] and the Reference Price is [•].] / [Theoretical Value applies.]] / [Fair Market Value applies] / [Fair Market Value Less Costs applies] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount Less Costs" and "Fair Market Value Less Costs" may not be selected)*
	(iii)	Relevant Currenc(y)/(ies):	[●][,[●] and [●]]
	(iv)	Relevant Jurisdiction(s):	[●][,[●] and [●]]
	(v)	Inconvertibility Specified Currenc(y)/(ies):	[●][,[●] and [●]]
	(vi)	Settlement Rate Option:	[Currency Reference Dealers] / [Not Applicable] (*If Commodity-Linked Note Inconvertibility Provisions do not apply, delete the below sub-paragraphs*)

	• Relevant Currenc(y)/(ies):	[●][,[●] and [●]]
	• Relevant Jurisdiction(s):	[●][,[●] and [●]]
	• Inconvertibility Specified Currenc(y)/(ies):	[●][,[●] and [●]]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21.	Form of Notes: (General Condition 3)	[Registered Notes: [Global Note Certificate registered in the name of [a nominee for] [a common depositary for Euroclear and Clearstream, Luxembourg]/[a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))][6], exchangeable for Individual Note Certificates on [●] days' notice/at any time/ in the limited circumstances described in the Global Note Certificate] [Individual Note Certificates]] [Finnish Notes] [Swedish Notes] [Uncertificated Notes]
22.	Additional Business Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/[ ]]. Note that this item relates to the date and place of payment, and not interest period end dates. This should specify "Not applicable" unless, exceptionally, location of Fiscal Agent is to be included as a business day for the purposes of payments whilst Notes are in global form in the clearing systems.
23.	Record Date:	[As set out in the General Conditions/The Record Date is [●] [Business Day/day/clearing system business day] before the relevant due date for payment/Not Applicable]
24.	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable/The provisions in General Condition 31 apply]
25.	**Taxation**:	
	(i) General Condition 19.1:	"Additional Amounts" is [Applicable] / [Not Applicable]
	(ii) General Condition 19.3:	Implementation of Financial Transaction Tax Event is [Applicable] / [Not Applicable]

[6] To be included for Registered Notes in global form which are to be held under the NSS.

26.	**CNY Centre:**		[•]/[Not Applicable]
27.	**Illegality and Regulatory Event:** **(General Condition 21)**		
	(i)	Illegality and Regulatory Event: (General Condition 21)	Applicable
	(ii)	Early Redemption Amount (Illegality and Regulatory Event):	[[Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value] / [Early Redemption Amount (Illegality and Regulatory Event) – Par] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs" may not be selected)*
28.	**Index Adjustment Events:** **(General Condition 9.2(b))**		[[Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs] / [Early Redemption Amount (Index Cancellation) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs" may not be selected)*
29.	**Merger Event or Tender Offer:** **(General Condition 9.4(a))**		[[Merger Event Settlement Amount – Fair Market Value Less Costs] / [Merger Event Settlement Amount – Fair Market Value] shall apply] / [Not Applicable] [[Tender Offer Settlement Amount – Fair Market Value Less Costs] / [Tender Offer Settlement Amount – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Merger Event Settlement Amount – Fair Market Value Less Costs" and "Tender Offer Settlement Amount – Fair Market Value Less Costs" may not be selected)*
30.	**Nationalisation, Insolvency and Delisting:** **(General Condition 9.4(b))**		[[Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs] / [Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs" may not be selected)*
31.	**Extraordinary ETF Events:** **(General Condition 9.5)**		[[Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Extraordinary ETF Event) –

		Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs" may not be selected)*
32.	**Additional Disruption Events:** **(General Condition 9.6)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
33.	**Partial Lookthrough Depositary Receipt Provisions:** **(General Condition 9.7)**	[[Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Potential Adjustment Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" may not be selected)*
34.	**Full Lookthrough Depositary Receipt Provisions:** **(General Condition 9.8)**	[[Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Potential Adjustment Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" may not be selected)*
35.	**Additional Disruption Events:** **(General Condition 10.7)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
36.	**Additional Disruption Events:** **(General Condition 11.5)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
37.	**Additional Disruption Events:** **(General Condition 12.7)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors,*

		"Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)
38.	**Fund Events:** **(General Condition 13.5)**	[[Fund-Linked Early Redemption Amount – Fair Market Value Less Costs] / [Fund-Linked Early Redemption Amount – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Fund-Linked Early Redemption Amount – Fair Market Value Less Costs" may not be selected)*
39.	**CNY Disruption Events:** **(General Condition 33)**	[Applicable] / [Not Applicable] *(Note – for issuances of Notes to retail investors, General Condition 33 should be specified as Not Applicable)*
40.	**Substitution of Issuer or Guarantor with non Morgan Stanley Group entities:** **(General Condition 34.2)**	Applicable
41.	**FX_{Final} Determination Date:**	[The Currency Business Day [[immediately succeeding] OR [[•] days succeeding]] the Determination Date]/[[•] [*specify date*]] / [Not Applicable]
42.	**$FX_{Initial}$ Determination Date:**	[The Currency Business Day [[immediately preceding] OR [[•] days preceding]] the Strike Date]/[[•] [*specify date*]] / [Not Applicable]

DISTRIBUTION

43.	(i)	If syndicated, names [and addresses][7] of Managers [and underwriting commitments][8]: 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.)][9]	[Not Applicable/*give names*[, *addresses and underwriting commitments*]] [(*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis.*)]
	(ii)	[Date of [Subscription] Agreement:	[●]][10]
	(iii)	Stabilising Manager(s)	[Not Applicable/*give name*]

[7] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[8] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[9] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[10] Delete for Notes with a denomination per Note of EUR 100,000 or more

	(if any):	
44.	If non-syndicated, name [and address][11] of dealer:	[Not Applicable/give name [*and address*][12]]
45.	Non-exempt Offer and Offer Period:	[Not Applicable]/ [An offer of the Notes may be made by the [insert names] / [any person who is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC] other than pursuant to Article 3(2) of the Prospective Directive in [Austria] / [Belgium] / [Czech Republic] / [Denmark] / [Finland] / [France] / [Germany] / [Ireland] / [Italy] / [Luxembourg] / [Norway] / [Portugal] / [Spain] / [Sweden] / [The Netherlands] / [United Kingdom] ("Public Offer Jurisdictions") during [the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] ("**Offer Period**")]/[the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] for the Notes that will be offered by means of ["online selling"]/["door-to-door" selling]] ("**Offer Period**")] (*delete as appropriate*) [subject to the following conditions: [*specify*]]. See further paragraph 8 of Part B below.
46.	[Total commission and concession:	[In connection with the offer and sale of the Notes, [the Issuer][Morgan Stanley & Co. International plc] will pay [*name[s]*] a [one time][recurring] [distribution] / [structuring] fee amount equal to [a maximum of] [●] [of the Aggregate Nominal Amount] / [*specify amount*] / [per annum/*other*]] / [No fees will be paid by the Issuer or Morgan Stanley & Co. International plc, directly or indirectly, in connection with any advised sale of Notes]][13]

Taxation

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Holders should seek their own advice based upon their particular circumstances from an independent tax advisor.

A Non-U.S. Holder (as defined in the Base Prospectus) should review carefully the section entitled "*United States Federal Taxation*" in the Base Prospectus.

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 11 of Part B – Other Information of these Final Terms for additional information regarding withholding under Section 871(m) of the Code.

[14][**THIRD PARTY INFORMATION**

[11] Delete for Notes with a denomination per Note of EUR 100,000 or more

[12] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[13] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[14] Insert if any third party information has been provided.

(*Relevant third party information*) has been extracted from [●] (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing and admission to Trading:	[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange's Regulated Market and to be listed on the official list of the Luxembourg Stock Exchange with effect from [●].] / [Application [has [also] been made/is [also] expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to listing and/or trading on [*insert name of exchange*] with effect from [●].] [No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by the Issue Date.][The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.] [Not Applicable.] [Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading.]
[Last day of Trading:	[●]]
[Estimate of total expenses related to admission to trading:	[●]][15]

2. RATINGS

Ratings:	[The Notes to be issued have been rated: [S & P: [●]] [Moody's: [●]] [Fitch: [●]] [[Other]: [●]] Option 1 [*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"). Option 2 [*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA

[15] Delete for Notes with a denomination per Note of less than EUR 100,000.

and is not registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

Option 3

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA but the rating it has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

Option 4

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").][16]

[*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*][17]

(*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Program generally or, where the issue has been specifically rated, that rating.*)

Option 5

[The Notes will not be rated].]

3. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

[*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*]

["So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer".] OR

[*Specify Material Contracts*]

(When adding any other description, consideration should be given as to whether the new matters described constitute a "significant new factor" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)

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

[(i) Reasons for the offer: [●]

(If reasons for offer different from making profit and/or hedging, certain risks will need to include those reasons here.)]

[16] Edit and delete options as appropriate for the relevant rating agency/agencies providing the rating(s).

[17] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[(ii)] Estimated net proceeds: [●]

(If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii)] Estimated total expenses: [●]

[Include breakdown of expenses.](If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

5. [Fixed Rate Notes only – YIELD

Indication of yield: [●]

6. *(Linked Notes only)* **PERFORMANCE OF UNDERLYINIG/FORMULA/OTHER VARIABLE, [EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS]**[18] **AND OTHER INFORMATION CONCERNING THE UNDERLYING**

[Need to include details of where past and future performance and volatility of the index/equity/formula/other variable can be obtained [and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.] [Where the underlying is a Share or ETF Interest include name of issuer of such Share or ETF Interest and ISIN or other relevant identification number of such underlying.] [Where the underlying is a commodity or commodity index, include name of such commodity or commodity index, including for these purposes where the commodity index is published] [Where the underlying is an Index or Inflation Index need to include the name of the Index or Inflation Index and an indication of where to obtain information about the Index or Inflation Index, including for these purposes where the Index or Inflation Index is published] [Where the underlying is a Share or ETF Interest include name of issuer of such Share or ETF Interest and ISIN or other relevant identification number of such underlying.]

[The value of the Notes is linked to the positive or negative performance of the [specify Underlying]. An increase in the [value]/[level] of the [specify Underlying] will have a [positive]/[negative] effect on the value of the Notes, and a decrease in the [value]/[level] of the [specify Underlying] will have a [positive]/[negative] effect on the value of the Notes.]

(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].*

7. **OPERATIONAL INFORMATION**

[18] Delete for Notes with a denomination per Note of EUR 100,000 or more.

ISIN Code:	[●]
Common Code:	[●]
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] / [give [name(s)], [addresses of the clearing system(s)], [relevant identification number(s)]
	[Nordic Notes, specify relevant NCSD and Nordic Issuing Agent. *Finnish Notes*: Finnish CSD: Euroclear Finland Oy, Urho Kekkosen katu 5 C, Box 1110, FI-00101 Helsinki, Finland *Swedish Notes*: Swedish CSD: Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden Nordic Issuing Agent: [●],[●] [*give relevant name and address*] [Japan Securities Depositary Center, Inc. [*insert address*]] [*other relevant clearing system, as applicable*]: [●], [●] [*give relevant name and address*]
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	[●]
Names and addresses of additional Paying Agent(s) (if any):	[●]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No] [Note that designation "**yes**" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs[19] as common safekeeper [[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper]][20] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either on issue or subsequently. Such recognition will depend on satisfaction of Eurosystem eligibility criteria][*include this text if "yes" selected]*

[19] International Central Securities Depositories.

[20] To be included for Registered Notes

8. **TERMS AND CONDITIONS OF THE OFFER**

Offer Price:	[Issue Price] [*specify*]
Conditions to which the offer is subject:	[Not Applicable/ Offers of the Notes are conditional upon their issue/*give details*] *(Example: Offers of the Notes are conditional upon their issue. The Issuer has the right to withdraw the offering of the Notes and cancel the issuance of the Notes prior to the end of the subscription period for any reason. Reasons for the cancellation of the offer include, in particular: (i) adverse market conditions, as determined by the Issuer in its reasonable discretion (such as, for example, increased equity market volatility and increased currency exchange rate volatility) or (ii) that the number of applications received at that time is [insufficient, in the Issuer's opinion, to make an economically viable issuance][less than [•]].)*
Description of the application process:	[Not Applicable/*give details*]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/*give details*]
Details of the minimum and/or maximum amount of application:	[Not Applicable/*give details*]
Details of the method and time limited for paying up and delivering the Notes:	[Not Applicable/ 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:	[Not Applicable/*give details*]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/*give details*]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/*give details*]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not Applicable] / [Estimated expenses charged to the investor by the relevant Issuer or the offeror are [●].] / [No expenses will be charged by the Issuer to the investor, however a subscription charge of up to [*specify amount*] may be charged by the Authorised Offeror] / [Not applicable. There are no estimated

		expenses charged to the investor by the Issuer [or the Authorised Offeror] / [*give details*]
	Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	[None/give details]

9. **PLACING AND UNDERWRITING**

	Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extend known to the issuer or to the offeror, of the placers in the various countries where the offer takes place:	[●]
	Name and address of any paying agents and depository agents in each country:	[●]
	Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" agreements. Where not all of the issue is underwritten, a statement of the portion not covered:	[●]

10. **OTHER MARKETS**

	All the regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of securities to be offered or admitted to trading are already admitted to trading:	[[●]/None]

11.	**POTENTIAL SECTION 871(M) TRANSACTION**	[Not Applicable] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code because the Relevant Underlying is a "qualified index" under the applicable U.S. Treasury Regulations[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Notes are U.S. equity linked Notes subject to withholding under Section 871(m) of the Code.] [For further information please [call [•]] / [visit our website at [•]] / [write to [•]].]

12.	**Prohibition of Sales to EEA Retail Investors:**	[Applicable]/[Not Applicable]] [*If the offer of the Notes is concluded prior to 1 January 2018, or on and after that date the Notes do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified*]
13.	**Index Sponsor:**	[Applicable]/[Not Applicable]] [The Index is administered by [*insert name of Index Sponsor*], who as at the Issue Date, is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.] / [The Index is administered by [*insert name of Index Sponsor*], who as at the Issue Date, is not included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.]

ISSUE-SPECIFIC SUMMARY OF THE NOTES

[Insert]

PRO FORMA FINAL TERMS FOR CERTAIN LINKED NOTES

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED[, FROM 1 JANUARY 2018,] TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND, WITH EFFECT FROM SUCH DATE, SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

(A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU ("MIFID II");

(B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR

(C) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC, AS AMENDED.

CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.][1]

Final Terms dated [●]

[MORGAN STANLEY] / [MORGAN STANLEY & CO, INTERNATIONAL plc] / [MORGAN STANLEY B.V.] / [MORGAN STANLEY FINANCE LLC]

Issue of [*Aggregate Nominal Amount of Tranche*] [*Title of Notes*]

[Guaranteed by Morgan Stanley]

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

PART A – CONTRACTUAL TERMS

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 Notes set forth in the Base Prospectus dated 10 October 2017 [and the supplement[s] dated [●][,[●] … [●]] to the Base Prospectus] which [together] constitute[s] 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 the 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. [However, a summary of the Issue is annexed to these Final Terms.][2] Copies of the Base Prospectus [and any supplement(s) thereto] are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [and any supplement(s) thereto] and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.

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[1] Prior to the date of application of the PRIIPs Regulation, this legend is not required and "Prohibition of Sales to EEA Retail Investors" (see Part B, Para 11) may be specified as "Not Applicable". This legend will be required after the date of application of the PRIIPs Regulation if "Prohibition of Sales to EEA Retail Investors" is specified as being "Applicable" (See Part B, Para 11).

[2] Insert if Notes are for denominations lower than EUR 100,000.

[OR USE THE FOLLOWING ALTERNATIVE LANGUAGE IF THE FIRST TRANCHE OF AN ISSUE WHICH IS BEING INCREASED WAS ISSUED UNDER A BASE PROSPECTUS WITH AN EARLIER DATE:

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Base Prospectus dated [17 July 2013 and the supplement to it dated 30 August 2013]/[16 December 2013]/[16 December 2014]/[15 December 2015]/[21 October 2016] which are incorporated by reference in the Base Prospectus dated 10 October 2017. 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 the Base Prospectus dated 10 October 2017 [and the supplement(s) to it dated •], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "Base Prospectus"), save in respect of the Terms and Conditions of the Notes which are extracted from the Base Prospectus dated [17 July 2013 and the supplement to it dated 30 August 2013]/[16 December 2013]/[16 December 2014]/[15 December 2015]/[21 October 2016]. Full information on the Issuer [, the Guarantor(s)] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus [and the supplement(s) dated [•]]. However, a summary of the issue of the Notes is annexed to these Final Terms. Copies of the Base Prospectus [and any supplement(s) thereto] are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [and any supplement(s) thereto] and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.]

[*In case of Public Offer continuing after the validity of the Base Prospectus:* The Base Prospectus expires on 09 October 2018. The updated base prospectus will be available at http://sp.morganstanley.com/EU/Documents.]

[(Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms)]

1.	(i)	Series Number:	[●]
	(ii)	Series Designation:	[Series A] / [Series B]
	[(iii)	[Tranche Number:]	[●] [Fungible with the [*currency*] [●] [*Title of the Notes*] issued by [●], bearing ISIN [●]]
2.	Specified Currency or Currencies:		[●]
3.	Aggregate [Nominal Amount]/[Number] of the Notes:		[●][3]
	[(i)]	Series:	[●]
	[(ii)	Tranche:	[●]]
4.	Issue Price		[●] per cent. of par per Note/[●] per Note
5.	(i)	Specified Denominations (Par):	[●] [and integral multiples of [●] in excess thereof]. (*N.B. where multiple denominations above €100,000 (or its equivalent in other currencies) are being used the following sample wording should be followed*: [€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in

[3] Where the amount is not known at the beginning of the offer period (e.g. an "up to" amount), notices of final offer amount will need to be submitted where the Notes are listed or admitted to trading.

			definitive form will be issued with a denomination above [€199,000]"]) (*NB: The exchange upon notice at any time shall not be applicable if this language is used. Furthermore, such Specified Denomination construction is not permitted in relation to any issuance of Notes which are to be represented on issue by Permanent Bearer Global Notes exchangeable for Definitive Notes.*) (N.B. Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies)).
	(ii)	Calculation Amount:	[●]
6.	(i)	Issue Date:	[●]
	(ii)	Trade Date:	[●]
	(iii)	Interest Commencement Date	[*Specify*] / [Issue Date] / [Not Applicable]
	(iv)	Strike Date:	[●]
	(v)	Determination Date:	[●]
7.	Maturity Date:		[[Scheduled Maturity Date is] [●]] / [The Interest Payment Date falling in, or nearest to, [*month*] [*year*]]
8.	Specified Day(s):		[Applicable] / [Not Applicable] (*if Not Applicable, delete the below*) [●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]
9.	Interest Basis:		[[●] per cent. Fixed Rate] [Equity-Linked Interest][4] [Commodity-Linked Interest] [Currency-Linked Interest] [Inflation-Linked Interest] [Fund-Linked Interest] (further particulars specified below) *(include all that apply)*
10.	Redemption/Payment Basis:		[Redemption at par]

[4] Specify if interest provisions are linked to one or more Shares, ETF Interests or Indices

		[Equity-Linked Redemption][5] [Commodity-Linked Redemption] [Currency-Linked Redemption] [Inflation-Linked Redemption] [Fund-Linked Redemption]
11.	Put/Call Options:	
	(i) Redemption at the option of the Issuer: (General Condition 15.5)	[Applicable/Not Applicable]
	(ii) Redemption at the option of the Noteholders: (General Condition 15.7)	[Applicable/Not Applicable]
12.	Method of distribution:	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13.	**Linked Interest Provisions: Relevant Underlying** (General Conditions 6.8 and 8)	[Applicable/Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(A)	**Equity-Linked Interest Notes: Single Share-Linked Interest Notes, Share Basket-Linked Interest Notes:** (General Condition 9)	[Applicable/Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Whether the Notes relate to a single share or a basket of shares (each, a "**Share**"):	[Single Share-Linked Interest Notes] / [Share Basket-Linked Interest Notes]
	(ii) The identity of the relevant issuer(s) (each an "**Underlying Issuer**"), class of the Share and ISINs or other security identification code for the Share:	(a) Share/Shares: [•] (*ISIN:* [•]*)* (Bloomberg code [•])(*repeat as required*) (b) Share Issuer(s): [•] *(insert (c) and (d) below for ADRs/GDRs)* [(c) Underlying Share/Shares: (*ISIN:* [•]) (Bloomberg Code [•])(*repeat as required*) (d) Underlying Share Issuer(s): [•]]

[5] Specify if redemption provisions are linked to one or more Shares, ETF Interests or Indices

(iii)	Partial Lookthrough ADR Provisions:	[Applicable/Not Applicable]
(iii)	Full Lookthrough ADR Provisions:	[Applicable/Not Applicable]
(vi)	Determination Time:	[●] / As per General Condition 9.9
(vii)	Additional Disruption Event(s): (General Condition 9.6)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] (*delete any which are not applicable*)
(viii)	Correction Cut Off Time: (General Condition 9.3(b))	[●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date
(ix)	Weighting for each Share comprised in the Basket:	[●] / [Not Applicable] [*OR*]

Share	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(B)	**Equity-Linked Interest Notes: Single Index-Linked Interest Notes / Index Basket-Linked Interest Notes:**	[Applicable/Not Applicable]
	(General Condition 9)	(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Types of Notes:	[Single Index-Linked Interest Notes] [Index Basket-Linked Interest Notes]
(ii)	Index / Indices:	[●] [, which is a Multi-Exchange Index] (Bloomberg Code [●]) *(repeat as required)* (*Specify Index for Single Index-Linked Interest Notes, and specify each of Indices for Index Basket-Linked Interest Notes*)
(iii)	Exchange(s):	[●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*) [*OR*]

Index	**Exchange**
[●] *repeat as required)*	[●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to*

	Equity-Linked Notes) *(repeat as required)*

(iv) Related Exchange(s): [●] / [All Exchanges]

[OR]

Index	**Related Exchange(s)**
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: [●] / As per General Condition 9.9

(vii) Additional Disruption Event(s):

(General Condition 9.6)

[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(*delete any which are not applicable*)

(viii) Correction Cut Off Time:

(General Condition 9.2(c))

[●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date

(iv) Weighting for each Index comprised in the Basket: [●] / [Not Applicable]

[*OR*]

Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(C) **Equity-Linked Interest Notes: Single ETF-Linked Notes, ETF Basket Linked Interest Notes:** [Applicable/Not Applicable]

(General Condition 9) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Whether the Notes relate to a single ETF or a basket of ETFs (each, an "**ETF**" [Single ETF-Linked Interest Notes]

[ETF Basket-Linked Interest Notes]

(ii) Names of each ETF Interest and the identity of the related ETF: [●] (*specify ETF Interest(s) and ETF(s)*) (Bloomberg Code [●])

(iii) Exchange(s): [●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(iv) Related Exchange(s): [●] / [All Exchanges]

[OR]

ETF	Related Exchange(s)
[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: [●] As per General Condition 9.9

(vii) Additional Disruption Event(s):

(General Condition 9.6)

[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(*delete any which are not applicable*)

(viii) Correction Cut Off Time:

(General Condition 9.3(b))

[●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date

(ix) Eligible ETF Interest: [*specify or delete if Not Applicable or fallback provisions in General Condition 9.5 apply*.]

(x) Weighting for each ETF Interest comprising the basket: [●] / [Not Applicable]

[*OR*]

ETF Interest	Weighting
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(D) **Commodity- Linked Interest Notes**

(General Condition 10)

[Applicable/ Not Applicable]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Commodity/ies or Commodity Index/Indices: [●] [*if applicable, specify whether Non Metal, Base Metal or Precious Metal*]

(ii) Commodity Reference Price: [*specify Commodity Reference Price*]

(iii) Delivery Date: [●]

(*Delivery Date shall always be Pricing date where the Commodity Reference Price is GOLD-P.M.-FIX*)

(iv) Pricing Date: [*specify any date other than an Interest Determination Date, Determination Date, Barrier Observation Date,*

Final Redemption Barrier Observation Date, Commodity Business Day in any Barrier Observation Period and Value Observation Date which is intended to be a Pricing Date]

(v) Price Source: [●]

(vi) Commodity Specified Price: [High Price] / [Low Price] / [Average of High Price and Low Price] / [Closing Price] / [Commodity Opening Price] / [Commodity Closing Price] / [Bid Price] / [Asked Price] / [Average of Bid Price and Asked Price] / [Settlement Price] / [Official Settlement Price] / [Official Price] / [Morning Fixing] / [Afternoon Fixing] / [Spot Price] / [Official Cash Offer Price] / [●]

(*Afternoon Fixing shall always apply where the Commodity Reference Price is GOLD-P.M.-FIX*)

(vii) Weighting for each Commodity/Commodity Index comprising the basket: [●] / [Not Applicable]

[*OR*]

Commodity/Commodity Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(viii) Determination Agent responsible for calculating Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(ix) Correction cut off time:

(General Condition 10.1) [●] / within thirty calendar days after the original publication or announcement

(x) Commodity Disruption Events: (General Condition 10.2) [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]

(xi) Commodity Disruption Fallbacks: (General Condition 10.3) [Fallback Reference Price] / [Postponement] / Commodity Fallback Value] / [Determination Agent Determination]

[[Fallback Reference Price] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]]

[[Postponement] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax

			Disruption]] [[Commodity Fallback Value applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] [[Determination Agent Determination applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] Commodity Disruption Fallback(s) shall apply in the following order: [*specify the order in which the above Commodity Disruption Fallbacks shall apply in relation to each applicable Commodity Disruption Event. For [specify type of Notes] Determination Agent Determination alone shall apply*]
	(xii)	Fallback Commodity Reference Price:	[●] / [Not Applicable]
	(xiii)	Price Materiality Percentage:	[●] per cent. / [Not Applicable]
	(xiv)	Specified Maximum Days of Disruption:	[●] / [3 Commodity Business Days] / [Not Applicable]
	(xv)	Exchange(s):	[●]
	(xvi)	Date to be considered by the Determination Agent in order to determine whether a Commodity Disruption Event has occurred:	[●] / [Pricing Date]
	(xvii)	Date to be considered by the Determination Agent in order to determine whether a Commodity Index Disruption Event has occurred:	[●] / [Pricing Date]
	(xviii)	Common Pricing:	[Applicable / Not Applicable]
	(xix)	Additional Disruption Event(s): (General Condition 10.7)	Change in Law – [Applicable] / [Not Applicable] Hedging Disruption - [Applicable] / [Not Applicable] Increased Cost of Hedging - [Applicable] / [Not Applicable] (*delete any which are not applicable*)
(E)	**Currency Linked Interest Notes** (General Condition 11)		[Applicable/ Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Settlement Currency for Single Currency-Linked Notes:	[●] / [Not Applicable]
(ii) Reference Currency for Single Currency-Linked Notes:	[●] / [Not Applicable]
(iii) Specified Amount for Single Currency-Linked Notes:	[●] / [Not Applicable]
(iv) Reference Currency Jurisdiction for Single Currency-Linked Notes:	[●] / [Not Applicable]

(v) Settlement Currencies, Reference Currencies, Specified Amounts and Reference Currency Jurisdiction for Currency Basket-Linked Notes

[Not Applicable] /

Settlement Currency	Reference Currency	Specified Amount	Reference Currency Jurisdiction
[●] (*repeat as required*)	[●] (*repeat as required*)	[●] (*repeat as required*)	[●] (*repeat a required*)

(vi) Specified Rate:

Specify one of:

Reference Currency bid exchange rate;

Reference Currency offer exchange rate;

Average of Reference Currency bid and offer exchange rates;

Settlement Currency bid exchange rate;

Settlement Currency offer exchange rate;

Average of Settlement Currency bid and offer exchange rates;

Official fixing rate;

(vii) Determination Agent responsible for calculating the Interest Amount: [●] / [Morgan Stanley & Co. International plc]

(viii) Settlement Rate Option: [Currency Reference Dealers] / [Not Applicable]

(ix) Currency Disruption Events:

(General Condition 11.3)

[[Price Source Disruption[is]/[is not] Applicable] [and] [Additional Price Source Disruption][,/and] [Price Materiality Event] [is]/[are] [applicable] / [Not Applicable] [in respect of all dates] / [in respect of [*insert dates, for example, Observation Date*]]

(x) Currency Disruption Fallbacks:

(General Condition 11.4)

Currency Disruption Event	Currency Disruption Fallback

Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if only multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Additional Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if only multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Price Materiality Event	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback*

	applies: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if only multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]

(xi)	Price Materiality Percentage:	[●] per cent. / [Not Applicable]
(xii)	Reference Source:	[●] / [Not Applicable]
(xiii)	Additional Disruption Event(s): (General Condition 11.5)	Change in Law – [Applicable] / [Not Applicable] Hedging Disruption - [Applicable] / [Not Applicable] Increased Cost of Hedging - [Applicable] / [Not Applicable] (*delete any which are not applicable*)
(F)	**Inflation-Linked Interest Notes** (General Condition 12)	[Applicable/ Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Inflation Index / Inflation Indices:	[●]
(ii)	Inflation Index Sponsor(s):	[●]
(iii)	Determination Agent responsible for calculating Interest Amount:	[●] / [Morgan Stanley & Co. International plc]
(iv)	Additional Disruption Event(s): (General Condition 12.7)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] *(delete any which are not applicable)*
(v)	Index Level Adjustment	[The first publication or announcement of the level of

		Correction: (General Condition 12.6)	the Inflation Index (disregarding estimates) by the relevant Inflation Index Sponsor for any Reference Month shall be final and conclusive and, subject to General Condition 12, later revisions to the level of the Inflation Index for such Reference Month will not be used in any calculations] / [The first publication or announcement of a level of the Inflation Index (disregarding estimates) published by the relevant Index Sponsor or, if revised, any subsequent revision of such level for a Reference Month shall be final and conclusive for such Reference Month, **provided that** such revisions are published or announced up to and including the day that is two Business Days prior to the relevant Interest Payment Date]. *(delete as appropriate)*
	(vi)	Related Bond:	[*specify*] / [Fallback Bond] / [Fallback Bond: Not Applicable]
	(vii)	Weighting for each Inflation Index comprising the basket:	[●] / [Not Applicable] [*OR*]

Inflation Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(G)	**Fund-Linked Interest Notes**		[Applicable/ Not Applicable]
	(General Condition 13)		(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Fund:	[*specify* / As defined in General Condition 13.7]
	(ii)	Fund Interest:	[specify]
	(iii)	Fund Interest Unit:	[specify]
	(iv)	Basket of Funds:	[Not Applicable] *OR*

Fund	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

	(v)	Company:	[*specify* / Not Applicable]
	(vi)	Fund Business Day:	[*specify* / As defined in General Condition 13.7]
	(vii)	Fund Administrator:	[*specify* / As defined in General Condition 13.7]

(viii)	Fund Adviser:	[*specify* / As defined in General Condition 13.7]
(ix)	Fund Custodian:	[*specify* / As defined in General Condition 13.7]
(x)	Additional Fund Service Provider:	[*specify* / Not Applicable]
(xi)	Cut-off Period: (General Condition 13.1)	[*specify* / As defined in General Condition 13.7]
(xii)	Final Cut-off Date:	[*specify* / Not Applicable]
(xiii)	Settlement Determination Period: (General Condition 13.2(a))	[Condition 13.2(a) applies/[●] Business Days (*specify if other period applies)*]
(xiv)	Scheduled Fund Valuation Date(s):	[*specify*]
(xv)	Extraordinary Dividend:	[Determination Agent Characterisation applies] *OR* [The following is the Schedule of Ordinary Dividends in respect of the Fund for the purposes of the definition of Extraordinary Dividend in General Condition 13.7: [*specify scheduled dividend payment dates and dividend amounts*]]
(xvi)	Adjustment Determination Period: (General Condition 13.4)	[Condition 13.4 applies/[●] (*specify if other period applies)*]
(xvii)	Fund Subscription Date:	[*specify* / As defined in General Condition 13.7]
(xviii)	Hypothetical Investor Jurisdiction:	[*specify* / As defined in General Condition 13.7]
(xix)	Subscription Notice Date:	[*specify* / As defined in General Condition 13.7]
(xx)	Relevant Fund Interest Unit Price:	[Determined in accordance with the applicable Value Determination Terms specified below] / [As defined in General Condition 13.7]
(xxi)	Eligible Fund Interest: (General Condition 13.5)	[*specify* / As defined in General Condition 13.7]
(xxii)	Fund Event(s): (General Condition 13.5)	The following are the applicable Fund Events in relation to the Notes: (*specify all of the following which apply*) [Nationalisation;] / [Insolvency Event;] / [NAV Trigger / Restriction Event;] / [Aggregate NAV Trigger Event;]

			/ [Changes to Fund or Fund Services Providers;] / [Fund Modification;] / [Strategy Breach;] / [Breach by Fund Service Provider;] / [General Regulatory Event;] / [Reporting Disruption;] / [Compulsory Redemption or Assignment;] / [Closure to Subscriptions; Dealing Restrictions;] / [Disposals: Material Change: Merger;] / [Hedging Disruption;] / [Fraud;] / [Special Regulatory Event;] / [Force Majeure Event;] / [Value Limitation;]
	(a)	NAV Trigger Percentage:	[[●] per cent.] / [Not Applicable] (*specify relevant percentage if "NAV Trigger / Restriction Event" is an applicable Fund Event*)
	(b)	NAV Trigger Period:	[*specify*] / [Not Applicable] (*specify relevant period if "NAV Trigger / Restriction Event" is an applicable Fund Event*)
	(c)	Aggregate NAV Trigger Value:	[*specify*] / [Not Applicable] (*specify relevant percentage if "Aggregate NAV Trigger Event" is an applicable Fund Event*)
	(d)	Aggregate NAV Trigger Period:	[*specify*] / [Not Applicable] (*specify relevant period if "Aggregate NAV Trigger Event" is an applicable Fund Event*)
	(e)	NAV Source:	[●] *(specify where the NAV of any Fund will be published)*
14.	**Linked Interest Provisions: Interest Terms** (General Condition 6.8 and Section 5 of the Additional Conditions)		[Applicable/ Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(A)	**Linked Notes (No Coupon):** (Paragraph 1.1 of Section 5 of the Additional Conditions)		[Applicable/ Not Applicable]
(B)	**Linked Notes (Regular Coupon):** (Paragraph 1.2 of Section 5 of the Additional Conditions)		[Applicable/ Not Applicable] [Fixed Rate Note provisions apply]. (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Coupon Rate:	[Not Applicable] [[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [●] *(insert website address)*, provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

[*OR*]

Interest Payment Date	**Coupon Rate**
[●] *(repeat as required)*	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(ii) Rate(s) of Interest: [Not Applicable] / [[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ other (specify)] in arrear]]

(iii) Interest Period(s): From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●]

(repeat as required)

(for Swedish Notes, specify the following)

From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●]

(repeat as required)

(iv) Interest Payment Date(s): [Each of the [●] day of [*month*], [*month*] *(repeat as required)* in each calendar year from (and including) [●] to (and including) [●]] / [[●] *(specify dates)* [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

(v) Business Day Convention: [Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

		[No Adjustment] / [Unadjusted] *(delete as appropriate)*
(vi)	Broken Amount(s):	[Not Applicable] / [[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]]
(vii)	Day Count Fraction: (General Condition 5.7)	[Not Applicable] / [Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]
(viii)	Inflation Adjustment:	[Applicable] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
•	Relevant Inflation Index:	[*insert name of inflation index*] published by [*insert name of index sponsor*] ([ins*ert Bloomberg ticker or price source*])
•	Additional Disruption Event(s): (General Condition 12)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] *(delete any which are not applicable)*
•	Inflation Level Adjustment Correction: (General Condition 12.6)	[The first publication or announcement of the level of the Relevant Inflation Index (disregarding estimates) by the relevant Inflation Index Sponsor for any Determination Month shall be final and conclusive and, subject to General Condition 12, later revisions to the level of the Relevant Inflation Index for such Determination Month will not be used in any calculations] / [The first publication or announcement of a level of the Relevant Inflation Index (disregarding estimates) published by the relevant Index Sponsor or, if revised, any subsequent revision of such level for a Determination Month shall be final and conclusive for such Determination Month, **provided that** such revisions are published or announced up to and including the day that is two Business Days prior to the relevant Interest Payment Date]. *(delete as appropriate)*
•	Related Bond: (General Condition 12)	[*specify*] / [Fallback Bond] / [Fallback Bond: Not Applicable]
•	Relevant Inflation Index (Initial):	[●] / [The official determination of the Relevant Inflation Index for the month of [*month and year*].]
•	Determination Month for Relevant Inflation Index (N):	The month that is [*number of months*] months [before] / [after] [the] / [each] [Interest Payment Date] / [*other determination*].

[*OR*]

Interest Payment Date	**Determination Month**
[●] *(repeat as required)*	[*month*] / [The month that is [*number of months*] months [before] / [after] such [Interest Payment Date] / [*other determination*] *(repeat as required)*

(C) **Linked Notes (Barrier Conditional Coupon):** [Applicable/ Not Applicable]

(Paragraph 1.3 of Section 5 of the Additional Conditions) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Memory Barrier Conditional Coupon: [Applicable/ Not Applicable]

(ii) Interest Amount is payable if the Knock-in Value as of: the [relevant Interest Determination Date] / [each Barrier Observation Date in respect of the relevant Interest Determination Date] / [any time during the Barrier Observation Period in respect of the relevant Interest Determination Date] is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the relevant Coupon Barrier Value

(delete as appropriate)

(iii) Knock-in Value: [[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(iv) Coupon Rate: [[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

[*OR*]

Interest Determination Date	**Coupon Rate**	**n**
[●] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determinatio	**[●]** [*Insert this column if Memory Barrier Conditional Coupon is applicable*]

	n Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*	

(v) Coupon Barrier Value: [[●] / [●] per cent. of Initial Reference Value]

[*OR*]

Interest Determination Date	**Coupon Barrier Value**
In respect of the Interest Determination Date falling on [●] *(repeat as required)*	[[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(vi) Interest Determination Date(s): [●]

(vii) Barrier Observation Date(s): [Not Applicable]

[*OR*]

Interest Determination Date	**Barrier Observation Date**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[●] *(repeat as required)*

(viii) Barrier Observation [Not Applicable]

Period:

[*OR*]

Interest Determination Date	**Barrier Observation Period**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[*date*] / [From [and including]/[but excluding] [*date*] to [but excluding]/[and including] [*date*]] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

(ix) Interest Payment Date(s): [Each of the [●] day of [*month*], [*month*] (*repeat as required*) in each calendar year from (and including) [●] to (and including) [●]] / [[●] (*specify dates*) [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

[[Scheduled Interest Payment Date [is]/[are]] [●]]

(x) Interest Specified Day(s): [Applicable] / [Not Applicable]

(*if Not Applicable, delete the below*)

[●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]

(xi) Business Day Convention: [Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(xii) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms

	specified below] *(repeat as required)*

(xiii) **Value Determination Terms** for Initial Reference Value:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Commodity Specified Price] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

- Averaging Dates in relation to Strike Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected,*

otherwise (and if not an Equity-Linked Note) delete this provision)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(xiv) **Value Determination Terms** for Final Reference Value (Coupon):

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to the relevant Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] [in respect of the Interest Determination Date falling on [*date*]; [...] and [●][in respect of the Interest Determination Date falling on [*date*]]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of each Interest Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]]; […] and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback*	[●]

Value / Individually Floored Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(xv) **Value Determination Terms** for Relevant Underlying Value:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

- Averaging Dates in relation to the relevant date or period: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

[*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of the relevant date or period: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

[*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Value Observation Dates**

[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(D) **Linked Notes (Dual Barrier Conditional Coupon)** [Applicable/ Not Applicable]

(Paragraph 1.4 of Section 5 of the Additional Conditions) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) If the Knock-in Value as of: the [relevant Interest Determination Date] / [each Barrier Observation Date in respect of the relevant Interest Determination Date] / [any time during the Barrier Observation Period in respect of the relevant Interest Determination Date] [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the relevant Upper Coupon Barrier Value, Coupon Amount is payable in accordance with Paragraph 1.4(a) of Section 5 of the Additional Conditions.

(delete as appropriate)

(ii) If (i) is not applicable, and if the Knock-in Value as of: the [relevant Interest Determination Date] / [each Barrier Observation Date in respect of the relevant Interest Determination Date] / [any time during the Barrier Observation Period in respect of the relevant Interest Determination Date] [greater than] / [greater than or equal to] / [less than] / [less than or equal to]

the relevant Lower Coupon Barrier Value, Coupon Amount is payable in accordance with Paragraph 1.4(b) of Section 5 of the Additional Conditions

(delete as appropriate)

(iii) Knock-in Value: [[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(iv) Upper Coupon Barrier Value: [[●] / [●] per cent. of Initial Reference Value]

[*OR*]

Interest Determination Date	**Upper Coupon Barrier Value**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(v) Lower Coupon Barrier Value: [[●] / [●] per cent. of Initial Reference Value]

[*OR*]

Interest Determination Date	**Lower Coupon Barrier Value**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(iv) Upper Coupon Rate: [[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

[*OR*]

Interest Determination Date	**Upper Coupon Rate**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on

	[*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(vii) Lower Coupon Rate: [[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

[*OR*]

Interest Determination Date	**Lower Coupon Rate**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(viii) Interest Determination Date(s): [●]

(ix) Interest Payment Date(s): [Each of the [●] day of [*month*], [*month*] (*repeat as required*) in each calendar year from (and including) [●] to (and including) [●]] / [[●] (*specify dates*) [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

[[Scheduled Interest Payment Date [is]/[are]] [●]]

(x) Interest Specified Day(s): [Applicable] / [Not Applicable]

(*if Not Applicable, delete the below*)

[●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]

(xi) Business Day Convention: [Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(xii) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xiii) **Value Determination Terms** for Initial Reference Value:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally*

Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to Strike Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback*

Value / Individually Capped Average Value is selected, otherwise delete this provision)

• Global Cap Value:	[●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(xiv)	**Value Determination Terms** for Final Reference Value (Coupon): (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month:	[●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

• Averaging Dates in relation to the relevant Interest Determination Date:	[●] [in respect of the Interest Determination Date falling on [*date*]; [...] and [●] [in respect of the Interest Determination Date falling on [*date*]]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected,*

otherwise delete this provision)

• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	
• Value Observation Dates in respect of each Interest Determination Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]]; […] and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	
• Floor Value:	[●]
(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
• Global Floor Value:	[●]
(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
• Cap Value:	[●]
(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
• Global Cap Value:	[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(xv) **Value Determination**	[Not Applicable] / [Spot Value] / [Intraday Value] /

Terms for Relevant Underlying Value: (Section 7 of the Additional Conditions)	[Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to the relevant date or period: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]

[*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Averaging Dates**
[●] *(repeat as required)*	[●] *(repeat as required)*

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of the relevant date or period: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

[*OR*]

[Interest Determination Date] / [Barrier Observation Date] / [Barrier Observation Period]	**Value Observation Dates**
[●] *(repeat as required)*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] *(repeat as required)*

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback*

Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(E) **Linked Notes (Range Barrier Conditional Coupon)** [Applicable/ Not Applicable]

(Paragraph 1.5 of Section 5 of the Additional Conditions) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Elections for definition of "Number of Exchange Business Days (Barrier Condition Satisfied)": [Single Barrier Range Accrual is applicable. The Determination Agent will determine in respect of each Interest Period the number of Exchange Business Days in such Interest Period on which the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value]

[*OR*]

[Dual Barrier Range Accrual is applicable. The Determination Agent will determine in respect of each Interest Period the number of Exchange Business Days in such Interest Period on which the Knock-in Value is [greater than] / [greater than or equal to] the Lower Barrier Value and [less than] / [less than or equal to] the Upper Barrier Value]

(delete as appropriate)

(ii) Knock-in Value: [[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(iii) Coupon Barrier Value: [Not Applicable] / [[●] / [●] per cent. of Initial Reference Value]/

Interest Determination Date	**Coupon Barrier Value**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[Not Applicable] / [[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(iv) Upper Barrier Value: [Not Applicable] / [[●] / [●] per cent. of Initial Reference Value]/

Interest Determination Date	**Upper Coupon Barrier Value**

In respect of the Interest Determination Date falling on [●] *(repeat as required)*	[Not Applicable] / [[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(v) Lower Barrier Value: [Not Applicable] / [[●] / [●] per cent. of Initial Reference Value]/

Interest Determination Date	**Lower Coupon Barrier Value**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[Not Applicable] / [[●] / [●] per cent. of Initial Reference Value]/ *(repeat as required)*

(vi) Coupon Rate: [[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]/

Interest Determination Date	**Coupon Rate**
[●] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(vii) Upper Coupon Rate: [Not Applicable] / [[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]/

Interest Determination Date	**Upper Coupon Rate**
[●] *(repeat as*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage

required)	rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(viii) Lower Coupon Rate: [[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]/

Interest Determination Date	**Lower Coupon Rate**
[●] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(ix) Day Count Fraction: [Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]

(x) Interest Determination Date(s): [●]

(xi) Interest Payment Date(s): [Each of the [●] day of [*month*], [*month*] (*repeat as required*) in each calendar year from (and including) [●] to (and including) [●]] / [[●] (*specify dates*) [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

[[Scheduled Interest Payment Date [is]/[are]] [●]]

(xii) Interest Specified Day(s):

[Applicable] / [Not Applicable]

(*if Not Applicable, delete the below*)

[●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]

(xiii) Interest Period(s):

From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●]

(repeat as required)

(for Swedish Notes, specify the following)

From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●]

(repeat as required)

(xiv) Business Day Convention:

[Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(xv) Initial Reference Value

[●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xvi) **Value Determination Terms** for Initial Reference Value:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] /

	[Globally Floored Average Value] / [Globally Capped Average Value] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to Strike Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of Strike Date: (*specify if Max Lookback Value /*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(xvii) **Value Determination Terms** for Relevant Underlying Value as of each Exchange Business Day:

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

• Averaging Dates in relation to the relevant Exchange Business Day:	[●] [in respect of the Observation Date falling on [*date*]; [...] and [●] [in respect of the Observation Date falling on [*date*]]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

• Value Observation Dates in respect of each Exchange Business Day:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Observation Date falling on [*date*]; [...] and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Observation Date falling on [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

• Floor Value:	[●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected,*

otherwise delete this provision))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(F) **Linked Notes (Range Accrual Coupon)** [Applicable/ Not Applicable]

(Paragraph 1.6 of Section 5 of the Additional Conditions) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Coupon Rate: [[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

[*OR*]

Interest Determination Date	**Coupon Rate**
[date] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(ii) Upper Coupon Rate: [[Not Applicable] / [●]/[100] per cent.] / [A percentage

rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

[*OR*]

Interest Determination Date	**Upper Coupon Rate**
[date] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]] *(repeat as required)*

(iii) Lower Coupon Rate: [[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

[*OR*]

Interest Determination Date	**Lower Coupon Rate**
[date] *(repeat as required)*	[[Not Applicable] / [●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

	(repeat as required)

(iv) Elections for definition of "Number of Observation Dates (Barrier Condition Satisfied)":

[Single Barrier Range Accrual is applicable. The Determination Agent will determine in respect of each Interest Period the number of Observation Days in such Interest Period on which the Knock-in Value is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Coupon Barrier Value]

[*OR*]

[Dual Barrier Range Accrual is applicable. The Determination Agent will determine in respect of each Interest Period the number of Observation Days in such Interest Period on which the Knock-in Value is [greater than] / [greater than or equal to] the Lower Barrier Value and [less than] / [less than or equal to] the Upper Barrier Value]

(delete as appropriate)

(v) Knock-in Value:

[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(vi) Observation Date(s):

[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(vii) Coupon Barrier Value:

[Not Applicable] / [[●] / [●] per cent. of Initial Reference Value]

[*OR*]

Interest Determination Date	**Coupon Barrier Value**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(viii) Upper Coupon Barrier Value:

[Not Applicable] / [[●] / [●] per cent. of Initial Reference Value]

[*OR*]

Interest Determination Date	**Upper Coupon Barrier Value**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(ix) Lower Coupon Barrier Value:

[Not Applicable] / [[●] / [●] per cent. of Initial Reference Value]

[*OR*]

Interest Determination Date	**Lower Coupon Barrier Value**
In respect of the Interest Determination Date falling on [*date*] *(repeat as required)*	[[●] / [●] per cent. of Initial Reference Value] *(repeat as required)*

(x) Relevant Factor: [●]

(xi) Interest Determination Date(s): [●]

(xii) Interest Payment Date(s): [Each of the [●] day of [*month*], [*month*] (*repeat as required*) in each calendar year from (and including) [●] to (and including) [●]] / [[●] (*specify dates*) [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

[[Scheduled Interest Payment Date [is]/[are]] [●]]

(xiii) Interest Specified Day(s): [Applicable] / [Not Applicable]

(*if Not Applicable, delete the below*)

[●] [Business Day[s]] / [Clearing System Business Day[s]] / [calendar days]]

(xiv) Interest Period(s): From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●]

(repeat as required)

(for Swedish Notes, specify the following)

From (but excluding) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (and including) the Interest Payment Date [falling on] / [scheduled to fall on] [●]

(repeat as required)

(xv) Business Day Convention: [Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(xvi)	Day Count Fraction:	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]
(xvii)	Initial Reference Value:	[●] / [Determined in accordance with the Value Determination Terms specified below] / [Not Applicable] [*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified below] *(repeat as required)*

(xviii)	**Value Determination Terms** for Initial Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Min Value] / [Max Value] / [Floored Min Value] / [Capped Max Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month:	[●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

- Averaging Dates in relation to Strike Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

	• Global Cap Value:	[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)		
(xix)	**Value Determination Terms** for Relevant Underlying Value as of any Observation Date: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Min Value] / [Max Value] / [Floored Min Value] / [Capped Max Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month:	[●]
(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)		
	• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)		
	• Averaging Dates in relation to the relevant Observation Date:	[●] [in respect of the Observation Date falling on [*date*]; [...] and [●] [in respect of the Observation Date falling on [*date*]]
(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)		
	• Averaging Date	[Omission] / [Postponement] / [Modified

	Disruption:	Postponement]
	(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	
	• Value Observation Dates in relation to the relevant Observation Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Observation Date falling on [*date*]; [...] and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Observation Date falling on [*date*]]
	(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	
	• Floor Value:	[●]
	(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
	• Global Floor Value:	[●]
	(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
	• Cap Value:	[●]
	(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
	• Global Cap Value:	[●]
	(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(G)	**Linked Notes (Performance Linked Coupon):**	[Applicable/ Not Applicable]
	(Paragraph 1.7 of Section 5 of the	

Additional Conditions)

		(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Interest Determination Date(s):	[●]
(ii)	Interest Floor:	[Not Applicable] / [[●] per cent.]
(iii)	Strike:	[●] / [1]/ [Not Applicable]
(iv)	FX Return:	[Applicable / Not Applicable]
(v)	FX_{Coupon}:	[Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]
(vi)	$FX_{Initial}$:	[Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]
	• Specified Currency:	[●] / [Not Applicable]
	• Relevant Screen Page in respect of Specified Currency:	[●] / [Not Applicable]
	• Specified Time in respect of Specified Currency:	[●] / [Not Applicable]
	• Second Currency:	[●] / [Not Applicable]
	• Relevant Screen Page Second Currency:	[●] / [Not Applicable]
	• Specified Time in respect of Second Currency:	[●] / [Not Applicable]
(vii)	**Value Determination Terms** for Initial Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Min Value] / [Max Value] / [Floored Min Value] / [Capped Max Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

• Reference Month:	[●]
(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	
• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	
• Averaging Dates in relation to Strike Date:	[●]
(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	
• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	
• Value Observation Dates in respect of Strike Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected,*	

otherwise delete this provision)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(viii) **Value Determination Terms** for Final Reference Value (Coupon):

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped*

Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to the relevant Interest Determination Date:

[●] [in respect of the Interest Determination Date falling on [*date*];

[...] and

[●] [in respect of the Interest Determination Date falling on [*date*]]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption:

[Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of each Interest Determination Date:

[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]];

[…] and

[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value:

[●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor

[●]

Value:

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(H) **Linked Notes (Participation and Performance Linked Coupon):** [Applicable/ Not Applicable]

(Paragraph 1.8 of Section 5 of the Additional Conditions)

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Interest Determination Date(s): [●]

(ii) Interest Floor: [Not Applicable] / [[●] per cent.]

(iii) Strike: [●] / [1]/ [Not Applicable]

(iv) Participation Rate: [●] per cent.

(v) FX Return: [Applicable / Not Applicable]

(vi) FX_{Coupon}: [Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]

(vii) $FX_{Initial}$: [Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]

- Specified Currency: [●] / [Not Applicable]
- Relevant Screen Page in respect of Specified Currency: [●] / [Not Applicable]
- Specified Time in respect of Specified Currency: [●] / [Not Applicable]
- Second [●] / [Not Applicable]

	Currency:	
	• Relevant Screen Page Second Currency:	[●] / [Not Applicable]
	• Specified Time in respect of Second Currency:	[●] / [Not Applicable]
(viii)	**Value Determination Terms** for Initial Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Min Value] / [Max Value] / [Floored Min Value] / [Capped Max Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month:	[●]
(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)		
	• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)		
	• Averaging Dates in relation to Strike Date:	[●]
(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected,*		

otherwise delete this provision)

	• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
	(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	
	• Value Observation Dates in respect of Strike Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
	(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	
	• Floor Value:	[●]
	(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
	• Global Floor Value:	[●]
	(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
	• Cap Value:	[●]
	(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
	• Global Cap Value:	[●]
	(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(ix)	**Value Determination Terms** for Final Reference Value	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min

(Coupon): (Section 7 of the Additional Conditions)	Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to the relevant Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] [in respect of the Interest Determination Date falling on [*date*]; [...] and [●] [in respect of the Interest Determination Date falling on [*date*]]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this*	[Omission] / [Postponement] / [Modified Postponement]

provision)

• Value Observation Dates in respect of each Interest Determination Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]]; […] and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] [in respect of the Interest Determination Date falling on [*date*]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	
• Floor Value:	[●]
(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
• Global Floor Value:	[●]
(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
• Cap Value:	[●]
(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
• Global Cap Value:	[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(I) **Linked Notes (Inflation Linked Coupon):** (Paragraph 1.9 of Section 5 of the Additional Conditions)	[Applicable: [Leveraged Inflation Coupon] / [Real Inflation Coupon] / [Cumulative Inflation Coupon] applies] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i) Interest Period(s):	From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on] / [scheduled to fall on] [●] to (but excluding) the Interest Payment Date [falling on] / [scheduled to fall on] [●] *(repeat as required)*

(ii) Interest Payment Date(s): [Each of the [●] day of [*month*], [*month*] *(repeat as required)* in each calendar year from (and including) [●] to (and including) [●]] / [[●] *(specify dates)* [, each] [, adjusted in accordance with the Business Day Convention specified below]/[, not adjusted]

(iii) Business Day Convention: [Following Business Day Convention] /

[Modified Following Business Day Convention] /[Modified Business Day Convention] /

[Preceding Business Day Convention] /

[FRN Convention. The Specified Period is from (and including) [●] to (but excluding) [●] *(repeat as required)*]/ Floating Rate Convention] /[Eurodollar Convention] /

[No Adjustment] / [Unadjusted]

(delete as appropriate)

(iv) Leverage: [●] per cent.

(v) Spread: [[+/-] [●] per cent.] / [Not Applicable]

(vi) $CPI_{Initial}$: [●] / [Initial Inflation Index Level] / [Not Applicable]

[- Determination Month (Initial): [●] *(specify if Initial Inflation Index Level is applicable)*

(vii) Determination Month:

Determination Month Table		
Interest Payment Date(s)	**Determination Month (n)**	**Determination Month (m)**
[*insert date*] (*repeat as required*)	[*insert calendar month and year*] (*repeat as required*)	[*insert calendar month and year*] (*repeat as required*)

[OR]

[As specified below] *(insert sub-paragraphs below if Determination Month Table not applicable)*

- Determination Month (m): [In respect of an Interest Period and the [Scheduled] Interest Payment Date on which such Interest Period ends, [[●] calendar month[s] [before]/[after]] the month in which such [Scheduled] Interest Payment Date [falls]/[is scheduled to fall]

- Determination Month (n): [In respect of each Interest Payment Date and the Interest Period ending on (but excluding) such Interest Payment Date, as specified in the column headed "Determination Month (n)" in paragraph (iv) above corresponding to such Interest Payment Date]/

			[In respect of each Interest Period and the [Scheduled] Interest Payment Date on which such Interest Period ends (but is not included in such Interest Period), [●] [calendar month][s][before][after] the month in which such [Scheduled] Interest Payment Date falls]
	(viii)	Interest Cap:	[●]/ [Not Applicable]
	(ix)	Interest Floor:	[●]/ [Not Applicable]
	(x)	Day Count Fraction:	[Actual/Actual ICMA)] / [Actual/Actual] / [Actual/Actual (ISDA)] / [Actual/365 Fixed)] / [Actual/365L] / [Actual/360] / [30/360] / [30/360 (ICMA)] / [30/360 (ISDA)] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [1/1]

PROVISIONS RELATING TO REDEMPTION

15.	**Call Option**		[Applicable/Not Applicable]
	(General Condition 15.5)		*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Call Option Date(s):	[*date*]
	(ii)	Optional Redemption Date(s) (Call):	[●]
	(iii)	Participation Rate (Call) for determining the Optional Redemption Amount (Call):	[[●] per cent.] / [100 per cent.]
	(iv)	Optional Redemption in part only:	[Applicable. Redemption will be effected in accordance with sub-clause [(a)/(b)/(c)] of General Condition 15.6 (*Partial Redemption*)] / [Not Applicable] *(delete as appropriate)*
	(v)	Maximum Notice Number of Day(s):	[●] [calendar day[s]] / [Business Day[s]]
	(vi)	Minimum Notice Number of Day(s):	[●] [calendar day[s]] / [Business Day[s]]
16.	**Put Option**		[Applicable/Not Applicable]
	(General Condition 15.7)		*(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Put Option Exercise Date:	[*date*] / [Not Applicable]
	(ii)	Put Option Exercise Period:	[From (and including) [*date*] to (but excluding) [*date*]] / [Not Applicable]
	(iii)	Optional Redemption	[●] / [Any date after the Put Option Exercise Date] /

		Date(s) (Put):	[Any date falling in the Put Option Exercise Period
	(iv)	Participation Rate (Put) for determining the Optional Redemption Amount (Put):	[[●] per cent.] / [100 per cent.]
	(v)	Notice period:	[●]
17.	**Final Redemption Amount of each Note**		[[●] per Calculation Amount] / [Linked Redemption Amount specified below]
	(General Condition 15.1)		
18.	**Linked Redemption Provisions: Relevant Underlying**		
	(General Conditions 9 and 15)		
(A)	**Equity-Linked Redemption Notes: Single Share-Linked Redemption Notes/ Share Basket-Linked Redemption Notes:**		[Applicable/Not Applicable]
	(General Condition 9)		(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Whether the Notes relate to a single share or a basket of shares (each, a "Share"):	[Single Share-Linked Redemption Notes] / [Share Basket-Linked Redemption Notes]
	(ii)	The identity of the relevant issuer(s) (each an "**Underlying Issuer**"), class of the Share and ISINs or other security identification code for the Share:	(a) Share/Shares: [●] (*ISIN:* [•]*)* (Bloomberg code [●]) (*repeat as required*) (b) Share Issuer(s): [•] *(insert (c) and (d) below for ADRs/GDRs)* [(c) Underlying Share/Shares: (*ISIN:* [•]) (Bloomberg code [●])(*repeat as required*) (d) Underlying Share Issuer(s): [•]]
	(iii)	Partial Lookthrough ADR Provisions:	[Applicable/Not Applicable]
	(iv)	Full Lookthrough ADR Provisions:	[Applicable/Not Applicable]
	(v)	Determination Time:	[●] / As per General Condition 9.9
	(vi)	Additional Disruption Event(s): (General Condition 9.6)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] (*delete any which are not applicable*)
	(vii)	Correction Cut Off Time:	[●] / [within one Settlement Cycle after the original publication and prior to the relevant Maturity Date]

(General Condition 9.3(b))

(i) Weighting for each Share comprising the Basket: [●] / [Not Applicable]

[*OR*]

Share	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(B) **Equity-Linked Redemption Notes: Single Index-Linked Redemption Notes/ Index Basket-Linked Redemption Notes:** [Applicable/Not Applicable]

(General Condition 9) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Types of Notes: [Single Index-Linked Redemption Notes] / [Index Basket-Linked Redemption Notes]

(ii) Index / Indices: [●] [, which is a Multi-Exchange Index] (Bloomberg Code [•])

(repeat as required)

(*Specify Index for Single Index-Linked Redemption Notes, and specify each of Indices for Index Basket-Linked Redemption Notes*)

(iii) Exchange(s): [●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

[*OR*]

Index	**Exchange**	**Index Sponsor**
[●] *(repeat as required)*	[[•] (*Specify*)] / *[*As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)] *(repeat as required)*	[•] *(repeat as required)*

(iv) Related Exchange(s): [●] / [All Exchanges]

[OR]

Index	**Related Exchange(s)**

[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating Final Redemption Amount: [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: [●] / As per General Condition 9.9

(vii) Additional Disruption Event(s): [[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(General Condition 9.6) (*delete any which are not applicable*)

(viii) Correction Cut Off Time: [●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date

(General Condition 9.2(c))

(ix) Weighting for each Index: [●] / [Not Applicable]

[*OR*]

Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(C) **Equity-Linked Redemption Notes: Single ETF-Linked Redemption Notes/ ETF Basket-Linked Redemption Notes:** [Applicable/Not Applicable]

(General Condition 9) (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Whether the Notes relate to a single ETF or a basket of ETFs (each, an "**ETF**" [Single ETF-Linked Redemption Notes]

[ETF Basket-Linked Redemption Notes]

(ii) Names of each ETF Interest and the identity of the related ETF: [●] *(specify ETF Interest(s) and ETF(s))* (Bloomberg Code [•])

(iii) Exchange(s): [●] (*Specify*) / As specified in General Condition 9.9 (*Definitions applicable to Equity-Linked Notes*)

(iv) Related Exchange(s): [●] / [All Exchanges]

[OR]

ETF	**Related Exchange(s)**

[●] *(repeat as required)*	[●] / [All Exchanges] *(repeat as required)*

(v) Determination Agent responsible for calculating the Final Redemption Amount: [●] / [Morgan Stanley & Co. International plc]

(vi) Determination Time: [●] As per General Condition 9.9

(vii) Additional Disruption Event(s):

(General Condition 9.6)

[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Loss of Stock Borrow] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable]

(*delete any which are not applicable*)

(viii) Correction Cut Off Time:

(General Condition 9.3(b))

[●] / within one Settlement Cycle after the original publication and prior to the relevant Interest Payment Date

(ix) Eligible ETF Interest: [●] (*specify or delete if Not Applicable or fallback provisions in General Condition 9.5 apply*)

(x) Weighting for each ETF Interest comprising the basket: [●] / [Not Applicable]

[*OR*]

ETF Interest	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(D) **Commodity-Linked Redemption Notes**

(General Condition 10)

[Applicable/Not Applicable]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Commodity/ies or Commodity Index/Indices: [●] *(if applicable, specify whether Non Metal, Base Metal or Precious Metal)*

(ii) Commodity Reference Price: [specify Commodity Reference Price] / [Commodity Reference Dealers]

(iii) Delivery Date: [●]

(Delivery Date shall always be Pricing date where the Commodity Reference Price is GOLD-P.M.-FIX)

(iv) Pricing Date: [specify any date other than an Interest Determination Date, Determination Date, Barrier Observation Date, Final Redemption Barrier Observation Date, Commodity Business Day in any Barrier Observation Period and Value Observation Date which is intended to be a Pricing Date]

(v) Price Source: [●]

(vi) Commodity Specified Price: [High Price] / [Low Price] / [Average of High Price and Low Price] / [Closing Price] / [Commodity Opening Price] / [Commodity Closing Price] / [Bid Price] / [Asked Price] / [Average of Bid Price and Asked Price] / [Settlement Price] / [Official Settlement Price] / [Official Price] / [Morning Fixing] / [Afternoon Fixing] / [Spot Price] / [Official Cash Offer Price] / [●]

(Afternoon Fixing shall always apply where the Commodity Reference Price is GOLD-P.M.-FIX)

(vii) Weighting for each Commodity/Commodity Index comprising the basket: [●] / [Not Applicable]

[*OR*]

Commodity/Commodity Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(viii) Determination Agent responsible for calculating Redemption Amount: [●] / [Morgan Stanley & Co. International plc]

(ix) Correction cut off time:

(General Condition 10.1) [●] / within thirty calendar days after the original publication or announcement

(x) Commodity Disruption Events: (General Condition 10.2) [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]

(xi) Commodity Disruption Fallbacks: (General Condition 10.3) [Fallback Reference Price] / [Postponement] / Commodity Fallback Value] / [Determination Agent Determination]

[[Fallback Reference Price] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]]

[[Postponement] applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]]

[[Commodity Fallback Value applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]]

		[[Determination Agent Determination applies in relation to [Price Source Disruption] / [Trading Disruption] / [Disappearance of Commodity Reference Price] / [Material Change in Formula] / [Material Change in Content] / [Tax Disruption]] Commodity Disruption Fallback(s) shall apply in the following order: [*specify the order in which the above Commodity Disruption Fallbacks shall apply in relation to each applicable Commodity Disruption Event. For [specify type of Notes] Determination Agent Determination alone shall apply*]
(xii)	Fallback Commodity Reference Price:	[●] / [Not Applicable]
(xiii)	Price Materiality Percentage:	[●] per cent. / [Not Applicable]
(xiv)	Specified Maximum Days of Disruption:	[●] / [3 Commodity Business Days] / [Not Applicable]
(xv)	Exchange(s):	[●]
(xvi)	Date to be considered by the Determination Agent in order to determine whether a Commodity Disruption Event has occurred:	[●] / [Pricing Date]
(xvii)	Date to be considered by the Determination Agent in order to determine whether a Commodity Index Disruption Event has occurred:	[●] / [Pricing Date]
(xviii)	Common Pricing:	[Applicable / Not Applicable]
(xix)	Additional Disruption Event(s): (General Condition 10.7)	Change in Law – [Applicable] / [Not Applicable] Hedging Disruption - [Applicable] / [Not Applicable] Increased Cost of Hedging - [Applicable] / [Not Applicable] (*delete any which are not applicable*)
(E)	**Currency-Linked Redemption Notes** (General Condition 11)	[Applicable/Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Settlement Currency for Single Currency-Linked Notes:	[●]/ [Not Applicable]

(ii)	Reference Currency for Single Currency-Linked Notes:	[●] / [Not Applicable]
(iii)	Specified Amount for Single Currency-Linked Notes:	[●]/ [Not Applicable]
(iv)	Reference Currency Jurisdiction for Single Currency-Linked Notes:	[●]/ [Not Applicable]
(v)	Settlement Currencies, Reference Currencies, Specified Amounts and Reference Currency Jurisdiction for Currency Basket-Linked Notes	[Not Applicable] /

Settlement Currency	Reference Currency	Specified Amount	Reference Currency Jurisdiction
[●]	[●]	[●]	[●]
(*repeat as required*)	(*repeat as required*)	(*repeat as required*)	(*repeat a required*)

(vi)	Specified Rate:	Specify one of: Reference Currency bid exchange rate; Reference Currency offer exchange rate; Average of Reference Currency bid and offer exchange rates; Settlement Currency bid exchange rate; Settlement Currency offer exchange rate; Average of Settlement Currency bid and offer exchange rates; Official fixing rate;
(vii)	Determination Agent responsible for calculating the Final Redemption Amount:	[●] / [Morgan Stanley & Co. International plc]
(viii)	Settlement Rate Option:	[Currency Reference Dealers] / [Not Applicable]
(ix)	Currency Disruption Events:	[[Price Source Disruption[is]/[is not] Applicable] [and] [Additional Price Source Disruption][,/and] [Price Materiality Event] [is]/[are] [applicable] / [Not Applicable] [in respect of all dates] / [in respect of [*insert dates, for example, Observation Date*]]
(x)	Currency Disruption Fallbacks:	

Currency Disruption Event	Currency Disruption Fallback
Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*:

	[Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Additional Price Source Disruption	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if multiple Currency Disruption Fallbacks apply*: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]
Price Materiality Event	[Not Applicable] / OR *[insert the following if only one Currency Disruption Fallback applies*: [Determination Agent Determination of Settlement Rate] [*OR*] [Fallback Reference Price]] *[insert the following if multiple*

	Currency Disruption Fallbacks apply: [Currency Disruption Fallback(s) shall apply in the following order: [(i) Determination Agent Determination of Settlement Rate; (ii) Fallback Reference Price.] [OR] [(i) Fallback Reference Price; (ii) Determination Agent Determination of Settlement Rate.]]

(xi)	Price Materiality Percentage:	[[●] per cent.] / [Not Applicable]
(xii)	Reference Source:	[●] / [Not Applicable]
(xiii)	Additional Disruption Events (General Condition 11.5)	Change in Law – [Applicable] / [Not Applicable] Hedging Disruption - [Applicable] / [Not Applicable] Increased Cost of Hedging - [Applicable] / [Not Applicable] (*delete any which are not applicable*)
(F)	**Inflation-Linked Redemption Provisions** (General Condition 12)	[Applicable/Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Inflation Index / Inflation Indices:	[●]
(ii)	Inflation Index Sponsor(s):	[●]
(iii)	Determination Agent responsible for calculating Redemption Amount:	[●] / [Morgan Stanley & Co. International plc]
(iv)	Additional Disruption Event(s): (General Condition 12.7)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] *(delete any which are not applicable)*
(v)	Index Level Adjustment Correction: (General Condition 12.6)	The first publication or announcement of the level of the Inflation Index (disregarding estimates) by the relevant Inflation Index Sponsor for any Reference Month shall be final and conclusive and, subject to General Condition 12, later revisions to the level of the Inflation Index for such Reference Month will not be used in any calculations / The first publication or announcement of a level of the Inflation Index

(disregarding estimates) published by the relevant Index Sponsor or, if revised, any subsequent revision of such level for a Reference Month shall be final and conclusive for such Reference Month, **provided that** such revisions are published or announced up to and including the day that is two Business Days prior to the relevant Interest Payment Date].

(delete as appropriate)

(vi) Related Bond: [*specify*] / [Fallback Bond] / [Fallback Bond: Not Applicable]

(vii) Weighting for each Inflation Index comprising the basket: [●] / [Not Applicable]

[*OR*]

Inflation Index	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(G) **Fund-Linked Redemption Provisions**

(General Condition 14)

[Applicable/ Not Applicable]

(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Fund: [*specify* / As defined in General Condition 13.7]

(ii) Fund Interest: [*specify*]

(iii) Fund Interest Unit: [*specify*]

(iv) Basket of Funds: [Not Applicable]

OR

Fund	**Weighting**
[●] *(repeat as required)*	[●] [per cent.] *(repeat as required)*

(v) Company: [*specify* / Not Applicable]

(vi) Fund Business Day: [*specify* / As defined in General Condition 13.7]

(vii) Fund Administrator: [*specify* / As defined in General Condition 13.7]

(viii) Fund Adviser: [*specify* / As defined in General Condition 13.7]

(ix) Fund Custodian: [*specify* / As defined in General Condition 13.7]

(x) Additional Fund Service Provider [*specify* / Not Applicable]

(xi) Cut-off Period: [*specify* / As defined in General Condition 13.7]

	(General Condition 13.1)	
(xii)	Final Cut-off Date:	[*specify* / Not Applicable]
(xiii)	Settlement Determination Period: (General Condition 13.2(a))	[Condition 13.2(a) applies/[●] Business Days (*specify if other period applies)*]
(xiv)	Scheduled Fund Valuation Date(s):	[*specify*]
(xv)	Extraordinary Dividend:	[Determination Agent Characterisation applies] *OR* [The following is the Schedule of Ordinary Dividends in respect of the Fund for the purposes of the definition of Extraordinary Dividend in General Condition 13.7: [*specify scheduled dividend payment dates and dividend amounts*]]
(xvi)	Adjustment Determination Period: (General Condition 13.4)	[Condition 13.4 applies/[●] (*specify if other period applies)*]
(xvii)	Fund Subscription Date:	[*specify* / As defined in General Condition 13.7]
(xviii)	Hypothetical Investor Jurisdiction:	[*specify* / As defined in General Condition 13.7]
(xix)	Scheduled Redemption Payment Date:	[*specify* / As defined in General Condition 13.7]
(xx)	Subscription Notice Date:	[*specify* / As defined in General Condition 13.7]
(xxi)	Redemption Notice Date:	[*specify* / As defined in General Condition 13.7]
(xxii)	Relevant Fund Interest Unit Price:	[Determined in accordance with the applicable Value Determination Terms specified below] / [As defined in General Condition 13.7]
(xxiii)	Eligible Fund Interest: (General Condition 13.5)	[*specify* / As defined in General Condition 13.7]
(xxiv)	Fund Event(s): (General Condition 13.5)	The following are the applicable Fund Events in relation to the Notes: (*specify all of the following which apply*) [Nationalisation;] / [Insolvency Event;] / [NAV Trigger / Restriction Event;] / [Aggregate NAV Trigger Event;] / [Changes to Fund or Fund Services Providers;] / [Fund Modification;] / [Strategy Breach;] / [Breach by Fund Service Provider;] / [General Regulatory Event;] / [Reporting Disruption;] / [Compulsory Redemption or

			Assignment;] / [Closure to Subscriptions; Dealing Restrictions;] / [Disposals: Material Change: Merger;] / [Hedging Disruption;] / [Fraud;] / [Special Regulatory Event;] / [Force Majeure Event;] / [Value Limitation;]
	(a)	NAV Trigger Percentage:	[[●] per cent.] / [Not Applicable] (*specify relevant percentage if "NAV Trigger / Restriction Event" is an applicable Fund Event*)
	(b)	NAV Trigger Period:	[*specify*] / [Not Applicable] (*specify relevant period if "NAV Trigger / Restriction Event" is an applicable Fund Event*)
	(c)	Aggregate NAV Trigger Value:	[*specify*] / [Not Applicable] (*specify relevant percentage if "Aggregate NAV Trigger Event" is an applicable Fund Event*)
	(d)	Aggregate NAV Trigger Period:	[*specify*] / [Not Applicable] (*specify relevant period if "Aggregate NAV Trigger Event" is an applicable Fund Event*)
	(e)	NAV Source:	[●] *(specify where the NAV of any Fund will be published)*
19.	**Linked Redemption Provisions: Final Redemption Amount** (General Condition 15 and Section 5 of the Additional Conditions)		
(A)	**Linked Notes (Fixed Redemption):** (Paragraph 2.1 of Section 5 of the Additional Conditions)		[Applicable] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Specified Rate:	[●] / [100] per cent.
	(ii)	Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(B)	**Linked Notes (Basic Performance Linked Redemption)** (Paragraph 2.2 of Section 5 of the Additional Conditions)		[Applicable. [[Capped] / [Floored] / [Collared] Basic Performance Linked Redemption applies.]] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Participation Rate:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by

			publication on [●] *(insert website address)*, **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
	(ii)	Final Redemption Cap Value:	[●] [per cent.] per Calculation Amount / [Not Applicable] *(Specify if Capped Basic Performance Linked Redemption or Collared Basic Performance Linked Redemption applies in respect of the Notes, otherwise specify as Not Applicable.)*
	(iii)	Final Redemption Floor Value:	[●] [per cent.] per Calculation Amount / [Not Applicable] *(Specify if Floored Basic Performance Linked Redemption or Collared Basic Performance Linked Redemption applies in respect of the Notes, otherwise specify as Not Applicable.)*
	(iv)	FX Return:	[Applicable] / [Not Applicable]
	(v)	Bonus Amount:	[●] [per cent] of the [Initial Reference Value] / [Not Applicable]
(C)	**Linked Notes (Participation and Performance-Linked Redemption):** (Paragraph 2.3 of Section 5 of the Additional Conditions)		[Applicable] / [Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Specified Rate:	[●] / [100] per cent.
	(ii)	Participation Rate:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [insert website address], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
	(iii)	Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
	(iv)	Relevant Underlying Performance for determining Final Redemption Amount:	[*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.
	(v)	Determination Date:	[●]
	(vi)	FX_{Final}:	[Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]
	(vii)	$FX_{Initial}$:	[Determined in accordance with Section 5 of the

		Additional Conditions] / [Not Applicable]
(viii)	Specified Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Specified Currency:	[●] / Not Applicable
	• Specified Time in respect of Specified Currency:	[●] / [Not Applicable] *(Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies)*
(ix)	Second Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Second Currency:	[●] / Not Applicable
	• Specified Time in respect of Second Currency:	[●] / [Not Applicable] (*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)
(D)	**Linked Notes (Barrier Redemption):** (Paragraph 2.4 of Section 5 of the Additional Conditions)	[Applicable] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Elections for Paragraph 2.4(a) of Section 5 of the Additional Conditions:	If the Determination Agent determines that the Knock-in Value as of the [Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value, Final Redemption Amount shall be an amount per Calculation Amount equal to the product of the Specified Rate and the Calculation Amount. *(delete as appropriate)*
(ii)	Knock-in Value	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] is applicable] / [Relevant Underlying Performance] / [is the Relevant Underlying Value] [and "N" is equal to [●]]
(iii)	Final Redemption Barrier Value:	[●] / [[●] per cent of Initial Reference Value]
(iv)	Specified Rate 1:	[[●]/[100] per cent.]
(v)	Specified Rate 2:	[●]/[100] per cent.

(vi)	Participation Rate:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [insert website address], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(vii)	Determination Date:	[date]
(viii)	Final Redemption Observation Date(s):	[[●]] / [Not Applicable]
(ix)	Barrier Observation Period(s):	[*date*] / [From [and including]/[but excluding] [*date*] to [but excluding]/[and including] [*date*]] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] / [Not Applicable]
(x)	Capped Redemption:	[Applicable. Final Redemption Cap Value is [●][per cent.] per Calculation Amount] / [Not Applicable]
(xi)	FX_{Final}:	[Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]
(xii)	$FX_{Initial}$:	[Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]
(xiii)	Specified Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Specified Currency:	[●] / Not Applicable
	• Specified Time in respect of Specified Currency:	[●] / [Not Applicable] *(Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies)*
(xiv)	Second Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Second Currency:	[●] / Not Applicable
	• Specified Time in respect of Second Currency:	[●] / [Not Applicable] *(Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies)*
(ii)	Initial Reference Value:	[●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below] [*OR*]

		Basket Component	**Initial Reference Value**
		[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below] *(repeat as required)*
	(xvi)	Final Reference Value as of the Determination Date	Determined in accordance with the Value Determination Terms specified in paragraph [●] below.
	(xvii)	Relevant Underlying Value as of any Final Redemption Observation Date or during any Barrier Observation Period:	[Not Applicable] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]
	(xviii)	Relevant Underlying Performance for determining the Knock-in Value:	[*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.
(E)	**Linked Notes (Barrier and Participation Redemption):** (Paragraph 2.5 of Section 5 of the Additional Conditions)		[Applicable] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Elections for Paragraph 2.5(a) of Section 5 of the Additional Conditions:	If the Determination Agent determines that the Knock-in Value as of the [Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value, Final Redemption Amount shall be determined by the Determination Agent in accordance with Paragraph 2.5(a) of Section 5 of the Additional Conditions.
		• Final Redemption 1:	[Applicable] / [Not Applicable]
		• Final Redemption 2:	[Applicable] / [Not Applicable]
		• FX Return (Downside Redemption):	[Applicable] / [Not Applicable]
		• Basic Value Determination Terms:	[Opening Value] / [Closing Value] / [Commodity Specified Price]
	(*specify if Average Value is selected otherwise delete this*		

provision)

	• Averaging Dates in relation to the relevant date or period:	[●]
(*specify if Average Value is selected, otherwise delete this provision*)		
	• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(*For Equity-Linked Notes only, specify if Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)		
(ii)	Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] is applicable] / [Relevant Underlying Performance] / [Lowest Basket Component Performance] / [is the Relevant Underlying Value] [and "N" is equal to [●]]
(iii)	Final Redemption Barrier Value:	[●] / [[●] per cent of Initial Reference Value]
(iv)	Determination Date:	[date]
(v)	Final Redemption Observation Date(s):	[[●]] / [Not Applicable]
(vi)	Barrier Observation Period(s):	[*date*] / [From [and including]/[but excluding] [*date*] to [but excluding]/[and including] [*date*]] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] / [Not Applicable]
(vii)	Specified Rate 1:	[[●]/[100] per cent.] / [Not Applicable]
(viii)	Participation Rate 1:	[Not Applicable] / [●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(ix)	Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(x)	Relevant Underlying	[*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further

	Performance:	details.
(xi)	Performance Rate:	[[●] per cent.]/[Not Applicable]
(xii)	FX_{Final}:	[In respect of Paragraph 2.5(a) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.5(b) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]]
(xiii)	$FX_{Initial}$:	[In respect of Paragraph 2.5(a) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.5(b) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]]
(xiv)	Specified Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Specified Currency:	[●] / Not Applicable
	• Specified Time in respect of Specified Currency:	[●] / [Not Applicable] (*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)
(xv)	Second Currency:	[●] / Not Applicable (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
•	Relevant Screen Page in respect of Specified Currency:	[●] / Not Applicable
•	Specified Time in respect of Specified Currency:	[●] / [Not Applicable] *(Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies)*
(xvi)	Elections for Paragraph 2.5(b) of Section 5 of the Additional Conditions:	
	• Worst Performance:	[Applicable] / [Not Applicable]
	• FX Return (Downside Redemption):	[Applicable] / [Not Applicable]
(xvii)	Specified Rate 2:	[●] / [100] per cent.

(xviii) Participation Rate 2: [●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]/ [Not Applicable]

- **Value Determination Terms** for Final Reference Value (Final Redemption) as of the Final Redemption Determination Date(s): [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Average Value] / [Commodity Specified Price]

- Final Redemption Determination Date(s): [●]

(xix) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below] *(repeat as required)*

(xx) Final Reference Value: [Not Applicable]/Determined in accordance with the Value Determination Terms specified in paragraph [●] below.

(xxi) Relevant Underlying Value as of any Final Redemption Observation Date or during any Barrier Observation Period: [Not Applicable] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

(xxii) Relevant Underlying Performance for determining the Knock-in Value: [*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.

(F) **Linked Notes (Barrier and Participation Redemption - FX Performance Adjustment)**: [Applicable] / [Not Applicable]

(*if Not Applicable, delete the remaining*

(Paragraph 2.6 of Section 5 of the Additional Conditions)		*sub-paragraphs of this paragraph*)
(i)	Elections for Paragraph 2.6(a) of Section 5 of the Additional Conditions:	If the Determination Agent determines that the Knock-in Value as of the [Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] is [greater than] / [greater than or equal to] / [equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value, Final Redemption Amount shall be determined by the Determination Agent in accordance with Paragraph 2.6(a) of Section 5 of the Additional Conditions. *(delete as appropriate)*
	• FX Return (Downside Redemption):	[Applicable] / [Not Applicable]
	• $FX_{InitialOption}$ Determination Date:	[The Currency Business Day [[immediately preceding] OR [[•] days preceding]] the Strike Date]/[[•] [*specify date*]] / [Not Applicable]
	• $FX_{FinalOption}$ Determination Date:	[The Currency Business Day [[immediately succeeding] OR [[•] days succeeding]] the Determination Date]/[[•] [*specify date*]] / [Not Applicable]
	• $FX_{InitialPrincipal}$ Determination Date:	[The Currency Business Day [[immediately preceding] OR [[•] days preceding]] the Strike Date]/[[•] [*specify date*]] / [Not Applicable]
	• $FX_{FinalPrincipal}$ Determination Date:	[The Currency Business Day [[immediately succeeding] OR [[•] days succeeding]] the Determination Date]/[[•] [*specify date*]] / [Not Applicable]
	• Basic Value Determination Terms: (*specify if Average Value is selected otherwise delete this provision*)	[Opening Value] / [Closing Value] / [Commodity Specified Price]
	• Averaging Dates in relation to the relevant date or period: (*specify if Average Value is selected, otherwise delete this provision*)	[●]
	• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]

(ii)	Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] is applicable] / [Relevant Underlying Performance] / [Lowest Basket Component Performance] / [is the Relevant Underlying Value] [and "N" is equal to [●]]
(iii)	Final Redemption Barrier Value:	[●] / [[●] per cent of Initial Reference Value]
(iv)	Determination Date:	[*date*]
(v)	Final Redemption Observation Date(s):	[[●]] / [Not Applicable]
(vi)	Barrier Observation Period(s):	[*date*] / [From [and including]/[but excluding] [*date*] to [but excluding]/[and including] [*date*]] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] / [Not Applicable]
(vii)	Specified Rate 1:	[[●]/[100] per cent.] / [Not Applicable]
(viii)	Participation Rate 1:	[Not Applicable] / [●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(ix)	Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(x)	Relevant Underlying Performance:	[*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.
(xi)	Performance Rate:	[[●] per cent.]/[Not Applicable]
(xii)	FX_{Final}:	[In respect of Paragraph 2.6(a) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.6(b) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]]
(xiii)	$FX_{Initial}$:	[In respect of Paragraph 2.6(a) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.6(b) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]]

(xiv)	Specified Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Specified Currency:	[●] / Not Applicable
	• Specified Time in respect of Specified Currency:	[●] / Not Applicable (*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)
(xv)	Second Currency:	[●] / Not Applicable (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Relevant Screen Page in respect of Specified Currency:	[●] / Not Applicable
	• Specified Time in respect of Specified Currency:	[●] / [Not Applicable] *(Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies)*
(xvi)	Elections for Paragraph 2.6(b) of Section 5 of the Additional Conditions:	
	• Worst Performance:	[Applicable] / [Not Applicable]
	• FX Return (Downside Redemption):	[Applicable] / [Not Applicable]
(xvii)	Specified Rate 2:	[●] / [100] per cent.
(xviii)	Participation Rate 2:	[●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]/ [Not Applicable]
	• **Value Determination Terms** for Final Reference Value (Final Redemption) as of the Final Redemption Determination Date(s):	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Average Value] / [Commodity Specified Price]
	• Final Redemption Determination Date(s):	[●]
(xix)	Initial Reference Value:	[●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below] *(repeat as required)*

(xx) Final Reference Value: [Not Applicable]/Determined in accordance with the Value Determination Terms specified in paragraph [●] below.

(xxi) Relevant Underlying Value as of any Final Redemption Observation Date or during any Barrier Observation Period: [Not Applicable] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

(xxii) Relevant Underlying Performance for determining the Knock-in Value: [*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.

(G) **Linked Notes (Dual Barrier Redemption):**

(Paragraph 2.7 of Section 5 of the Additional Conditions)

[Applicable] / [Not Applicable]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Elections for Paragraph 2.7(a) of Section 5 of the Additional Conditions: If the Determination Agent determines that the Knock-in Value as of the [Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 1, Final Redemption Amount shall be determined by the Determination Agent in accordance with Paragraph 2.7(a) of Section 5 of the Additional Conditions.

(delete as appropriate)

(ii) Elections for Paragraph 2.7(b) of Section 5 of the Additional Conditions: If the Determination Agent determines that the Knock-in Value as of the [Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 2, Final Redemption Amount shall be equal to 100 per cent. per Calculation Amount.

(delete as appropriate)

(iii)	Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]
(iv)	Final Redemption Barrier Value 1:	[●] / [[●] per cent of Initial Reference Value]
(v)	Final Redemption Barrier Value 2:	[●] / [[●] per cent of Initial Reference Value]
(vi)	Determination Date:	[date]
(vii)	Final Redemption Observation Date(s):	[[●]] / [Not Applicable]
(viii)	Barrier Observation Period:	[*date*] / [From [and including]/[but excluding] [*date*] to [but excluding]/[and including] [*date*]] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] / [Not Applicable]
(ix)	Specified Rate 1:	[●] / [100] per cent.
(x)	Specified Rate 2:	[●] / [100] per cent.
(xi)	Specified Rate 3:	[●] / [100] per cent.
(xii)	Participation Rate 1:	[●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(xiii)	Participation Rate 2:	[●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(xiv)	Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(xv)	$FX_{Initial}$:	[In respect of Paragraph 2.7(a) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.7(c) of Section 5 of the Additional Conditions: [Applicable] / [Not

Applicable]]

(xvi) FX_{Final}: [In respect of Paragraph 2.7(a) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]]

[In respect of Paragraph 2.7(c) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]]

(xvii) Specified Currency [●] / Not Applicable

- Relevant Screen Page in respect of Specified Currency: [●] / Not Applicable
- Specified Time in respect of Specified Currency: [●] / [Not Applicable]

(*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)

(xviii) Second Currency: [●] / Not Applicable

- Relevant Screen Page in respect of Second Currency: [●] / Not Applicable
- Specified Time in respect of Second Currency: [●] / [Not Applicable]

(*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)

(xix) Relevant Underlying Performance for determining Final Redemption Amount: [*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.

(xx) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below] *(repeat as required)*

(xxi) Final Reference Value: Determined in accordance with the Value Determination Terms specified in paragraph [●] below.

	Relevant Underlying Value as of any Final Redemption Observation Date or Barrier Observation Period:	[Not Applicable] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]
	Relevant Underlying Performance for determining the Knock-in Value:	[*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.
(H)	**Linked Notes (Dual Barrier Redemption - Twin Win)** (Paragraph 2.8 of Section 5 of the Additional Conditions)	[Applicable] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Elections for Paragraph 2.8(a) of Section 5 of the Additional Conditions:	If the Determination Agent determines that the Knock-in Value as of the [Determination Date] / [[each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 1, Final Redemption Amount shall be determined by the Determination Agent in accordance with Paragraph 2.8(a) of Section 5 of the Additional Conditions. *(delete as appropriate)*
(ii)	Elections for Paragraph 2.8(b) of Section 5 of the Additional Conditions:	If the Determination Agent determines that the Knock-in Value as of the [Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value 2, Final Redemption Amount shall be determined by the Determination Agent in accordance with Paragraph 2.8(b) of Section 5 of the Additional Conditions. *(delete as appropriate)*
(iii)	Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]
(iv)	Final Redemption Barrier Value 1:	[●] / [[●] per cent of Initial Reference Value]
(v)	Final Redemption Barrier Value 2:	[●] / [[●] per cent of Initial Reference Value]
(vi)	Determination Date:	[date]
(vii)	Final Redemption Observation Date(s):	[●] / [Not Applicable]

(viii)	Barrier Observation Period(s):	[*date*] / [From [and including]/[but excluding] [*date*] to [but excluding]/[and including] [*date*]] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] / [Not Applicable]
(ix)	Specified Rate 1:	[●] / [100] per cent.
(x)	Specified Rate 2:	[●] / [100] per cent.
(xi)	Specified Rate 3:	[●] / [100] per cent.
(xii)	Participation Rate 1:	[●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(xiii)	Participation Rate 2:	[●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(xiv)	Participation Rate 3:	[●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(xv)	Final Redemption Rate 1:	[●] per cent.
(xvi)	Final Redemption Rate 2:	[●] per cent.
(xvii)	$FX_{Initial}$:	[In respect of Paragraph 2.8(a) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.8(b) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.8(c) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]]
(xviii)	FX_{Final}:	[In respect of Paragraph 2.8(a) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.8(b) of Section 5 of the Additional Conditions: [Applicable] / [Not

Applicable]]

[In respect of Paragraph 2.8(c) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]]

(xix) Specified Currency: [●] / Not Applicable

- Relevant Screen Page in respect of Specified Currency: [●] / Not Applicable
- Specified Time in respect of Specified Currency: [●] / [Not Applicable]

(*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)

(xx) Settlement Currency: [●] / Not Applicable

- Relevant Screen Page in respect of Second Currency: [●] / Not Applicable
- Specified Time in respect of Second Currency: [●] / [Not Applicable]

(*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)

(xxi) Relevant Underlying Performance for determining Final Redemption Amount in accordance with Paragraph 2.8(a) of Section 5 of the Additional Conditions: [*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.

(xxii) Relevant Underlying Performance (Put) for determining Final Redemption Amount in accordance with Paragraph 2.8(b) of Section 5 of the Additional Conditions: [*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.

(xxiii) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified in Paragraph 22 below]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●]

	below] *(repeat as required)*

(xxiv) Final Reference Value: Determined in accordance with the Value Determination Terms specified in paragraph [●] below.

(xxv) Relevant Underlying Value as of any Final Redemption Observation Date or during any Barrier Observation Period: [Not Applicable] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

(xxvi) Relevant Underlying Performance for determining the Knock-in Value: [*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.

(I) **Linked Notes (Synthetic Zero Redemption):**

(Paragraph 2.9 of Section 5 of the Additional Conditions)

[Applicable] / [Not Applicable]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Participation Rate: [[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [insert website address], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

(ii) Determination Date: [date]

(iii) Specified Strike Value: [●] / [[●] per cent of Initial Reference Value]

(iv) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below] *(repeat as required)*

(v) Final Reference Value: Determined in accordance with the Value Determination Terms specified in paragraph [●] below.

(J) **Linked Notes (Lock In Ladder Redemption):**

[Applicable] / [Not Applicable]

(*if Not Applicable, delete the remaining*

(Paragraph 2.10 of Section 5 of the Additional Conditions)		*sub-paragraphs of this paragraph*)
(i)	Determination Date:	[date]
(ii)	Specified Rate:	[●] / [100] per cent.
(iii)	Participation Rate:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [insert website address], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(iv)	Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(v)	$FX_{Initial}$:	[Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]
(vi)	FX_{Final}:	[Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]
(vii)	Specified Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Specified Currency:	[●] / Not Applicable
	• Specified Time in respect of Specified Currency:	[●] / [Not Applicable] (*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)
(viii)	Second Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Second Currency:	[●] / Not Applicable
	• Specified Time in respect of Second Currency:	[●] / [Not Applicable] *(Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies)*
(ix)	Relevant Underlying Performance for determining Final Redemption Amount:	[*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.

	(x)	Multiplier:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
	(xi)	Lock In Steps/Lock In Steps Range:	[The Lock In Steps shall be [●] per cent.[, [●] per cent….] and [●] per cent.] OR [The Lock In Steps Ranges shall be from [●] per cent. to [●] per cent.[, from [●] per cent to [●] per cent.[,] *[repeat as required]*] [and from [●] per cent to [●] per cent]. The Determination Agent shall in its reasonable discretion set the Lock In Steps which shall be percentages which fall within the Lock In Steps Ranges specified above. The Determination Agent may set one Lock In Step per Lock In Step Range specified above but shall not be obliged to specify a Lock In Step for each of the Lock In Step Ranges specified above. The Determination Agent shall notify the Noteholders (in accordance with Condition 27 (*Notices*)) of the Lock In Steps as soon as practicable following the Issue Date and in any event not more than 15 Business Days following the Issue Date.]
	(xii)	Lock In Observation Date(s):	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
(K)	**Linked Notes (Lock In Ladder Barrier Redemption):** (Paragraph 2.11 of Section 5 of the Additional Conditions)		[Applicable] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Worst Performance:	[Applicable] / [Not Applicable]
	(ii)	Elections for Paragraph 2.11(a) of Section 5 of the Additional Conditions:	If the Determination Agent determines that the Knock-in Value as of the [Determination Date] / [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date] is [greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Final Redemption Barrier Value, Final Redemption Amount shall determine by the Determination Agent in accordance with Paragraph 2.11(a) of Section 5 of the Additional Conditions. *(delete as appropriate)*
	(iii)	Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(iv)	Final Redemption Barrier Value:	[●] / [[●] per cent of Initial Reference Value]
(v)	Determination Date:	[date]
(vi)	Final Redemption Observation Date(s):	[●] / [Not Applicable]
(vii)	Barrier Observation Period(s):	[*date*] / [From [and including]/[but excluding] [*date*] to [but excluding]/[and including] [*date*]] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] / [Not Applicable]
(viii)	Specified Rate 1:	[●] / [100] per cent.
(ix)	Specified Rate 2:	[●] / [100] per cent.
(x)	Participation Rate 1:	[●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(xi)	Participation Rate 2:	[●] / [100] per cent. / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(xii)	Final Redemption Rate:	[[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(xiii)	Multiplier:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
(xiv)	FX_{Final}:	[In respect of Paragraph 2.11(a) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.11(b) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.11(c) of Section 5 of the Additional Conditions: [Applicable] / [Not

		Applicable]]
(xv)	$FX_{Initial}$:	[In respect of Paragraph 2.11(a) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.11(b) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]] [In respect of Paragraph 2.11(c) of Section 5 of the Additional Conditions: [Applicable] / [Not Applicable]]
(xvi)	Specified Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Specified Currency:	[●] / Not Applicable
	• Specified Time in respect of Specified Currency:	[●] / [Not Applicable] (*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)
(xvii)	Second Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Second Currency:	[●] / Not Applicable
	• Specified Time in respect of Second Currency:	[●] / [Not Applicable] (*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)
(xviii)	Lock In Steps/Lock In Steps Range:	[The Lock In Steps shall be [●] per cent.[, [●] per cent….] and [●] per cent.] OR [The Lock In Steps Ranges shall be from [●] per cent. to [●] per cent.[, from [●] per cent to [●] per cent.[,] *[repeat as required]*] [and from [●] per cent to [●] per cent]. The Determination Agent shall in its reasonable discretion set the Lock In Steps which shall be percentages which fall within the Lock In Steps Ranges specified above. The Determination Agent may set one Lock In Step per Lock In Step Range specified above but shall not be obliged to specify a Lock In Step for each of the Lock In Step Ranges specified above. The Determination Agent shall notify the Noteholders (in accordance with Condition 27 (*Notices*)) of the Lock In Steps as soon as practicable following the Issue Date and in any event not more than 15 Business Days following the Issue Date.]

(xix) Lock In Observation Date(s): [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(xx) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below] *(repeat as required)*

(xxi) Final Reference Value: [Not Applicable] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

(xxii) Relevant Underlying Value as of any Final Redemption Observation Date or during any Barrier Observation Period: [Not Applicable] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

(xxiii) Relevant Underlying Performance for determining the Knock-in Value: [*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.

(L) **Linked Notes (Ranked Underlying Redemption):**

(Paragraph 2.12 of Section 5 of the Additional Conditions)

[Applicable] / [Not Applicable]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Determination Date: [date]

(ii) Specified Rate: [●] / [100] per cent.

(iii) Participation Rate: [[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [insert website address], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]

(iv) Final Redemption Rate: [[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [*insert website address*], provided that such percentage rate shall be [not less than [●] per cent.] [and] [not

		greater than [●] per cent.]]
(v)	$FX_{Initial}$:	[Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]
(vi)	FX_{Final}:	[Determined in accordance with Section 5 of the Additional Conditions] / [Not Applicable]
(vii)	Specified Currency:	[●] / Not Applicable
	• Relevant Screen Page in respect of Specified Currency:	[●] / Not Applicable
	• Specified Time in respect of Specified Currency:	[●] / [Not Applicable] (*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)
(viii)	Second Currency	[●] / Not Applicable
	• Relevant Screen Page in respect of Second Currency:	[●] / Not Applicable
	• Specified Time in respect of Second Currency:	[●] / [Not Applicable] (*Specify Not Applicable if the fall back in the definition of Specified Time in Paragraph 4 of Section 5 of the Additional Conditions applies*)
(ix)	Relevant Underlying Performance for determining Final Redemption Amount:	Selected Average Top Rank Performance applies. See paragraph [●] below for further details. *(delete as appropriate)*
(M)	**Linked Notes (Multiple Barrier Redemption):** (Paragraph 2.13 of Section 5 of the Additional Conditions)	[Applicable] / [Not Applicable] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Date or period on/during which the Determination Agent will check the Knock-in Value:	as of the [Determination Date] [each Final Redemption Observation Date in respect of the Determination Date] / [at any time during the Barrier Observation Period in respect of the Determination Date]
(ii)	Knock-in Value is required to be:	[greater than] / [greater than or equal to] / [less than] / [less than or equal to] the Specified Final Redemption Barrier Value
(iii)	Knock-in Value:	[[Worst Performance] / [Best Performance] / [Selected Worst of Performance] / [Selected Best of Performance] / [Relevant Underlying Performance] is applicable] / [is the Relevant Underlying Value] [and "N" is equal to [●]]

(iv) Determination Date: [*date*]

(v) Final Redemption Observation Date(s): [●] / [Not Applicable]

(vi) Barrier Observation Period(s): [*date*] / [From [and including]/[but excluding] [*date*] to [but excluding]/[and including] [*date*]] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] / [Not Applicable]

(vii) Specified Final Redemption Barrier Value(s) and corresponding Specified Final Redemption Rate(s):

Specified Final Redemption Barrier Value	**Specified Final Redemption Rate**
[●] / [[●] per cent of Initial Reference Value] *(repeat as required)*	[●] per cent. *(repeat as required)*

(viii) Initial Reference Value: [●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

[*OR*]

Basket Component	**Initial Reference Value**
[●] *(repeat as required)*	[●] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below] *(repeat as required)*

(ix) Final Reference Value: [Not Applicable] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

(x) Relevant Underlying Value as of any Final Redemption Observation Date or during any Barrier Observation Period: [Not Applicable] / [Determined in accordance with the Value Determination Terms specified in paragraph [●] below]

(xi) Relevant Underlying Performance for determining the Knock-in Value: [*insert Performance Determination Term specified below*] applies. See paragraph [●] below for further details.

(N) **Linked Notes (Inflation Linked Redemption)**: [Applicable / Not Applicable]

(Paragraph 2.14 of Section 5 of the Additional Conditions)

(if Not Applicable, delete sub-paragraphs below)

(i)	Determination Date:	[●]
(ii)	Specified Rate:	[●] / [100] per cent.
(iii)	Participation Rate:	[●] per cent.
(iv)	$CPI_{Initial}$:	[●] / [Initial Inflation Index Level]
	[- Determination Month (Initial):	[●] *(specify if Initial Inflation Index Level is applicable)*
(v)	Determination Month (Final):	[*insert calendar month*] of [*insert year*]
(vi)	Redemption Cap:	[●] / [Not Applicable]
(vii)	Redemption Floor:	[●] / [Not Applicable]

20. **Linked Redemption Provisions: Value Determination Terms**

(Section 7 of the Additional Conditions)

(A)	**Value Determination Terms** for Initial Reference Value	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month:	[●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected*

otherwise delete this provision)

- Averaging Dates in relation to Strike Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected,*

otherwise delete this provision)

• Global Cap Value:	[●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(B)	**Value Determination Terms** for Final Reference Value as of the Determination Date:	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month:	[●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

• Basic Value Determination Terms:	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)

• Averaging Dates in relation to Determination Date:	[●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

	• Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
	(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	
	• Value Observation Dates in relation to Determination Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
	(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	
	• Floor Value:	[●]
	(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
	• Global Floor Value:	[●]
	(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
	• Cap Value:	[●]
	(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
	• Global Cap Value:	[●]
	(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(C)	**Value Determination Terms** for Relevant Underlying Value:	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min

(Section 7 of the Additional Conditions)	Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to the relevant date or period: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in relation	[●] / [Each Scheduled Trading Day beginning on (and

	to Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)		including) [*date*] and ending on (but excluding) [*date*]]
	• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))		[●]
	• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)		[●]
	• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)		[●]
	• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)		[●]
21.	(I) **Linked Redemption Provisions: Performance Determination Terms for Final Redemption Amount** (for determining Relevant Underlying Performance where used for determining the Final Redemption Amount) (Section 8 of the Additional Conditions)		
	(A) **Performance Determination Terms for Notes linked to a Single Underlying:** (for purposes of determining Final Redemption Amount in accordance with all provisions except Paragraph 2.8(b) of Section 5 of the Additional		[Not Applicable] / [Basic Performance] / [Cliquet] Performance] / [Capped Performance] / [Floored Performance] / [Capped & Floored Performance] / [Absolute Basic Performance] / [Absolute Capped Performance] / [Absolute Floored Performance] / [Absolute Capped & Floored Performance] / [OTM Performance (Single Underlying)] / [Optimised Performance (Type 1)] / [Optimised Performance

Conditions)		(Type 2)] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Put Performance	[Applicable] / [Not Applicable]
(ii)	Performance Rate:	[●] per cent.
(iii)	Strike:	[●] / [1]/ [Not Applicable]
(iv)	OTM Rate:	[[●] per cent.] / [Not Applicable] *(specify if OTM Performance (Single Underlying) is specified as being applicable, other specify Not Applicable)*
(v)	Election for Optimised Initial Reference Value:	[means the value determined by the Determination Agent to be equal to the [lowest] / [highest] of the Closing Values of the Relevant Underlying as of each of the Optimised Observation Dates] / [Not Applicable] *(specify if Optimised Performance (Type 1) or Optimised Performance (Type 2) is specified as being applicable, otherwise specify Not Applicable)*
(vi)	Optimised Observation Date(s):	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] / [Not Applicable] *(specify dates if Optimised Performance is specified as being applicable, otherwise specify Not Applicable)*
(vii)	Initial Reference Value:	[●] / [Determined in accordance with the Value Determination Terms specified below]
(viii)	**Value Determination Terms** for Initial Reference Value: (Section 2 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
•	Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
•	Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored*	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]

Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to Strike Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(ix) **Value Determination Terms** for Final Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month: (specify if Notes are Inflation-Linked Notes otherwise delete this provision)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped*	[●]

Average Value is selected, otherwise delete this provision)

• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of the Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(x) **Value Determination Terms** for PIDD Reference Value as of	[Not Applicable] / [Spot Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Floored Lookback Value] / [Capped Lookback Value]

each Interest Determination Date: (Section 7 of the Additional Conditions)	/ [Globally Floored Lookback Value] / [Globally Capped Lookback Value] / [Average Value] / [Min Value] / [Max Value] / [Floored Min Value] / [Capped Max Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*) (*Specify if "Cliquet Performance" is selected otherwise specify as Not Applicable*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to each Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] in respect of the Interest Determination Date falling on [*date*][, [●] in respect of the Interest Determination Date falling on [*date*]…. and [●] in respect of the Interest Determination Date falling on [*date*]]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]

	• Value Observation Dates in relation to each Interest Determination Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*][,
	(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]…. and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]]
	• Floor Value:	[●]
	(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
	• Global Floor Value:	[●]
	(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	
	• Cap Value:	[●]
	(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
	• Global Cap Value:	[●]
	(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	
(B)	**Performance Determination Terms for Relevant Underlying Performance (Put) for Notes linked to a Single Underlying:** (for purposes of determining Final Redemption Amount in accordance with Paragraph 2.8(b) of Section 5 of the Additional Conditions)	[Not Applicable] / [Basic Performance] / [Cliquet] Performance] / [Capped Performance] / [Floored Performance] / [Capped & Floored Performance] / [Absolute Basic Performance] / [Absolute Capped Performance] / [Absolute Floored Performance] / [Absolute Capped & Floored Performance] / [OTM Performance (Single Underlying)] / [Optimised Performance (Type 1)] / [Optimised Performance (Type 2)] Put Performance is applicable. (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Performance Rate:	[●] per cent.

(ii)	Strike:	[●] / [1]/ [Not Applicable]
(iii)	OTM Rate:	[[●] per cent.] / [Not Applicable] (*specify if OTM Performance (Single Underlying) is specified as being applicable, other specify Not Applicable*)
(iv)	Election for Optimised Initial Reference Value:	[means the value determined by the Determination Agent to be equal to the [lowest] / [highest] of the Closing Values of the Relevant Underlying as of each of the Optimised Observation Dates] / [Not Applicable] (*specify if Optimised Performance (Type 1) or Optimised Performance (Type 2) is specified as being applicable, otherwise specify Not Applicable*)
(v)	Optimised Observation Date(s):	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] / [Not Applicable] (*specify dates if Optimised Performance is specified as being applicable, otherwise specify Not Applicable*)
(vi)	Initial Reference Value:	[●] / [Determined in accordance with the Value Determination Terms specified below]
(vii)	**Value Determination Terms** for Initial Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
•	Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
•	Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected*	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]

otherwise delete this provision)

- Averaging Dates in relation to Strike Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(viii) **Value Determination Terms** for Final Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
• Averaging Dates in relation to Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average*	[Omission] / [Postponement] / [Modified Postponement]

Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

• Value Observation Dates in respect of the Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(ix) **Value Determination Terms** for PIDD Reference Value as of each Interest Determination Date: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining*

	sub-paragraphs of this paragraph) (*Specify if "Cliquet Performance" is selected otherwise specify as Not Applicable*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
• Averaging Dates in relation to each Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] in respect of the Interest Determination Date falling on [*date*][, [●] in respect of the Interest Determination Date falling on [*date*]…. and [●] in respect of the Interest Determination Date falling on [*date*]]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in relation to each Interest Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*][, [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on

	Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)	[*date*]…. and [●]/ [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]]
	• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
	• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
	• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
	• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(C)	**Performance Determination Terms for Notes linked to a Relevant Underlying which is a Basket:** (for determining "Relevant Underlying Performance") (Section 8 of the Additional Conditions)	[Not Applicable] / [Selected Average Basic Performance] / [Selected Cliquet Average Performance] / [Selected Average Individually Capped Performance] / [Selected Average Individually Floored Performance] / [Selected Average Individually Capped & Floored Performance] / [Selected Average Global Capped Performance] / [Selected Average Global Floored Performance] / [Selected Average Global Capped & Floored Performance] / [Selected Absolute Average Basic Performance] / [Selected Absolute Average Individually Capped Performance] / [Selected Absolute Average Individually Floored Performance] / [Selected Absolute Average Individually Capped & Floored Performance] / [Selected Absolute Average Global Capped Performance] / [Selected Absolute Average Global Floored Performance] / [Selected Absolute Average Global Capped & Floored Performance] / [Best of –Weighted Average Performance] / [Worst of –Weighted Average Performance] / [Selection of –Weighted Average Performance] / [Selected Equally Weighted Average OTM Performance] / [Selected Non-Equally Weighted Average OTM Performance] / [Selected Average Top Rank Performance]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Performance Rate: [●] per cent.

(ii) Strike: [●] / [1]/ [Not Applicable]

(*specify if Selected Average Basic Performance is specified otherwise specify "Not Applicable"*)

(iii) Default Performance: [Not Applicable] *[OR]* [[●] [per cent.] [of the Initial Reference Value]] *[OR]*

(*specify if Selected Average Top Rank Performance is specified otherwise specify "Not Applicable"*)

Basket Component	**Default Performance**
[●] *(repeat as required)*	[[●] [per cent.] [of the Initial Reference Value]] *(repeat as required)*

(iv) OTM Rate: [Not Applicable] *[OR]* [●] per cent. *[OR]*

(*specify if Selected Equally Weighted Average OTM Performance / Selected Non-Equally Weighted Average OTM Performance is specified, otherwise specify "Not Applicable"*)

Basket Component	**OTM Rate**
[●] *(repeat as required)*	[●] per cent. *(repeat as required)*

(v) Cap: [Not Applicable] *[OR]* [●] *[OR]*

(*specify if Selected Average Individually Capped Performance / Selected Average Individually Capped & Floored Performance / Selected Average Global Capped Performance / Selected Average Global Capped & Floored Performance / Selected Absolute Average Individually Capped Performance / Selected Absolute Average Individually Capped & Floored Performance / Selected Absolute*

Basket Component	**Cap**
[●] *(repeat as required)*	[●] *(repeat as required)*

	Average Global Capped Performance / Selected Absolute Average Global Capped & Floored Performance is selected, otherwise specify "Not Applicable")		

(vi) Floor: [Not Applicable] *[OR]* [●] *[OR]*

(*specify if Selected Average Individually Floored Performance / Selected Average Individually Capped & Floored Performance / Selected Average Global Floored Performance / Selected Average Global Capped & Floored Performance / Selected Absolute Average Individually Floored Performance / Selected Absolute Average Individually Capped & Floored Performance / Selected Absolute Average Global Floored Performance / Selected Absolute Average Global Capped & Floored Performance is selected, otherwise specify "Not Applicable"*)

Basket Component	**Floor**
[●] *(repeat as required)*	[●] *(repeat as required)*

(vii) Selected Basket Components: [For the purposes of determining the Selected Basket Component, "J" = [*number*], [*number*]… and [*number*]] / [Not Applicable]

[*insert number assigned to "J", where "J" is a number from 1 to N denoting one of the Basket Components numbered in order according to the respective values for each Basket Component determined by dividing the Closing Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (Basket Component N), "N" being the total number of Basket Components*]

(viii) Relevant Weighting or "$\mathbf{W_i}$": [●] / [Not Applicable]

[OR]

(*specify if Best of – Non Equally Weighted Average Performance / Worst of – Non Equally Weighted Average*

Basket Component	$\mathbf{W_i}$
[●] *(repeat as required)*	[●] *(repeat as required)*

	Performance / Selection of - Non Equally Weighted Average Performance / Selected Non-Equally Weighted Average OTM Performance is selected, otherwise specify "Not Applicable")	
(ix)	Initial Reference Value:	[●] / [Determined in accordance with the Value Determination Terms specified below]
(x)	**Value Determination Terms** for Initial Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
	• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
	• Averaging Dates in relation to Strike Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]

• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of Strike Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(xi) **Value Determination Terms** for Final Reference Value: (Section 7 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] /

	[Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of the Determination Date: (*specify if Max Lookback Value /*	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(xii) **Value Determination Terms for PIDD Reference Value as of each Interest Determination Date:**

(Section 7 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(*Specify if "Cliquet Performance" is selected otherwise specify as Not Applicable*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value [Spot Value] / [Intraday Value] / [Opening Value] /

Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Closing Value] / [Commodity Specified Price]
• Averaging Dates in relation to each Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] in respect of the Interest Determination Date falling on [*date*][, [●] in respect of the Interest Determination Date falling on [*date*]…. and [●] in respect of the Interest Determination Date falling on [*date*]]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of each Interest Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*][, [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]…. and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected,*	[●]

otherwise delete this provision))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(II)

Linked Redemption Provisions: Performance Determination Terms for Knock-in Value

(for determining Relevant Underlying Performance, where used for determining the Knock-in Value)

(Section 8 of the Additional Conditions)

(A) **Performance Determination Terms for Notes linked to a Single Underlying:**

(for determining "Relevant Underlying Performance")

[Not Applicable] / [Basic Performance] / [Cliquet] Performance] / [Capped Performance] / [Floored Performance] / [Capped & Floored Performance] / [Absolute Basic Performance] / [Absolute Capped Performance] / [Absolute Floored Performance] / [Absolute Capped & Floored Performance] / [OTM Performance (Single Underlying)] / [Optimised Performance (Type 1)] / [Optimised Performance (Type 2)]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Put Performance: [Applicable] / [Not Applicable]

(ii) Performance Rate: [●] per cent.

(iii) Strike: [●] / [1]/ [Not Applicable]

(iv) OTM Rate: [[●] per cent.] / [Not Applicable]

(*specify if OTM Performance (Single Underlying) is specified as being applicable, other specify Not Applicable*)

(v)	Election for Optimised Initial Reference Value:	[means the value determined by the Determination Agent to be equal to the [lowest] / [highest] of the Closing Values of the Relevant Underlying as of each of the Optimised Observation Dates] / [Not Applicable] (*specify if Optimised Performance (Type 1) or Optimised Performance (Type 2) is specified as being applicable, otherwise specify Not Applicable*)
(vi)	Optimised Observation Date(s):	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] / [Not Applicable] (*specify dates if Optimised Performance is specified as being applicable, otherwise specify Not Applicable*)
(vii)	Initial Reference Value:	[●] / [Determined in accordance with the Value Determination Terms specified below]
(viii)	**Value Determination Terms** for Initial Reference Value: (Section 2 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
•	Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
•	Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
•	Averaging Dates in relation to Strike Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored*	[●]

Average Value / Globally Capped Average Value is selected, otherwise delete this provision)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of Strike Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(ix) **Value Determination Terms** for Final [Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback

Reference Value: (Section 2 of the Additional Conditions)	Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
• Averaging Dates in relation to Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of	[●] / [Each Scheduled Trading Day beginning on (and

the Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	including) [*date*] and ending on (but excluding) [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
• Global Cap Value: (*specify if Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
(x) **Value Determination Terms** for PIDD Reference Value as of each Interest Determination Date: (Section 2 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Opening Value] / [Closing Value] / [Floored Lookback Value] / [Capped Lookback Value] / [Globally Floored Lookback Value] / [Globally Capped Lookback Value] / [Average Value] / [Min Value] / [Max Value] / [Floored Min Value] / [Capped Max Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*) (*Specify if "Cliquet Performance" is selected otherwise specify as Not Applicable*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]

• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
• Averaging Dates in relation to each Interest Determination Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] in respect of the Interest Determination Date falling on [*date*][, [●] in respect of the Interest Determination Date falling on [*date*]…. and [●] in respect of the Interest Determination Date falling on [*date*]]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in relation to each Interest Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*][, [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]…. and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored*	[●]

Average Value is selected, otherwise delete this provision))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(B) **Performance Determination Terms for Notes linked to a Relevant Underlying which is a Basket:**

(for determining "Relevant Underlying Performance")

(Section 8 of the Additional Conditions)

[Not Applicable] / [Selected Average Basic Performance] / [Selected Cliquet Average Performance] / [Selected Average Individually Capped Performance] / [Selected Average Individually Floored Performance] / [Selected Average Individually Capped & Floored Performance] / [Selected Average Global Capped Performance] / [Selected Average Global Floored Performance] / [Selected Average Global Capped & Floored Performance] / [Selected Absolute Average Basic Performance] / [Selected Absolute Average Individually Capped Performance] / [Selected Absolute Average Individually Floored Performance] / [Selected Absolute Average Individually Capped & Floored Performance] / [Selected Absolute Average Global Capped Performance] / [Selected Absolute Average Global Floored Performance] / [Selected Absolute Average Global Capped & Floored Performance] / [Best of –Weighted Average Performance] / [Worst of –Weighted Average Performance] / [Selection of –Weighted Average Performance] / [Selected Equally Weighted Average OTM Performance] / [Selected Non-Equally Weighted Average OTM Performance] / [Selected Average Top Rank Performance]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Performance Rate: [●] per cent.

(ii) Strike: [●] / [1]/ [Not Applicable]

(*specify if Selected Average Basic Performance is specified otherwise specify "Not*

Applicable")

(iii) Default Performance: [Not Applicable] *[OR]* [[●] [per cent.] [of the Initial Reference Value]] *[OR]*

(*specify if Selected Average Top Rank Performance is specified otherwise specify "Not Applicable"*)

Basket Component	**Default Performance**
[●]	[[●] [per cent.] [of the Initial Reference Value]]
(repeat as required)	*(repeat as required)*

(iv) OTM Rate: [Not Applicable] *[OR]* [●] per cent. *[OR]*

(*specify if Selected Equally Weighted Average OTM Performance / Selected Non-Equally Weighted Average OTM Performance is specified, otherwise specify "Not Applicable"*)

Basket Component	**OTM Rate**
[●]	[●] per cent.
(repeat as required)	*(repeat as required)*

(v) Cap: [Not Applicable] *[OR]* [●] *[OR]*

(*specify if Selected Average Individually Capped Performance / Selected Average Individually Capped & Floored Performance / Selected Average Global Capped Performance / Selected Average Global Capped & Floored Performance / Selected Absolute Average Individually Capped Performance / Selected Absolute Average Individually Capped & Floored Performance / Selected Absolute Average Global Capped Performance / Selected Absolute Average Global Capped & Floored Performance is selected, otherwise specify "Not Applicable"*)

Basket Component	**Cap**
[●]	[●]
(repeat as required)	*(repeat as required)*

(vi) Floor: [Not Applicable] *[OR]* [●] *[OR]*

(*specify if Selected Average Individually Floored Performance / Selected Average Individually Capped & Floored Performance /*

Basket Component	**Floor**
[●]	[●]
(repeat as required)	*(repeat as required)*

	Selected Average Global Floored Performance / Selected Average Global Capped & Floored Performance / Selected Absolute Average Individually Floored Performance / Selected Absolute Average Individually Capped & Floored Performance / Selected Absolute Average Global Floored Performance / Selected Absolute Average Global Capped & Floored Performance is selected, otherwise specify "Not Applicable")	
(vii)	Selected Basket Components:	[For the purposes of determining the Selected Basket Component, "J" = [*number*], [*number*]… and [*number*]] / [Not Applicable] [*insert number assigned to "J", where "J" is a number from 1 to N denoting one of the Basket Components numbered in order according to the respective values for each Basket Component determined by dividing the Closing Value for such Basket Component by its Initial Reference Value, starting with the Basket Component with the highest such value (Basket Component 1) and ending with the Basket Component with the lowest such value (Basket Component N), "N" being the total number of Basket Components*]
(viii)	Relevant Weighting or "$\mathbf{W_i}$":	[●] / [Not Applicable] *[OR]*
	(*specify if Best of – Non Equally Weighted Average Performance / Worst of – Non Equally Weighted Average Performance / Selection of - Non Equally Weighted Average Performance / Selected Non-Equally Weighted Average OTM Performance is selected, otherwise specify "Not Applicable"*)	**Basket Component** / **$\mathbf{W_i}$** [●] / [●] *(repeat as required)* / *(repeat as required)*
(ix)	Initial Reference Value:	[●] / [Determined in accordance with the Value Determination Terms specified below]
(x)	**Value Determination Terms** for Initial Reference Value:	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max

(Section 2 of the Additional Conditions)	Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
• Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
• Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
• Averaging Dates in relation to Strike Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of Strike Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored Average Value is selected, otherwise delete this provision*)

- Cap Value: [●]

(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)

- Global Cap Value: [●]

(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)

(xi) **Value Determination Terms** for Final Reference Value:

(Section 2 of the Additional Conditions)

[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]

(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

- Reference Month: [●]

(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)

- Basic Value Determination Terms: [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]

(*specify if Max Lookback Value /*

Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision)

- Averaging Dates in relation to Determination Date: [●]

(*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)

- Averaging Date Disruption: [Omission] / [Postponement] / [Modified Postponement]

(*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)

- Value Observation Dates in respect of the Determination Date: [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]]

(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)

- Floor Value: [●]

(*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))

- Global Floor Value: [●]

(*specify if Globally Floored*

Average Value is selected, otherwise delete this provision)		
• Cap Value:		[●]
(*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)		
• Global Cap Value:		[●]
(*specify if Globally Capped Average Value is selected, otherwise delete this provision*)		
(xii)	**Value Determination Terms for PIDD Reference Value as of each Interest Determination Date:** (Section 2 of the Additional Conditions)	[Not Applicable] / [Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Max Lookback Value] / [Min Lookback Value] / [Floored Max Lookback Value] / [Floored Min Lookback Value] / [Capped Max Lookback Value] / [Capped Min Lookback Value] / [Average Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value] (*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*) (*Specify if "Cliquet Performance" is selected otherwise specify as Not Applicable*)
• Reference Month:		[●]
(*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)		
• Basic Value Determination Terms:		[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value]
(*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)		
• Averaging Dates in relation to each Interest Determination Date:		[●] in respect of the Interest Determination Date falling on [*date*][, [●] in respect of the Interest Determination Date falling on [*date*]…. and
(*specify if Average Value /*		

Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision)	[●] in respect of the Interest Determination Date falling on [*date*]]
• Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision*)	[Omission] / [Postponement] / [Modified Postponement]
• Value Observation Dates in respect of each Interest Determination Date: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*][, [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]…. and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]]
• Floor Value: (*specify if Floored Max Lookback Value / Floored Min Lookback Value / Individually Floored Average Value is selected, otherwise delete this provision*))	[●]
• Global Floor Value: (*specify if Globally Floored Average Value is selected, otherwise delete this provision*)	[●]
• Cap Value: (*specify if Capped Max Lookback Value / Capped Min Lookback Value / Individually Capped Average Value is selected, otherwise delete this provision*)	[●]
• Global Cap Value: (*specify if Globally Capped*	[●]

Average Value is selected, otherwise delete this provision)

22.	(i) **Early Redemption Amount upon Event of Default** (General Condition 20):	[Fixed Redemption. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination. The Determination Agent will determine the amount a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to such Notes as if no such Event of Default had occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Notes] / [Accrued Value. The Accrual Yield is [•] and the Reference Price is [•].] [Theoretical Value] *(delete as appropriate)*
	(ii) **Early Redemption Amount (Tax) upon redemption pursuant to [Condition 15.2 (*Tax Redemption – Morgan Stanley and MSFL Notes*)][Condition 15.3 (*Tax Redemption – MSI plc and MSBV Notes*)].**	[*For Morgan Stanley or MSFL Notes*: [Not Applicable] / [Early Redemption Amount (Tax) – Fair Market Value Less Costs] / [Early Redemption Amount (Tax) – Fair Market Value] / [Early Redemption Amount (Tax) – Par] [*For MSI plc or MSBV Notes*: [Early Redemption Amount (Tax) – Fair Market Value Less Costs] / [Early Redemption Amount (Tax) – Fair Market Value] / [Early Redemption Amount (Tax) – Par]] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Tax) – Fair Market Value Less Costs" may not be selected)*
23.	**Inconvertibility Event Provisions:** (General Condition 32)	[Applicable] / [Not Applicable] / [Not Applicable – Commodity-Linked Note Inconvertibility Provisions apply] (*if Not Applicable, or if Commodity-Linked Note Inconvertibility Provisions apply, delete sub-paragraphs (i) to (vi) below*)
	(i) Consequences of the occurrence of an Inconvertibility Event:	[Converted Payment] / [Early Redemption] / [Suspended Payment]
	(ii) Inconvertibility Early Redemption Amount upon Inconvertibility Event:	[Not Applicable] [*OR*] [[●] per cent. per Calculation Amount] / [Early Redemption Amount Less Costs applies. For the purposes of the definition of Early Redemption Amount Less Costs, [Fixed Redemption applies. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination applies.] / [Accrued Value applies. The Accrual Yield is [•] and the Reference Price is [•].] / [Theoretical Value applies]] / [Early

			Redemption Amount applies. For the purposes of the definition of Early Redemption Amount, [Fixed Redemption applies. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination applies.] / [Accrued Value applies. The Accrual Yield is [•] and the Reference Price is [•].] / [Theoretical Value applies.]] / [Fair Market Value applies] / [Fair Market Value Less Costs applies] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount Less Costs" and "Fair Market Value Less Costs" may not be selected)*
	(iii)	Relevant Currenc(y)/(ies):	[●][,[●]…. and [●]]
	(iv)	Relevant Jurisdiction(s):	[●][,[●]…. and [●]]
	(v)	Inconvertibility Specified Currenc(y)/(ies):	[●][,[●]…. and [●]]
	(vi)	Settlement Rate Option:	[Currency Reference Dealers] / [Not Applicable] (*If Commodity-Linked Note Inconvertibility Provisions apply, insert (i) to (iii) below. If Commodity-Linked Note Inconvertibility Provisions do not apply delete (i) to (iii) below*)
	(vii)	Relevant Currenc(y)/(ies):	[●][,[●]…. and [●]]
	(viii)	Relevant Jurisdiction(s):	[●][,[●]…. and [●]]
	(ix)	Inconvertibility Specified Currenc(y)/(ies):	[●][,[●]…. and [●]]
24.	**Automatic Early Redemption Event:**		[Applicable] / [Not Applicable] *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Automatic Early Redemption Valuation Date:	[●]
	(ii)	Automatic Early Redemption Event occurs if the Relevant Underlying Value is:	[greater than] / [greater than or equal to] / [equal to]/ [less than] / [less than or equal to] the Automatic Early Redemption Level. *(delete as appropriate)*
	(iii)	Automatic Early Redemption Level:	[●]
	(iv)	Automatic Early Redemption Amount:	[[●] [per cent.] per Calculation Amount] / [Paragraph (c) of the definition of Automatic Early Redemption Amount in General Condition 15.11 applies]

(v)	Automatic Early Redemption Rate	[[●]/[100] per cent.] / [Not Applicable] (Specify if fallback in paragraph (c) of the definition of Automatic Early Redemption Amount in General Condition 15.11 applies)
(vi)	Automatic Early Redemption Date:	[●]
(vii)	Determination Time:	[●]
(viii)	**Value Determination Terms** for determining Relevant Underlying Value as of any Automatic Early Redemption Valuation Date:	[Spot Value] / [Opening Value] / [Closing Value] / [Floored Lookback Value] / [Commodity Specified Price] / [Capped Lookback Value] / [Globally Floored Lookback Value] / [Globally Capped Lookback Value] / [Average Value] / [Min Value] / [Max Value] / [Floored Min Value] / [Capped Max Value] / [Individually Floored Average Value] / [Individually Capped Average Value] / [Globally Floored Average Value] / [Globally Capped Average Value]
•	Reference Month: (*specify if Notes are Inflation-Linked Notes otherwise delete this provision*)	[●]
•	Basic Value Determination Terms: (*specify if Max Lookback Value / Min Lookback Value / Floored Max Lookback Value / Floored Min Lookback Value / Capped Max Lookback Value / Capped Min Lookback Value / Average Value / Individually Floored Average Value / Individually Capped Average Value / Globally Floored Average Value / Globally Capped Average Value is selected otherwise delete this provision*)	[Spot Value] / [Intraday Value] / [Opening Value] / [Closing Value] / [Commodity Specified Price]
•	Averaging Dates in relation to each Automatic Early Redemption Valuation Date: (*specify if Average Value / Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise delete this provision*)	[●] in respect of the Interest Determination Date falling on [*date*][, [●] in respect of the Interest Determination Date falling on [*date*]…. and [●] in respect of the Interest Determination Date falling on [*date*]]
•	Averaging Date Disruption: (*For Equity-Linked Notes only, specify if Average Value /*	[Omission] / [Postponement] / [Modified Postponement]

Individually Capped Average Value / Individually Floored Average Value / Globally Floored Average Value / Globally Capped Average Value is selected, otherwise (and if not an Equity-Linked Note) delete this provision)

• Value Observation Dates in relation to each Automatic Early Redemption Valuation Date:	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*][,
(*specify if Min Value / Max Value / Floored Min Value or Capped Max Value is selected, otherwise delete this provision*)	[●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]…. and [●] / [Each Scheduled Trading Day beginning on (and including) [*date*] and ending on (but excluding) [*date*]] in respect of the Interest Determination Date falling on [*date*]]
• Floor Value:	[●]
(*specify if Floored Min Value / Individually Floored Average Value is selected, otherwise delete this provision*))	
• Global Floor Value:	[●]
(*specify if Globally Floored Lookback Value / Globally Floored Average Value is selected, otherwise delete this provision*)	
• Cap Value:	[●]
(*specify if Capped Max Value / Individually Capped Average Value is selected, otherwise delete this provision*)	
• Global Cap Value:	[●]
(*specify if Globally Capped Lookback Value / Globally Capped Average Value is selected, otherwise delete this provision*)	

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25.	Form of Notes:	[Registered Notes:
	(General Condition 3)	[Global Note Certificate registered in the name of [a nominee for] [a common depositary for Euroclear and Clearstream, Luxembourg]/[a common safekeeper for

		Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))][6], exchangeable for Individual Note Certificates on [●] days' notice/at any time/ in the limited circumstances described in the Global Note Certificate] [Individual Note Certificates]] [Finnish Notes] [Swedish Notes] [Uncertificated Notes]
26.	Additional Business Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/[ ]]. *Note that this item relates to the date and place of payment, and not interest period end dates. This should specify "Not applicable" unless, exceptionally, location of Fiscal Agent is to be included as a business day for the purposes of payments whilst Notes are in global form in the clearing systems.*
27.	Record Date:	[As set out in the General Conditions/The Record Date is [●] [Business Day/day/clearing system business day] before the relevant due date for payment/Not Applicable]
28.	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable] / [The provisions in General Condition 31 (*Redenomination, Renominalisation and Reconventioning*) apply]
29.	**Taxation:**	
	(i) General Condition 19.1:	"Additional Amounts" is [Applicable] / [Not Applicable]
	(ii) General Condition 19.3:	Implementation of Financial Transaction Tax Event is [Applicable] / [Not Applicable]
30.	**CNY Centre:**	[•]/[Not Applicable]
31	**Illegality and Regulatory Event:** **(General Condition 21)**	
	(i) Illegality and Regulatory Event (General Condition 21):	Applicable
	(ii) Early Redemption Amount (Illegality and Regulatory Event):	[[Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value] / [Early Redemption Amount (Illegality and Regulatory Event) – Par] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Illegality and Regulatory*

[6] To be included for Registered Notes in global form which are to be held under the NSS.

		Event) – Fair Market Value Less Costs" may not be selected)
32.	**Index Adjustment Events:** **(General Condition 9.2(b))**	[[Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs] / [Early Redemption Amount (Index Cancellation) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs" may not be selected)*
33.	**Merger Event or Tender Offer:** **(General Condition 9.4(a))**	[[Merger Event Settlement Amount – Fair Market Value Less Costs] / [Merger Event Settlement Amount – Fair Market Value] shall apply] / [Not Applicable] [[Tender Offer Settlement Amount – Fair Market Value Less Costs] / [Tender Offer Settlement Amount – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Merger Event Settlement Amount – Fair Market Value Less Costs" and "Tender Offer Settlement Amount – Fair Market Value Less Costs" may not be selected)*
34.	**Nationalisation, Insolvency and Delisting:** **(General Condition 9.4(b))**	[[Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs] / [Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs" may not be selected)*
35.	**Extraordinary ETF Events:** **(General Condition 9.5)**	[[Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs" may not be selected)*
36.	**Additional Disruption Events:** **(General Condition 9.6)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
37.	**Partial Lookthrough Depositary Receipt Provisions:** **(General Condition 9.7)**	[[Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Potential Adjustment Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors,*

		"Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" may not be selected)
38.	**Full Lookthrough Depositary Receipt Provisions:** **(General Condition 9.8)**	[[Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Potential Adjustment Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" may not be selected)*
39.	**Additional Disruption Events:** **(General Condition 10.7)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
40.	**Additional Disruption Events:** **(General Condition 11.5)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
41.	**Additional Disruption Events:** **(General Condition 12.7)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
42.	**Fund Events:** **(General Condition 13.5)**	[[Fund-Linked Early Redemption Amount – Fair Market Value Less Costs] / [Fund-Linked Early Redemption Amount – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Fund-Linked Early Redemption Amount – Fair Market Value Less Costs" may not be selected)*
43.	**CNY Disruption Events:** **(General Condition 33)**	[Applicable] / [Not Applicable] *(Note – for issuances of Notes to retail investors, General Condition 33 should be specified as Not Applicable)*
44.	**Substitution of Issuer or Guarantor with non Morgan Stanley Group entities:**	Applicable

(General Condition 34.2)

45.	**FX_{Final} Determination Date:**	[The Currency Business Day [[immediately succeeding] OR [[•] days succeeding]] the Determination Date]/[[•] [*specify date*]] / [Not Applicable]
46.	**$FX_{Initial}$ Determination Date:**	[The Currency Business Day [[immediately preceding] OR [[•] days preceding]] the Strike Date]/[[•] [*specify date*]] / [Not Applicable]

DISTRIBUTION

47.	(i)	If syndicated, names [and addresses][7] of Managers [and underwriting commitments][8]: 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.)][9]	[Not Applicable/*give names[, addresses and underwriting commitments*]] [*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis.)*]
	(ii)	[Date of [Subscription] Agreement:	[●]][10]
	(iii)	Stabilising Manager(s) (if any):	[Not Applicable/*give name*]
48.		If non-syndicated, name [and address][11] of dealer:	[Not Applicable/give name [*and address*][12]]
49.		Non-exempt Offer and Offer Period:	[Not Applicable]/ [An offer of the Notes may be made by the [insert names] / [any person who is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC] other than pursuant to Article 3(2) of the Prospective Directive in [Austria] / [Belgium] / [Czech Republic] / [Denmark] / [Finland] / [France] / [Germany] / [Ireland] / [Italy] / [Luxembourg] / [Norway] / [Portugal] / [Spain] / [Sweden] / [The Netherlands] / [United Kingdom] ("Public Offer Jurisdictions") during [the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] ("**Offer Period**")]/[the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] for the Notes that will be offered by means of ["online selling"]/["door-to-door"

[7] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[8] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[9] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[10] Delete for Notes with a denomination per Note of EUR 100,000 or more

[11] Delete for Notes with a denomination per Note of EUR 100,000 or more

[12] Delete for Notes with a denomination per Note of EUR 100,000 or more.

		selling]] ("**Offer Period**")] (*delete as appropriate*) [subject to the following conditions: [*specify*]]. See further paragraph 7 of Part B below.
50.	[Total commission and concession:	[In connection with the offer and sale of the Notes, [the Issuer][Morgan Stanley & Co. International plc] will pay [*name[s]*] a [one time][recurring] [distribution] / [structuring] fee amount equal to [a maximum of] [●] [of the Aggregate Nominal Amount] / [*specify amount*] / [per annum/*other*]] / [No fees will be paid by the Issuer or Morgan Stanley & Co. International plc, directly or indirectly, in connection with any advised sale of Notes]][13]

Taxation

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Holders should seek their own advice based upon their particular circumstances from an independent tax advisor.

A Non-U.S. Holder (as defined in the Base Prospectus) should review carefully the section entitled "*United States Federal Taxation*" in the Base Prospectus.

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 10 of Part B – Other Information of these Final Terms for additional information regarding withholding under Section 871(m) of the Code.

[14][THIRD PARTY INFORMATION

(*Relevant third party information*) has been extracted from [●] (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

[13] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[14] Insert if any third party information has been provided.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing and admission to Trading:	[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange's Regulated Market and to be listed on the official list of the Luxembourg Stock Exchange with effect from [●].] / [Application [has [also] been made/is [also] expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to listing and/or trading on [*insert name of exchange*] with effect from [●].] [No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by the Issue Date.][The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.] [Not Applicable.] [*Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading*.]
[Last day of Trading:	[●]]
[Estimate of total expenses related to admission to trading:	[●]][15]

2. RATINGS

Ratings:	[The Notes to be issued have been rated: [S & P: [●]] [Moody's: [●]] [Fitch: [●]] [[Other]: [●]] *Option 1* [*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"). *Option 2* [*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA and is not registered under Regulation (EU) No

[15] Delete for Notes with a denomination per Note of less than EUR 100,000.

1060/2009, as amended (the "**CRA Regulation**").

Option 3

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA but the rating it has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

Option 4

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").][16]

[*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider*.][17]

(*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Program generally or, where the issue has been specifically rated, that rating*.)

Option 5

[The Notes will not be rated].]

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

[*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*]

["So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer".]

OR

[*Specify Material Contracts*]

(*When adding any other description, consideration should be given as to whether the new matters described constitute a "significant new factor" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive*)

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

[(i) Reasons for the offer: [●]

(If reasons for offer different from making profit and/or hedging, certain risks will need to include those

[16] Edit and delete options as appropriate for the relevant rating agency/agencies providing the rating(s).

[17] Delete for Notes with a denomination per Note of EUR 100,000 or more.

reasons here.)]

[(ii)] Estimated net proceeds: [●]

(If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii)] Estimated total expenses: [●]

[Include breakdown of expenses.](If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

5. [*Linked Notes only* – PERFORMANCE OF UNDERLYING/ [EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS][18] AND OTHER INFORMATION CONCERNING THE UNDERLYING

[*Need to include details of where past and future performance and volatility of the index/equity/formula/other variable can be obtained [and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.] [Where the underlying is a Share or ETF Interest include name of issuer of such Share or ETF Interest and ISIN or other relevant identification number of such underlying.] [Where the underlying is a commodity or commodity index, include name of such commodity or commodity index, including for these purposes where the commodity index is published] [Where the underlying is an Index or Inflation Index need to include the name of the Index or Inflation Index and an indication of where to obtain information about the Index or Inflation Index, including for these purposes where the Index or Inflation Index is published*]

[The value of the Notes is linked to the positive or negative performance of the [specify Underlying]. An increase in the [value]/[level] of the [specify Underlying] will have a [positive]/[negative] effect on the value of the Notes, and a decrease in the [value]/[level] of the [specify Underlying] will have a [positive]/[negative] effect on the value of the Notes.]

[*The [interest] [and] [redemption] amount[s] payable on the Notes [is/are] dependent on the value or performance of the Relevant Underlying [reaching] / [not reaching] a threshold or barrier and a small increase or decrease in the value or performance of the Relevant Underlying near to the threshold or barrier may lead to a significant increase or decrease in the return of the Notes[and Noteholders] may receive no interest at all*].

[*The [interest] [and] [redemption] amount[s] payable on the Notes [is/are] linked to the value or performance of the Relevant Underlying as of one or more predefined dates and, irrespective of the level of the Relevant Underlying between these dates, the values or performance of the Relevant Underlying on these dates will affect the value of the Notes more than any other factor.*]

[*The Final Redemption Amount payable on the Notes is linked to [a specified percentage of] the performance of the Relevant Underlying and Noteholders may not receive the amount initially invested, and may receive a significantly lesser amount [/ subject to the minimum amount specified*].

The market price or value of the Notes at any time is expected to be affected by changes in the value of the Relevant Underlying to which the Notes are linked.

[18] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[*The market price or value of the Notes could, in certain circumstances, be affected by fluctuations in the actual or anticipated rates of dividend (if any) or any other distributions on the Relevant Underlying.*]

[*Determinations of amounts payable under the Notes are made by reference to the arithmetic mean of the values or performances of [all] / [the selected] Basket Components. The Basket Components are given different weightings. The higher the weighting applicable to a particular Basket Component, the more Noteholders will be exposed to the value or performance of that Basket Component in comparison with the remaining Basket Components.*]

(*When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive*)

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].*

6. OPERATIONAL INFORMATION

ISIN Code:	[●]
Common Code:	[●]
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] / [*give [name(s)*], [*addresses of the clearing system(s)*], [*relevant identification number(s)*]
	[*Nordic Notes, specify relevant NCSD and Nordic Issuing Agent*.
	Finnish Notes: Finnish CSD: Euroclear Finland Oy, Urho Kekkosen katu 5 C, Box 1110, FI-00101 Helsinki, Finland
	Swedish Notes: Swedish CSD: Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden
	Nordic Issuing Agent: [●],[●] [*give relevant name and address*]
	[Japan Securities Depositary Center, Inc. [*insert address*]]
	[*other relevant clearing system, as applicable*]: [●], [●]
	[*give relevant name and address*]
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	[●]
Names and addresses of additional Paying Agent(s) (if any):	[●]

Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No] [Note that designation "**yes**" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs[19] as common safekeeper [[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper]][20] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either on issue or subsequently. Such recognition will depend on satisfaction of Eurosystem eligibility criteria][*include this text if "yes" selected]*

7. TERMS AND CONDITIONS OF THE OFFER

Offer Price:	[Issue Price] [*specify*]
Conditions to which the offer is subject:	[Not Applicable/ Offers of the Notes are conditional upon their issue/*give details*] *(Example: Offers of the Notes are conditional upon their issue. The Issuer has the right to withdraw the offering of the Notes and cancel the issuance of the Notes prior to the end of the subscription period for any reason. Reasons for the cancellation of the offer include, in particular: (i) adverse market conditions, as determined by the Issuer in its reasonable discretion (such as, for example, increased equity market volatility and increased currency exchange rate volatility) or (ii) that the number of applications received at that time is [insufficient, in the Issuer's opinion, to make an economically viable issuance][less than [•]].)*
Description of the application process:	[Not Applicable/*give details*]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/*give details*]
Details of the minimum and/or maximum amount of application:	[Not Applicable/*give details*]
Details of the method and time limited for paying up and delivering the Notes:	[Not Applicable/ 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	[Not Applicable/*give details*]

[19] International Central Securities Depositories.

[20] To be included for Registered Notes

public:	
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/*give details*]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/*give details*]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not Applicable] / [Estimated expenses charged to the investor by the relevant Issuer or the offeror are [●].] / [No expenses will be charged by the Issuer to the investor, however a subscription charge of up to [*specify amount*] may be charged by the Authorised Offeror] / [Not applicable. There are no estimated expenses charged to the investor by the Issuer [or the Authorised Offeror] / [*give details*]
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	[None/give details]

8. **PLACING AND UNDERWRITING**

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extend known to the issuer or to the offeror, of the placers in the various countries where the offer takes place:	[●]
Name and address of any paying agents and depository agents in each country:	[●]
Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" agreements. Where not all of the issue is underwritten, a statement of the portion not covered:	[●]

9. **OTHER MARKETS**

	All the regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of securities to be offered or admitted to trading are already admitted to trading:	[[●]/None]	
10.	**POTENTIAL SECTION 871(M) TRANSACTION**	[Not Applicable] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code because the Relevant Underlying is a "qualified index" under the applicable U.S. Treasury Regulations[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Notes are U.S. equity linked Notes subject to withholding under Section 871(m) of the Code.] [For further information please [call [•]] / [visit our website at [•]] / [write to [•]].]	11.
11.	**Prohibition of Sales to EEA Retail Investors:**	[Applicable]/[Not Applicable]] [*If the offer of the Notes is concluded prior to 1 January 2018, or on and after that date the Notes do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified*]	
12.	**Index Sponsor:**	[Applicable]/[Not Applicable]] [The Index is administered by [*insert name of Index Sponsor*], who as at the Issue Date, is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.] / [The Index is administered by [*insert name of Index Sponsor*], who as at the Issue Date, is not included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.]	

ISSUE-SPECIFIC SUMMARY OF THE NOTES

[Insert]

PRO FORMA FINAL TERMS FOR PREFERENCE SHARE-LINKED NOTES

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED[, FROM 1 JANUARY 2018,] TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND, WITH EFFECT FROM SUCH DATE, SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

(A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU ("MIFID II");

(B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR

(C) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC, AS AMENDED.

CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.][1]

Final Terms dated [●]

[MORGAN STANLEY] / [MORGAN STANLEY & CO, INTERNATIONAL plc] / [MORGAN STANLEY B.V.] / [MORGAN STANLEY FINANCE LLC]

Issue of [*Aggregate Nominal Amount of Tranche*] [*Title of Notes*]

[Guaranteed by Morgan Stanley]

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

PART A – CONTRACTUAL TERMS

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 Notes set forth in the Base Prospectus dated 10 October 2017 [and the supplement[s] dated [●][,[●] … [●]] to the Base Prospectus] which [together] constitute[s] 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 the 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. [However, a summary of the Issue is annexed to these Final Terms.][2] Copies of the Base Prospectus [and any supplement(s) thereto] are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [and any supplement(s) thereto] and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.

[1] Prior to the date of application of the PRIIPs Regulation, this legend is not required and "Prohibition of Sales to EEA Retail Investors" (see Part B, Para 11) may be specified as "Not Applicable". This legend will be required after the date of application of the PRIIPs Regulation if "Prohibition of Sales to EEA Retail Investors" is specified as being "Applicable" (See Part B, Para 11).

[2] Insert if Notes are for denominations lower than EUR 100,000.

[OR USE THE FOLLOWING ALTERNATIVE LANGUAGE IF THE FIRST TRANCHE OF AN ISSUE WHICH IS BEING INCREASED WAS ISSUED UNDER A BASE PROSPECTUS WITH AN EARLIER DATE:

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Base Prospectus dated [17 July 2013 and the supplement to it dated 30 August 2013]/[16 December 2013]/[16 December 2014]/[15 December 2015]/[21 October 2016] which are incorporated by reference in the Base Prospectus dated 10 October 2017. 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 the Base Prospectus dated 10 October 2017 [and the supplement(s) to it dated •], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "Base Prospectus"), save in respect of the Terms and Conditions of the Notes which are extracted from the Base Prospectus dated [17 July 2013 and the supplement to it dated 30 August 2013]/[16 December 2013]/[16 December 2014]/[15 December 2015]/[21 October 2016]. Full information on the Issuer [, the Guarantor(s)] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus [and the supplement(s) dated [•]]. However, a summary of the issue of the Notes is annexed to these Final Terms. Copies of the Base Prospectus [and any supplement(s) thereto] are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [and any supplement(s) thereto] and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.]

[*In case of Public Offer continuing after the validity of the Base Prospectus:* The Base Prospectus expires on 09 October 2018. The updated base prospectus will be available at http://sp.morganstanley.com/EU/Documents.]

[(Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms)]

1.	(i)	Series Number:	[●]
	(ii)	Series Designation:	[Series A] / [Series B]
	[(iii)	[Tranche Number:]	[●] [Fungible with the [*currency*] [●] [*Title of the Notes*] issued by [●], bearing ISIN [●]]
2.	Specified Currency or Currencies:		[●]
3.	Aggregate [Nominal Amount]/[Number] of the Notes:		[●][3]
	[(i)]	Series:	[●]
	[(ii)	Tranche:	[●]]
4.	Issue Price		[●] per cent. of par per Note/[●] per Note
5.	(i)	Specified Denominations (Par):	[●] [and integral multiples of [●] in excess thereof]. (*N.B. where multiple denominations above €100,000 (or its equivalent in other currencies) are being used the following sample wording should be followed*:

[3] Where the amount is not known at the beginning of the offer period (e.g. an "up to" amount), notices of final offer amount will need to be submitted where the Notes are listed or admitted to trading.

			[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]"])
			(*NB: The exchange upon notice at any time shall not be applicable if this language is used. Furthermore, such Specified Denomination construction is not permitted in relation to any issuance of Notes which are to be represented on issue by Permanent Bearer Global Notes exchangeable for Definitive Notes.*)
			(N.B. Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies)).
	(ii)	Calculation Amount:	[●]
6.	(i)	Issue Date:	[●]
	(ii)	Trade Date:	[●]
	(iii)	Determination Date:	[●]
7.	Maturity Date:		[●]
8.	No Underlying Determination Event Maturity Date:		[specify]
9.	Number of Business Days:		[specify]
10.	Put/Call Options:		
	(i)	Redemption at the option of the Issuer:	[Applicable/Not Applicable]
		(General Condition 15.5)	
	(ii)	Redemption at the option of the Noteholders:	[Applicable/Not Applicable]
		(General Condition 15.7)	
11.	Method of distribution:		[Syndicated/Non-syndicated]
12.	Interest:		No interest is payable in respect of the Notes.

PROVISIONS RELATING TO REDEMPTION

13.	**Call Option**	[Applicable/Not Applicable]
	(General Condition 14.3)	(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)

	(i)	Call Option Date(s):	[*date*]
	(ii)	Optional Redemption Date(s) (Call):	[●]
	(iii)	Participation Rate (Call) for determining the Optional Redemption Amount (Call):	[[●] per cent.] / [100 per cent.]
	(iv)	Optional Redemption in part only:	[Applicable. Redemption will be effected in accordance with sub-clause [(a)/(b)/(c)] of General Condition 15.6 (*Partial Redemption*)] / [Not Applicable] *(delete as appropriate)*
	(v)	Maximum Notice Number of Day(s):	[●] [calendar day[s]] / [Business Day[s]]
	(vi)	Minimum Notice Number of Day(s):	[●] [calendar day[s]] / [Business Day[s]]
14.	**Put Option**		[Applicable/Not Applicable]
	(General Condition 15.7)		(*if Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Put Option Exercise Date:	[*date*] / [Not Applicable]
	(ii)	Put Option Exercise Period:	[From (and including) [*date*] to (but excluding) [*date*]] / [Not Applicable]
	(iii)	Optional Redemption Date(s) (Put):	[●] / [Any date after the Put Option Exercise Date] / [Any date falling in the Put Option Exercise Period
	(iv)	Participation Rate (Put) for determining the Optional Redemption Amount (Put):	[[●] per cent.] / [100 per cent.]
	(v)	Notice period:	[●]
15.	**Linked Redemption Provisions: Preference Share-Linked Redemption Notes**		
	(General Condition 14)		
	(i)	Preference Share:	[*specify*]
	(ii)	Preference Share Issuer:	[*specify*]

	(iii)	Determination Agent responsible for calculating the Final Redemption Amount:	[●] / [Morgan Stanley & Co. International plc]
	(iv)	Valuation Time:	[●] / As per General Condition 14.8
	(v)	Additional Disruption Event(s): (General Condition 14.6)	[[Change in Law] [,/and] [Hedging Disruption] [,/and] [Insolvency Filing] [,/and] [Increased Cost of Hedging] shall apply]/ [Not Applicable] (*delete any which are not applicable*)
16.	**Linked Redemption Provisions: Final Redemption Amount** (General Condition 15 and Section 6 of the Additional Conditions)		
	(i)	Final Redemption Amount:	The Final Redemption Amount in respect of each Note is an amount per Calculation Amount in the Specified Currency calculated by the Determination Agent equal to: $\text{Calculation Amount} \times \text{Participation Rate} \times \frac{\text{Preference Share Value}_{\text{final}}}{\text{Preference Share Value}_{\text{initial}}}$
	(ii)	Final Valuation Date:	The day falling [●] Business Days following the Preference Share Determination Date
	(iii)	Participation Rate:	[[Not Applicable]/[●]/[100] per cent.] / [A percentage rate to be determined by the Determination Agent before the Issue Date and notified to the Noteholders not more than 15 Business Days thereafter by publication on [insert website address], **provided that** such percentage rate shall be [not less than [●] per cent.] [and] [not greater than [●] per cent.]]
	(iv)	Underlying Determination Event:	[Applicable/Not Applicable] [*If Applicable:* Underlying Determination Event Valuation Date(s): [*specify date(s)*] No Underlying Determination Event Valuation Date: [*specify*]] [*If Not Applicable:* Preference Share Determination Date: [*specify*]]
17.	(i)	Early Redemption Amount upon Event of Default (General	[Early Preference Share Redemption Note Amount] / [Fixed Redemption. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination. The Determination Agent will determine the amount a

		Condition 20):	Qualified Financial Institution would charge [to assume all of the Issuer's payment and other obligations with respect to such Notes as if no such Event of Default had occurred] / [to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Notes] / [Accrued Value. The Accrual Yield is [•] and the Reference Price is [•].] [Theoretical Value]
	(ii)	Early Redemption Amount (Tax) upon redemption pursuant to [Condition 15.2 (*Tax Redemption – Morgan Stanley and MSFL Notes*)][Condition 15.3 (*Tax Redemption – MSI plc and MSBV Notes*)].	[*For Morgan Stanley or MSFL Notes*: [Not Applicable] / [Early Redemption Amount (Tax) – Fair Market Value Less Costs] / [Early Redemption Amount (Tax) – Fair Market Value] / [Early Redemption Amount (Tax) – Par] [*For MSI plc or MSBV Notes*: [Early Redemption Amount (Tax) – Fair Market Value Less Costs] / [Early Redemption Amount (Tax) – Fair Market Value] / [Early Redemption Amount (Tax) – Par]] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Tax) – Fair Market Value Less Costs" may not be selected)*
18.	Inconvertibility Event Provisions:		[Applicable] / [Not Applicable] / [Not Applicable – Commodity-Linked Note Inconvertibility Provisions apply]
	(General Condition 32)		(*if Not Applicable, or if Commodity-Linked Note Inconvertibility Provisions apply, delete sub-paragraphs (i) to (vi) below*)
	(i)	Consequences of the occurrence of an Inconvertibility Event:	[Converted Payment] / [Early Redemption] / [Suspended Payment]
	(ii)	Inconvertibility Early Redemption Amount upon Inconvertibility Event:	[Not Applicable] [*OR*] [Early Preference Share Redemption Note Amount] / [[●] per cent. per Calculation Amount] / [Early Redemption Amount Less Costs applies. For the purposes of the definition of Early Redemption Amount Less Costs, [Fixed Redemption applies. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination applies.] / [Accrued Value applies. The Accrual Yield is [•] and the Reference Price is [•].] / [Theoretical Value applies.]] / [Early Redemption Amount applies. For the purposes of the definition of Early Redemption Amount, [Fixed Redemption applies. The Specified Rate is [●] / [100] %] / [Qualified Financial Institution Determination applies.] / [Accrued Value applies. The Accrual Yield is [•] and the Reference Price is [•].] / [Theoretical Value applies.]] /

		[Fair Market Value applies] / [Fair Market Value Less Costs applies] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount Less Costs" and "Fair Market Value Less Costs" may not be selected)*
(iii)	Relevant Currenc(y)/(ies):	[●][,[●]…. and [●]]
(iv)	Relevant Jurisdiction(s):	[●][,[●]…. and [●]]
(v)	Inconvertibility Specified Currenc(y)/(ies):	[●][,[●]…. and [●]]
(vi)	Settlement Rate Option:	[Currency Reference Dealers] / [Not Applicable]
		(*If Commodity-Linked Note Inconvertibility Provisions apply, insert (i) to (iii) below. If Commodity-Linked Note Inconvertibility Provisions do not apply delete (i) to (iii) below*)
(i)	Relevant Currenc(y)/(ies):	[●][,[●]…. and [●]]
(ii)	Relevant Jurisdiction(s):	[●][,[●]…. and [●]]
(iii)	Inconvertibility Specified Currenc(y)/(ies):	[●][,[●]…. and [●]]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

19.	Form of Notes: (General Condition 3)	[Registered Notes: [Global Note Certificate registered in the name of [a nominee for] [a common depositary for Euroclear and Clearstream, Luxembourg]/[a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))][4], exchangeable for Individual Note Certificates on [●] days' notice/at any time/ in the limited circumstances described in the Global Note Certificate] [Individual Note Certificates]] [Finnish Notes] [Swedish Notes] [Uncertificated Notes]

[4] To be included for Registered Notes in global form which are to be held under the NSS.

20.	Additional Business Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/[ ]]. *Note that this item relates to the date and place of payment, and not interest period end dates. This should specify "Not applicable" unless, exceptionally, location of Fiscal Agent is to be included as a business day for the purposes of payments whilst Notes are in global form in the clearing systems.*
21.	Record Date:	[As set out in the General Conditions/The Record Date is [●] [Business Day/day/clearing system business day] before the relevant due date for payment/Not Applicable]
22.	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable] / [The provisions in General Condition 31 (*Redenomination, Renominalisation and Reconventioning*) apply]
23.	**Taxation:**	
	(i) General Condition 19.1:	"Additional Amounts" is [Applicable] / [Not Applicable]
	(ii) General Condition 19.3:	Implementation of Financial Transaction Tax Event is Not Applicable
24.	**Illegality and Regulatory Event:** **(General Condition 21)**	
	(i) Illegality and Regulatory Event (General Condition 21):	Applicable
	(ii) Early Redemption Amount (Illegality and Regulatory Event):	[[Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value] / [Early Redemption Amount (Illegality and Regulatory Event) – Par] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs" may not be selected)*
25.	**Index Adjustment Events:** **(General Condition 9.2(b))**	[[Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs] / [Early Redemption Amount (Index Cancellation) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Index Cancellation) – Fair Market Value Less Costs" may not be selected)*
26.	**Merger Event or Tender Offer:** **(General Condition 9.4(a))**	[[Merger Event Settlement Amount – Fair Market Value Less Costs] / [Merger Event Settlement Amount – Fair Market Value] shall apply] / [Not Applicable] [[Tender Offer Settlement Amount – Fair Market Value Less Costs] / [Tender Offer Settlement Amount

		– Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Merger Event Settlement Amount – Fair Market Value Less Costs" and "Tender Offer Settlement Amount – Fair Market Value Less Costs" may not be selected)*
27.	**Nationalisation, Insolvency and Delisting:** **(General Condition 9.4(b))**	[[Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs] / [Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Nationalisation, Insolvency and Delisting) – Fair Market Value Less Costs" may not be selected)*
28.	**Extraordinary ETF Events:** **(General Condition 9.5)**	[[Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Extraordinary ETF Event) – Fair Market Value Less Costs" may not be selected)*
29.	**Additional Disruption Events:** **(General Condition 9.6)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
30.	**Partial Lookthrough Depositary Receipt Provisions:** **(General Condition 9.7)**	[[Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Potential Adjustment Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" may not be selected)*
31.	**Full Lookthrough Depositary Receipt Provisions:** **(General Condition 9.8)**	[[Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Potential Adjustment Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Potential Adjustment Event) – Fair Market Value Less Costs" may not be selected)*
32.	**Additional Disruption Events:** **(General Condition 10.7)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) –

		Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
33.	**Additional Disruption Events:** **(General Condition 11.5)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
34.	**Additional Disruption Events:** **(General Condition 12.7)**	[[Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Additional Disruption Event) – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Early Redemption Amount (Additional Disruption Event) – Fair Market Value Less Costs" may not be selected)*
35.	**Fund Events:** **(General Condition 13.5)**	[[Fund-Linked Early Redemption Amount – Fair Market Value Less Costs] / [Fund-Linked Early Redemption Amount – Fair Market Value] shall apply] / [Not Applicable] *(Note – for issuances of Notes to retail investors, "Fund-Linked Early Redemption Amount – Fair Market Value Less Costs" may not be selected)*
36.	**CNY Disruption Events:** **(General Condition 33)**	[Applicable] / [Not Applicable] *(Note – for issuances of Notes to retail investors, General Condition 33 should be specified as Not Applicable)*
37.	**Substitution of Issuer or Guarantor with non Morgan Stanley Group entities:** **(General Condition 34.2)**	Applicable

DISTRIBUTION

38.	(i)	If syndicated, names [and addresses][5] of Managers [and underwriting commitments][6]: and names and addresses of the entities agreeing to place the issue without a firm	[Not Applicable/*give names[, addresses and underwriting commitments*]] [(*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis.*)]

[5] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[6] Delete for Notes with a denomination per Note of EUR 100,000 or more.

		commitment or on a "best efforts" basis if such entities are not the same as the Managers.)][7]	
	(ii)	[Date of [Subscription] Agreement:	[●]][8]
	(iii)	Stabilising Manager(s) (if any):	[Not Applicable/*give name*]
39.	If non-syndicated, name [and address][9] of dealer:		[Not Applicable/give name [*and address*][10]]
40.	Non-exempt Offer and Offer Period:		[Not Applicable]/ [An offer of the Notes may be made by the [insert names] / [any person who is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC] other than pursuant to Article 3(2) of the Prospective Directive in [Austria] / [Belgium] / [Czech Republic] / [Denmark] / [Finland] / [France] / [Germany] / [Ireland] / [Italy] / [Luxembourg] / [Norway] / [Portugal] / [Spain] / [Sweden] / [The Netherlands] / [United Kingdom] ("Public Offer Jurisdictions") during [the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] ("**Offer Period**")]/[the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] for the Notes that will be offered by means of ["online selling"]/["door-to-door" selling]] ("**Offer Period**")] (*delete as appropriate*) [subject to the following conditions: [*specify*]]. See further paragraph 7 of Part B below.
41.	[Total commission and concession:		[In connection with the offer and sale of the Notes, [the Issuer][Morgan Stanley & Co. International plc] will pay [*name[s]*] a [one time][recurring] [distribution] / [structuring] fee amount equal to [a maximum of] [●] [of the Aggregate Nominal Amount] / [*specify amount*] / [per annum/*other*]] / [No fees will be paid by the Issuer or Morgan Stanley & Co. International plc, directly or indirectly, in connection with any advised sale of Notes]][11]

Taxation

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Holders should seek their own advice based upon their particular circumstances from an independent tax advisor.

[7] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[8] Delete for Notes with a denomination per Note of EUR 100,000 or more

[9] Delete for Notes with a denomination per Note of EUR 100,000 or more

[10] Delete for Notes with a denomination per Note of EUR 100,000 or more.

[11] Delete for Notes with a denomination per Note of EUR 100,000 or more.

A Non-U.S. Holder (as defined in the Base Prospectus) should review carefully the section entitled "*United States Federal Taxation*" in the Base Prospectus.

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 10 of Part B – Other Information of these Final Terms for additional information regarding withholding under Section 871(m) of the Code.

[12][THIRD PARTY INFORMATION

(*Relevant third party information*) has been extracted from [●] (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

[12] Insert if any third party information has been provided.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing and admission to Trading:	[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange's Regulated Market and to be listed on the official list of the Luxembourg Stock Exchange with effect from [●].] / [Application [has [also] been made/is [also] expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to listing and/or trading on [*insert name of exchange*] with effect from [●].] [No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by the Issue Date.][The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.] [Not Applicable.] [*Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading*.]
[Last day of Trading:	[●]]
[Estimate of total expenses related to admission to trading:	[●]][13]

2. RATINGS

Ratings:	[The Notes to be issued have been rated: [S & P: [●]] [Moody's: [●]] [Fitch: [●]] [[Other]: [●]] *Option 1* [*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"). *Option 2* [*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA and is not registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

[13] Delete for Notes with a denomination per Note of less than EUR 100,000.

Option 3

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA but the rating it has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

Option 4

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").][14]

[*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider*.][15]

(*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Program generally or, where the issue has been specifically rated, that rating*.)

[The Notes will not be rated].]

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

[*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*]

["So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer".] or

[*Specify Material Contracts*]

(*When adding any other description, consideration should be given as to whether the new matters described constitute a "significant new factor" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive*)

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

[(i) Reasons for the offer: [●]

(If reasons for offer different from making profit and/or hedging, certain risks will need to include those reasons here.)]

[(ii)] Estimated net proceeds: [●]

(If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state

[14] Edit and delete options as appropriate for the relevant rating agency/agencies providing the rating(s).

[15] Delete for Notes with a denomination per Note of EUR 100,000 or more.

amount and sources of other funding.)

[(iii)]	Estimated total expenses:	[●]

[Include breakdown of expenses.](If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

5. [PERFORMANCE OF PREFERENCE SHARE/ [EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS][16] AND OTHER INFORMATION CONCERNING THE UNDERLYING

[*Need to include details of where past and future performance and volatility of the index/equity/formula/other variable can be obtained [and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.] [Where the underlying is a Preference Share include name of issuer of such Preference Share and ISIN or other relevant identification number of such underlying.*]

[The value of the Notes is linked to the positive or negative performance of the [specify Underlying]. An increase in the [value]/[level] of the [specify Underlying] will have a [positive]/[negative] effect on the value of the Notes, and a decrease in the [value]/[level] of the [specify Underlying] will have a [positive]/[negative] effect on the value of the Notes.]

[*The Final Redemption Amount payable on the Notes is linked to the performance of the Preference Share and Noteholders may not receive the amount initially invested, and may receive a significantly lesser amount [/ subject to the minimum amount specified*].

The market price or value of the Notes at any time is expected to be affected by changes in the value of the Preference Shares to which the Notes are linked.

The market price or value of the Notes could, in certain circumstances, be affected by fluctuations in the actual or anticipated rates of dividend (if any) or any other distributions on the Preference Shares.]

(*When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive*)

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].*

6. OPERATIONAL INFORMATION

ISIN Code:	[●]
Common Code:	[●]
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] / [*give* [*name(s)*], [*addresses of the clearing system(s)*], [*relevant identification number(s)*]

[16] Delete for Notes with a denomination per Note of EUR 100,000 or more.

	[*Nordic Notes, specify relevant NCSD and Nordic Issuing Agent.* *Finnish Notes*: Finnish CSD: Euroclear Finland Oy, Urho Kekkosen katu 5 C, Box 1110, FI-00101 Helsinki, Finland *Swedish Notes*: Swedish CSD: Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden Nordic Issuing Agent: [●],[●] [*give relevant name and address*] [Japan Securities Depositary Center, Inc. [*insert address*]] [*other relevant clearing system, as applicable*]: [●], [●] [*give relevant name and address*]
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	[●]
Names and addresses of additional Paying Agent(s) (if any):	[●]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No] [Note that designation "**yes**" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs[17] as common safekeeper [[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper]][18] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either on issue or subsequently. Such recognition will depend on satisfaction of Eurosystem eligibility criteria][*include this text if "yes" selected]*

7. TERMS AND CONDITIONS OF THE OFFER

Offer Price:	[Issue Price] [*specify*]
Conditions to which the offer is subject:	[Not Applicable/ Offers of the Notes are conditional upon their issue/*give details*] *(Example: Offers of the Notes are conditional upon their issue. The Issuer has the right to withdraw the*

[17] International Central Securities Depositories.

[18] To be included for Registered Notes

	offering of the Notes and cancel the issuance of the Notes prior to the end of the subscription period for any reason. Reasons for the cancellation of the offer include, in particular: (i) adverse market conditions, as determined by the Issuer in its reasonable discretion (such as, for example, increased equity market volatility and increased currency exchange rate volatility) or (ii) that the number of applications received at that time is [insufficient, in the Issuer's opinion, to make an economically viable issuance][less than [•]].)
Description of the application process:	[Not Applicable/*give details*]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/*give details*]
Details of the minimum and/or maximum amount of application:	[Not Applicable/*give details*]
Details of the method and time limited for paying up and delivering the Notes:	[Not Applicable/ 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:	[Not Applicable/*give details*]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/*give details*]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/*give details*]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not Applicable] / [Estimated expenses charged to the investor by the relevant Issuer or the offeror are [●].] / [No expenses will be charged by the Issuer to the investor, however a subscription charge of up to [*specify amount*] may be charged by the Authorised Offeror] / [Not applicable. There are no estimated expenses charged to the investor by the Issuer [or the Authorised Offeror] / [*give details*]
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	[None/give details]

8. **PLACING AND UNDERWRITING**

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extend known to the issuer or to the offeror, of the placers in the various countries where the offer takes place:	[●]
Name and address of any paying agents and depository agents in each country:	[●]
Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" agreements. Where not all of the issue is underwritten, a statement of the portion not covered:	[●]

9. **OTHER MARKETS**

All the regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of securities to be offered or admitted to trading are already admitted to trading:	[[●]/None]

10.	**POTENTIAL SECTION 871(M) TRANSACTION**	[Not Applicable] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code because the Relevant Underlying is a "qualified index" under the applicable U.S. Treasury Regulations[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Notes are U.S. equity linked Notes subject to withholding under Section 871(m) of the Code.] [For further information please [call [•]] / [visit our website at [•]] / [write to [•]].]
11.	**Prohibition of Sales to EEA Retail Investors:**	[Applicable]/[Not Applicable]] [*If the offer of the Notes is concluded prior to 1 January 2018, or on and after that date the Notes do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute "packaged" products and no "key*

		information document" will be prepared, "Applicable" should be specified]
12.	**Index Sponsor:**	[Applicable]/[Not Applicable]] [The Index is administered by [*insert name of Index Sponsor*], who as at the Issue Date, is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.] / [The Index is administered by [*insert name of Index Sponsor*], who as at the Issue Date, is not included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.]

ISSUE-SPECIFIC SUMMARY OF THE NOTES

[Insert]

FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression "necessary information" means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and, if applicable, the Guarantor and of the rights attaching to the Notes. In relation to the different types of Notes which may be issued under the Program, the Issuer and the Guarantor have included in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions described in the relevant Final Terms as completed to the extent described in the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as completed, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuer and the Guarantor and the relevant Notes or (2) by a Registration Document containing the necessary information relating to the Issuer and the Guarantor, a securities note (the "**Securities Note**") containing the necessary information relating to the relevant Notes and, if necessary, a summary note.

FORMS OF NOTES

Morgan Stanley, MSI plc, MSBV and MSFL may issue Notes in registered form ("**Registered Notes**"). Registered Notes may be in either individual certificate form or global certificate form. In addition (i) MSBV and MSI plc may also issue Notes in dematerialised and uncertificated book-entry form with a Nordic central securities depositary ("**Nordic Notes**"), and (ii) MSBV and MSI plc may also issue Notes in uncertificated registered form ("**Uncertificated Notes**").

Registered Notes

Registered Notes will be in the form of either individual Note Certificates in registered form ("**Individual Note Certificates**") or a global Note in registered form (a "**Global Note Certificate**"), in each case as specified in the relevant Final Terms. Each Global Note Certificate will either be: (a) in the case of a Registered Note which is not to be held under the New Safekeeping Structure (defined below), registered in the name of a common depositary (or its nominee) for the Relevant Clearing System and the relevant Global Note Certificate will be deposited on or about the issue date with the common depositary and will be exchangeable in accordance with its terms; or (b) in the case of a Registered Note to be held under the new safekeeping structure ("**New Safekeeping Structure**" or "**NSS**"), be registered in the name of a common safekeeper (or its nominee) for the Relevant Clearing System and the relevant Global Note Certificate will be deposited on or about the issue date with the common safekeeper for the Relevant Clearing System and will be exchangeable for Individual Note Certificates in accordance with its terms.

If the relevant Final Terms specify the form of Notes as being "Individual Note Certificates", then the Notes will at all times be in the form of Individual Note Certificates issued to each Noteholder in respect of their respective holdings.

If the relevant Final Terms specify the form of Registered Notes as being "**Global Note Certificate exchangeable for Individual Note Certificates**", then the Notes will initially be in the form of a Global Note Certificate which will be exchangeable in whole, but not in part, for Individual Note Certificates:

(a) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

(b) at any time, if so specified in the relevant Final Terms; or

(c) if the relevant Final Terms specify "in the limited circumstances described in the Global Note Certificate", then if (a) the Relevant Clearing System is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 20 (*Events of Default*) occurs.

Whenever the Global Note Certificate is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Note Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Note Certificate to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Note Certificate at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Issue and Paying Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

Terms and Conditions applicable to the Registered Notes

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" above and the provisions of the relevant Final Terms which complete those terms and conditions. The terms and conditions applicable to any Global Note Certificate that represents a Note will differ from those terms and conditions which would apply to the Note were it in individual form to the extent described under "*Summary of Provisions relating to the Notes while in Global Form*" below.

Nordic Notes

Notes issued by MSBV or MSI plc and designated as "Finnish Notes" or "Swedish Notes" in the applicable Final Terms will be issued in uncertificated and dematerialised book-entry form in accordance with the Finnish or, as applicable, Swedish legislation and all other applicable local laws, regulations and operating procedures applicable to and/or issued by the Finnish or, as applicable, Swedish central securities depository from time to time (the "**NCSD Rules**") designated as registrar for the Nordic Notes in the relevant Final Terms (the "**NCSD**"). Payments of principal, interest (if any) or any other amounts on any Nordic Note will be made through the relevant NCSD in accordance with the NCSD Rules.

Uncertificated Notes

Uncertificated Notes will be held in uncertificated form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Regulations**"). The Uncertificated Notes are participating securities for the purposes of the Regulations. Title to the Uncertificated Notes is recorded on the relevant Operator register of eligible debt securities (as defined in the Regulations) and the relevant "**Operator**" (as such term is used in the Regulations) in Euroclear UK & Ireland Limited or any additional or alternative operator from time to time approved by the Issuer and the Registrar and in accordance with the Regulations. Notes in definitive registered form will not be issued (either upon issue or in exchange for Uncertificated Notes).

The Euroclear Registrar will make all payments in respect of Uncertificated Notes.

Eurosystem Eligibility

Registered Notes in global form which are to be held under the New Safekeeping Structure may be issued with the intention that such Notes be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria as specified by the European Central Bank. However, there is no guarantee that such Notes will be recognised as eligible collateral. Any other Notes are not intended to be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

In relation to any Registered Notes (or any Tranche thereof) represented by a Global Note Certificate, references in the "*Terms and Conditions of the Notes*" to "**Noteholder**" are references to the person in whose name such Global Note Certificate is for the time being registered in the Register which, for so long as the Global Note Certificate is held by or on behalf of a depositary or a common depositary for the Relevant Clearing System, will be that depositary or common depositary or a nominee for that depositary or common depositary.

Each of the persons shown in the records of the Relevant Clearing System as being entitled to an interest in a Global Note Certificate (each an "**Accountholder**") must look solely to the Relevant Clearing System (as the case may be) for such Accountholder's share of each payment made by the relevant Issuer to the holder of such Global Note Certificate and in relation to all other rights arising under such Global Note Certificate, including any right to exchange any exchangeable Notes or any right to require the relevant Issuer to repurchase such Notes. The respective rules and procedures of the Relevant Clearing System from time to time will determine the extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note Certificate and the timing requirements for meeting any deadlines for the exercise of those rights. For so long as the relevant Notes are represented by a Global Note Certificate, Accountholders shall have no claim directly against the relevant Issuer in respect of payments due under the Notes and such obligations of the relevant Issuer will be discharged by payment to the holder of such Global Note Certificate.

Exchange of Global Note Certificates

Whenever a Global Note Certificate is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Note Certificate within five business days of the delivery, by or on behalf of the holder of the Global Note Certificate to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Note Certificate at the specified office of the Registrar. Such exchange will be effected in accordance with the provisions of the Issue and Paying Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

(a) Individual Note Certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth day after they are due to be issued and delivered in accordance with the terms of the Global Note Certificate; or

(b) any of the Notes represented by a Global Note Certificate (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the holder of the Global Note Certificate in accordance with the terms of the Global Note Certificate on the due date for payment,

then at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) each Accountholder shall acquire the right under the Morgan Stanley Deed of Covenant, the MSI plc Deed of Covenant, the MSBV Deed of Covenant and the MSFL Deed of Covenant (the "**Deeds of Covenant**"), as the case may be, or any Additional Deed of Covenant to enforce against the Issuer, the Issuer's obligations to the Noteholder in respect of the Notes represented by the Global Note Certificate, including the obligation of the Issuer to make all payments and deliveries when due at any time in respect of such Notes as if such Notes had been duly presented and (where required by the Conditions) surrendered on the due date in accordance with the Conditions. Each Accountholder shall acquire such right without prejudice to any other rights which the Noteholder may have under the Global Note Certificate and the Deeds of Covenant. Notwithstanding the rights that each Accountholder may acquire under the Deeds of Covenant, payment or delivery to the Noteholder in respect of any Notes represented by the Global Note Certificate shall constitute a discharge of the Issuer's

obligations to the extent of any such payment or delivery and nothing in the Deed of Covenant shall oblige the Issuer to make any payment or delivery under the Notes to or to the order of any person other than the Noteholder.

Conditions Applicable to Global Notes

Each Global Note Certificate will contain provisions which modify the terms and conditions set out in "*Terms and Conditions of the Notes*" as they apply to the Global Note Certificate. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Note Certificate, which, according to the Terms and Conditions of the Notes, require presentation and/or surrender of a Note Certificate will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note Certificate at the Specified Office or to the order of any paying agent and will be effective to satisfy and discharge the corresponding liabilities of the relevant Issuer in respect of the Notes.

Exercise of Put Option: In order to exercise the Noteholder's put option set out in Condition 15.7 (*Redemption at the Option of Noteholders*) of the Terms and Conditions of the Notes, the holder of a Global Note Certificate must, within the period specified therein for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent and/or such other person as is specified in the relevant Final Terms specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial Exercise of Call Option: In connection with an exercise of the option contained in Condition 15.5 (*Redemption at the Option of the Issuer*) of the Terms and Conditions of the Notes in relation to some but not all of the Notes, the Global Note Certificate may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 27 (*Notices*) of the Terms and Conditions of the Notes while all the Notes are represented by a Global Note Certificate and the Global Note Certificate is deposited with a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 27 (*Notices*) of the Terms and Conditions of the Notes, on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, except that, for so long as the Notes are listed on any stock exchange or are admitted to trading by another relevant authority, any notice to Noteholders shall be published in accordance with the rules and regulations of each such stock exchange or other relevant authority.

Payment Business Day: Notwithstanding Condition 2 (*Interpretation*), the definition of "Payment Business Day" in relation to any Global Note Certificate shall be as follows:

"**Payment Business Day**" means:

(a) if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Business Centre;

(b) if the currency of payment is CNY, any day on which banks and foreign exchange markets are open for business and settlement of CNY payments in the Relevant Financial Centre, the place of payment and each (if any) Additional Business Centre; or

(c) in any other case, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Business Centre.

Registered Notes

Notwithstanding Condition 16 (*Payments – Registered Notes*), each payment in respect of any Global Note Certificate shall be made to the person shown in the Register as the registered holder of the Notes represented by such Global Note Certificate at the close of business (in the relevant clearing system) on

the Clearing System Business Day before the due date for such payment (the "**Record Date**") where the "**Clearing System Business Day**" means a day on which each clearing system for which the Global Note Certificate is being held is open for business.

DESCRIPTION OF SIENNA FINANCE UK LIMITED AND THE SIENNA FINANCE UK LIMITED PREFERENCE SHARES

Preference-Share Linked Notes may be issued under the Program, where the Preference Shares are preference shares issued by Sienna Finance UK Limited ("Sienna UK"). Set out below is a description of Sienna UK. References in this section to the "Preference Shares" shall be a reference to preference shares issued by Sienna UK which are specified as being the "Preference Shares" in the applicable Final Terms relating to the relevant Preference-Share Linked Notes.

Sienna Finance UK Limited

Sienna UK is a private company limited by shares and was incorporated under the Companies Act 2006 on 18 February 2010 (with registered number 07162508). Sienna UK is governed by the laws of England and Wales and has its registered office at 35 Great St. Helen's, London, EC3A 6AP, United Kingdom.

The sole business activity of Sienna UK is to issue redeemable preference shares. Accordingly, Sienna UK does not have any trading assets and does not generate any significant net income.

A copy of Sienna UK's constitutional documents, its non-audited, non-consolidated annual financial statements, when published, and the Terms of the Preference Shares (as defined below) are available (free of charge) from the registered office of Sienna UK.

The Preference Shares

Sienna UK will from time to time issue tranches of 100 redeemable preference shares with a par value of £0.01 each. The preference shares will be issued fully paid to Intertrust Corporate Services Limited (formerly SFM Corporate Services Limited, name changed on 9 December 2016) and at a premium of £0.99, for total consideration of £1.00 each.

Sienna UK may issue redeemable preference shares of any kind (the "**Preference Shares**"), including but not limited to preference shares linked to a specified index or basket of indices, share or basket of shares, currency or basket of currencies, fund unit or share or basket of fund units or shares or to such other underlying instruments, bases of reference or factors (the "**Preference Share Underlying**") and on such terms as may be determined by Sienna UK and specified in the applicable Specific Terms and Conditions of the relevant series of preference shares (the "**Terms of the Preference Shares**").

The Terms of the Preference Shares also provide that Sienna UK may redeem the Preference Shares early if:

(a) the calculation agent in respect of the Preference Shares (the "**Preference Shares Calculation Agent**") determines that for reasons beyond Sienna UK's control, the performance of its obligations under the Preference Shares has become illegal or impractical in whole or in part for any reason; or

(b) any event occurs in respect of which the provisions of the Terms of the Preference Shares relating to any adjustment, delay, modification, cancellation or determination in relation to the Preference Share Underlying, the valuation procedure for the Preference Share Underlying or the Preference Shares provide that the Preference Shares may be redeemed or cancelled; or

(c) a change in applicable law or regulation occurs that in the determination of the Preference Share Calculation Agent results, or will result, by reason of the Preference Shares being outstanding, in Sienna UK being required to be regulated by any additional regulatory authority, or being subject to any additional legal requirement or regulation or tax considered by Sienna UK to be onerous to it; or

(d) Sienna UK is notified that the Notes have become subject to early redemption.

The performance of the Preference Shares depends on the performance of the Preference Share Underlying to which the Preference Shares are linked. In determining the value of the Preference Shares, the Determination Agent shall employ the calculation procedure and methodology set out in the applicable Terms of the Preference Shares.

BENEFIT PLAN INVESTORS

The Notes may not be acquired or held by, or acquired with the assets of, any employee benefit plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), or any individual retirement account or plan subject to Section 4975 of the Code or any entity whose underlying assets include "plan assets" within the meaning of Section 3(42) of ERISA by reason of any such employee benefit plan's account's or plan's investment therein.

The Global Note Certificates and the Individual Note Certificates will bear a legend to the following effect:

THE INVESTOR SHALL BE DEEMED TO REPRESENT BY ITS ACQUISITION AND HOLDING OF AN INTEREST HEREIN THAT IT IS NOT ACQUIRING THE NOTE WITH THE ASSETS OF ANY EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), ANY INDIVIDUAL RETIREMENT ACCOUNT OR PLAN SUBJECT TO SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF SECTION 3(42) OF ERISA BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S ACCOUNT'S OR PLAN'S INVESTMENT THEREIN.

TAXATION

UNITED STATES FEDERAL TAXATION

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the U.S. federal tax treatment of the Notes or the holders. Holders should seek their own advice based upon their particular circumstances from an independent tax adviser.

The following are certain of the U.S. federal income and estate tax consequences of ownership and disposition of the Notes by Non-U.S. Holders (as defined below). This summary is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, all as of the date hereof, changes to any of which subsequent to the date of this Base Prospectus may affect the tax consequences described herein. This summary does not discuss the consequences of the Medicare tax on investment income. As used herein, the term "Non-U.S. Holder" means a beneficial owner of a Note that is for U.S. federal income tax purposes:

- an individual who is classified as a nonresident alien;
- a foreign corporation; or
- a foreign estate or trust.

The term "Non-U.S. Holder" does not include any of the following holders:

- a holder who is an individual present in the United States for 183 days or more in the taxable year of disposition;
- certain former citizens or residents of the United States;
- a holder for whom income or gain in respect of the Notes is effectively connected with the conduct of a trade or business in the United States; or
- a holder who has a "tax home" (as defined in Section 911(d)(3) of the Code) or an office or other fixed place of business in the United States.

Special rules may also apply to corporations that are treated as personal holding companies, controlled foreign corporations, or passive foreign investment companies.

Such holders are urged to consult their own tax advisers regarding the U.S. federal income tax consequences of the ownership and disposition of a Note.

If an entity is classified as partnership holds a Note, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. Partners of partnerships holding Notes should consult their tax advisers regarding the U.S. federal income tax consequences of owning and disposing of a Note.

Tax Treatment of the Notes

General

Except as otherwise discussed below in " – Section 897 of the Code," " – Dividend Equivalent Amounts," " – FATCA" and " – Backup Withholding and Information Reporting," or otherwise indicated in an applicable Drawdown Prospectus, a Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on payments of principal, or interest (including original issue discount, if any) on a Note, or on proceeds from the sale or other disposition of a Note, **provided that,** in the case of a Note issued by Morgan Stanley or MSFL, for U.S. federal income tax purposes:

- the Note is treated as indebtedness of the relevant Issuer;
- the holder does not own (directly or by attribution) 10 per cent. or more of the total combined voting power of all classes of stock of Morgan Stanley entitled to vote;
- the holder is not a bank holding the Note in the context of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; and
- the holder (and beneficial owner) have complied with all U.S. tax identification and certification requirements.

The certification requirements referred to in the preceding paragraphs will be fulfilled if the beneficial owner of the Note (or a financial institution holding the Note on behalf of the beneficial owner) furnishes the U.S. Internal Revenue Service ("**IRS**") Form W-8BEN or W-8BEN-E (or with respect to certain holders and beneficial owners, other appropriate forms), on which, among other things, the beneficial owner certifies under penalties of perjury that it is not a United States person, as defined in the Code.

Exchangeable Notes

Except as otherwise discussed below in " – Section 897 of the Code," " – Dividend Equivalent Amounts," " – FATCA"and " – Backup Withholding and Information Reporting," or otherwise indicated in an applicable Drawdown Prospectus, a Non-U.S. Holder will generally not be subject to U.S. federal income or withholding tax in respect of an exchangeable note, provided that:

- in the case of a Note issued by Morgan Stanley or MSFL, the requirements for exemption from tax listed above under "—General" are met; and

- in the case of a Note issued by Morgan Stanley or MSFL, the Note is exchangeable only into securities that are actively traded, a basket of securities that are actively traded or an index or indices of securities that are actively traded.

No opinion is expressed herein as to the U.S. federal income or withholding tax consequences of the ownership or disposition of the property received in exchange for the Note.

With regard to the above requirements, the Issuers intend to treat Notes for which the principal amount payable in cash equals or exceeds the issue price (i.e., the first price at which a substantial amount of the Notes is sold to the public) as indebtedness for U.S. federal income tax purposes. There can be no assurance that the IRS or a court will agree.

Notes Linked to Commodity Prices, Single Securities, Baskets of Securities, Indices, Exchange Traded Funds or other Funds, Currencies and Credit-Linked Notes

The U.S. federal income tax consequences to a Non-U.S. Holder of the ownership and disposition of Notes that have principal or interest determined by reference to commodity prices, securities of entities not affiliated with the relevant Issuer, baskets of securities or indices, exchange traded funds or other funds, currencies or the credit of entities not affiliated with the relevant Issuer may vary depending upon the exact terms of the Notes and related factors. Except as otherwise discussed below in " – Section 897 of the Code," " – Dividend Equivalent Amounts," " – FATCA"and " – Backup Withholding and Information Reporting," or otherwise indicated in an applicable Drawdown Prospectus, the Issuers do not expect payments on such Notes to be subject to any U.S. federal withholding tax, provided that, if the Notes are treated as indebtedness issued by Morgan Stanley or MSFL for U.S. federal income tax purposes, the requirements above under " –General" are met. However, Notes containing any of these features may be subject to rules that differ from the general rules discussed above. In these instances, an applicable Drawdown Prospectus will disclose such special rules.

Section 897 of the Code

No opinion is expressed herein as to whether any issuer of any shares to which a Note relates (such shares hereafter referred to as "Underlying Shares") is treated as a "U.S. real property holding corporation" ("USRPHC") within the meaning of Section 897 of the Code. If any issuer of Underlying Shares were so treated, certain adverse U.S. federal income tax consequences might apply upon the sale, exchange or other disposition of a Note (including potential U.S. withholding tax, notwithstanding the discussions above). Holders should refer to information filed with the Securities and Exchange Commission or other governmental authorities by the issuers of the Underlying Shares and consult their tax advisers regarding the possible consequences to such holders if any such issuer is or becomes a USRPHC.

Dividend Equivalent Amounts

Section 871(m) of the Code imposes a withholding tax of 30 per cent. (or lower treaty rate applicable to dividends) on certain "dividend equivalents" paid or deemed paid with respect to certain financial instruments linked to U.S. equities or indices that include U.S. equities. Subject to the discussion below concerning Notes issued before January 1, 2019, a Note linked to U.S. equities or indices that include U.S. equities (a "U.S. equity linked Note") will be subject to the Section 871(m) withholding regime if at issuance it (i) has a "delta" of 0.80 or higher with respect to the underlying U.S. stock or (ii) substantially

replicates the economic performance of the underlying U.S. stock, as determined by a "substantial equivalence" test that, among other factors, takes into account the initial number of shares of the underlying U.S. stock needed to hedge the transaction fully. The tests described above are set forth in the regulations, and the applicable test will depend on the terms of the relevant U.S. equity linked Note. Under these rules, withholding may apply even where the relevant U.S. equity linked Note does not provide for any payment that is explicitly linked to a dividend. The regulations provide for certain exceptions to the withholding requirements, in particular for instruments linked to certain broad-based indices (a "qualified index") that meet standards set forth in the regulations, as well as certain exchange traded funds that track a qualified index.

Under a recent IRS notice, Section 871(m) will not apply to Notes issued before January 1, 2019 that do not have a "delta" of one with respect to any U.S. equity. If the terms of a U.S. equity linked Note are subject to a "significant modification," the U.S. equity linked Note will generally be treated as reissued at the time of the significant modification.

The calculations of "delta" are generally made at the "calculation date," which is the earlier of (i) the time of pricing of the U.S. equity linked Note, i.e., when all material terms have been agreed on, and (ii) the issuance of the U.S. equity linked Note. However, if the time of pricing is more than 14 calendar days before the issuance of the U.S. equity linked Note, the calculation date is the date of the issuance of the U.S. equity linked Note. In those circumstances, information regarding the Issuer's final determinations for purposes of Section 871(m) may be available only after the issuance of the U.S. equity linked Note. As a result, a Non-U.S. Holder should acquire such a U.S. equity linked Note only if it is willing to accept the risk that the U.S. equity linked Note is treated as subject to withholding.

The amount of a "dividend equivalent" is equal to, for a "simple" contract, the product of (a) the per-share dividend amount, (b) the number of shares of the underlying U.S. equity referenced in the U.S. equity linked Note and (c) the delta, and, for a "complex" contract, the product of (a) the per-share dividend amount and (b) the initial hedge.

The dividend equivalent amount will be determined on the earlier of (a) the record date of the dividend and (b) the day prior to the ex-dividend date. The dividend equivalent amount will include the amount of any actual or, under certain circumstances, estimated dividend. If a U.S. equity linked Note is subject to withholding in respect of dividend equivalents, withholding will, depending on the applicable withholding agents' circumstances, generally be required either (i) on the underlying dividend payment date or (ii) when cash payments are made on the relevant U.S. equity linked Note or upon the date of maturity, lapse or other disposition thereof by the Non-U.S. Holder.

The relevant Issuer will determine whether a U.S. equity linked Note is subject to withholding under Section 871(m). If the Issuer has determined, as specified in the Pricing Supplement, that a U.S. equity linked Note should not be subject to withholding under Section 871(m), the Issuer will be deemed to instruct its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise. If withholding is required, the relevant Issuer will not be required to pay any additional amounts with respect to the amounts so withheld.

The relevant Issuer's determination is not binding on the IRS, and the IRS may disagree with its determination. Section 871(m) is complex and its application may depend on the Non-U.S. Holder's particular circumstances. For example, the application of Section 871(m) may be affected if a Non-U.S. Holder enters into another transaction in connection with the acquisition of a U.S. equity linked Note. Accordingly, Non-U.S. Holders should consult their tax advisers regarding the potential application of Section 871(m) to the U.S. equity linked Notes in their particular circumstances.

FATCA

Legislation commonly referred to as "FATCA" generally imposes a withholding tax of 30 per cent. on payments to certain non-U.S. entities (including financial intermediaries) with respect to certain financial instruments, unless various U.S. information reporting and due diligence requirements have been satisfied. An intergovernmental agreement between the United States and the non-U.S. entity's jurisdiction may modify these requirements. This legislation generally applies to certain financial instruments that are treated as paying U.S.-source interest or dividends or other U.S.-source "fixed or determinable annual or periodical" income. Withholding (if applicable) applies to any payment of amounts treated as interest or dividend equivalents (as discussed above under "—Dividend Equivalent Amounts") on the Notes and, for dispositions after December 31, 2018, any payment of gross proceeds of the disposition (including upon retirement) of the Notes treated as providing for U.S.-source interest or

dividends. If withholding applies to the Notes, the relevant Issuer will not be required to pay any additional amounts with respect to amounts withheld under FATCA. Non-U.S. Holders should consult their tax advisers regarding the potential application of FATCA to the Notes.

Backup Withholding and Information Reporting

Information returns may be filed with the IRS in connection with payments on the Notes as well as in connection with the proceeds from a sale, exchange or other disposition. A Non-U.S. Holder may be subject to backup withholding in respect of amounts paid to the Non-U.S. Holder, unless such Non-U.S. Holder complies with applicable certification procedures to establish that it is not a United States person for U.S. federal income tax purposes or otherwise establishes an exemption. Compliance with the certification procedures described above will satisfy the certification requirements necessary to avoid backup withholding. The amount of any backup withholding from a payment to a Non-U.S. Holder will be allowed as a credit against the Non-U.S. Holder's U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Estate Tax

Individual Non-U.S. Holders and entities the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers) should note that, absent an applicable treaty exemption, a Note that is treated as indebtedness for U.S. federal estate tax purposes will be treated as U.S. situs property subject to U.S. federal estate tax if payments on the Note, if received by the decedent at the time of death, would have been subject to U.S. federal withholding tax (even if the IRS Form W-8BEN or W-8BENE certification requirement described above were satisfied and not taking into account an elimination of such U.S. federal withholding tax due to the application of an income tax treaty or withholding under FATCA).

Absent an applicable treaty benefit, a Note that is not treated as indebtedness for U.S. federal estate tax purposes may be treated as U.S. situs property subject to U.S. federal estate tax. Non-U.S. Holders should consult their own tax advisers regarding the U.S. federal estate tax consequences of an investment in the Notes and the availability of benefits provided by an applicable estate tax treaty, if any.

UNITED KINGDOM TAXATION

The following disclosure applies in respect of Notes issued by Morgan Stanley, MSI plc, MSBV or MSFL, and references in this section on United Kingdom taxation to "**Notes**" and references to "**Noteholders**, should be construed accordingly.

The following is a general description of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes. The comments do not deal with other United Kingdom tax aspects of acquiring, holding, disposing of, or abandoning Notes. Transactions involving Notes, including the issue and subscription of Notes, any purchase or disposal or settlement of Notes, may have United Kingdom tax consequences for potential purchasers (including but not limited to, transfer taxes and possible withholding or deduction for or on account of United Kingdom tax from payments made in respect of the Notes). The tax consequences may depend, amongst other things, on the status of the potential investor and the terms and conditions of a particular Note as specified in the Final Terms. It is based on current law and practice of HM Revenue and Customs ("**HMRC**"), which may be subject to change, sometimes with retrospective effect. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. Prospective Noteholders and Noteholders should be aware that the particular terms of issue of any series of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other series of Notes. The following is a general guide and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Prospective Noteholders and Noteholders who are in any doubt as to their tax position should consult their professional advisors about tax implications of purchasing and holding a Note, any transaction involving a Note, and any transaction involved in the exercise and settlement of a Note. Noteholders and Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom are particularly advised to consult their professional advisors as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom withholding taxation aspects of payments in respect of the Notes. In particular, Noteholders and Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

1. *Notes - UK Withholding Tax on Interest Payments by the Issuers*

Interest on Notes issued for a term of less than one year (and which are not issued under arrangements the effect of which is to render the Notes part of a borrowing with a total term of one year or more) may be paid by the relevant Issuer without withholding or deduction for or on account of United Kingdom income tax.

Interest on Notes issued for a term of one year or more (or under arrangements the effect of which is to render the Notes part of a borrowing with a total term of one year or more) may be paid by the relevant Issuer without withholding or deduction for or on account of United Kingdom income tax except in circumstances where such interest has a United Kingdom source. The location of the source of a payment is a complex matter. It is necessary to have regard to case law and HMRC practice. Case law has established that in determining the source of interest all relevant factors must be taken into account. HMRC has indicated that the most important factors in determining the source of a payment are those which influence where a creditor would sue for payment and has stated that the place where the Issuer does business and the place where its assets are located are the most important factors in this regard; however, HMRC has also indicated that, depending on the circumstances, other relevant factors may include the place of performance of the contract, the method of payment, the proper law of contract, the competent jurisdiction for any legal action, the location of any security for the debt and the residence of the Guarantor, although other factors may also be relevant.

Interest which has a United Kingdom source ("UK interest") may be paid by the relevant Issuer without withholding or deduction for or on account of United Kingdom income tax if the Notes in respect of which the UK interest is paid constitute "quoted Eurobonds". Notes which carry a right to interest will constitute "quoted Eurobonds" provided they are and continue to be listed on a recognised stock exchange. Notes will be regarded as "listed on a recognised stock exchange" for this purpose if they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the United Kingdom's official list (within the meaning of Part 6 or the Financial Services and Markets Act 2000) or they are officially listed in the country of that stock exchange in accordance with provisions corresponding to those generally applicable

in European Economic Area states in a country outside the United Kingdom in which is a recognised stock exchange.

If the Notes do not constitute "quoted Eurobonds", payments of interest on the Notes may still be made without withholding or deduction for or on account of United Kingdom income tax, provided that the relevant Issuer is and continues to be authorised for the purposes of the Financial Services and Markets Act 2000 and its business is and continues to consist wholly or mainly of dealing in financial instruments (within the meaning of section 885 of the Income Tax Act 2007) as principal and that such payments are made in the ordinary course of that business. On the basis of HMRC published practice in the context of a similar provision, interest will be accepted as being paid in the ordinary course of business unless the characteristics of the transaction giving rise to the interest are primarily attributable to an intention to avoid United Kingdom tax.

In all other cases, UK interest on the Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20%) subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty or to any other exemption which may apply.

2. ***Payments under Deed of Covenant***

Any payments made under the Deed of Covenant by the relevant Issuer may not qualify for the exemptions from UK withholding tax described above.

3. ***Payments by Guarantor***

If the Guarantor makes any payments in respect of interest on the Notes (or other amounts due under the Notes other than the repayment of amounts subscribed for the Notes) and such payment have a United Kingdom source, such payments may be subject to United Kingdom withholding tax at the basic rate (currently 20%) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply. Whether such payment made by the Guarantor have a United Kingdom source is a complex matter and is likely to be determined by reference to the factors set out in paragraph A2 above. Such payments by the Guarantor may not be eligible for the exemptions described in A. above.

4. ***Other Rules Relating to United Kingdom Withholding Tax***

Notes may be issued at an issue price of less than 100 per cent. of their principal amount. Whether any discount element on such Notes will be subject to any United Kingdom withholding tax pursuant to the provisions mentioned above, will depend on the precise terms of the Notes.

Where Notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax and reporting requirements as outlined above.

Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

The references to "**interest**" above mean "interest" as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of "interest" or principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation. Where a payment on a Note does not constitute (or is not treated as) interest for United Kingdom tax purposes, and the payment has a United Kingdom source, it would potentially be subject to United Kingdom withholding tax if, for example, it constitutes (or is treated as) an annual payment or a manufactured payment, rent or royalties for United Kingdom tax purposes. Where a payment is subject to United Kingdom withholding tax, depending on the nature of the payment (which will be determined by, amongst other things, the terms and conditions specified by the Final Terms of the Note), the payment may fall to be made under deduction of United Kingdom tax (the rate of withholding depending on the nature of the payment), subject to any exemption from withholding which may apply and to such relief as may be available under the provisions of any applicable double tax treaty.

NETHERLANDS TAXATION

The following disclosure applies only in respect of Notes issued by MSBV and not in respect of Notes issued by Morgan Stanley, MSI plc or MSFL. References in this section on Netherlands taxation to "Issuer" refer only to MSBV, reference to "Program Securities" refer only to Notes issued by MSBV and references to holders of Notes should be construed accordingly.

The following general description of certain Dutch taxation matters is based on the laws and practice in force as of the date of this 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 general description 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 a Note, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules.

For the purpose of this general description it is assumed that no individual or entity holding a Note has or will have a substantial interest, or - in the case of a holder of a Note being an entity - a deemed substantial interest, in the Issuer and that no connected person (verbonden persoon) to the holder of a Note has or will have a substantial interest in the Issuer.

Generally speaking, an individual has a substantial interest in a company if (a) such individual, either alone or together with his partner, directly or indirectly has, or is deemed to have or (b) certain relatives of such individual or his partner directly or indirectly have or are deemed to have (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent or more of either the total issued and outstanding capital of such company or the issued and outstanding capital of any class of shares of such company, or (ii) the ownership of, or certain rights over, profit participating certificates (winstbewijzen) that relate to 5 per cent or more of either the annual profit or the liquidation proceeds of such company

Generally speaking, an entity has a substantial interest in a company if such entity, directly or indirectly has (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent or more of either the total issued and outstanding capital of such company or the issued and outstanding capital of any class of shares of such company, or (ii) the ownership of, or certain rights over, profit participating certificates (winstbewijzen) that relate to 5 per cent or more of either the annual profit or the liquidation proceeds of such company. An entity holding a Note has a deemed substantial interest in a company if such entity has disposed of or is deemed to have disposed of all or part of a substantial interest on a non-recognition basis.

For the purpose of this general description, the term "entity" means a corporation as well as any other person that is taxable as a corporation for Dutch corporate tax purposes.

Where this general description refers to a holder of a Note, an individual holding a Note or an entity holding a Note, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Note or otherwise being regarded as owning a Note for Dutch tax purposes. It is noted that for purposes of Dutch income, corporate, gift and inheritance tax, assets legally owned by a third party such as a trustee, foundation or similar entity, may be treated as assets owned by the (deemed) settlor, grantor or similar originator or the beneficiaries in proportion to their interest in such arrangement.

Where the general description refers to "The Netherlands" or "Dutch" it refers only to the European part of the Kingdom of the Netherlands.

This summary does not address the Netherlands tax consequences for holders of Notes that are a resident of any non-European part of the Kingdom of the Netherlands.

Investors should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of a Note.

1. *Withholding Tax*

All payments under the Notes may be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, **provided that** (i) the Notes have a maturity – legally or *de facto* - of not more than 50 years, and (ii) the Notes will not represent, be linked to (the performance of) or be convertible (in part or in whole) into, (rights to purchase) (a) shares, (b) profit certificates

(*winstbewijzen*), and/or (c) debt instruments having a maturity – legally or *de facto* – of more than 50 years, issued by MSBV, the Guarantor or any other entity related to MSBV and/or the Guarantor.

2. ***Taxes On Income And Capital Gains***

Residents

Resident entities

An entity holding a Note which is, or is deemed to be, resident in the Netherlands for corporate tax purposes and which is not tax exempt, will generally be subject to corporate tax in respect of income or a capital gain derived from a Note at the prevailing statutory rates.

Resident individuals

An individual holding a Note who is, or is deemed to be, resident in the Netherlands for income tax purposes will be subject to income tax in respect of income or a capital gain derived from a Note at rates up to 52 per cent if:

(i) the income or capital gain is attributable to an enterprise from which the holder derives profits (other than as a shareholder); or

(ii) the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

If the above-mentioned conditions (i) and (ii) do not apply, a holder of Notes who is an individual, resident or deemed to be resident in the Netherlands will not be subject to Dutch taxes on income actually received or gains actually realised. Instead, such individual is generally taxed at a flat rate of 30% on deemed income from "savings and investments" ("*sparen en beleggen*"), which deemed income is determined on the basis of the amount included in the individual's "yield basis" ("*rendementsgrondslag*") at the beginning of the calendar year (minus a tax-free threshold). For the 2017 tax year, the deemed income derived from savings and investments will amount to 2.87% of the individual's yield basis up to EUR 75,000 (seventy five thousand Euro), 4.6% of the individual's yield basis exceeding EUR 75,000 (seventy five thousand Euro) up to and including EUR 975,000 (nine hundred and seventy five thousand Euro) and 5.39% of the individual's yield basis in excess of EUR 975,000 (nine hundred and seventy five thousand Euro). The percentages to determine the deemed income will be reassessed every year.

Non-residents

A holder of a Note which is not, or is not deemed to be, resident in the Netherlands for the relevant tax purposes will not be subject to taxation on income or a capital gain derived from a Note unless:

(i) the income or capital gain is attributable to an enterprise or part thereof which is either effectively managed in or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands;

(ii) the holder is entitled to a share in profits of an enterprise that is effectively managed in the Netherlands, and to which enterprise the income or capital gain is attributable, other than by way of securities; or

(iii) the holder is an individual and the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in the Netherlands as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

3. ***Gift And Inheritance Taxes***

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder of a Note, unless:

(i) the holder of a Note is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or

(ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

4. ***Value Added Tax***

There is no Dutch value added tax payable by a holder of a Note in respect of payments in consideration for the issue of the Notes or in respect of the payment of interest or principal under the Notes, or the transfer of the Notes.

5. ***Other Taxes And Duties***

There is no Dutch registration tax, stamp duty or any other similar tax or duty, other than court fees, payable in the Netherlands by a holder of a Note in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgement in the courts of the Netherlands) of the Notes or the performance of the Issuer's obligations under the Notes.

6. ***Residence***

A holder of a Note will not be and will not be deemed to be resident in the Netherlands for tax purposes and, subject to the exceptions set out above, will not otherwise be subject to Dutch taxation, by reason only of acquiring, holding or disposing of a Note or the execution, performance, delivery and/or enforcement of a Note.

AUSTRIAN TAXATION

This section on taxation contains a brief description of the Issuers' understanding with regard to certain important principles which may be of significance in connection with the purchase, holding or sale of the Notes in the Republic of Austria. This general description does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. These comments are not intended to be, nor should they be construed to be, legal or tax advice. This description furthermore only refers to investors which are subject to unlimited (corporate) income tax liability in Austria. It is based on the currently valid tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may possibly also be effected with retroactive effect and may negatively impact on the tax consequences described. It is recommended that potential purchasers of the Notes consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Notes. Tax risks resulting from the Notes (in particular from a potential qualification as a foreign investment fund within the meaning of sec. 188 of the Austrian Investment Funds Act 2011 (*Investmentfondsgesetz 2011*)) shall in any case be borne by the purchaser. For the purposes of the following it is assumed that the Notes are legally and factually offered to an indefinite number of persons. The Issuer assumes no responsibility with respect to taxes withheld at source.

General remarks

Individuals having a permanent domicile (*Wohnsitz*) and/or their habitual abode (*gewöhnlicher Aufenthalt*) in Austria are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a permanent domicile nor their habitual abode in Austria are subject to income tax only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of effective management (*Ort der Geschäftsleitung*) and/or their legal seat (*Sitz*) in Austria are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of effective management nor their legal seat in Austria are subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Both in case of unlimited and limited (corporate) income tax liability Austria's right to tax may be restricted by double taxation treaties.

Income taxation of the Notes

Pursuant to sec. 27(1) of the Austrian Income Tax Act *(Einkommensteuergesetz*), the term investment income (*Einkünfte aus Kapitalvermögen*) comprises:

- income from the letting of capital (*Einkünfte aus der Überlassung von Kapital*) pursuant to sec. 27(2) of the Austrian Income Tax Act, including dividends and interest;
- income from realised increases in value (*Einkünfte aus realisierten Wertsteigerungen*) pursuant to sec. 27(3) of the Austrian Income Tax Act, including gains from the sale, redemption and other realisation of assets that lead to income from the letting of capital, zero coupon bonds and also broken-period interest; and
- income from derivatives (*Einkünfte aus Derivaten*) pursuant to sec. 27(4) of the Austrian Income Tax Act, including cash settlements, option premiums received and income from the sale or other realisation of forward contracts like options, futures and swaps and other derivatives such as index certificates.

According to the interpretation of the Austrian Ministry of Finance, sec. 27(4) of the Austrian Income Tax Act comprises all kind of certificates, including for example index certificates, alpha certificates, leverage certificates or so-called sport certificates (Income Tax Act Guidelines 2000, "EStR 2000", para 6173). The underlying may be shares, indices, commodities, currencies, bonds, metals, etc. In case of certificates, income from derivatives results from the difference between the acquisition costs and the sales prices or redemption value or settlement amount (all of the latter depending on the development in value of the underlying). Indexed bonds (*indexierte Anleihen*) or bonds with index-linked yield (*Anleihen mit indexorientierter Verzinsung*) are not deemed to be derivatives for purposes of sec. 27(4) of the Austrian Income Tax Act. Interest resulting from these bonds is treated as income from the letting of

capital pursuant to sec. 27(2) of the Austrian Income Tax Act; the sale or redemption of these bonds is deemed to lead to income from realized gains and other increases in value pursuant to sec. 27(3) of the Austrian Income Tax Act (EStR 2000, para 6195 et seq.). In case the Issuer may choose whether to redeem a bond either by handing out cash or by way of transferring (own or third party) shares (so-called cash or share bonds), interest paid on these bonds is deemed to be income from the letting of capital pursuant to sec. 27(2) of the Austrian Income Tax Act. The exercise of the option by the Issuer is not deemed to be an exchange of bonds for stock and does therefore not result in a sale of the bond with a subsequent acquisition of the shares (EStR 2000, para 6183 et seq.). Income from the sale or redemption of cash or share bonds constitutes income from realized increases in value.

The withdrawal of the Notes from a bank deposit (*Depotentnahme*) would generally be considered as a sale. In case certain notification requirements are met, no taxation is triggered. Furthermore, circumstances leading to a loss of Austria's taxation right regarding the Notes vis-à-vis other countries, e.g. a relocation from Austria (*Wegzug*) are in general deemed to constitute a sale (cf. sec. 27(6) of the Austrian Income Tax Act). In case of relocation of an individual to a Member State of the European Union or to certain Member States of the European Economic Area, a deferral of taxation may be available.

Individuals holding the Notes as non-business assets

Individuals subject to unlimited income tax liability in Austria holding the Notes as a non-business asset are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. In case of investment income with an Austrian nexus (*inländische Einkünfte aus Kapitalvermögen*), basically meaning income that is paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle*), the income is subject to a withholding tax of 27.5%; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to sec. 97(1) of the Austrian Income Tax Act). In case of investment income without an Austrian nexus, the income must be included in the income tax return and is subject to a flat income tax rate of 27.5%. In both cases upon application the option exists to tax all income subject to the tax rate of 27.5% at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act).

Sec. 27(8) of the Austrian Income Tax Act, *inter alia*, provides for the following restrictions on the set-off of losses: negative income from realised increases in value and from derivatives may not be set off against interest and other claims against credit institutions subject to the 25% tax rate as well as income from Austrian or foreign private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*); income subject to the flat tax rates of 25% or 27.5% may not be set off against income subject to the progressive income tax rate (this equally applies in case of an exercise of the option to regular taxation); negative investment income not already set off against positive investment income may not be set off against other types of income.

Individuals holding the Notes as business assets

Individuals subject to unlimited income tax liability in Austria holding the Notes as a business asset are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. In case of investment income with an Austrian nexus (as described above) the income is subject to a withholding tax of 27.5%. While this withholding tax has the effect of final taxation for income from the letting of capital, income from realised increases in value and income from derivatives must on the other hand be included in the income tax return (nevertheless subject to the flat income tax rates of 27.5%). In case of investment income without an Austrian nexus, the income must always be included in the income tax return (subject to the flat income tax rate of 27.5%). In both cases upon application the option exists to tax all income subject to the tax rate of 27.5% at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Pursuant to sec. 6(2)(c) of the Austrian Income Tax Act, impairment to the lower fair market value and losses from the sale, redemption and other realisation of financial assets and derivatives in the sense of sec. 27(3) and (4) of the Austrian Income Tax Act, which are subject to the special tax rates of 27.5% or 25%, are primarily to be set off against income from realised increases in value of such financial assets and derivatives and with appreciations in value of such assets within the same business unit (*Wirtschaftsgüter desselben Betriebes*); only 55% of the remaining negative difference may be set off against other types of income (and carried forward).

Corporations and Private Foundations

Corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on interest from the Notes at a rate of 25%. In case of investment income with an Austrian nexus (as described above) the income is subject to a withholding tax of 27.5%, which may be reduced to 25% in case a corporation is the beneficial recipient of such income. Such withholding tax can be credited against the corporate income tax liability. However, under the conditions set forth in sec. 94(5) of the Austrian Income Tax Act no withholding tax is levied in the first place. Income from the sale of the Notes is subject to corporate income tax of 25%. Losses from the sale of the Notes can be set off against other income (and carried forward).

Private foundations pursuant to the Austrian Private Foundations Act fulfilling the prerequisites contained in sec. 13(3) and (6) of the Austrian Corporate Income Tax Act and holding the Notes as a non-business asset are subject to interim taxation at a rate of 25% on interest income, income from realised increases in value and income from derivatives (*inter alia*, if the latter are in the form of securities; or in case of non-securitized derivatives if the Austrian custodian or paying agent voluntarily withholds the tax at source pursuant to sec. 27a(2)(7) of the Austrian Income Tax Act). Interim tax does not fall due insofar as distributions subject to withholding tax are made to beneficiaries in the tax period. In case of investment income with an Austrian nexus (as described above) income is in general subject to a withholding tax of 27.5%, which may be reduced to 25% in case a corporation is the beneficial recipient of such income. Such withholding tax can be credited against the tax falling due. Under the conditions set forth in sec. 94(12) of the Austrian Income Tax Act no withholding tax is levied.

Set-off of losses by an Austrian depository agent

Pursuant to sec. 93(6) of the Austrian Income Tax Act, the Austrian custodian agent is obliged to automatically set off negative investment income against positive investment income, taking into account all of a taxpayer's bank deposits with the same custodian agent. If negative and at the same time or later in the same calendar year positive income is earned, then the negative income is to be set off against the positive income. If positive and later in the same calendar year negative income is earned, then the withholding tax on the positive income is to be credited, with such tax credit being limited to 27.5% of the negative income. In certain cases, the set-off is not permissible. The custodian agent has to issue a written confirmation on the set-off of losses for each bank deposit.

Risk of qualification as units in a non-Austrian investment fund

Pursuant to sec. 188 of the Austrian Investment Funds Act 2011 prior to its amendment by the Austrian Alternative Investment Funds Manager Act (BGBl I 135/2013), a non-Austrian investment fund was defined as any assets subject to a foreign jurisdiction which, irrespective of the legal form they are organised in, are invested according to the principle of risk diversification on the basis either of a statute, of the entity's articles or of customary exercise. Certain collective investment vehicles investing in real estate were exempted. The Austrian tax authorities commented upon the distinction between index certificates of foreign issuers on the one hand and non-Austrian investment funds on the other hand in the Investment Fund Regulations (*Investmentfondsrichtlinien*). Pursuant to these, no non-Austrian investment fund may be assumed if for the purposes of the issuance no predominant actual purchase of the underlying assets by the issuer or a trustee of the issuer, if any, is made and no actively managed assets exist. Directly held bonds shall not be considered as foreign investment funds if the performance of the bonds depends on an index, notwithstanding the fact of whether the index is a well-known one, an individually constructed "fixed" index or an index which is changeable at any time. Special rules applied to hedge-index funds.

In the course of the implementation of the Alternative Investment Funds Managers Directive (EC Directive 2011/61/EU) into domestic law, the definition of the term non-Austrian investment fund significantly changed, but the distinction between index certificates, indexed bonds and non-Austrian investment vehicles may still be important. Due to the lack of any updated guidelines by the Austrian Ministry of Finance so far, it is currently unclear whether the distinction described above between index certificates or indexed bonds offered by foreign issuers on the one hand and non-Austrian investment funds on the other hand still applies. Therefore, the risk of the qualification of the Notes as units in a non-Austrian investment fund must be assessed on a case-by-case basis.

Austrian inheritance and gift tax

Austria does not levy inheritance or gift tax.

However, it should be noted that certain gratuitous transfers of assets to (Austrian or foreign) private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*) are subject to a foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Tax Act (*Stiftungseingangssteuergesetz*). Such tax is triggered if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Certain exemptions apply in case of a transfer *mortis causa* of financial assets within the meaning of sec. 27(3) and (4) of the Austrian Income Tax Act (except for participations in corporations) if income from such financial assets is subject to a special tax rate. The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate is in general 2.5%, with a higher rate of 25% applying in special cases.

In addition, a special notification obligation exists for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles. The notification obligation applies if the donor and/or the donee have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Not all gifts are covered by the notification obligation: In case of gifts to certain related parties, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may lead to the levying of fines of up to 10% of the fair market value of the assets transferred.

Further, it should be noted that gratuitous transfers of the Notes may trigger income tax on the level of the transferor pursuant to sec. 27(6) of the Austrian Income Tax Act (see above).

BELGIAN TAXATION

The following is a general description of certain Belgian tax considerations relating to an investment in the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective purchasers of the Notes should consult their tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of Belgium of acquiring, holding and disposing of the Notes. This summary is based upon the law as in effect on the date of this prospectus and is subject to any change in law that may take effect after such date.

General – classification of the Notes as fixed income securities for Belgian tax purposes

In general, securities qualify as 'fixed income securities' under Article 2, §1, 8° of the Belgian Income Tax Code if there is a causal link between the amount of interest income and the holding period of the security, on the basis of which it is possible to calculate the amount of "pro rata interest" income at the moment of the sale of the securities during their lifetime.

In a circular letter dated 25 January 2013, the Belgian tax authorities have taken the position that structured securities characterised by an uncertain return on investment due to the variation of the coupons or the repayment terms at maturity, such as securities of which the return is linked to the evolution of underlying assets, also qualify as fixed income securities. The circular provides a somewhat unclear formula for determining the interest accrued during the holding period in the case of a realisation of structured securities between two interest payment dates (and specifies that this accrued interest is not subject to Belgian withholding tax except where the beneficiary is a legal entity). However, it is debateable whether the circular letter is in line with Belgian tax legislation and it is also unclear to what extent the Belgian tax authorities will seek to apply it to the Notes.

It is assumed that for all types of Notes, any gains realised upon redemption or repayment by the Issuer will indeed be viewed as interest by the Belgian tax authorities (and any such gains are therefore referred to as "interest" for the purposes of the following paragraphs), but that for Notes offering an uncertain return on investment due to the variation of the coupons or the repayment terms at maturity, the effective taxation of the pro rata interest in case of a sale to a third party (i.e. a party other than the Issuer) would not be feasible, on the basis that it is currently impossible to determine the amount of the pro rata interest.

Taxation applicable to individuals resident in Belgium

Belgian residents subject to Belgian personal income tax are normally subject to the following tax treatment with regard to the Notes.

Any periodic coupon payment as well as any cash payment and/or delivery of a physical delivery amount made by the Issuer in excess of the issue price (upon full or partial redemption, whether or not at maturity, or upon purchase by the issuer) will be treated as interest for Belgian tax purposes and will be subject to a Belgian withholding tax of 30 per cent if collected through a financial intermediary established in Belgium. If Belgian withholding tax has been withheld, the income will not be taxed further, and need not be reported in the tax return. Holders of the Notes who collect the payment abroad without Belgian withholding tax are required to mention this income in their tax return after deduction of any non-Belgian withholding tax) and will be taxed at a flat rate of 30 per cent.

Capital gains realised on the sale of the Notes on the secondary market before maturity are generally not taxable for individuals, except if the purchaser is the Issuer. In the latter case, capital gains are taxable as interest and subject to withholding tax if collected through a financial intermediary established in Belgium. The accrued interest part of a capital gain realized on a sale of Notes which qualify as fixed income securities for Belgian tax purposes is also taxable as interest. Capital losses realized on a sale of the Notes are not tax deductible.

Other rules may be applicable in certain specific cases, especially when the investors hold the Notes within the framework of their professional activity, or when transactions regarding the Notes fall outside the scope of the normal management of the taxpayer's private estate.

Taxation applicable to Belgian corporations

Companies that are subject to Belgian corporate tax are normally subject to the tax treatment described below with regard to the Notes.

The total amount of income from the Notes will be part of the taxable profit of the company.

The income which is treated as interest for Belgian tax purposes is subject to a Belgian withholding tax of 30 per cent if it is collected through a financial intermediary established in Belgium. An exemption of

withholding tax may apply if the company receiving the interest delivers a specific residence certificate. The exemption will not apply for income on Notes with a zero coupon or capitalization feature.

Belgian withholding tax, if due, can be offset against the investor's corporate tax, but only in proportion to the period during which the company held the Notes.

Capital gains realised on the sale of the Notes are taxable while capital losses are in principle tax deductible.

Taxation applicable to entities subject to the legal entities' tax

Any periodic coupon payment as well as any cash payment and/or delivery of a physical delivery amount made by the issuer in excess of the issue price (upon full or partial redemption, whether or not at maturity, or upon purchase by the issuer) will be subject to a Belgian withholding tax of 30 per cent if collected through a financial intermediary established in Belgium. If Belgian withholding tax has been withheld, the interest will not be taxed further. Holders of the Notes who collect the payment abroad without Belgian withholding tax are required to declare this income and to pay the withholding tax on their own initiative.

Capital gains realised on the sale of the Notes on the secondary market before maturity are generally not taxable for non-profit entities, except if the purchaser is the Issuer. In the latter case, capital gains are taxable as interest and subject to withholding tax if collected through a financial intermediary established in Belgium. The accrued interest part of a capital gain realized on a sale of Notes which qualify as fixed income securities for Belgian tax purposes are also taxable as interest. Capital losses realized on a sale of the Notes are not tax deductible.

Taxation applicable to Organisations for Financing Pensions ("OFP")

Income from the Notes, including capital gains realized on a sale or settlement of the Notes, derived by Organisations for Financing Pensions will be exempt from Belgian corporate income tax. Subject to certain conditions, any Belgian withholding tax levied on the interest will be fully creditable against any corporate income tax due and any excess amount will in principle be refundable.

Taxation applicable to non-Belgian residents

Investors who are non-residents of Belgium for Belgian tax purposes and are not holding the Notes through a Belgian establishment and do not invest the Notes in the course of their Belgian professional activity will in principle not incur or become liable for any Belgian tax on income or capital gains (save as the case may be, in the form of withholding tax or of speculation tax).

Any periodic coupon payment as well as any cash payment and/or delivery of a physical delivery amount made by the issuer in excess of the issue price (upon full or partial redemption, whether or not at maturity, or upon purchase by the issuer) will be subject to a Belgian withholding tax of 30 per cent if collected through a financial intermediary established in Belgium, unless the investor is resident in a country with which Belgium has concluded a double taxation agreement and delivers the requested affidavit. If the income is not collected through a financial institution or other intermediary established in Belgium, no Belgian withholding tax is due.

Non-resident investors that do not hold the Notes through a Belgian establishment can also obtain an exemption of Belgian withholding tax on interest from the Notes paid through a Belgian credit institution, a Belgian stock market company or a Belgian-recognized clearing or settlement institution, **provided that** they deliver an affidavit from such institution or company confirming (i) that the investors are non-residents, (ii) that the Notes are held in full ownership or in usufruct and (iii) that the Notes are not held for professional purposes in Belgium.

The speculation tax as described under the heading *'Taxation applicable to individuals resident in Belgium'* may also apply to investors who are non-resident individuals if a Belgian intermediary intervenes in the transaction. Where such investors are resident in a country with which Belgium has concluded a double taxation agreement, they should normally be able to obtain the benefit of a tax exemption. However, pending the implementation of a specific procedure, it is currently unclear whether this exemption can be obtained at source or only via a reclaim.

No Belgian inheritance duties will be due in respect of the Notes if the deceased holder of the Notes was not a Belgian resident at the time of his or her death, even if the Notes were held in custody in Belgium.

Stock exchange tax and tax on repurchase transactions

A stock exchange tax will be levied on the purchase and sale in Belgium of the Notes on the secondary market through a professional intermediary. The tax is generally due at a rate of 0.09% for transactions in debt instruments for purposes of the stock exchange tax and at a rate of 0.27% for transactions in other securities which are not capitalisation shares, with a maximum amount per transaction and per party of €1300 for debt instruments and €1600 for other securities which are not capitalisation shares. A separate tax is due from each of the seller and the purchaser, both collected by the professional intermediary.

A tax on repurchase transactions ("*taxe sur les reports*") at the rate of 0.085% subject to a maximum of €1300 or €1600 per party and per transaction, will be due from each party to any such transaction entered into or settled in Belgium in which a professional intermediary for stock transactions acts for either party.

However, the tax on stock exchange transactions and the tax on repurchase transactions referred to above will not be payable by exempt persons acting for their own account, including non-residents (subject to certain formalities) and certain Belgian institutional investors, as defined in Articles 126-1.2 and 139 of the Code of Miscellaneous Duties and Taxes ("Code des droits et taxes divers").

As indicated in the risk factor relating to the 'Proposed Financial Transactions Tax', a number of EU Member States including Belgium are contemplating introducing a common FTT. If the proposal were adopted in its current form, it would require the abolition of existing Belgian taxes on financial transactions.

CZECH TAXATION

The following is a general description of current law and practice in the Czech Republic as in effect on the date of this Base Prospectus and is subject to changes in such laws, including changes that could have a retroactive effect. The following description is intended as a general guide only and is not exhaustive. It is not intended to be, nor should it be considered to be, legal or tax advice to any holder of the Notes. It does not take into account or discuss the tax laws of any country other than the Czech Republic and relates only to the position of persons who are beneficial owners of the Notes. Prospective investors are advised to consult their own tax advisers as regards the Czech Republic and/or other tax consequences of the purchase, ownership and disposal of the Notes.

Taxation of tax residents

Persons (individuals, corporate entities, including foundations, endowments and certain trusts (such as a *svěřenský fond* established in accordance with the Czech Civil Code and comparable trusts)) who are tax residents in the Czech Republic are subject to income taxation (personal income tax or corporate income tax, respectively) on their worldwide income, regardless of its source, including interest from debt instruments (such as the Notes) and income from selling the Notes (unlimited income tax liability). Income from a *svěřenský fond* established in accordance with the Czech Civil Code and comparable trusts is subject to corporate income tax.

Tax rates

The taxable income from the Notes is taxed at a flat personal income tax rate of 15% for individuals and at a flat corporate income tax rate of 19% for general corporate entities and certain trusts and at a flat corporate income tax rate of 5% for basic investment funds according to the definition of the Czech Income Tax Act. Income of pension funds is subject to corporate income tax at a 0% tax rate. If the Notes are included in the business assets of an individual, the taxable income from the Notes may be included in the amount on which the solidarity tax surcharge, if any, applies.

Private investors

Interest (including discounts on bonds) and redemption of the Notes by the Issuer is treated as taxable income from capital. No related expenses are tax deductible. Income from redemption (repurchase) of the Notes is treated similarly as interest income for Czech income tax purposes. The income is calculated as a difference of the redemption paid and purchase price of the Notes (hereinafter "redemption income"). Private investors are obliged to disclose such income in their personal income tax returns for the year in which the interest or redemption is paid.

Income from selling the Notes (other than redemption of the Notes) which is held as private assets by individuals (as opposed to business assets) is tax exempt after a three-year holding period. In the case of taxable income from selling the Notes, the acquisition price of the Notes and expenses related to the sale, as well as fees and charges for trading the Notes on a regulated market up to the amount of the income from the sale, may be deducted as tax-relevant expenses.

Corporate investors, foundations, endowments and certain trusts

No tax exemption applies to interest income, income from redemption of the Notes or income from selling the Notes which accrue to corporations and certain trusts. For corporate income tax purposes, the acquisition costs of the Notes – as well as fees and charges for trading the Notes on a regulated market and other expenses related to the income from selling the Notes – are tax deductible. The costs and revenue must be duly accrued in accordance with Czech accounting law and regulations.

Taxation of tax non-residents

Persons (individuals and corporate entities and trusts comparable to a *svěřenský fond*) who are not tax residents in the Czech Republic are subject to Czech personal income tax or corporate income tax, as appropriate, on interest or income from selling the Notes if:

(i) the Notes are held as business assets of a permanent establishment located in the Czech Republic of the tax non-resident; or

(ii) the income from selling the Notes is paid by a Czech tax resident or a Czech permanent establishment of a tax non-resident. An applicable double taxation prevention treaty concluded between the Czech Republic and the tax residency state of the seller of the Notes may, however, eliminate the Czech taxation of income from selling the Notes; or

(iii) the interest is paid in an over-the-counter transaction with a Czech credit institution or financial services institution, which includes a Czech branch of a foreign credit institution or financial services institution but excludes a foreign branch of a Czech credit institution or financial services institution ("**Czech Paying Agent**").

Withholding tax

Tax residents

Withholding tax on interest, as well as on income from redemption of the Notes paid to individual investors, may be imposed in the Czech Republic. Withholding tax may be levied if the Notes are (i) kept in a domestic securities deposit account by a Czech Paying Agent and (ii) the proceeds are paid by the Czech Paying Agent.

Withholding tax is levied at a flat withholding tax rate of 15%. The withheld income tax is final and shall replace the investor's income taxation by self-assessment in its annual tax declaration.

Tax non-residents

Persons who are not tax residents in the Czech Republic are subject to Czech withholding tax only if the interest on the Notes, as well as on the income from redemption of the Notes, is paid in an over-the-counter transaction with a Czech Paying Agent. If applicable, double taxation prevention treaties may provide for zero or a reduced tax on the interest income of tax non-residents.

If subject to Czech withholding tax, persons who are not tax residents in the Czech Republic but who are tax residents in other member states of the European Union or European Economic Area have an option to file an annual income tax declaration, whereby they can declare the interest income and deduct the actual related tax expenses. If the tax withheld is higher than the individual's actual self-assessed income tax liability, the difference is refundable.

Tax security withholding

Income from selling the Notes which is paid by a Czech tax resident or a Czech permanent establishment of a tax non-resident to persons who are not tax residents in the European Union or European Economic Area, in a state that concluded a double taxation prevention treaty that grants the right to tax income from alienation of securities to that state of residence, or in a state which is a party to a tax information exchange agreement, is subject to a tax security (advance) withholding. Under Czech income tax law, the payer of the income from selling the Notes is obliged to withhold this tax security at the rate of 1% of the purchase price of the Notes and transfer it to the Czech tax authority.

The sellers of the Notes then have an option to file a Czech annual income tax declaration, whereby they can declare their income from selling the Notes and deduct the actual related tax expenses. If the withheld tax security is higher than their actual self-assessed income tax liability, the difference is refundable.

Other taxes

No stamp, issue, registration or similar taxes or duties are payable in the Czech Republic in connection with the issuance, delivery or execution of the Notes.

Income tax with respect to inheritance or donation of the Notes would, in principle, arise under Czech law depending on, in the case of inheritance, the legal status of the deceased, and in the case of donation, whether the place of the gift was in the Czech Republic, as well as on the legal status of the donor or beneficiary.

DANISH TAXATION

The following is a general description of the taxation in Denmark of Notes 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 general description 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 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. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the 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 The Danish Corporation Tax Act (in Danish "*Selskabsskatteloven*") of 20 May 2015 (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 Capital and Exchange Gains Act (in Danish "*Kursgevinstloven*") of 25 October 2016 (as amended) (the "**Act**"). 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.

A variety of features regarding interest and principal may apply to the Notes. The applicable taxation of capital gains to corporate entities or individuals will depend on the features applicable to the Notes in question.

Structured notes can be designed in many ways and with many different underlying assets or in a way that the yield will depend on various index or currency flows. When structured notes are issued the following tax rules generally apply to the Notes.

Gains and losses on structured notes are generally treated as gains and losses on financial instruments in accordance with section 29(3) of the Act. However, there are exceptions – for example, notes which are adjusted in relation to developments in the consumer prices index (as computed by Statistics Denmark (in Danish "*Danmarks Statistik*")), the net consumer-price index or a similar index within the European Union or any of its member states.

The gains and losses on structured notes are calculated irrespective of the rules applying to the underlying asset.

Gains and losses on structured notes issued to both corporate entities and individuals are predominantly treated as taxable income in accordance with a mark-to-market principle (in Danish "l*agerprincippet*"), i.e. on an unrealised basis.

Corporate entities are generally able to deduct losses on structured notes, but individuals may only deduct losses on structured notes against gains on other financial instruments. However, in both cases, certain restrictions or exceptions apply.

Pension funds and other entities governed by the Danish Act on Taxation of Pension Yield (in Danish "*Pensionsafkastbeskatningsloven*") of 10 October 2014 (as amended) 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, nor are included in a Danish joint taxation scheme and do not carry on business in Denmark through a permanent establishment.

FINNISH TAXATION

The following is a general description of certain tax considerations relating to Notes. The following description relates only to payments by the relevant Issuer or Guarantor to beneficial owners of the Notes and may not apply to certain classes of investors, such as tax exempt entities, entities deemed as controlled foreign companies, individuals holding their Notes as business assets and general or limited partnerships. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Finland or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This description is based upon the law as in effect and applied on the date of this Base Prospectus, as well as on the current tax practice, and is subject to any changes in laws and their interpretation that may take effect after such date, including changes with retroactive effect.

For the purpose of the Finnish tax consequences described herein, it is assumed that the relevant Issuer or Guarantor is neither a resident nor deemed to be a resident of Finland for Finnish tax purposes and that the relevant Issuer or Guarantor is not deemed to have a permanent establishment in Finland for Finnish tax purposes.

General

The scope of taxation in Finland is defined by the tax liability position of a taxpayer. Finnish residents are subject to taxation in Finland on their worldwide income. Persons that are not resident in Finland for taxation purposes are subject to taxation in Finland solely in respect of their Finnish source income.

Generally, an individual is deemed to be a Finnish resident for taxation purposes if the individual continuously stays in Finland for more than six consecutive months or if the permanent home and abode of the individual is in Finland. A citizen of Finland who has moved abroad is regarded as resident for Finnish taxation purposes until three years have passed after the end of the year of emigration, even if the individual would not stay in Finland for six consecutive months and the permanent home and abode would not be located in Finland, if the individual cannot prove that he/she has not had any essential ties to Finland in the tax year in question.

Legal entities established under the laws of Finland are regarded as residents of Finland in accordance with domestic tax law.

Double tax treaties may restrict the authority of the Finnish state to tax the foreign source income of an individual or entity deemed as resident of Finland pursuant to Finnish domestic tax law.

In the hands of individuals, earned income is taxed at progressive tax rates, while capital income up to EUR 30,000 per calendar year is taxed at a rate of 30 per cent and capital income exceeding EUR 30,000 per calendar year at a rate of 34 per cent. Corporate entities established under the laws of Finland are regarded as residents of Finland and thus subject to corporate income tax on their worldwide income. The current corporate income tax rate is 20 per cent.

This summary describes the Finnish taxation of certain types of income and is general by nature. The tax treatment applicable to an investor depends on the individual circumstances of such investor. Thus, prospective investors are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

Taxation Of Finnish Resident Individuals

Taxation of Capital Gains

Any income from the sale or other disposal of securities that is considered capital gains in the Finnish taxation is taxed as capital income in accordance with the Finnish Income Tax Act (Tuloverolaki (1535/1992)), as amended. The capital income tax rate is currently 30 per cent for capital income of up to EUR 30,000 per calendar year and 34 per cent for capital income exceeding EUR 30,000 per calendar year. However, capital gains are exempted from tax if the total amount of the consideration from the disposal of the person's disposed assets does not exceed EUR 1,000 in a tax year. Correspondingly, any loss arising from the sale or other disposal of securities that does not belong to the business activities of the individual is deductible from capital gains and generally also from other capital income arising in the same year or during the subsequent five years. Capital losses due to disposal will not, however, be tax deductible if the total amount of the acquisition costs of the assets sold by the individual does not exceed EUR 1,000 in a tax year.

Capital gains and losses are calculated as the difference between the consideration from the disposal and the aggregate of the actual acquisition cost and sales-related expenses. Generally, individuals may alternatively choose to apply the presumptive acquisition cost instead of the actual acquisition cost for the assets. The presumptive acquisition cost of 20 per cent is deducted from the consideration from the disposal but, if the shareholder has held the assets for at least 10 years, the presumptive acquisition cost is 40 per cent of the consideration from the disposal. If the presumptive acquisition cost is applied instead of the actual acquisition cost, all expenses arising from acquiring the gains are deemed to be included in the presumptive acquisition cost and, therefore, cannot be deducted separately from the consideration from the disposal.

Taxation of Other Capital Income and Withholding Obligations

Other capital income than income classified as capital gains (e.g. interest income, so called secondary market compensation and index compensation) paid to individuals and estates of a deceased person is subject to Finnish capital income tax in accordance with the Finnish Income Tax Act. The capital income tax rate is currently 30 per cent and 34 per cent of the capital income exceeding EUR 30,000 per calendar year (including also Capital Gains).

Assuming that the issuer is not a Finnish resident for tax purposes, it is not under the obligation to perform withholding for any income tax payable in Finland in respect of payments made under the issued securities. Instead, a paying agent or intermediary resident in Finland for tax purposes, when effecting a payment to an individual or estate resident in Finland, is generally under the obligation to withhold the preliminary income tax from any interest and secondary market compensation (but not from capital gains) paid to individuals and estates of a deceased person resident in Finland for tax purposes, where such payment is made through such paying agent or intermediary. However, if the paying agent or intermediary is considered as a substitute payer of the issuer for Finnish tax purposes, such agent or intermediary is also obliged to withhold the preliminary tax for other capital income payments than interest payments or secondary market compensation. The current rate of tax withholding is 30 per cent and the withholding shall be made in accordance with the Finnish Withholding Tax Act (Ennakkoperintälaki (1118/1996)), as amended. The Act on Source Tax on Interest Income (Laki korkotulon lähdeverosta (1341/1990)), as amended, is not applicable provided the issuer does not have a permanent establishment in Finland.

Taxation Of Finnish Corporate Entities

Finnish corporations are subject to a national corporate income tax on their worldwide income. Interest and other capital income as well as capital gains from the sale or other disposal of any assets are generally regarded as taxable income arising from business activities or other activities of Finnish resident corporations. The taxable income of a Finnish corporation is determined separately for business activities and for other activities (it should be noted that an official memorandum by Ministry of Finance discussing extension of the concept of business activities has been published in Summer 2017). Income from both sources is taxed according to a fixed tax rate which currently is 20 per cent. No preliminary tax is withheld from the interest or other payments made to corporate entities residing in Finland.

The capital gain (as well as the capital loss) is calculated by deducting the total sum of the actual acquisition cost and selling cost from the consideration from the disposal. The acquisition cost of the assets is thus deductible from the income of the basket to which the assets transferred were allocated. Any capital loss arising from the sale, redemption or other disposal of the Notes attributable to business activities is initially deductible from income in the business income basket. Confirmed losses from business activities can be carried forward and deducted from the taxable income from business activities for 10 years following the loss-making year, provided that no change in ownership triggering forfeiture of tax loss carry-forwards occur. Capital losses attributable to other income can only be offset against capital gains arising in the same income basket and can be carried forward only for the subsequent five tax years.

Taxation Of Non-Finnish Residents

Non-Finnish tax residents who do not conduct business through a permanent establishment in Finland, are not subject to Finnish taxation either on payments under securities or gains realized on the sale or other disposal of securities.

Reporting And Compliance

A Finnish paying agent or intermediary is generally obliged to report to the Finnish tax administration any interest payments and comparable yield payments, secondary market compensations and index compensations paid to and received under securities by a Finnish tax resident individual or an estate of a

deceased resident individual, or a non-resident recipient of such payment, and any preliminary tax withheld from such payments. Resident individuals and estates are required to review the tax information contained in their pre-completed annual tax return and, if necessary, correct or complete the information in the tax return.

Transfer Taxation And Value-Added Taxation

A transfer of the Notes is not subject to Finnish transfer taxation or VAT. Investors should note that Finnish transfer tax considerations may arise in connection with securities that are settled or redeemed by way of a physical delivery of Finnish shares or other instruments deemed as securities under the Finnish Transfer Tax Act (Varainsiirtoverolaki (931/1996)), as amended and that Finnish VAT considerations may arise in connection with securities that are settled or redeemed by way of a physical delivery of commodities.

FRENCH TAXATION

The following is limited to a general description of certain French withholding tax considerations relating to the Notes. It does not purport to be a description of general French tax considerations relating to the Notes. Prospective investors are advised to consult their own professional advisors to obtain information about the tax consequences of transactions involving the Notes, including any purchase or disposal of, or other dealings in, the Notes. Only personal advisors are in a position to adequately take into account special tax aspects of the particular Notes in question as well as the investor's personal circumstances and any special tax treatment applicable to the investor. This summary is based on French law as in force when drawing up this Base Prospectus. The laws and their interpretation by the tax authorities may change and such changes may have retroactive effect.

Withholding tax

Payments of interest and principal by the Issuer (acting out of its head offices or one of its non-French branch) under the Notes will not be subject to withholding tax in France, in accordance with the applicable French law.

Individual resident Noteholders

Taxation of interest and bond redemption premium ("Prime de remboursement")

Interest paid to an individual having its tax residence in France is subject to personal income tax at a standard progressive rate, whose maximum applicable rate is currently 45%.

Interest and other similar revenues received by French tax resident individuals are subject to a 24% non-definitive prepayment, which can be offset from their personal income tax liability in respect of the year in which the payment has been made (prepayment is refunded if in excess of the final personal income tax liability).

If the total income from fixed-income investments received for a given year by a taxpayer does not exceed EUR 2,000, the taxpayer may opt for a flat-rate income tax of 24%. Taxpayers whose "reference income" of the penultimate year is less than EUR 25,000 (or EUR 50,000 for a couple taxed on a joint basis) may be exempt from this mandatory payment.

Social contributions (CSG of 8.2%, the *prélèvement social* of 4.5%, its *contribution additionnelle au prélèvement social* of 0.3%, the *prélèvement de solidarité sur les revenus du patrimoine et produits de placement* of 2% and the CRDS of 0.5%) are also levied by way of withholding tax at an aggregate rate of 15.5% (5.1% being deductible from the taxable income of the year of payment of these contributions) on interest and other similar revenues paid to French tax resident individuals.

The social contributions and the income tax prepayment must be withheld and reported by the Paying Agent if such agent is established in France. If the Paying Agent is established outside of France, the taxpayer is responsible for paying the social contributions and the income tax prepayment directly to the French tax authorities no later than the 15th day of the month following the payment of interest and other similar revenues. If the Paying Agent is established in an EU or EEA member state, it can however be appointed by the taxpayer to do so.

Bond redemptions are treated as interest from a French tax perspective.

Taxation of capital gains

Capital gains derived from the disposal of Notes by French tax resident Noteholders should be subject to personal income tax at the standard progressive rate, whose maximum applicable rate is currently 45%.

In addition, social contributions (as set out above) should be applicable, at a total rate of 15.5%.

If the French tax resident Noteholder dispose of the Notes at a loss, such loss may be offset against capital gains of the same nature made during the year of the loss or the 10 following years, subject to filing obligations.

Exceptional contribution on high income (« Contribution exceptionnelle sur les hauts revenus »)

An exceptional contribution on high income may be applicable to French tax resident Noteholders where their "reference income" exceeds EUR 250,000 for a single person or EUR 500,000 for a couple taxed on a joint basis. The "reference income" for the relevant fiscal year would include income and gains realised in relation to the Notes.

This contribution is equal to 3% of the fraction of the "reference income" above EUR 250,000 for a single person (or EUR 500,000 for a couple) and 4% on the "reference income" over EUR 500,000 for a single person (or EUR 1 million for a couple).

Gift and inheritance taxes

Subject to the provisions of the applicable bilateral tax treaty, French gift or inheritance taxes would be levied on the transfer of the Notes by way of gift by, or on the death of, a French tax resident Note holder, if:

- the Noteholder is a resident in France; or

- the beneficiary is resident in France at the time of the transfer and has been so resident for at least six years over the 10 preceding years; or

- if both the Noteholder and the beneficiary are non-French residents, the transferred assets are located in France.

Assets considered as located in France would include receivables over a debtor which is established in France.

The amount of tax depends, in particular, on the relationships between the individuals concerned.

Wealth tax applicable to individuals

Subject to the provisions of the applicable bilateral tax treaty, the value of the Notes at 1st January of each year would be included in the taxable assets of a French tax resident Noteholder for tax purposes.

When the value of the net taxable assets exceeds EUR 1,300,000, wealth tax is levied at a progressive rate from 0.5% up to 1.50% of the net wealth tax basis above EUR 800,000.

Corporate resident Noteholders

Corporate income tax and additional contributions

Income or capital gains in relation to the Notes are subject to corporate income tax at the standard rate of 33.1/3% (or to a reduced rate applicable to small and medium companies meeting certain requirements).

For fiscal years beginning on or after 1st January 2017, the standard rate will be progressively reduced to 28% (depending on years and turnovers of companies). The actual rate of corporate income tax will be 28% as from 1st January 2020, for all companies, subject to further potential amendments of the legislation.

An additional contribution at a 3.3% rate applies if the amount of corporate income tax due by the taxpaying company is higher than EUR 763,000.

Losses are generally treated as ordinary losses which may be set off against operational profits. The remaining losses may be carried forward indefinitely but limited, for a given year, to EUR 1 million plus 50% of the taxable profit exceeding this amount. Besides, an option can be made by the Noteholder in order to carry back the losses against its prior taxable result but limited to the taxable profit and up to the limit of EUR 1 million.

Interest payments taxed on an accruals basis

Any redemption premium would be taxed at the above-mentioned standard corporate income tax rate (or to a reduced rate applicable to small and medium companies meeting certain requirements). However, if the estimated value of the redemption premium exceeds the purchase value of the Notes by 10% and the average issue price of the Notes is less than 90% of the estimated redemption value, such premium is spread taxed until the maturity on an annual basis.

Capital gains derived from the disposal of the Notes by corporate resident Noteholders should be reduced by the amount of the fraction of interest and redemption premiums taxed under the actuarial method.

Non-resident Noteholders

Income and capital gains derived from the Notes, received by individuals who are not residents for tax purposes in France or corporate investors who have neither their corporate seat nor their effective place of management in France, are not taxable in France unless the Notes form part of the business property of a permanent establishment in France.

Financial Transaction Tax ("FTT")

Please note that the following may be relevant in connection with Notes which are settled, redeemed or otherwise repaid by way of physical delivery of certain French listed shares, or certain assimilated securities as convertible bonds.

Pursuant to article 235 ter ZD of the French tax code ("**FTC**"), the FTT applies to any acquisition for consideration, resulting in a transfer of ownership, of an equity security within the meaning of Article L.212-1 A of the French monetary code, or of an assimilated equity security (such as convertible bonds in equity, convertible bonds redeemable in equity, shares subscription, etc.), within the meaning of Article L.211-41 of the French monetary code, admitted to trading on a recognised stock exchange when the said security is issued by a company whose registered office is situated in France and whose market capitalisation exceeds €1 billion on 1st December of the year preceding the year in which the acquisition occurs.

For the transactions realised as from 1st January 2017, the rate of the FTT is 0.3% of the acquisition value of the securities.

As from 1st January 2018, the FTT should be applicable to intraday transactions.

There are a number of exemptions from the FTT and investors shall revert to their counsel to identify whether they can benefit from them.

Transfer Tax

No transfer tax (stamp duties, or any similar taxes) is applicable in France by reason of the subscription or transfer of the Notes.

With respect to listed shares, the French tax administrative doctrine has specified that the conversion of bonds into equity shall be subject to the 0.1% transfer tax under the conditions provided by Article 726 of the FTC, when evidenced by a deed (BOI-ENR-DMTOM-40-10-10 n°50).

According to Article 726 of the FTC, transfer tax generally applies at a rate of 0.1% to the sale of shares issued by a company whose registered office is located in France, provided that in case of shares listed on a recognised stock exchange, transfer tax is due only if the transfer is evidenced by a written deed or agreement.

Please note that, if the FTT applies to an acquisition of shares or convertible bonds, this transaction is exempt from transfer tax.

GERMAN TAXATION

The following is a general discussion of certain German tax consequences of the acquisition, ownership and disposal of the Notes. As each Tranche of the Notes may be subject to a different tax treatment due to the specific terms of each Tranche, the following section shall only be regarded as generic description with regard to the possible tax treatment in Germany. It does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase the Notes, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This general description is based on the laws of Germany currently in force and as applied on the date of this Base Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

Prospective purchasers of Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of Notes, including the effect of any state or local taxes, under the tax laws of Germany and each country of which they are residents.

To the extent the following information describes the taxation in the case of a disposal of the Notes, such description applies accordingly to cases of a call, exercise, assignment or redemption of the Notes as well as a transfer of Notes into a corporation by way of a hidden contribution (*verdeckte Einlage in eine Kapitalgesellschaft*).

German tax residents

Persons (individuals and corporate entities) who are tax resident in Germany (in particular, persons having a residence, habitual abode, seat or place of management in Germany) are subject to income taxation (income tax or corporate income tax, as the case may be, plus solidarity surcharge thereon plus church tax and/or trade tax, if applicable) on their worldwide income, regardless of its source, including interest from debt of any kind (such as the Notes) and, in general, capital gains.

Notes held as private assets

In the case of German tax-resident individual investors (*unbeschränkt Steuerpflichtige*) holding the Notes as private assets (*Privatvermögen*), the following applies:

Income

The Notes should qualify as other capital receivables (*sonstige Kapitalforderungen*) in terms of section 20 para 1 no 7 German Income Tax Act ("**ITA**" – *Einkommensteuergesetz*).

Interest paid regarding the Notes should qualify as taxable savings income (*Einkünfte aus Kapitalvermögen*) pursuant to section 20 para 1 no 7 ITA.

Capital gains / capital losses realised upon disposal of the Notes, computed as the difference between acquisition cost and sales proceeds reduced by expenses directly and factually related to the sale, should qualify as positive or negative savings income in terms of section 20 para 2 sentence 1 no 7 ITA. Where the Notes are acquired and/or sold in a currency other than Euro, the acquisition cost will be converted into Euro at the time of acquisition, the sales proceeds will be converted into Euro at the time of sale and the difference will then be computed in Euro. If the Notes are assigned, redeemed, repaid or contributed into a corporation by way of a hidden contribution (*verdeckte Einlage in eine Kapitalgesellschaft*) rather than sold, as a rule, such transaction is treated like a sale. Losses from the sale of Notes can only be offset against other savings income and, if there is not sufficient other positive savings income, carried forward in subsequent assessment periods.

Pursuant to a tax decree issued by the German Federal Ministry of Finance dated 22 December 2009, as amended on 16 November 2010 and 9 October 2012, a sale shall be disregarded where the transaction costs exceed the sales proceeds, which means that losses suffered from such "sale" shall not be tax-deductible. Similarly, a bad debt loss (*Forderungsausfall*), i.e. should the relevant Issuer become insolvent, and a waiver of a receivable (*Forderungsverzicht*), to the extent the waiver does not qualify as a hidden contribution, shall not be treated like a sale. Accordingly, losses suffered upon such bad debt loss or waiver shall not be tax-deductible. However, the Issuers take the view that losses suffered for other reasons (e.g. because the Notes are linked to a reference value (e.g. Index-Linked Notes) and such reference value decreases in value) should be tax-deductible, subject to the ring-fencing rules described above and subject to the following paragraph. Investors should note that such view of the Issuers must not be understood as a guarantee that the German tax authorities and/or courts will follow such view.

Further, pursuant to said tax decree, where full risk certificates (*Vollrisikozertifikate*) provide for instalment payments, such instalment payments shall always qualify as taxable savings income (*Einkünfte aus Kapitalvermögen*) in the sense of section 20 para 1 no 7 ITA, unless the terms and conditions of the certificates provide explicit information regarding redemption or partial redemption during the term of the certificates and the contractual parties comply with these terms and conditions. It is further stated in the tax decree that, if, in the case of certificates with instalment payments, there is no final payment at maturity, the expiry of such certificates shall not qualify as a sale-like transaction, which means that any remaining acquisition costs could not be deducted for tax purposes. Similarly, any remaining acquisition costs of certificates with instalment payments shall not be tax-deductible if the certificates do not provide for a final payment or are terminated early without a redemption payment because the respective underlying has left the defined corridor or has broken certain barriers (e.g. in knock-out structures). Although this tax decree only refers to full risk certificates with instalment payments, it cannot be excluded that the tax authorities apply the above principles also to other kinds of full risk instruments such as notes.

If the Notes provide for a physical delivery of bonds, shares, interests in funds, shares in exchange-traded-funds ("**ETF-shares**") or other interests, the Notes may qualify as convertible, exchangeable or similar instruments, subject to the relevant Final Terms (e. g. whether the Issuers or the investor has the right to opt for a physical delivery). In such a case, the sales proceeds from the Notes and the acquisition costs of the received securities may be deemed to be equal to the initial acquisition costs of the Notes (section 20 para 4a sentence 3 ITA) so that no taxable capital gains would be realised due to the conversion. However, capital gains realised upon an on-sale of the received securities generally qualify as taxable income.

If the relevant Issuer exercises the right to substitute the debtor of the Notes, the substitution might, for German tax purposes, be treated as an exchange of the Notes for new notes issued by the new debtor. Such a substitution could result in the recognition of a taxable gain or loss for the respective investors.

German withholding tax (Kapitalertragsteuer)

With regard to savings earnings (*Kapitalerträge*), e.g. interest or capital gains, German income tax is generally levied as a flat income tax (*Abgeltungsteuer*) at a rate of 25% (plus solidarity surcharge in an amount of 5.5% of such tax, resulting in a total tax charge of 26.375% plus, if applicable, church tax (*Kirchensteuer*)).

If the Notes are held in a custodial account which the investor maintains with a German branch of a German or non-German credit or financial services institution or with a German securities trading business or a German securities trading bank (a "**German Disbursing Agent**") the flat income tax (including solidarity surcharge and, if applicable, church tax) will be levied by way of withholding at the aforementioned rate by the German Disbursing Agent. If no German Disbursing Agent is involved in the payment process the investor will have to include the savings earnings, e.g. interest or capital gains, in its tax return and the flat income tax of 25 per cent plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

The tax base is, in principle, equal to the taxable gross income as set out above (i.e. prior to withholding). However, in the case of capital gains, if the custodial account has changed since the time of acquisition of the Notes (e.g. if the Notes are transferred from a non-EU custodial account) and the acquisition costs of the Notes are not proven to the German Disbursing Agent in the form required by law or in the case of over-the-counter transactions, withholding tax is applied to 30% of the proceeds from the redemption or sale of the Notes. When computing the tax base for withholding tax purposes, the German Disbursing Agent has to deduct any negative savings income (*negative Kapitalerträge*) or paid accrued interest (*Stückzinsen*) in the same calendar year or unused negative savings income of previous calendar years.

No German withholding tax will be levied if the investor has filed a withholding tax exemption certificate (*Freistellungsauftrag*) with the German Disbursing Agent, but only to the extent the savings income does not exceed the exemption amount shown on the withholding tax exemption certificate. Currently, the maximum exemption amount is EUR 801 (EUR 1,602 in the case of jointly assessed husband and wife). Similarly, no withholding tax will be levied if the relevant investor has submitted a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) issued by the relevant local tax office to the German Disbursing Agent.

The Issuers are, in general, not obliged to levy German withholding tax in respect of payments on the Notes.

Tax assessment

The taxation of savings income shall take place mainly by way of levying withholding tax (please see above). If and to the extent German withholding tax has been levied, such withholding tax shall, in principle, become definitive and replace the investor's income taxation. If no withholding tax has been levied other than by virtue of a withholding tax exemption certificate (*Freistellungsauftrag*) and in certain other cases, the investor is nevertheless obliged to file a tax return, and the savings income will then be taxed within the assessment procedure.

However, also in the assessment procedure, savings income is principally taxed at a separate tax rate for savings income (*gesonderter Steuertarif für Einkünfte aus Kapitalvermögen*) being identical to the withholding tax rate (26.375% - including solidarity surcharge (*Solidaritätszuschlag*) plus, if applicable, church tax). In certain cases, the investor may apply to be assessed on the basis of its personal tax rate if such rate is lower than the above tax rate. Such application can only be filed consistently for all savings income within the assessment period. In case of jointly assessed husband and wife the application can only be filed for savings income of both spouses.

When computing the savings income, the saver's lump sum amount (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 in the case of jointly assessed husband and wife) will be deducted. The deduction of the actual income related expenses, if any, is excluded.

Notes held as business assets

In the case of German tax-resident corporations or individual investors (*unbeschränkt Steuerpflichtige*) holding the Notes as business assets (*Betriebsvermögen*), interest payments and capital gains will be subject to corporate income tax at a rate of 15% or income tax at a rate of up to 45%, as the case may be, (in each case plus 5.5% solidarity surcharge thereon). In addition, trade tax may be levied, the rate of which depends on the municipality where the business is located (rates vary between 7 and approx. 17%). Further, in the case of individuals, church tax may be levied. Business expenses that are connected with the Notes are tax-deductible. In the case of losses, such losses may be subject to ring-fencing rules and, if so, may only be offset against other derivative income. In case the income of the investor is determined based on accrual accounting, interest and capital gains may be taxable before actual payments are received.

If instead of a cash-settlement at maturity of the Notes, a physical delivery of bonds, shares, interests in funds or ETF-shares takes place, such delivery would be regarded as a taxable sale of the Notes and the corresponding capital gain will be taxable.

The provisions regarding German withholding tax (*Kapitalertragsteuer*) apply, in principle, as set out above for private investors. However, investors holding the Notes as business assets cannot file a withholding tax exemption certificate with the German Disbursing Agent. Instead, no withholding tax will be levied on capital gains from the redemption, sale or assignment of the Notes if, for example, (a) the Notes are held by a company satisfying the requirements of section 43 para 2 sentence 3 no 1 ITA or (b) the proceeds from the Notes qualify as income of a domestic business and the investor notifies this to the German Disbursing Agent by use of the officially required form.

Any withholding tax levied is credited as prepayment against the German (corporate) income tax amount. If the tax withheld exceeds the respective (corporate) income tax amount, the difference will be refunded within the tax assessment procedure.

Non-residents

Persons who are not tax resident in Germany are not subject to tax with regard to income from the Notes unless (i) the Notes are held as business assets (*Betriebsvermögen*) of a German permanent establishment (including a permanent representative) which is maintained by the investor or (ii) the income from the Notes qualifies for other reasons as taxable German source income (such as income from letting and leasing of certain property located in Germany) or (iii) the income is paid by a German Disbursing Agent against presentation of the Notes or interest coupons (so-called over-the-counter transaction, *Tafelgeschäfte*). If a non-resident person is subject to tax with its income from the Notes, in principle, similar rules apply as set out above with regard to German tax resident persons (please see above).

Non-residents of the Federal Republic of Germany are in general also not subject to German flat income tax on interest and capital gains and solidarity surcharge thereon. However, if the interest or capital gain is subject to German taxation as set forth in the preceding paragraph and the Notes are held in a custodial account with a Disbursing Agent (as defined above), flat income tax will be levied as explained above at

„*Notes held as private assets*“ or „*Notes held business assets*“, respectively. Under certain circumstances, non-residents may benefit from tax reductions or tax exemptions under applicable double tax treaties (*Doppelbesteuerungsabkommen*) entered into with Germany.

Taxation if the Notes qualify as equity or equity-like

If the Notes qualify as equity or equity-like from a German tax perspective, in addition to the rules set out above, income and deemed income may be subject to (corporate) income taxation (including solidarity surcharge) and trade tax. Further, under certain circumstances the German Foreign Tax Act might apply, under which deemed (taxable) income could be allocated to German tax resident investors.

Further, capital gains achieved by an investor holding the Notes as private assets might be re-qualified as business income and, thus, taxable at the investor's personal income tax rate. Capital gains might also be partly tax-exempt according to section 8b German Corporate Income Tax Act (*Körperschaftsteuergesetz*) and section 3 no 40 ITA respectively.

Inheritance and Gift Tax

Inheritance or gift taxes with respect to any Note will, in principle, arise under German law if, in the case of inheritance tax, either the decedent or the beneficiary or, in the case of gift tax, either the donor or the donee is a resident of Germany or if such Note is attributable to a German trade or business for which a permanent establishment is maintained or a permanent representative has been appointed. In addition, certain German expatriates will be subject to inheritance and gift tax.

The few existing double taxation treaties regarding inheritance and gift tax may lead to different results. Special rules apply to certain German citizens that are residing in a foreign country and German expatriates.

Other Taxes

No stamp, issue, registration or similar taxes or duties are payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, net asset tax (*Vermögensteuer*) is not levied in Germany. It is intended to introduce a financial transaction tax. However, it is unclear if and in what form such tax will be actually introduced.

No gross-up for German withholding tax (Kapitalertragsteuer)

Purchasers of the Notes should note that in accordance with the terms and conditions of the Notes, unless specified in the applicable Final Terms, the Issuer, in principle, will neither assume any liability for German withholding taxes (*Kapitalertragsteuer*) withheld from payments under the Notes, nor make any additional payments in regard of these taxes, i.e. no gross-up will apply in case a withholding tax is imposed.

IRISH TAXATION

The following is a summary based on the laws and practices currently in force in Ireland of certain matters regarding the tax position of investors who are the absolute beneficial owners of the Program Securities. Particular rules not discussed below may apply to certain classes of taxpayers holding Program Securities, including dealers in securities and trusts. It is based on the laws and practice of the Revenue Commissioners currently in force in Ireland as at the date hereof and may be subject to change. The summary does not constitute tax or legal advice and the comments below are of a general nature only and it does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Program Securities. Prospective investors in the Program Securities should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Program Securities and the receipt of payments thereon under the laws of their country of residence, citizenship or domicile.

Taxation of holders of Program Securities

Withholding Tax

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The relevant Issuer will not be obliged to withhold Irish income tax from payments of interest on the Program Securities so long as such payments do not constitute Irish source income. Interest paid on the Program Securities should not be treated as having an Irish source unless:

(a) the relevant Issuer is resident in Ireland for tax purposes; or

(b) the relevant Issuer has a branch or permanent establishment in Ireland, the assets or income of which is used to fund the payments on the Program Securities; or

(c) the relevant Issuer is not resident in Ireland for tax purposes but the register for the Program Securities is maintained in Ireland or (if the Program Securities are in bearer form) the Program Securities are physically held in Ireland.

It is anticipated that (i) the Issuers are not and will not be resident in Ireland for tax purposes; (ii) the Issuers will not have a branch or permanent establishment in Ireland; (iii) bearer Program Securities will not be physically located in Ireland; and (iv) the Issuers will not maintain a register of any registered Program Securities in Ireland.

If payments of interest on the Program Securities are found to constitute Irish source interest, an Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on an Program Securities so long as the interest paid on the relevant Program Security falls within the following category and meets the relevant conditions:

Interest paid on a quoted Eurobond

A quoted Eurobond is a security which is issued by a company (such as the Issuers), is listed on a recognised stock exchange (such as the Luxembourg Stock Exchange) and carries a right to interest. Provided that the Program Securities (i) carry an amount in respect of interest and (ii) are listed on the Luxembourg Stock Exchange (or any other recognised stock exchange), interest paid on them can be paid free of withholding tax provided the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:

(A) the Program Security is held in a clearing system recognised by the Irish Revenue Commissioners; (DTC, Euroclear and Clearstream, Luxembourg are, amongst others, so recognised); or

(B) the person who is the beneficial owner of the Program Security and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form.

Thus, if interest payable on the Program Securities is found to have an Irish source, so long as the Program Securities are interest bearing, continue to be quoted on the Luxembourg Stock Exchange and are held in a recognised clearing system, interest on the Program Securities can be paid by any paying agent acting on behalf of an Issuer without any withholding or deduction for or on account of Irish income tax. If the Program Securities continue to be quoted but cease to be held in a recognised clearing system, interest on the Program Securities may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland.

Encashment Tax

Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) on any interest, dividends or annual payments payable out of or in respect of the stocks, funds, shares or securities of a company not resident in Ireland, where such interest, dividends or annual payments are collected or realised by a bank or encashment agent in Ireland.

Encashment tax will not apply where the holder of the Program Securities is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank.

Taxation of Receipts

Notwithstanding that a holder of Program Securities may receive payments of interest, premium or discount on the Program Securities free of Irish withholding tax, the holder of Program Securities may still be liable to pay Irish income or corporation tax (and in the case of individuals, the universal social charge) on such interest, premium or discount if (i) such interest, premium or discount has an Irish source, (ii) the holder of Program Securities is resident or (in the case of a person other than a body corporate) ordinarily resident in Ireland for tax purposes (in which case there may also be a pay related social insurance (PRSI) liability for an individual in receipt of interest, premium or discount on the Program Securities), or (iii) the Program Securities are attributed to a branch or agency of the holder of Program Securities in Ireland. Ireland operates a self-assessment system in respect of income and corporation tax, and each person must assess their own liability to Irish tax.

Relief from Irish income tax may be available under the specific provisions of a double taxation agreement between Ireland and the country of residence of the recipient.

Tax on Capital Gains

A holder of Program Securities will not be subject to Irish tax on capital gains realised on a disposal of Program Securities unless (i) such holder is either resident or ordinarily resident in Ireland; or (ii) such holder carries on a business or a trade in Ireland through a branch or agency in respect of which the Program Securities were used or held or acquired; or (iii) the Program Securities cease to be listed on a stock exchange in circumstances where such Program Securities derive their value or more than 50% of their value from Irish real estate, mineral rights or exploration rights.

Stamp Duty On Transfer Of Notes

As the Issuers are not registered in Ireland, stamp duty will not arise on a document effecting a transfer of the Program Securities so long as the instrument of transfer of the Program Securities does not relate to:

(a) any immoveable property situated in Ireland or any right over or interest in such property; or

(b) any stocks or marketable Program Securities of a company which is registered in Ireland (other than a company which is (i) an investment undertaking within the meaning of section 739B of the Taxes Consolidation Act, 1997 ("**TCA**") or (ii) a qualifying company within the meaning of section 110 of the TCA).

ITALIAN TAXATION

The following is a general description of current Italian law and practise relating to the direct taxation of the Notes. The statements herein regarding direct taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following general description does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules.

Prospective investors are advised to consult their own tax advisors concerning the overall tax consequences of their interest in the Notes.

Tax treatment of the Notes

The Notes may be subject to different tax regimes depending on whether:

(a) they represent derivative financial instruments or bundles of derivative financial instruments, through which the Noteholders purchase indirectly underlying financial instruments; or

(b) they represent a debt instrument implying a "use of capital" (*impiego di capitale*), through which the Noteholders transfer to the Issuer a certain amount of capital, for the economic exploitation of the same, subject to the right to obtain a (partial or entire) reimbursement of such amount at maturity.

Notes representing derivative financial instruments or bundles of derivative financial instruments

Italian resident Noteholders

Where the Italian resident Noteholder is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, payments in respect of Notes qualifying as securitised derivative financial instruments as well as capital gains realised on any sale or transfer for consideration or exercise or redemption thereof are subject to a 26% substitute tax (*imposta sostitutiva*). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (*regime della dichiarazione*), which is the standard regime for Italian resident individuals not engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all payments in respect of Notes and all capital gains, net of any incurred capital loss, realised by the Italian resident individual holding the Notes not in connection with an entrepreneurial activity pursuant to all disposals of the Notes carried out during any given tax year. Italian resident individuals holding the Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years. Capital losses realised before 30 June 2014 may be carried forward to be offset against subsequent capital gains realised from 1 July 2014 for an overall amount of 48.08 per cent. of the relevant capital losses with reference to losses realised before 1 January 2012 and for an overall amount of 76.92 per cent. with reference to losses realized between 1 January 2012 and 30 June 2014.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on payments received in respect of Notes and capital gains realised on each sale or redemption of the Notes (the "*risparmio amministrato*" regime). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express election for the *risparmio amministrato* regime being timely made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio*

amministrato regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Capital losses realised before 30 June 2014 may be carried forward to be offset against subsequent capital gains realised from 1 July 2014 for an overall amount of 48.08 per cent. of the relevant capital losses with reference to losses realised before 1 January 2012 and for an overall amount of 76.92 per cent. with reference to losses realized between 1 January 2012 and 30 June 2014. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains in the annual tax return.

(3) Any payments received and any capital gains accrued by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the so-called "*risparmio gestito*" regime will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Depreciation of the managed assets accrued before 30 June 2014 may be carried forward to be offset against subsequent increase in value of the managed assets accrued from 1 July 2014 for an overall amount of 48.08 per cent. of the relevant capital losses with reference to losses realised before 1 January 2012 and for an overall amount of 76.92 per cent. with reference to losses realized between 1 January 2012 and 30 June 2014. Under the *risparmio gestito* regime, the Noteholder is not required to declare the capital gains realised in the annual tax return.

In case the Notes entitling the holder to purchase shares, the capital gains realised on the redemption or the transfer or sale of the Notes are not subject to *imposta sostitutiva* but a portion equal to 49.72% of the capital gains (58.14% on capital gains realised from 1 January 2018) must be included in the relevant Noteholder's income tax return (and subjected to the ordinary income tax) if the underlying of such Notes transferred or redeemed within any 12-month period represent a participation representing more than 2% of the voting rights or 5% of the capital of the issuing company in the case of listed shares (in the case of unlisted companies, the above thresholds are 20% and 25% respectively).

Notes representing debt instruments implying a "use of capital"; Notes having 100 per cent. capital protection guaranteed by the Issuer

Taxation of interest

Italian resident Noteholders

Legislative Decree 1st April 1996, No. 239 (Decree No. 239) regulates the tax treatment of interest, premiums and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as Interest) from Notes issued, *inter alia*, by non-Italian resident entities. The provisions of Decree No. 239 only apply to those Notes which qualify as *obbligazioni* or *titoli similari alle obbligazioni* pursuant to Article 44 of Presidential Decree 22nd December, 1986, No. 917 (Decree No. 917). In accordance with Article 44 of Decree No. 917, for securities to qualify as *titoli similari alle obbligazioni* (securities similar to bonds), they must (i) incorporate an unconditional obligation to pay at maturity an amount not less than that indicated therein, and (ii) attribute to the holders no direct or indirect right to control or participate to the management of the Issuer.

Where the Italian resident Noteholder is an individual holding Notes otherwise than in connection with entrepreneurial activity, (unless he has entrusted the management of his financial assets, including the Notes, to an authorised intermediary and has opted for the *risparmio gestito* tax regime (see above)), Interest payments relating to the Notes are subject to a tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent (either when Interest is paid or when payment thereof is obtained by the holder on a sale of the Notes). Such investors are qualified as "net recipients".

Payments of Interest in respect of Notes that qualify as *obbligazioni* or *titoli similari alle obbligazioni* are not subject to the *imposta sostitutiva* if made to beneficial owners who are Italian resident individuals holding Notes not in connection with entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an authorised financial intermediary and have opted for the *risparmio gestito* regime. Such investors are qualified as gross recipients.

Notes not having 100 per cent. capital protection guaranteed by the Issuer

In case Notes representing debt instruments implying a "use of capital" do not guarantee the total reimbursement of the principal, under Italian tax law they should qualify as "atypical securities" and payments in respect of such Notes received by Italian resident individual Noteholders would be subject to a 26 per cent. final withholding tax.

Capital gains tax

Italian resident Noteholders

Pursuant to Legislative Decree 21st November, 1997, No. 461, capital gains realised by Italian resident individuals not engaged in entrepreneurial activities to which the Notes are connected, on any sale or transfer for consideration of the Notes or redemption thereof are subject to a 26% capital gain tax, which applies under the "tax declaration regime", the *Risparmio Amministrato* tax regime or the *Risparmio Gestito* tax regime according to the same rules described above under the caption "*Notes representing derivative financial instruments or bundles of derivative financial instruments – Italian resident Noteholders*".

In case the Notes entitling the holder to purchase shares, the capital gains realised on the redemption or the transfer or sale of the Notes are not subject to *imposta sostitutiva* but a portion equal to 49.72% (58.14% on capital gains realised from 1 January 2018) of the capital gains must be included in the relevant Noteholder's income tax return (and subjected to the ordinary income tax) if the underlying of such Notes transferred or redeemed within any 12-month period represent a participation representing more than 2% of the voting rights or 5% of the capital of the issuing company in the case of listed shares (in the case of unlisted companies, the above thresholds are 20% and 25% respectively).

LUXEMBOURG TAXATION

The following is a general description of certain Luxembourg tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. The following is based upon the law as in effect on the date of this Base Prospectus. Prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes. Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or other taxes refers to Luxembourg tax law and/or concepts only. A Noteholder may not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of the Notes, or the execution, performance, delivery and/or enforcement of the Notes.

Taxation of the Noteholders

Withholding tax

(i) ***Non-resident Noteholders***

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident Noteholders, nor on accrued but unpaid interest in respect of the Notes which are not profit participating, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident Noteholders.

(ii) ***Resident Noteholders***

RELIBI

Pursuant to the Luxembourg law of 23 December 2005 introducing final withholding tax on certain interest deriving from savings income, as amended (the "**RELIBI Law**"), a 20% withholding tax is levied on payments of interest or similar income made by Luxembourg paying agents to (or for the benefit of) Luxembourg resident individuals Noteholders. This withholding tax also applies on accrued interest received upon sale, disposal, redemption or repurchase of the Notes. Such withholding tax is in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth who does not hold the Notes as business assets.

Luxembourg resident individuals beneficial owners of interest payments or similar income made by a paying agent established outside Luxembourg in a Member State of the European Union or a State of the European Economic Area, may opt for a final 20% withholding tax. In such case, the 20% withholding tax is calculated on the same amounts as for the payments made by Luxembourg paying agents. The option for the 20% final withholding tax must cover all interest payments made by paying agents to the beneficial owner during the entire civil year.

Responsibility for the withholding of tax in application of the above-mentioned RELIBI Law is assumed by the Luxembourg paying agent within the meaning of the RELIBI Law.

Income Taxation

(i) ***Non-resident Noteholders***

A non-resident Noteholder, not having a permanent establishment or permanent representative in Luxembourg to which/whom such Notes are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes. A gain realised by such non-resident Noteholder on the sale or disposal, in any form whatsoever, of the Notes is further not subject to Luxembourg income tax.

A non-resident Noteholder acting in the course of the management of professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which or to whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or

received, redemption premiums or issue discounts, under the Notes and on any gains realised upon the sale or disposal, in any form whatsoever of the Notes.

(ii) ***Resident Noteholders***

Noteholders who/which are resident of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

Luxembourg resident corporate Noteholder

A corporate Noteholder must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax assessment purposes.

Luxembourg Noteholders which are companies benefiting from a special tax regime such as (i) family wealth management companies subject to the Luxembourg law of 11 May 2007 on family estate management companies, as amended; (ii) undertakings for collective investment subject to the Luxembourg law of 17 December 2010 on undertakings for collective investment (replacing the law of 20 December 2002), as amended; (iii) specialised investment funds subject to the Luxembourg law of 13 February 2007 on specialised investment funds, as amended; or (iv) a company regulated by the Luxembourg law of 23 July 2016 on reserved alternative investment funds, not investing in risk capital, are not subject to any Luxembourg income tax.

Luxembourg resident individual Noteholder

An individual Noteholder, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, has further to include the portion of the gain corresponding to accrued but unpaid interest in respect of the Notes in his taxable income, except if (i) withholding tax has been levied on such payments in accordance with the RELIBI Law, or (ii) the individual Noteholder has opted for the application of a 20% withholding tax in full discharge of income tax in accordance with the RELIBI Law, which applies if a payment of interest has been made or ascribed by a paying agent established outside Luxembourg in an EU Member State or in a State of the European Economic Area.

The above 20% withholding tax represents the final tax liability on interest received for the Luxembourg resident individuals receiving the interest payments in the course of their private wealth and can be refunded in consideration of foreign withholding tax, based on double tax treaties concluded by Luxembourg.

Under Luxembourg domestic tax law, gains realised by an individual Noteholder, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, on the sale or disposal, in any form whatsoever, of Notes are not subject to Luxembourg income tax, provided this sale or disposal took place six months after the acquisition of the Notes.

An individual Noteholder acting in the course of the management of professional or business undertaking must include this interest in its taxable basis. In that event, such 20% withholding tax levied will be credited against their final income tax liability.

(iii) ***Net wealth tax***

A corporate Noteholder, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such Notes are attributable, is subject to Luxembourg net wealth tax on such Notes, except if the Noteholder is governed by (i) the Luxembourg law of 11 May 2007 on family estate management companies, as amended; (ii) the Luxembourg law of 17 December 2010 on undertakings for collective investment (replacing the law of 20 December 2002), as amended; (iii) the Luxembourg law of 13 February 2007 on specialised investment funds, as amended; (iv) the Luxembourg law of 22 March 2004 on securitisation, as amended; (v) the Luxembourg law of 15 June 2004 on venture capital vehicles; or (vi) it is a company that is subject to the law of 23 July 2016 on reserved alternative investment funds.

Nevertheless, further to the Luxembourg law of 18 December 2015 on net wealth tax aspects, as amended, (i) securitisation companies governed by the Luxembourg law of 22 March 2004, as amended; (ii) risk capital companies governed by the Luxembourg law of 15 June 2004 relating to the investment company in risk capital, as amended; (iii) professional pension institutions in the form of variable capital companies (sociétés d'épargne-pension à capital variable - SEPCAVs) or associations (associations d'épargne-pension - ASSEPs) governed by Luxembourg the law of 13 July 2005 on institutions for occupational retirement provision in the form of pension savings companies with variable capital and pension savings associations, as amended; and (iv) reserved alternative investment funds under the form of corporations which invest in risk capital, subject to the Luxembourg law of 23 July 2016 on reserved alternative investment funds, should be in the scope of the minimum net wealth tax, which may vary depending on the total amount of their balance sheet as well as the type of assets held, and should range from EUR 535 to EUR 32,100.

An individual Noteholder, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg net wealth tax on Notes.

(iv) ***Other taxes***

Under present Luxembourg tax law, in the case where a Noteholder is a resident for tax purposes of Luxembourg at the time of his death, the Notes are included in his taxable estate.

Gift tax may be due on a gift or donation of Notes, if the gift or donation is recorded in a Luxembourg deed.

NORWEGIAN TAXATION

The following is a description of certain Norwegian tax consequences for holders of Notes who are resident in Norway for tax purposes. The description below for Notes is based on the assumption that the Notes are considered as debt instruments for tax purposes and that the holder is considered beneficial owner of the Notes for tax purposes. The purpose of this description is to provide a high-level and general overview of the main tax consequences that may arise under Norwegian law and the description does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase the Notes. The description is based on legislation in Norway as it is interpreted and practised as of the date of this document, which may be amended from time to time, possibly with retroactive effect. The tax treatment of each holder partly depends on the holder's specific situation, and the specific instrument issued to the holder. Each investor should consult a tax adviser as to the tax consequences relating to their particular circumstances resulting from holding and disposition of Notes. In a tax settlement between the Norwegian government and the opposition parties dated 4 May 2016 it is agreed upon the ordinary tax income rate should be reduced to 23 per cent by 2018.

Taxation of return on the Notes prior to disposal

Any kind of return received on the Notes prior to the disposal is taxable as "ordinary income" subject to the flat rate of 24 % (2017). Return on the Notes is taxed on accruals basis, i.e. regardless of when the return is actually paid.

Taxation upon disposal or redemption of the Notes

Redemption at the end of the term as well as prior disposal is treated as realization of the Notes and will trigger a capital gain or loss. Capital gains will be taxable as "ordinary income", subject to the flat rate of 24 % (2017). Losses will be deductible in the Noteholder's "ordinary income", taxed at the same tax rate.

Any capital gain or loss is computed as the difference between the amount received by the Noteholder on realization and the cost price of the Notes. The cost price is equal to the price for which the Noteholder acquired the Notes. Costs incurred in connection with the acquisition and realization of the Notes may be deducted from the Noteholder's taxable income in the year of the realization.

Norwegian withholding tax

Payments on the Notes will not be subject to Norwegian withholding tax.

Net wealth taxation

The value of the Notes at the end of each income year will be included in the computation of the Noteholder's taxable net wealth for municipal and state net wealth tax purposes. Listed bonds are valued at their quoted value on 1 January in the assessment year, while non-listed bonds are valued at their estimated market value on 1 January in the assessment year. The marginal tax rate is currently 0.85 %.

Limited companies and similar entities are not subject to net wealth taxation.

VAT and transfer taxes

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of Notes.

Inheritance tax

Norway does not impose inheritance or gift tax. However, the heir acquires the donor’s tax input value based on principles of continuity. Thus, the heir will be taxable for any increase in value in the donor’s ownership, at the time of the heir’s realization. However, the principles of continuity only applies if the donor was taxable in Norway. If the recipient receives Notes as inheritance or gift from a foreign donor and the assets are included in the Norwegian tax jurisdiction, the recipient will be able to revalue the gift to market value at the time for the gift.

PORTUGUESE TAXATION

The following is a general description of current law and practice in Portugal as in effect on the date of this Base Prospectus in relation to certain current relevant aspects to Portuguese taxation of the Notes and is subject to changes in such laws, including changes that could have a retroactive effect. The following description is intended as a general guide only and is not exhaustive. It is not intended to be, nor should it be considered to be, legal or tax advice to any holder of Notes. It does not take into account or discuss the tax laws of any country other than Portugal and relates only to the position of persons who are absolute beneficial owners of the Notes. Prospective investors are advised to consult their own tax advisers as to the Portuguese or other tax consequences of the purchase, ownership and disposal of Notes.

The reference to "**interest**", "**other investment income**" and "**capital gains**" in the paragraphs below means "interest", "other investment income" and "capital gains" as understood in Portuguese tax law. The statements below do not take any account of any different definitions of "interest", "other investment income" or "capital gains" which may prevail under any other law or which may be created by the "Terms and Conditions" of the Notes or any related documentation.

Income generated by the holding (distributions) and disposal of Notes should be generally subject to the Portuguese tax regime for debt securities ("*obrigações*").

Interest and other investment income obtained by Portuguese resident individuals on the Notes as well as the remuneration received on the exercise of Certificates that entitle the security holder to receive from the relevant Issuer a predetermined amount higher than the subscription value is subject to individual income tax. If the payment of interest or other investment income on the Notes as well as the remuneration received on the exercise of Certificates that entitle the security holder to receive a predetermined amount higher than the subscription value is made available to Portuguese resident individuals through a Portuguese resident entity or a Portuguese branch of a non-resident entity, withholding tax applies currently at 28% which, if such income is not earned as business or professional income, is the final tax on that income unless the individual elects to include it in his taxable income, subject to tax at progressive rates of up to 48%. A surcharge will apply on the part of the taxable income exceeding €80,000 as follows: (i) 2.5%. on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5% on the remaining part (if any) of the taxable income exceeding €250,000. If the option for aggregation is made, an additional surcharge is also due for the tax year of 2017 according to the taxpayer's taxable income, to which a surtax of up to 3,5%, as follows: (i) 0 per cent. for taxable income not exceeding €20,261; (ii) 0.88 per cent. for taxable income exceeding €20,261 and not exceeding €40,522; (iii) 2.75 per cent. for taxable income exceeding €40,522 and not exceeding €80,640; and (iv) 3.21 per cent. for taxable income exceeding €80,640. In this case, the tax withheld is deemed a payment on account of the final tax due. If the interest on the Notes or the remuneration received on the exercise of Certificates that entitle the security holder to receive from the relevant Issuer a predetermined amount higher than the subscription value is not received through an entity located in Portugal it is not subject to Portuguese withholding tax, but an autonomous taxation currently of 28% will apply, which is the final tax on that income unless the individual elects to include it in his/her taxable income, subject to tax at the progressive rates mentioned above.

Interest and other investment income paid or made available ("*colocado à disposição*") on the Notes as well as the remuneration on the exercise of Certificates that entitle the security holder to receive from the relevant Issuer a predetermined amount higher than the subscription value, received through entities that are a Portuguese resident entity or a Portuguese branch of a non-resident entity to Portuguese resident individuals due by non-resident entities without a permanent establishment in the Portuguese territory and that are domiciled in a country included in the "tax havens" list (Order no. 150/2004 of 13 February, as amended by Order no. 292/2011 of 8 November and by Order no. 345-A/2016 of 30 December) are subject to a final withholding tax rate at 35%. If the interest on the Notes and the remuneration on those Certificates is not received through an entity located in Portugal, it is not subject to Portuguese withholding tax, but an autonomous taxation currently of 35% will apply, which is the final tax on that income.

Interest, other investment income and the remuneration on the exercise of Certificates that entitle the security holder to receive from the relevant Issuer a predetermined amount higher than the subscription value paid or made available ("*colocado à disposição*") to accounts in the name of one or more accountholders acting on behalf of undisclosed third parties is subject to a final withholding tax rate of 35%, unless the beneficial owner of the income is disclosed, in which case the general rules will apply.

Gains obtained on the disposal of Notes that entitle the security holder to receive the value of a certain underlying asset with the exception of the remuneration arising from Certificates that guarantee the holder

the right to receive a minimum value in excess of the subscription value by an individual resident in Portugal for tax purposes are subject to Portuguese capital gains taxation, whereby the positive difference between such gains and gains on other securities and losses in securities is subject to tax currently at 28%, which, if such income is not earned as business or professional income, is the final tax on that income unless the individual elects to include it in his/her taxable income, subject to tax at progressive rates of up to 48%. A surcharge will apply on the part of the taxable income exceeding €80,000 as follows: (i) 2.5%. on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5% on the remaining part (if any) of the taxable income exceeding €250,000. If the option for aggregation is made, an additional surcharge is also due for the tax year of 2017 according to the taxpayer's taxable income, to which a surtax of up to 3.5%, as follows: (i) 0 per cent. for taxable income not exceeding €20,261; (ii) 0.88 per cent. for taxable income exceeding €20,261 and not exceeding €40,522; (iii) 2.75 per cent. for taxable income exceeding €40,522 and not exceeding €80,640; and (iv) 3.21 per cent. for taxable income exceeding €80,640.

Financial income and capital gains derived from the Notes by legal persons resident for tax purposes in Portugal and by non-resident legal persons with a permanent establishment in Portugal to which the income or gains are attributable are included in their taxable profits and are subject to corporate income tax at a rate of 21 per cent or 17 per cent if the taxpayer qualifies as a small or medium-sized company, as defined in Decree-Law no. 372/2007, of 6 November, applicable to taxable profits up to € 15,000 (the excess thereof will be subject to the standard rate of 21 per cent), to which may be added a municipal surcharge ("*derrama*") of up to 1.5% of its taxable profit. A state surcharge ("*derrama estadual*") rate currently of 3% will be due on the part of taxable profits between €1,500,000 up to € 7,500,000, a rate of 5% on the part of the taxable profits between € 7,500,000 up to €35,000,000 and a rate of 7% on the part of the profits exceeding €35,000,000.

Gratuitous transfers of the Program Securities to Portuguese resident individuals would not be liable to Portuguese Stamp Tax, as they fall outside the territorial scope of such tax (i.e., no connection with the Portuguese territory exist as the debtor of the patrimonial or credit rights has its domicile, head office, place of effective management or permanent establishment outside the Portuguese territory). Gratuitous transfers of the Program Securities (i.e., acquisition of the Notes by means of gift or inheritance) in favor of a Portuguese resident corporate entity or non-Portuguese resident corporate entity with a Portuguese permanent establishment to which such transfer is attributable to shall qualify as patrimonial increases, which, although not subject to stamp tax, would be included in the taxpayer taxable income and subject to corporate income tax at a rate of 21 per cent or 17 per cent if the taxpayer qualifies as a small or medium-sized company, as defined in Decree-Law no. 372/2007, of 6 November, applicable to taxable profits up to € 15,000 (the excess thereof will be subject to the standard rate of 21 per cent), to which may be added a municipal surcharge ("*derrama*") of up to 1.5% of its taxable profit. A state surcharge ("*derrama estadual*") rate currently of 3% will be due on the part of taxable profits between €1,500,000 up to € 7,500,000, a rate of 5% on the part of the taxable profits betweem €7,500,000 up to €35,000,000 and a rate of 7% on the part of the profits exceeding €35,000,000.

There is neither wealth nor estate tax in Portugal on movable assets.

Payments made by the Issuer of interest, other investment income or principal on Notes issued by it to an individual or legal person non-resident in Portugal for tax purposes without a Portuguese permanent establishment to which income may be attributable are not subject to Portuguese tax.

Capital gains realised on Notes by a holder who is neither resident nor engaged in business through a permanent establishment in Portugal to which that gain is attributable are not subject to Portuguese tax.

SPANISH TAXATION

The information provided below does not purport to be a complete description of tax law and practice currently applicable in the Kingdom of Spain and is subject to any changes in law and the interpretation and application thereof, which could be made with retroactive effect. Furthermore, it is not a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Notes, and does not describe the tax consequences for certain categories of taxpayers including, but not limited to entities falling under the attribution of the income regime, financial institutions, Collective Investment Institutions or Cooperatives, which may be subject to specific rules. Prospective investors who are in any doubt as to their position should consult with their own professional advisors.

The description set out below is based upon Spanish state law in force and is subject to any changes in the laws of Spain that may take effect after such date. This description does not take into account any regional or local legislation that could be of application.

This information has been prepared in accordance with the following Spanish tax legislation:

(i) for individuals resident for tax purposes in Spain which are subject to Personal Income Tax, Law 35/2006, of 28 November 2006, on Personal Income Tax and partial amendment of Corporate Income Tax Law, Non Residents Income Tax Law and Wealth Tax Law, as amended (the "**PIT Law**"); Royal Decree 439/2007, of 30 March 2007 promulgating the Personal Income Tax Regulations, as amended; Law 19/1991, of 6 June 1991 on Wealth Tax as amended most recently by Royal Decree Law 3/2016, of 2 December (the "**Wealth Tax Law**"); and Law 29/1987, of 18 December 1987, on Inheritance and Gift Tax, as amended (the "**Inheritance and Gift Tax Law**");

(ii) for legal entities resident for tax purposes in Spain which are subject to Corporate Income Tax, Law 27/2014 of 27 November 2014, on Corporate Income Tax, as amended (the "**CIT Law**") and Royal Decree 634/2015, of 10 July 2015, promulgating the Corporate Income Tax Regulations, as amended (the "**CIT Regulations**");

(iii) for individuals and entities who are not resident in Spain, Royal Legislative Decree 5/2004, of 5 March 2004, promulgating the Consolidated Text of the Non-Residents Income Tax Law, as amended (the "**NRIT Law**"); Royal Decree 1776/2004, of 30 July 2004, promulgating the Non-Residents Income Tax Regulations, as amended (the "**NRIT Regulations**"); the Wealth Tax Law; and the Inheritance and Gift Tax Law.

I. *Taxes on Income and Capital Gains*

(i) *Individuals with tax residency in Spain subject to Personal Income Tax (Impuesto sobre la Renta de las Personas Físicas)*

Interest from the Notes obtained by individuals subject to Spanish Personal Income Tax, and also income from the transfer, reimbursement, redemption, exchange or conversion of the Notes would be considered a return on investment obtained from the transfer of funds to third parties according to Article 25.2 of the PIT Law. Such income would be included in the savings taxable base and subject to the rules foreseen in that respect in the PIT Law.

Income included in the savings taxable base are currently taxed (i) at a rate of 19 per cent up to the first €6,000, (ii) at a rate of 21 per cent on the following €44,000 and, (iii) at a rate of 23 per cent on any excess.

Any income derived from the Notes would be subject to withholding tax, currently at the rate of 19 per cent, on account of the Personal Income Tax of the holder.

On the basis that the Issuers are not resident in Spain for tax purposes and do not operate in Spain through a permanent establishment, branch or agency, all payments of principal and interest in respect of the Notes can be made free of any withholding or deduction for or on account of any taxes in Spain.

Under certain conditions, withholding taxes may apply if the Notes are deposited with a Spanish resident entity acting as depositary or custodian or such Spanish resident entity is in charge of the collection of the income from the Notes, or in charge of the redemption of the securities, or receives from the holder the order to transfer the security, as the case may be.

(ii) ***Legal Entities with tax residency in Spain subject to Corporate Income Tax (Impuesto sobre Sociedades)***

The tax regime for Spanish-resident entity holders of Notes is included in the CIT Law and the CIT Regulations.

According to article 10.3 of the CIT Law, the taxable income derived from the interest generated under the Notes and also from the transfer, reimbursement, redemption, exchange or conversion of the Notes will be calculated in accordance with the accounting treatment of such income by the relevant entity and generally taxed at the standard rate of 25 per cent.

Any income derived from the Notes would be subject to withholding tax of 19 per cent on account of the Corporate Income Tax of the holder.

On the basis that the Issuers are not resident in Spain for tax purposes and do not operate in Spain through a permanent establishment, branch or agency, all payments of principal and interest in respect of the Notes can be made free of any withholding or deduction for or on account of any taxes in Spain.

Under certain conditions, withholding taxes may apply if the Notes are deposited with a Spanish resident entity acting as depositary or custodian or such Spanish resident entity is in charge of the collection of the income from the Notes, or in charge of the redemption of the securities, or receives from the holder the order to transfer the security, as the case may be.

In any case, income derived from the Notes obtained by Corporate Income Tax taxpayers will not be subject to withholding tax on account of Corporate Income Tax, in accordance with the provisions of Article 61.s) of the CIT Regulations **provided that** the Notes are listed on an organised market of an OECD country.

(iii) ***Individuals and Legal Entities not resident in Spain and subject to Non-Resident Income Tax (Impuesto sobre la Renta de no Residentes)***

Interest generated by the Notes or from the transfer, reimbursement, redemption, exchange or conversion of the Notes obtained by individuals and legal entities not resident for tax purposes in Spain will be taxed pursuant to the NRIT Law.

Income obtained through a permanent establishment

If the Notes form part of the assets of a permanent establishment in Spain of a non-Spanish resident person or entity, income from the Notes will be taxed under the same rules as those previously set out for legal entities subject to Corporate Income Tax.

Income obtained without a permanent establishment

Income obtained by individuals or entities who are not resident in Spain for tax purposes and who do not act, with respect to the Notes, through a permanent establishment in Spain would not be considered as Spanish-source income and, therefore, would not be subject to taxation and withholding tax in Spain under the Non-Residents Income Tax Law.

II. ***Wealth Tax* (*Impuesto sobre el Patrimonio*)**

Only individuals who are holders of Notes would be subject to Wealth Tax. Legal entities are not taxable persons under Spanish Wealth Tax.

(i) ***Individuals with Tax Residency in Spain***

Individuals with tax residency in Spain are subject to Wealth Tax in 2017 to the extent that their net worth exceeds €700,000 (subject to any exceptions provided under relevant legislation in an autonomous region (*Comunidad Autónoma*)). Therefore, they should take into account the value of the Notes which they hold as at 31 December 2017, the applicable rates ranging between 0.2 per cent. and 2.5 per cent.

In principle, Spanish Wealth Tax is scheduled to be removed from 01 January 2018 onwards.

(ii) ***Individuals with no Tax Residency in Spain***

Non-Spanish residents would not be subject to the Wealth Tax on the holding of the Notes, **provided that** the Notes are not located in Spain and the rights deriving from them cannot be exercised within the Spanish territory.

III. ***Inheritance and Gift Tax* (*Impuesto sobre Sucesiones y Donaciones*)**

(i) ***Individuals with Tax Residency in Spain***

Individuals resident in Spain for tax purposes who acquire ownership or other rights over any Notes by inheritance, gift or legacy will be subject to the Inheritance and Gift Tax in accordance with the applicable Spanish regional or State rules (subject to any regional tax exemptions being available to them). The applicable effective tax rates currently range between 7.65 per cent. and 81.6 per cent., subject to any specific regional rules, depending on relevant factors.

(ii) ***Legal Entities with Tax Residency in Spain***

Legal entities resident in Spain for tax purposes which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift, income obtained will be subject to the Corporate Income Tax.

(iii) ***Individuals and Legal Entities not resident in Spain***

Non-Spanish resident Individuals and non-Spanish legal entities without a permanent establishment in Spain that acquire ownership or other rights over the Notes by inheritance, gift or legacy, will not be subject to Inheritance and Gift Tax **provided that** the Notes are not located in Spain and the rights deriving from them cannot be exercised within the Spanish territory.

Non-Resident entities with a permanent establishment within the Spanish territory which acquire the ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax. Rather, income obtained will be subject to the Non-resident Income Tax, subject to the application of any relevant double taxation treaty.

IV. ***Value Added Tax, Transfer Tax and Stamp Duty***

The issuance, acquisition and transfer of Securities is not taxable under Transfer Tax and Stamp Duty Tax, in accordance with the Consolidated Text of such tax promulgated by Royal Legislative Decree 1/1993, of 24 September, nor will it be taxable under the Value Added Tax, in accordance with Law 37/1992, of 28 December, regulating such tax.

V. ***Disclosure obligations in connection with assets held abroad by Spanish resident natural and legal persons (Form 720)***

According to Law 7/2012, Spanish resident natural or legal persons holding certain categories of assets abroad (including inter alia all types of debt securities) may be potentially liable to report them to the Spanish tax authorities on a yearly basis (filing in respect of Notes held as of 31 December 2017 will be due by 31 March 2018) in certain circumstances. Accordingly, any Spanish resident individual and corporate investors using a non-Spanish resident custodian to hold the Notes may be potentially liable to comply with such reporting obligations in respect of the Notes, if certain conditions are met. Failure to meet this new reporting obligation may trigger significant tax penalties and other tax implications.

SWEDISH TAXATION

There is no Swedish withholding tax at source (*källskatt*) applicable on payments made by the Issuer in respect of the Notes. Sweden operates a system of preliminary tax (*preliminärskatt*) to secure payment of taxes. In the context of the Notes a preliminary tax of 30 per cent. will be deducted from all payments of interest (including any compensation deemed to constitute interest for tax purposes) in respect of the Notes made to any individuals or estates that are resident in Sweden for tax purposes, provided the paying entity is subject to reporting obligations. A preliminary tax of 30 per cent. will also be deducted from any other payments in respect of the Notes not treated as capital gains, if such payments are paid out together with payments treated as interest. Depending on the relevant holder's overall tax liability for the relevant fiscal year, the preliminary tax may contribute towards, equal or exceed the holder's overall tax liability with any balance subsequently to be paid by or to the relevant holder, as applicable.

PROPOSED FINANCIAL TRANSACTION TAX

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a directive for a common financial transactions tax (the "**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia. However, Estonia has since stated that it will not participate (the "**participating Member States**").

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Securities (including secondary market transactions) in certain circumstances. The issuance and subscription of Securities should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Securities where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Securities are advised to seek their own professional advice in relation to the FTT.

If, on or after the Trade Date, due to the implementation of the proposed Financial Transaction Tax or otherwise by the adoption of or any change in any applicable law or regulation (including, without limitation, any law or regulation implementing a system of financial transaction tax in any jurisdiction, including the European Union, relating to any tax payable in respect of the transfer of, or entry into or modification or unwind of, any financial instruments), the Issuer determines that it (directly or through an Affiliate) would incur or has incurred a materially increased amount of tax, transfer tax, duty, stamp duty, stamp duty reserve tax, expense or fee (other than brokerage commissions) in relation to its obligations under the Securities or its related hedge positions ("**Additional Tax**"), the Issuer may (if the Conditions of the Securities so allow) adjust the Conditions of the Securities to reduce the amount otherwise payable under the Securities to holders of such Securities in order to pass on to the holders of such Securities the full amount of such Additional Tax incurred by the Issuer directly or through such Affiliate.

SUBSCRIPTION AND SALE

Each Issuer is offering the Notes on a continuing basis through Morgan Stanley & Co. International plc of 25 Cabot Square, Canary Wharf, London E14 4QA (the "**Distribution Agent**"), who has agreed to use reasonable efforts to solicit offers to purchase the Notes. Each Issuer will have the sole right to accept offers to purchase Notes and may reject any offer in whole or in part. The Distribution Agent will have the right to reject any offer to purchase Notes solicited by it in whole or in part. Each Issuer may pay the Distribution Agent, in connection with sales of the Notes resulting from a solicitation the Distribution Agent made or an offer to purchase received by the Distribution Agent, a commission, which may be in the form of a discount from the purchase price if the Distribution Agent is purchasing the Notes for its own account.

Each Issuer may also sell Notes to the Distribution Agent as principal for its own account at a price to be agreed upon at the time of sale. The Distribution Agent may resell any Notes it purchases as principal at prevailing market prices, or at other prices, as the Distribution Agent determines.

The arrangements for the offer and sale of the Notes from time to time are set out in the Regulation S Distribution Agreement dated on or about 17 July 2013, as last modified and restated on 10 October 2017 (as modified and restated from time to time, the "**Distribution Agreement**") among Morgan Stanley, MSI plc, MSBV, MSFL and the Distribution Agent. Pursuant to the Distribution Agreement, Morgan Stanley, MSI plc, MSBV, MSFL and the Distribution Agent have agreed to indemnify each other against certain liabilities, or to contribute payments made in respect thereof. Morgan Stanley, MSI plc, MSBV and MSFL have also agreed to reimburse the Distribution Agent for certain expenses. The Distribution Agreement makes provision for the appointment of additional Distribution Agents who may agree to become bound by its terms (either in relation to the Notes generally or in relation to a particular Series of Notes) in an accession letter provided by each such additional Distribution Agent to the Issuers.

In order to facilitate the offering of the Notes, the Distribution Agent may engage in transactions that stabilise, maintain or otherwise affect the price of the Notes or any other securities the prices of which may be used to determine payments on those Notes. Specifically, the Distribution Agent may over allot in connection with any offering of the Notes, creating a short position in the Notes for their own accounts. In addition, to cover overallotments or to stabilise the price of the Notes or of any other securities, the Distribution Agent may bid for, and purchase, Notes or any other securities in the open market. Finally, in any offering of the Notes through a syndicate of underwriters, the underwriting syndicate may reclaim selling concessions allowed to an underwriter or a dealer for distributing the Notes in the offering if the syndicate repurchases previously distributed Notes in transactions to cover syndicate short positions, in stabilisation transactions or otherwise. Any of these activities may stabilise or maintain the market price of the Notes above independent market levels. The Distribution Agent is not required to engage in these activities and may end any of these activities at any time.

United States of America

The Notes, any interest therein and any Guarantee in respect thereof, and the securities to be delivered on exercise or redemption of the Notes (if any), have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and are subject to U.S. tax law requirements. None of the Issuers or the Guarantor are registered or will register under the Investment Company Act of 1940, as amended. Trading in the Notes has not been approved by the U.S. Commodity Futures Trading Commission pursuant to the Commodity Exchange Act of 1936, as amended. The Notes, any interest therein and any Guarantee in respect thereof, and the securities to be delivered on exercise or redemption of the Notes (if any), may not be offered, sold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed 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 Regulation S under the Securities Act ("**Regulation S**")). Each Distribution Agent (1) has acknowledged that the Notes, any interest therein and any Guarantee in respect thereof, and the securities to be delivered on exercise or redemption of the Notes (if any), have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and the Notes are not being offered, sold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed and may not be offered, sold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed at any time, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons; (2) has represented, as a condition to acquiring any interest in the Notes, that neither it nor any persons on whose behalf or for whose account or benefit the Notes are being acquired is a U.S. Person, that it is not located in the United States, and was not solicited to purchase Notes while present in the United States; (3) has agreed not to offer, sell, pledge, assign, deliver or otherwise transfer, exercise or redeem any of the Notes

at any time, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. Person and that hedging transactions involving any "equity securities" of "domestic issuers" (as such terms are defined in the Securities Act and regulations thereunder) may be conducted only in accordance with the Securities Act; (4) has agreed that any hedging transactions involving "equity securities" of "domestic issuers" (as such terms are defined in the Securities Act and regulations thereunder) will be conducted only in accordance with the Securities Act and (5) has agreed that, at or prior to confirmation of sale of any Notes (whether upon original issuance or in any secondary transaction), it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it a written notice containing language substantially the same as the foregoing. As used herein, "**United States**" means the United States of America (including the states and the District of Columbia), its territories and possessions.

In addition, the Distribution Agents have represented and agreed that they have not offered or sold Notes and any Guarantee in respect thereof and will not offer or sell Notes and any Guarantee in respect thereof *at any time* except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, the Distribution Agents have represented and agreed that neither they, their affiliates (if any) nor any person acting on behalf of any of them has engaged or will engage in any directed selling efforts with respect to Notes and any Guarantee in respect thereof, and they have all complied and will comply with the offering restrictions requirements of Regulation S. Terms used in this paragraph have the meanings given to them in Regulation S.

An offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such Notes) may violate the registration requirements of the Securities Act.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Distribution Agreement will be required to represent and agree, in relation to each Tranche of Notes, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) if the Final Terms or Drawdown Prospectus in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, **provided that** any such prospectus which is not a Drawdown Prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(c) at any time to fewer 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Distribution Agent nominated by the Issuer for any such offer; or

(d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the relevant 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.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of

sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

Prohibition of Sales to EEA Retail Investors

From 1 January 2018, unless the Final Terms in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

(A) the expression "retail investor" means a person who is one (or more) of the following:

(1) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(2) a customer within the meaning of the IMD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(3) not a qualified investor as defined in the Prospectus Directive; and

(B) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

United Kingdom

In relation to each Tranche of Notes, the Distribution Agent has represented and agreed, subscribing for or purchasing such Notes, and each further Distribution Agent appointed under the Distribution Agreement will be required to represent and agree, with, the relevant Issuer and, if the Notes are issued by MSBV or MSFL, the Guarantor that:

(a) ***Notes with maturities of less than one year***: in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by the Issuer or the Guarantor, if applicable;

(b) ***Financial promotion***: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor, if applicable; and

(c) ***General compliance***: it has complied and will comply with all applicable provisions of the FSMA and the Financial Conduct Authority Handbook with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom; and

(d) ***Commissions and fees****:*

(i) if it is distributing Notes that are "retail investment products" (as such term is defined in the Financial Conduct Authority Handbook) into the United Kingdom and it is entitled to receive any commission or fee from the Issuer, it will not transfer any part of that commission or fee to any third party who may advise retail investors to purchase a Note that is a retail investment product; and

(ii) if it is authorised and regulated by the Financial Conduct Authority to provide investment advice to retail investors in the United Kingdom and it is providing advice to retail investors in respect of a Note that is a retail investment product, it undertakes not to request any commission or fee from the Issuer and to otherwise reject any such payment offered to it other than in circumstances where the Issuer has agreed to facilitate the payment of an advisory fee and has the express consent of the retail investor to do so.

Austria

In addition to the provisions of the selling restriction for European Economic Area Member States (including Austria) above, the Notes may be offered to the public in Austria only:

(a) if the following conditions have been satisfied:

(i) the Base Prospectus, including any supplements according to Section 6 of the Austrian Capital Markets Act, as amended (*Kapitalmarktgesetz*) (the "**CMA**") but excluding any Final Terms, which has been approved by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*) (the "**FMA**") or, where appropriate, approved in another Member State and notified to the FMA, all in accordance with the Prospectus Directive, has been published in compliance with Section 10 para 2 CMA at least one Austrian bank working day prior to the commencement of the relevant offer of the Notes to the public; and

(ii) the applicable Final Terms for the Notes have been published and filed with the FMA in compliance with Section 7 para 4 CMA on or prior to the date of commencement of the relevant offer of the Notes to the public; or

(b) otherwise in compliance with the CMA and any other applicable Austrian laws applicable to the offering of the Notes in Austria including but not limited to the Austrian Investment Funds Act 2011 (implementing directive 2009/65/EU) and the Austrian Alternative Investment Funds Manager Act (implementing directive 2011/61/EU), each as amended and supplemented from time to time.

For the purposes of this Austrian selling restriction, the expression "**an offer of the Notes to the public**" means the communication to the general public in any form that contains sufficient information on the terms and conditions of the offer and the Notes to be offered or an invitation to subscribe the Notes to be offered, so as to enable an investor to decide to purchase or subscribe for the Notes.

Finland

The Distribution Agent has confirmed and agreed and each further Distribution Agent appointed by the Issuers under the Program will be required to confirm and agree that it will not publicly offer the Notes or bring the Notes into general circulation in Finland other than in compliance with all applicable provisions of the laws of Finland and especially in compliance with the Finnish Securities Market Act *(arvopaperimarkkinalaki, 746/2012)*, and any regulation or rule made thereunder, as supplemented and amended from time to time.

France

The Distribution Agent has represented and agreed that, it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Final Terms or any other offering or marketing material relating to the Notes other than such offers, sales and distributions which have been and will be made in France only to (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2, L.744-1, L.754-1, L.764-1, D.411-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*.
The direct or indirect resale of Notes to the public in France may be made only as provided by, and in accordance with, Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French *Code monétaire et financier* and their implementing provisions.

Ireland

In relation to each Tranche of Notes, the Distribution Agent subscribing for or purchasing such Notes has represented to, warranted and agreed with, or will represent to, warrant and agree with, the Issuer and the Guarantor that:

(a) it will not underwrite the issue of, or place the Notes, otherwise than in conformity than with the provisions of S.I. No. 60 of 2007, European Communities (Markets in Financial Instruments) Regulations 2007 (as amended) (MiFID Regulations) including, without limitation, Regulations 7 (*Authorisation*) and 152 (*Restrictions on advertising*) thereof, any codes of conduct made under the MiFID Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);

(b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Companies Act 2014 of Ireland (as amended, the "**Irish Companies Act**") Irish Central Bank Acts 1942 – 2015 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989 (as amended) or section 48 of the Central Bank (Supervision and Enforcement) Act 2013;

(c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended), the Irish Companies Act and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 or Section 1363 of the Irish Companies Act, by the Central Bank of Ireland;

(d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse Regulation (EU 596/2014) (as amended) and any rules and guidance issued by the Central Bank of Ireland under Section 1370 of the Irish Companies Act; and

(e) any issue of the Notes with a legal maturity of less than one year will be carried out in strict compliance with the Central Bank of Ireland's implementation notice for credit institutions BSD C 01/02 of 12 November 2002 (as may be amended, replaced or up-dated) and issued pursuant to Section 8(2) of the Irish Central Bank Act, 1971 (as amended).

Norway

The Distribution Agent represents and agrees that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy or sell Norwegian Krone-denominated Notes or distribute any draft or definitive document in relation to any such offer, invitation or sale in Norway or to Norwegian residents except in compliance with Norwegian laws and regulations.

Portugal

The Distribution Agent has represented and agreed, and each and any additional distribution agent appointed under the Distribution Agreement will be required to represent and agree, that the Notes may not be and will not be offered to the public in Portugal or under circumstances which are deemed to be a public offer under the Portuguese Securities Code ("*Código dos Valores Mobiliários*") enacted by Decree-Law no. 486/99 of 13 November, 1999, as amended, unless the requirements and provisions applicable to the public offerings in Portugal are met and registration, filing, approval or recognition procedure with the Portuguese Securities Exchange Commission ("*Comissão do Mercado de Valores Mobiliários*", "CMVM") is made. In particular, the offer of new securities might be made through a private placement ("*oferta particular*"), in accordance with the relevant provisions of the Portuguese Securities Code, exclusively to qualified investors ("*investidores qualificados*") within the meaning of Article 30 of the Portuguese Securities Code, and/or to 149 or fewer non-qualified investors. In addition, the Distribution Agent has represented and agreed, and each and any additional distribution agent appointed under the Distribution Agreement will be required to represent and agree, that *(i)* no action has been or will be taken as to directly or indirectly offer, advertise, market, invite to subscribe, gather investment intentions, sell, re-sell, re-offer or deliver any Notes in circumstances which could qualify as a public offer ("*oferta pública*") of securities pursuant to the Portuguese Securities Code, notably in circumstances which could qualify as a public offer addressed to individuals or entities resident in Portugal or having permanent establishment located in Portuguese territory, as the case may be, and *(ii)* no action has been or will be taken as to distribute, make available or cause to be distributed the Base Prospectus or any other offering material relating to the Notes to the public in Portugal, other than in

compliance with all applicable provisions of the Portuguese Securities Code, the Prospectus Regulation implementing the Prospectus Directive (Commission Regulation (EC) 809/2004, as amended), any applicable CMVM regulations and all relevant Portuguese securities laws and regulations, in any such case that may be applicable to it in respect of any offer or sale of Notes in Portugal or to individuals or entities resident in Portugal or having permanent establishment located in Portuguese territory, as the case may be, including the rules and regulations that require the publication of a prospectus, when applicable, and that any placement of the Notes shall only be authorized and performed to the extent that there is full compliance with such laws and regulations.

Republic of Italy

Unless specified in the relevant Final Terms that a Non-exempt Offer may be made in Republic of Italy, the offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, the Distribution Agent has represented and agreed that, save as set out below, it has not offered or sold, and will not offer or sell, any Notes in the Republic of Italy in an offer to the public and that sales of the Notes in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Accordingly, the Distribution Agent has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of this Base Prospectus (including the applicable Final Terms) and any other document relating to the Notes in the Republic of Italy except:

(1) to "qualified investors", as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Decree No. 58**") as implemented by Article 26, paragraph 1, let. d) of CONSOB Regulation No. 16190 of 29 October 2007, as amended ("**Regulation No. 16190**") pursuant to Articles 34-ter, paragraph 1, let. b*)* of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**"); or

(2) that it may offer, sell or deliver Notes or distribute copies of the Base Prospectus (including the applicable Final Terms) in an offer to the public if the Final Terms in relation to the Notes specify that a Non-exempt Offer may be made in the Republic of Italy, **provided that** the Base Prospectus (including the applicable Final Terms) has been notified to CONSOB, all in accordance with the Directive 2003/71/EC of 4 November 2003 (the "**Prospectus Directive**") and the Directive 2010/73/EU of 24 November 2010 (the "**Amending Directive**"), as implemented in Italy under Decree No. 58 and Regulation No. 11971, in the period beginning and ending on the dates specified in the applicable Final Terms; or

(3) in any other circumstances which are exempted from the rules on public offerings, as provided under Decree No. 58 and its implementing CONSOB Regulations including Regulation No. 11971.

Any such offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus (including the applicable Final Terms) or any other document relating to the Notes in the Republic of Italy must be:

(a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended (the "**Banking Act**"), Decree No. 58, Regulation No. 16190, as amended and any other applicable laws and regulations;

(b) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, with regard, ***inter alia***, to the reporting obligations required; and

(c) in compliance with any other applicable requirement or limitation which may be imposed by CONSOB or the Bank of Italy or other Italian authority.

Provisions relating to the secondary market in Italy

Investors should also note that, in any subsequent distribution of the Notes in the Republic of Italy, Article 100-bis of Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, where the Notes are placed solely with "qualified investors" and are then

systematically ("*sistematicamente*") resold on the secondary market at any time in the 12 months following such placing, purchasers of Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises the Notes were purchased, unless an exemption provided for under Decree No. 58 applies.

Spain

The Notes may not be listed, offered, sold or distributed in Spain nor any document or offer material be distributed in Spain or targeted at Spanish resident investors, except in accordance with the requirements set out in Spanish laws transposing the Prospectus Directive in particular Royal Legislative Decree 4/2015 of 23 October of the Securities Markets (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*) as amended and restated (the "Securities Markets Law") and Royal Decree 1310/2005 of 4 November on admission to trading of securities in official secondary markets, public offerings and prospectus (*Real Decreto 1310/2005 de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, de Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), or any other related regulations that may be in force from time to time, as further amended, supplemented or restated.

Sweden

The Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, that no offer will be made to the public in Sweden unless it is in compliance with the Swedish Financial Instruments Trading Act (Sw. lag (1991:980) om handel med finansiella instrument) and any other applicable Swedish law.

The Netherlands

For selling restrictions in respect of The Netherlands, see "*European Economic Area*" above and in addition:

Specific Dutch selling restriction for exempt offers: The Distribution Agent has represented and agreed and each further Distribution Agent appointed under the Distribution Agreement will be required to represent and agree that it will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in The Netherlands in reliance on Article 3(2) of the Prospectus Directive unless:

- such offer is made exclusively to persons or legal entities which are qualified investors (as defined in the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht, the "**FMSA**") and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in The Netherlands; or
- standard exemption logo and wording are disclosed as required by article 5:20(5) of the FMSA; or
- such offer is otherwise made in circumstances in which article 5:20(5) of the FMSA is not applicable,

provided that no such offer of Notes shall require any 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.

For the purposes of this provision, the expressions (i) an "**offer of Notes to the public**" in relation to any Notes in The Netherlands; and (ii) "**Prospectus Directive**", have the meaning given to them above in the paragraph headed "European Economic Area".

Regulatory capacity to offer Notes in The Netherlands: The Distribution Agent, and each further Distribution Agent appointed under the Distribution Agreement, which did and does not have the requisite Dutch regulatory capacity to make offers or sales of financial instruments in The Netherlands has represented and agreed respectively will be required to represent and agree with the Issuers that it has not offered or sold and will not offer or sell any of the Notes of the relevant Issuer in The Netherlands,

other than through one or more investment firms acting as principals and having the Dutch regulatory capacity to make such offers or sales.

Specific Dutch selling restriction for Zero Coupon Notes: Zero Coupon Notes issued by MSBV in bearer form and other Notes issued by MSBV in bearer form on which no interest is paid during their tenor may fall within the definition of savings certificates as referred to in the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) and if so any transfer or acceptance, directly or indirectly, within, from or into The Netherlands of such Notes issued by MSBV is prohibited unless it is done through the mediation of either MSBV or a member of Euronext Amsterdam N.V., and certain identification requirements in relation to the issue, transfer of or payment on Notes issued by MSBV qualifying as savings certificates have to be complied with. The above prohibition does not apply (i) to a transfer and acceptance of such Notes issued by MSBV between individuals who do not act in the conduct of a profession or a business, (ii) to the initial issue and trading of such Notes by MSBV to the first holders thereof, and (iii) to the issue and trading of such Notes by MSBV if such Notes issued by MSBV are physically issued outside of The Netherlands and are not immediately thereafter distributed in The Netherlands or to residents of The Netherlands in the course of primary trading.

NO OWNERSHIP BY U.S. PERSONS

The Notes may not be legally or beneficially owned by U.S. Persons at any time. The term "**U.S. Person**" will have the meaning ascribed to it in Regulation S under the Securities Act.

Each purchaser of Notes, by accepting delivery of this Base Prospectus or the Notes, will be deemed to have represented, agreed and acknowledged that:

(a) it is, or at the time such Notes are purchased will be, the beneficial owner of such Notes and it is not, and is not acting for the account or benefit of, a U.S. Person and it is located outside the United States and was not solicited to purchase such Notes while present in the United States;

(b) such Notes, any interest therein and any Guarantee in respect thereof, and the securities to be delivered on exercise or redemption of the Notes (if any), have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, are subject to U.S. tax law requirements and may not be offered, sold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed at any time, directly or indirectly, except to a person that is not a U.S. Person (within the meaning of Regulation S) in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with all applicable securities laws of any state of the United States and any other applicable jurisdiction and it will provide notice of the foregoing transfer restriction to any subsequent transferee;

(c) such Notes will bear a legend substantially to the following effect:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES; AND IS SUBJECT TO U.S. TAX LAW REQUIREMENTS. THIS NOTE MAY NOT BE OFFERED, SOLD OR DELIVERED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT)."

and

(d) the Issuers, the Guarantor, the Registrar, the Distribution Agents and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

FORM OF GUARANTEE

THIS GUARANTEE is made on 10 October 2017 by MORGAN STANLEY, a corporation incorporated under the laws of the State of Delaware (the "**Guarantor**" or "**Morgan Stanley**").

WHEREAS:

(A) The Guarantor, Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley B.V. ("**MSBV**") and Morgan Stanley Finance LLC ("**MSFL**") have established a Regulation S Program (the "**Program**") for the Issuance of Notes, Series A and Series B ("**Notes issued under the Program**"), Warrants ("**Warrants**") and Certificates ("**Certificates**", together with the Notes issued under the Program and the Warrants, the "**Program Securities**").

(B) Notes issued under the Program may be issued: (i) under the issue and paying agency agreement dated 10 October 2017 (as from time to time further modified and/or restated, the "**Issue and Paying Agency Agreement**") between (amongst others) MSBV, MSFL, MSI plc, the Guarantor and The Bank of New York Mellon; (ii) as notes in dematerialised and uncertificated book-entry form with a Nordic central securities depositary ("**Nordic Notes**") under the issuing and paying agent agreement dated 11 April 2016 between Skandinaviska Enskilda Banken AB (publ), MSI plc and MSBV (as from time to time further modified and/or restated the "**SEB Issuing and Paying Agent Agreement**") and, in the case of either (i) or (ii), with the benefit of either a deed of covenant dated 17 July 2013 entered into by MSBV, a deed of covenant dated 17 July 2013 entered into by MSI plc, a deed of covenant dated 17 July 2013 entered into by Morgan Stanley or a deed of covenant dated 21 October 2016 entered into by MSFL, as applicable; or (iii) under the Euroclear agreement dated 10 October 2017 (as from time to time further modified and/or restated, the "**Euroclear Agreement**") between (amongst others) MSBV, MSI plc, the Guarantor and Computershare Investor Services (Guernsey) Limited.

(C) Notes issued under the Program as are issued by MSBV or MSFL (each an "**Issuer**") under the Issue and Paying Agency Agreement, the SEB Issuing and Paying Agent Agreement (in respect of MSBV only) or the Euroclear Agreement (in respect of MSBV only) (together the "**Relevant Securities**") will have the benefit of this Guarantee (subject as provided below). For the avoidance of doubt, Program Securities which are not Relevant Securities will not have the benefit of this Guarantee.

THE GUARANTOR HEREBY guarantees unconditionally and irrevocably the payment obligations under the terms of the Relevant Securities issued by MSBV and MSFL on or after the date hereof (the "**Guaranteed Securities**").

If the Guaranteed Securities are held by a common depository or common safekeeper for Euroclear Bank S.A./N.V. as Operator of the Euroclear System (the "**Euroclear Operator**"), Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") or such other clearing system as specified in the applicable Final Terms (or, if applicable, any relevant drawdown prospectus ("**Drawdown Prospectus**")) with respect to any series of Guaranteed Securities, the Guarantor covenants to each person who is for the time being shown in the records of the relevant clearing system or registrar as the holder of a principal amount of the Guaranteed Securities (the "**Accountholders**") that it shall make such payments under this Guarantee and acknowledges that the Accountholders may take proceedings to enforce this Guarantee directly against the Guarantor. The holders of the Guaranteed Securities from time to time and the Accountholders are referred to herein as the Holders. References to the Euroclear Operator, Clearstream or any other clearing system shall include their respective successors and assigns.

The Guarantor hereby agrees that it shall not be necessary, as a condition to enforce this guarantee, that suit be first instituted against the applicable Issuer or that any rights or remedies against such Issuer be first exhausted. Rather, it is understood and agreed that the liability of the Guarantor hereunder shall be primary, direct, and in all respects, unconditional. The obligations of the Guarantor under this Guarantee constitute direct, unconditional and unsecured obligations of the Guarantor and rank without preference among themselves and, subject as aforesaid, *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights.

The Guarantor shall be fully liable as if it were the principal debtor under the Guaranteed Securities whether any time has been granted to the applicable Issuer, whether the obligations of the Issuer under

the Guaranteed Securities have ceased to exist pursuant to bankruptcy, corporate reorganization or other similar event, whether the applicable Issuer has been dissolved or liquidated or consolidated or has changed or lost its corporate identity and whether or not any other circumstances have occurred which might otherwise constitute a legal or equitable discharge of or defense to a guarantor.

If any moneys shall become payable by the Guarantor under this Guarantee, the Guarantor shall not for so long as the same remain unpaid in respect of any amount paid by it under this Guarantee exercise any right or subrogation in relation to the applicable Issuer or any other right or remedy which may accrue to it in respect of or as a result of any such payment.

The Guarantee of the Guarantor provided in respect of Guaranteed Securities of an Issuer will terminate upon the merger of such Issuer with and into the Guarantor.

All payments pursuant to this Guarantee will be made without withholding or deduction for any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied collected, withheld or assessed by the United States of America, or any political subdivision or any authority thereof having power to tax unless such withholding or deduction is required by law. The Guarantor shall not be required to make any additional payments on account of such withholding or deduction (except with respect to any additional payments required to be made by any Issuer under the Program). If the Guarantor becomes subject at any time to any taxing jurisdiction other than the United States of America, references in the Guarantee to the United States shall be construed as references to such other jurisdiction.

This guarantee shall be governed and construed in accordance with New York law, without regard to the conflict of laws principles.

This guarantee shall expire and is no longer effective once all amounts payable on or in respect of the Guaranteed Securities has been paid in full.

Dated as of 10 October 2017

MORGAN STANLEY

By: …….

Name: [●]
Title: [●]

IMPORTANT LEGAL INFORMATION

1. ***Offering through Distribution Agent***

Each Issuer is offering the Notes on a continuing basis through Morgan Stanley & Co. International plc (the "**Distribution Agent**"), which has agreed to use reasonable efforts to solicit offers to purchase the Notes. Each Issuer may also sell Notes to the Distribution Agent as principal for its own account at a price to be agreed upon at the time of sale. The Distribution Agent may resell any Notes it purchases as principal at prevailing market prices, or at other prices, as it determines. Each Issuer or the Distribution Agent may reject any offer to purchase Notes, in whole or in part. See section entitled "*Subscription and Sale*" above.

2. ***Approvals of the Base Prospectus***

This Base Prospectus has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* ("**CSSF**") in its capacity as the competent authority under the Luxembourg law of 10 July 2005 (as amended by the Luxembourg law of 3 July 2012) relating to prospectuses for securities (the "**Luxembourg Law on Prospectuses**") for this document's approval as a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC, as amended (the "**Prospectus Directive**") for the purpose of giving information with regard to the issue of Notes under the Program issued by Morgan Stanley, MSI plc, MSBV and MSFL, as applicable, within 12 months following the date of this document. Pursuant to Article 7(7) of the Luxembourg Law on Prospectuses, by approving this Base Prospectus, the CSSF gives no undertaking as to, and assumes no responsibility for, the economic and financial characteristics of the Notes or the quality and solvency of any Issuer or the Guarantor.

Application has been made for the Notes which are "Series A" Notes to be admitted to listing on the official list (the "**Official List**") and trading on the regulated market ("**Luxembourg Regulated Market**") of the Luxembourg Stock Exchange (the "**Luxembourg Stock Exchange**"), which is a regulated market for the purposes of Directive 2004/39/EC. Application may also be made for the Notes which are "Series A" Notes to be admitted to listing and / or trading by such other listing authority, stock exchange or quotation system as may be specified in the applicable Final Terms. Notes may also be issued which are not admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system. The Notes which are "Series B" Notes will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.

3. ***Credit Ratings***

Notes may or may not be rated. Any credit rating applied for in relation to an issue of Notes will be specified in the applicable Final Terms. Whether or not such credit ratings applied for will be issued by a credit rating agency established in the European Union 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**") will be disclosed in the Final Terms. In general, European regulated issuers are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Economic Area ("**EEA**") and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation, or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation. This Base Prospectus includes details of the long-term and short-term credit ratings assigned to Morgan Stanley by DBRS, Inc. ("**DBRS**"), Fitch Ratings, Inc. ("**Fitch**"), Moody's Investors Service, Inc. ("**Moody's**"), Ratings and Investment Information, Inc. ("**R&I**") and Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings ("**S&P**").

DBRS is not established in the European Economic Area ("**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 as amended from time to time (the "**CRA Regulation**") by the relevant competent authority.

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.

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.

R&I is not incorporated in the EEA and is not registered under the CRA Regulation in the EU.

S&P is not established in the EEA but the rating it has assigned to Morgan Stanley is, with effect from 9 April 2012, 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.

As of 10 October 2017, Morgan Stanley's short-term and long-term debt has been respectively rated (i) R-1 (middle) and A (high), with a stable outlook, by DBRS, Inc. ("**DBRS**"), (ii) F1 and A, with a stable outlook, by Fitch Ratings, Inc. ("**Fitch**"), (iii) P-2 and A3, with a stable outlook, by Moody's Investors Service, Inc. ("**Moody's**"), (iv) a-1 and A-, with a stable outlook, by Ratings and Investment Information, Inc. ("**R&I**") and (v) A-2 and BBB+ with a stable outlook, by Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings ("**S&P**").

As of 10 October 2017, MSI plc's short-term and long-term debt has been respectively rated (i) P-1 and A1, with a stable outlook, by Moody's and (ii) A-1 and A+, with a stable outlook, by S&P.

MSBV is not rated.

As of 10 October 2017, MSFL's long-term debt has been respectively rated (i) A3, with a stable outlook, by Moody's and (ii) BBB+, with a stable outlook, by S&P.

4. ***Different base prospectuses***

This document comprises four base prospectuses.

Morgan Stanley Base Prospectus

The Morgan Stanley base prospectus (the "**Morgan Stanley Base Prospectus**") will comprise this Base Prospectus with the exception of (A) the information in the Summary relating to MSI plc, MSBV and MSFL, and (B) information incorporated by reference herein from the Registration Document (as defined in "Incorporation by Reference" above) entitled (i) Description of Morgan Stanley & Co. International plc at pages 69-74 of the Registration Document, (ii) Selected Financial Information of Morgan Stanley & Co. International plc at page 75 of the Registration Document, (iii) Description of Morgan Stanley B.V. at pages 76-78 of the Registration Document, (iv) Selected Financial Information of Morgan Stanley B.V. at page 79 of the Registration Document, (v) Description of Morgan Stanley Finance LLC at pages 80-81 of the Registration Document and (vi) Selected Financial Information of Morgan Stanley Finance LLC at page 82 of the Registration Document and (C) items 7-15 incorporated by reference herein in the section entitled "Incorporation by Reference" above.

MSI plc Base Prospectus

The MSI plc base prospectus (the "**MSI plc Base Prospectus**") will comprise this Base Prospectus with the exception of (A) the information in the Summary relating to Morgan Stanley, MSBV and MSFL, (B) information incorporated by reference herein from the Registration Document entitled (i) Description of Morgan Stanley at pages 26-67 of the Registration Document, (ii) Selected Financial Information of Morgan Stanley at page 68 of the Registration Document, (iii) Description of Morgan Stanley B.V. at pages 76-78 of the

Registration Document, (iv) Selected Financial Information of Morgan Stanley B.V. at page 79 of the Registration Document, (v) Description of Morgan Stanley Finance LLC at pages 80-81 of the Registration Document, (vi) Selected Financial Information of Morgan Stanley Finance LLC at page 82 of the Registration Document and (vii) Subsidiaries of Morgan Stanley as of 31 December 2016 at page 83 of the Registration Document and (C) items 3 to 6 and items 10 to 15 incorporated by reference herein in the section entitled "Incorporation by Reference" above.

MSBV Base Prospectus

The MSBV base prospectus (the "**MSBV Base Prospectus**") will comprise this Base Prospectus with the exception of (A) the information in the Summary relating to MSI plc and MSFL, (B) information incorporated by reference herein from the Registration Document entitled (i) Description of Morgan Stanley at pages 26-67 of the Registration Document, (ii) Selected Financial Information of Morgan Stanley at page 68 of the Registration Document, (iii) Description of Morgan Stanley & Co. International plc at pages 69-74 of the Registration Document, (iv) Selected Financial Information of Morgan Stanley & Co. International plc at page 75 of the Registration Document, (v) Description of Morgan Stanley Finance LLC at pages 80-81 of the Registration Document, (vi) Selected Financial Information of Morgan Stanley Finance LLC at page 82 of the Registration Document and (vii) Significant Subsidiaries of Morgan Stanley as of 31 December 2016 at page 83 of the Registration Document and (C) items 7 to 9 and items 13 to 15 incorporated by reference herein in the section entitled "Incorporation by Reference" above.

MSFL Base Prospectus

The MSFL base prospectus (the "**MSFL Base Prospectus**") will comprise this Base Prospectus with the exception of (A) the information in the Summary relating to MSI plc and MSBV, (B) information incorporated by reference herein from the Registration Document entitled (i) Description of Morgan Stanley at pages 26-67 of the Registration Document, (ii) Selected Financial Information of Morgan Stanley at page 68 of the Registration Document, (iii) Description of Morgan Stanley & Co. International plc at pages 69-74 of the Registration Document, (iv) Selected Financial Information of Morgan Stanley & Co. International plc at page 75 of the Registration Document, (v) Description of Morgan Stanley B.V. at pages 76-78 of the Registration Document, (vi) Selected Financial Information of Morgan Stanley B.V. at page 79 of the Registration Document and (vii) Subsidiaries of Morgan Stanley as of 31 December 2016 at page 83 of the Registration Document and (C) items 7 to 12 incorporated by reference herein in the section entitled "Incorporation by Reference" above.

5. ***Responsibility Statements***

Morgan Stanley accepts responsibility for information contained in the Morgan Stanley Base Prospectus and the information relating to itself, to its guarantee of the obligations of MSBV contained in the MSBV Base Prospectus and to its guarantee of the obligations of MSFL contained in the MSFL Base Prospectus. MSI plc accepts responsibility for information contained in the MSI plc Base Prospectus. MSBV accepts responsibility for information contained in the MSBV Base Prospectus. MSFL accepts responsibility for information contained in the MSFL Base Prospectus. To the best of the knowledge and belief of each of Morgan Stanley, MSI plc, MSBV and MSFL (each of which has taken all reasonable care to ensure that such is the case), the information for which it accepts responsibility as aforesaid is in accordance with the facts and does not omit anything likely to affect the import of such information.

In respect of a Non-exempt Offer, the above paragraph is subject to the conditions and disclaimer of responsibility in certain circumstances as provided in "*Consent to the use of the Base Prospectus*" above.

6. ***Supplement***

This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms.

In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

7. ***No information or representatives outside offer***

No person has been authorised by any of Morgan Stanley, MSI plc, MSBV or MSFL to give any information or to make any representation not contained or incorporated by reference in this Base Prospectus, and, if given or made, that information or representation should not be relied upon as having been authorised by Morgan Stanley, MSI plc, MSBV or MSFL. Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes will, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial situation of any of Morgan Stanley, MSI plc, MSBV or MSFL since the date hereof or, as the case may be, the date upon which this Base Prospectus has been most recently supplemented or the balance sheet date of the most recent financial statements which have been incorporated into this Base Prospectus by way of a supplement to this Base Prospectus, or that any other information supplied from time to time is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. Investors should review, *inter alia*, the most recent financial statements of Morgan Stanley, MSI plc, MSBV and/or MSFL (as applicable) when evaluating any Notes or an investment therein (such financial statements shall not form a part of this Base Prospectus unless they have been expressly incorporated herein, including by way of a supplement to this Base Prospectus).

The Issuers do not intend to provide post-issuance information in respect of the Notes except if required by any applicable laws or regulations.

8. ***No or limited secondary market***

Potential investors should be willing to hold the Notes until maturity. The nature and extent of any secondary market in the Notes cannot be predicted and there may be little or no secondary market in the Notes. If Morgan Stanley & Co. International plc or other affiliate does make a market for the Notes, it may cease to do so at any time.

9. ***Offering and distribution restrictions and disclaimers***

Subject to the restrictions set out in this Base Prospectus, the categories of potential investors to which the Notes are offered are retail and institutional investors.

The distribution of this Base Prospectus and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by Morgan Stanley, MSI plc, MSBV and MSFL to inform themselves about and to observe those restrictions.

Neither this Base Prospectus nor any Final Terms or Drawdown Prospectus constitutes an offer of or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by any of Morgan Stanley, MSI plc, MSBV, MSFL or the Distribution Agent that any recipient of this Base Prospectus or any Final Terms or Drawdown Prospectus should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms or Drawdown Prospectus will be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of Morgan Stanley, MSI plc, MSBV or MSFL (as applicable) and of the particular terms of any offered Notes.

Neither this Base Prospectus nor any Final Terms or Drawdown Prospectus may be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which that offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. For a description of certain restrictions on offer, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*" below.

10. ***Issuances under the 17 July 2013 English Law Note Conditions***

In the case of any issue of Notes in respect of which the relevant Final Terms provide that the 17 July 2013 English Law Note Conditions apply, such Notes will be documented using the relevant July 2013 Form of Final Terms (incorporated by reference into this Base Prospectus), save that the first paragraph under the section entitled "Contractual Terms" of the July 2013 Form of Final Terms shall be deleted in its entirety and replaced with the following:

"*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 Notes set forth in the Base Prospectus dated 17 July 2013 and the supplement dated 30 August 2013 to the Base Prospectus (the "**Original Base Prospectus**"). 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 the base prospectus dated 10 October 2017 [and the supplement[s] dated [][,[] … []] to the Base Prospectus] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). 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, save in respect of the Terms and Conditions of the Notes which are extracted from the Original Base Prospectus and which are incorporated by reference into the Base Prospectus. [However, a summary of the Issue is annexed to these Final Terms.]* [1] *Copies of the Base Prospectus [and any supplement(s) thereto] and the Original Base Prospectus are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [, any supplement(s) thereto] and the Original Base Prospectus and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.*"

11. ***Issuances under the 16 December 2013 English Law Note Conditions***

In the case of any issue of Notes in respect of which the relevant Final Terms provide that the 16 December 2013 English Law Note Conditions apply, such Notes will be documented using the relevant December 2013 Form of Final Terms (incorporated by reference into this Base Prospectus), save that the first paragraph under the section entitled "Contractual Terms" of the December 2013 Form of Final Terms shall be deleted in its entirety and replaced with the following:

"*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 Notes set forth in the Base Prospectus dated 16 December 2013 (the "**Original Base Prospectus**"). 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 the base prospectus dated 10 October 2017 [and the supplement[s] dated [][,[] … []] to the Base Prospectus] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). 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, save in respect of the Terms and Conditions of the Notes which are extracted from the Original Base Prospectus and which are incorporated by reference into the Base Prospectus. [However, a summary of the Issue is annexed to these Final Terms.]* [2] *Copies of the Base Prospectus [and any supplement(s) thereto] and the Original Base Prospectus are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [, any supplement(s) thereto] and the Original Base Prospectus and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.*"

[1] Insert if Notes are for denominations lower than EUR 100,000.

[2] Insert if Notes are for denominations lower than EUR 100,000.

12. ***Issuances under the 16 December 2014 English Law Note Conditions***

In the case of any issue of Notes in respect of which the relevant Final Terms provide that the 16 December 2014 English Law Note Conditions apply, such Notes will be documented using the relevant December 2014 Form of Final Terms (incorporated by reference into this Base Prospectus), save that the first paragraph under the section entitled "Contractual Terms" of the December 2014 Form of Final Terms shall be deleted in its entirety and replaced with the following:

"*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 Notes set forth in the Base Prospectus dated 16 December 2014 (the "**Original Base Prospectus**"). 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 the base prospectus dated 10 October 2017 [and the supplement[s] dated [][,[] … []] to the Base Prospectus] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). 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, save in respect of the Terms and Conditions of the Notes which are extracted from the Original Base Prospectus and which are incorporated by reference into the Base Prospectus. [However, a summary of the Issue is annexed to these Final Terms.]* [3] *Copies of the Base Prospectus [and any supplement(s) thereto] and the Original Base Prospectus are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [, any supplement(s) thereto] and the Original Base Prospectus and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.*"

13. ***Issuances under the 15 December 2015 English Law Note Conditions***

In the case of any issue of Notes in respect of which the relevant Final Terms provide that the 15 December 2015 English Law Note Conditions apply, such Notes will be documented using the relevant December 2015 Form of Final Terms (incorporated by reference into this Base Prospectus), save that the first paragraph under the section entitled "Contractual Terms" of the December 2015 Form of Final Terms shall be deleted in its entirety and replaced with the following:

"*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 Notes set forth in the Base Prospectus dated 15 December 2015 (the "**Original Base Prospectus**"). 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 the base prospectus dated 10 October 2017 [and the supplement[s] dated [][,[] … []] to the Base Prospectus] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). 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, save in respect of the Terms and Conditions of the Notes which are extracted from the Original Base Prospectus and which are incorporated by reference into the Base Prospectus. [However, a summary of the Issue is annexed to these Final Terms.]* [4] *Copies of the Base Prospectus [and any supplement(s) thereto] and the Original Base Prospectus are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [, any supplement(s) thereto] and the Original Base Prospectus and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.*"

14. ***Issuances under the 21 October 2016 English Law Note Conditions***

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[3] Insert if Notes are for denominations lower than EUR 100,000.

[4] Insert if Notes are for denominations lower than EUR 100,000.

In the case of any issue of Notes in respect of which the relevant Final Terms provide that the 21 October 2016 English Law Note Conditions apply, such Notes will be documented using the relevant October 2016 Form of Final Terms (incorporated by reference into this Base Prospectus), save that the first paragraph under the section entitled "Contractual Terms" of the October 2016 Form of Final Terms shall be deleted in its entirety and replaced with the following:

"*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 Notes set forth in the Base Prospectus dated 21 October 2016 (the "**Original Base Prospectus**"). 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 the base prospectus dated 10 October 2017 [and the supplement[s] dated [][,[] … []] to the Base Prospectus] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). 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, save in respect of the Terms and Conditions of the Notes which are extracted from the Original Base Prospectus and which are incorporated by reference into the Base Prospectus. [However, a summary of the Issue is annexed to these Final Terms.]* [5] *Copies of the Base Prospectus [and any supplement(s) thereto] and the Original Base Prospectus are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA [and on the Issuers' website at http://sp.morganstanley.com/EU/Documents] and copies of the Base Prospectus [, any supplement(s) thereto] and the Original Base Prospectus and these Final Terms are available on the website of the Luxembourg Stock Exchange at www.bourse.lu.*"

[5] Insert if Notes are for denominations lower than EUR 100,000.

GENERAL INFORMATION

The Notes have been accepted for clearance and settlement through Euroclear and Clearstream, Luxembourg. The appropriate code for each issue allocated by Euroclear and Clearstream, Luxembourg will be contained in the applicable Final Terms. Transactions will normally be effected for settlement not earlier than two business days after the date of the transaction.

The price and amount of Notes to be issued under the Program will be determined by the Issuer and any Distribution Agent at the time of the issue in accordance with prevailing market conditions.

In respect of any Fixed Rate Notes, the yield is calculated at the Issue Date on the basis of the Issue Price for such Notes and will be specified in the relevant Final Terms. It is not an indication of future yield.

This Base Prospectus and any supplement thereto will be published on the websites of (a) the Luxembourg Stock Exchange (www.bourse.lu) and (b) MSI plc, MSBV and MSFL (http://sp.morganstanley.com/EU/Documents).

For so long as this Base Prospectus remains in effect or any Notes issued by Morgan Stanley, MSI plc, MSBV or MSFL remain outstanding, the following documents will be available from the date hereof in physical or electronic form, during usual business hours on any weekday, for inspection at The Bank of New York Mellon, One Canada Square, London E14 5AL and also at the principal executive offices of Morgan Stanley and MSFL and the registered offices of MSI plc and MSBV (subject as mentioned below):

(a) copies of the Distribution Agreement, the Issue and Paying Agency Agreement, the Euroclear Agreement, the accession agreement dated as of 16 April 2004 relating to MSBV, the accession agreement dated as of 15 June 2010 relating to MSI plc, the Deeds of Covenant, the Guarantee, the last two years' of MSI plc's, MSBV's and MSFL's published financial statements and the last two years' of Morgan Stanley's Annual, Quarterly and Current Reports;

(b) copies of the SEB Issuing and Paying Agent Agreement (these shall only be available at the principal executive offices of Morgan Stanley and MSFL and the registered offices of MSI plc and MSBV);

(c) the Certificate of Incorporation and Amended and Restated By-laws of Morgan Stanley (these shall not be available at the registered office of MSI plc);

(d) the Certificate of Incorporation and the Articles of Association of MSI plc (these shall not be available at the registered office of Morgan Stanley, MSBV or MSFL);

(e) the Deed of Incorporation of MSBV (this shall not be available at the registered office of MSI plc or MSFL);

(f) the Limited Liability Company Agreement of MSFL dated 27 March 2002 (as amended and restated from time to time) (this shall not be available at the registered office of Morgan Stanley, MSBV or MSI plc);

(g) all reports, letters and other documents, historical financial information, valuations and statements by any expert any part of which is included or referred to herein;

(h) Annual Report of Morgan Stanley on Form 10-K for the year ended 31 December 2016, Morgan Stanley Current Reports on Form 8-K dated 11 January 2017, 17 January 2017, 31 January 2017, 02 March 2017, 19 April 2017, 21 April 2017, 22 May 2017, 28 June 2017 and 19 July 2017, Morgan Stanley Proxy Statement dated 7 April 2017, Quarterly Report of Morgan Stanley on Form 10-Q for the quarterly period ended 31 March 2017 and Quarterly Report of Morgan Stanley on Form 10-Q for the quarterly period ended 30 June 2017;

(i) Annual Reports of MSI plc for the financial years ended 31 December 2015 and 31 December 2016 and Interim Financial Report of MSI plc as of and for the six months ended 30 June 2017 (these shall not be available at the registered office of Morgan Stanley, MSBV or MSFL);

(j) Annual Reports of MSBV for the financial years ended 31 December 2015 and 31 December 2016 and Interim Financial Report of MSBV as of and for the six months ended 30 June 2017 (these shall not be available at the registered office of MSI plc or MSFL);

(k) Annual Reports of MSFL for the financial years ended 31 December 2015 and 31 December 2016 and Financial Statements of MSFL as of and for the six months ended 30 June 2017 (these shall not be available at the registered office of MSI plc or MSBV);

(l) a copy of this Base Prospectus and any document incorporated by reference herein;

(m) any supplement to this Base Prospectus; and

(n) any Final Terms (save that any Final Terms relating to a Note which is not listed will only be available for inspection by a holder of such Note and such holder must provide evidence satisfactory to the Issuer as to the identity of such holder).

Any statement contained in this Base Prospectus or in a document incorporated or deemed to be incorporated by reference in this Base Prospectus will be deemed to be modified or superseded for purposes of this Base Prospectus, to the extent that a statement contained in this Base Prospectus or in any subsequently filed document that also is or is deemed to be incorporated by reference in this Base Prospectus and in respect of which a supplement to this Base Prospectus has been prepared modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

Investors should consult Morgan Stanley, MSI plc, MSBV or MSFL should they require a copy of the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.) which are referred to in the Conditions of the Notes.

Morgan Stanley

The Program was authorised by Morgan Stanley pursuant to resolutions adopted at a meeting of the Board of Directors of Morgan Stanley held on 25 September 1998, as amended and updated pursuant to resolutions adopted at a meeting of the Board of Directors of Morgan Stanley held on 17 June 2003, 14 December 2004, 20 September 2005, 12 December 2006, 19 June 2007, 17 September 2007 and 16 June 2008.

MSI plc

The role of MSI plc as issuer under the Program was authorised by resolutions of the Board of Directors of MSI plc on 14 June 2010, 10 June 2011 and 23 May 2012.

Deloitte LLP, Chartered Accountants and Registered Auditors (members of the Institute of Chartered Accountants of England and Wales) of 2 New Street Square, London EC4A 3BZ have audited the financial statements of MSI plc for the years ended 2015 and 2016 and unqualified opinions have been reported thereon.

MSBV

Deloitte Accountants B.V., independent auditors and certified public accountants of Gustav Mahlerlaan 2970, 1081, LA Amsterdam, The Netherlands, a member of the Netherlands Institute of Chartered Accountants (Nederlandse Beroepsorganisatie van Accountants) have audited the financial statements of MSBV for the year ended 31 December 2015 and the year ended 31 December 2016 and unqualified opinions have been reported thereon.

This document does not contain any other information that has been audited by Deloitte Accountants B.V.

The financial information in respect of MSBV has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union for the years ended 31 December 2015 and 31 December 2016.

The role of MSBV as issuer under the Program was authorised by resolutions of the management board of MSBV passed on 16 April 2004, 20 June 2007, 17 June 2008, 16 June 2009, 14 June 2010, 9 June 2011, 23 May 2012, 17 July 2013, 31 October 2013, 12 December 2014, 5 August 2016 and 9 October 2017.

MSFL

Deloitte & Touche LLP, 30 Rockefeller Plaza, New York, NY 10112-0015, U.S.A., independent auditors, have audited the financial statements of MSFL as of and for the year ended 31 December 2015; and as of and for the year ended 31 December 2016, and unqualified opinions have been reported thereon, which include an explanatory paragraph referring to significant transactions with affiliates.

The financial information in respect of MSFL has been prepared in accordance with U.S. Generally Accepted Accounting Principles.

The role of MSFL as issuer under the Program was authorised by resolutions of the Board of Managers of MSFL passed on 5 February 2016.

MSFL publishes audited annual financial statements and will publish unaudited half-yearly financial statements.

No material adverse change in prospects and no significant change in the financial or trading position

Morgan Stanley

There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2016, the date of the last published annual audited financial statements of Morgan Stanley.

There has been no significant change in the financial or trading position of Morgan Stanley since 30 June 2017, the date of the latest published interim (unaudited) financial statements of Morgan Stanley.

MSI plc

There has been no material adverse change in the prospects of MSI plc since 31 December 2016, the date of the last published annual audited accounts of MSI plc.

There has been no significant change in the financial or trading position of MSI plc since 30 June 2017, the date of the latest published interim (unaudited) financial statements of MSI plc.

MSBV

There has been no material adverse change in the prospects of MSBV since 31 December 2016, the date of the last published annual audited financial statements of MSBV.

There has been no significant change in the financial or trading position of MSBV since 30 June 2017, the date of the latest published interim (unaudited) financial statements of MSBV.

MSFL

There has been no material adverse change in the prospects of MSFL since 31 December 2016, the date of the last published annual audited financial statements of MSFL.

There has been no significant change in the financial or trading position of MSFL since 30 June 2017, the date of the latest published interim (unaudited) financial statements of MSFL.

Legal and arbitration proceedings

Save as disclosed in:

a) the section entitled "Legal Proceedings" in Part I - Item 3 at pages 23-28 and in the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" in Part II - Item 8 (Note 12) at pages 156-160 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2016 (the "**Form 10-K**");

b) the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" at pages 75-78 and the section entitled "Legal Proceedings" at page 91 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2017;

c) the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" at pages 78-81 and the section entitled “Legal Proceedings” at pages 96-97 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2017; and

d) the section entitled "Legal Proceedings and Contingencies" at Part 7 of the section entitled "Description of Morgan Stanley" at pages 44-60 of the Registration Document, the section entitled "Legal Proceedings" at Part 7 of the section entitled "Description of Morgan Stanley & Co. International plc" at pages 71-73 of the Registration Document, the section entitled "Legal Proceedings" at Part 7 of the section entitled "Description of Morgan Stanley B.V." at page 78 of the Registration Document and the section entitled "Legal Proceedings" at Part 7 of the section entitled "Description of Morgan Stanley Finance LLC" at page 81 of the Registration Document,

there are no, nor have there been, any governmental, legal or arbitration proceedings involving Morgan Stanley, MSI plc, MSBV or MSFL (including any such proceedings which are pending or threatened of which Morgan Stanley, MSI plc, MSBV or MSFL is aware) during the 12-month period before the date of this Base Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley, MSI plc, MSBV, MSFL or the Morgan Stanley Group.

Clearing Systems

The address of Clearstream Luxembourg is 42, avenue J F Kennedy, L-1855, Luxembourg.

The address if Euroclear is 1, Boulevard du Roi Albert II, B – 1210 Brussels, Belgium.

The address of Euroclear Sweden is Klarabergsviadukten 63, 111 64 Stockholm, Sweden.

Non-exempt Offers

In respect of each of the following series of Notes to be issued under the Program, the Offer Period commenced prior to the date of this Base Prospectus and the Offer Period will end during the validity period of this Base Prospectus. The Offer Periods in respect of each of the following series of Notes to be issued under the Program are covered by the base prospectus dated 21 October 2016:

Series Number	ISIN	Date of Final Terms	Where relevant Final Terms have been published	Issue Date
EU386	SE0010297473	4 September 2017	Sweden	31 October 2017
EU387	SE0010297499	4 September 2017	Sweden	3 November 2017
EU388	SE0010441253	9 October 2017	Sweden	8 December 2017

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25 Cabot Square
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United Kingdom

NORDIC ISSUING AGENT

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
SE-106 40
Stockholm
Sweden

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