

BASE PROSPECTUS DATED 19 JULY 2022

## Morgan Stanley

*as issuer*

*(incorporated under the laws of the State of Delaware in the United States of America)*

### BASE PROSPECTUS FOR THE ISSUANCE OF NOTES, SERIES A AND SERIES B UNDER THE REGULATION S PROGRAM FOR THE ISSUANCE OF NOTES, SERIES A AND B, WARRANTS AND CERTIFICATES

#### ***This Base Prospectus***

This document is a base prospectus ("**Base Prospectus**") prepared for the purposes of Article 8 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") for the purpose of the offering of Notes (as described below) other than for Exempt Notes (as described below) from time to time. This Base Prospectus should be read together with (i) any supplements to it from time to time, (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 or Pricing Supplement (described below) relating to that Tranche of Notes. References in this Base Prospectus or the relevant Pricing Supplement to "Exempt Notes" are to Notes for which no prospectus is required to be published under the Prospectus Regulation.

The information on any websites referred to herein does not form part of this Base Prospectus unless that information is incorporated by reference into this Base Prospectus and has not been scrutinised or approved by the competent authority.

Application has been made to the Commission de Surveillance du Secteur Financier (the "**CSSF**") in its capacity as competent authority under the Luxembourg law of 16 July 2019 on prospectuses for securities (the "**Luxembourg Law on Prospectuses**") to approve this document as a base prospectus for the purposes of Article 3 of the Prospectus Regulation. The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered an endorsement of the Issuer or the quality of the Notes that are the subject of this Base Prospectus and investors should make their own assessment as to the suitability of investing in the Notes. Pursuant to Article 6(4) of the Luxembourg Law on Prospectuses for securities, 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 the Issuer.

Application has also been made to the Luxembourg Stock Exchange for the approval of this Base Prospectus with respect to Exempt Notes as a base prospectus for the purposes of the Luxembourg Law on Prospectuses. **The CSSF has neither approved nor reviewed information contained in this Base Prospectus in connection with the issue of any Exempt Notes.**

Application has been made to the Luxembourg Stock Exchange for Series A Notes issued under the Program to be admitted to trading on the regulated market (the "**Regulated Market**") or Euro MTF market (the "**Euro MTF Market**") of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange. The Regulated Market is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"). The Luxembourg Stock Exchange's Euro MTF market is not a regulated market for the purposes of MiFID II).

References in this Base Prospectus to Series A Notes being listed (and all related references) shall mean that such Notes have been admitted to the Official List of the Luxembourg Stock Exchange and to trading on the Regulated Market or Euro MTF market of the Luxembourg Stock Exchange or, as the case may be, listed and admitted to trading on the SIX Swiss Exchange AG ("**SIX Swiss Exchange**") or such other or further stock exchange(s) as the Issuer and any Distribution Agent may agree. The Issuer may also issue Series B Notes pursuant to this Base Prospectus which will not be listed or admitted to trading and may be offered to the public in the European Economic Area or the United Kingdom other than in circumstances where an exemption is available under Article 1.4 of the Prospectus Regulation or Article 1.4 of the Prospectus Regulation as it forms part of "**retained EU law**" as defined in the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**").

The CSSF has been requested in its capacity as competent authority under the Prospectus Regulation and the Luxembourg Law on Prospectuses to notify the competent authority of the Republic of Italy with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation.

This Base Prospectus will be valid for offers to the public or admissions to trading on a regulated market by or with the consent of the Issuer for 12 months from its date and will expire on 19 July 2023. The obligation to supplement it in the event of significant new factors, material mistakes or material inaccuracies will not apply after the earlier of the date 12 months from the date of this Base Prospectus and the closing of the offer period for the Notes or the Notes being admitted to trading on a regulated market, whichever occurs later.

This Base Prospectus has been (i) registered in Switzerland with the reviewing body (*Prüfstelle*) SIX Exchange Regulation AG or another reviewing body approved by the Swiss Financial Market Supervisory Authority FINMA as a foreign prospectus that is also deemed to be approved in Switzerland pursuant to Article 54(2) of the Swiss Federal Act on Financial Services ("**FinSA**") for inclusion on the list of approved prospectus pursuant to Article 64(5) FinSA, (ii) deposited with this reviewing body and (iii) published pursuant to Article 64 FinSA.

The information on any websites referred to herein does not form part of this Base Prospectus unless that information is incorporated by reference into the Base Prospectus and has not been scrutinised or approved by the competent authority.

### ***The Program***

Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley B.V. ("**MSBV**"), Morgan Stanley Finance LLC ("**MSFL**") and Morgan Stanley Finance II Ltd ("**MSFII**") established the Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates (the "**Program**"). Under the Program, each of Morgan Stanley, MSI plc, MSBV, MSFL and MSFII 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 issued pursuant to the Issue and Paying Agency Agreement (as defined under "*General Description of the Notes*" below) (hereafter referred to collectively as the "**Notes**"). For the avoidance of doubt, (i) this Base Prospectus does not relate to or describe any Program Securities other than Series A Notes and Series B Notes that Morgan Stanley may issue pursuant to the Issue and Paying Agency Agreement and (ii) Morgan Stanley may from time to time issue Series A Notes and Series B Notes, pursuant to the Issue and Paying Agency Agreement or otherwise (including under an indenture), through means other than this Base Prospectus.

### ***The Notes***

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

### ***Conditions of the Notes***

The terms and conditions applicable to a Tranche of Notes (the "**Conditions**") are the Terms and Conditions (set out in the section entitled "*Terms and Conditions of the Notes*" below) as completed by the applicable Final Terms or Pricing Supplement (described below).

### ***Final Terms and Pricing Supplement***

A "final terms" document (the "**Final Terms**") or pricing supplement (the "**Pricing Supplement**") will be prepared in respect of each Tranche of Notes. The Final Terms or Pricing Supplement will complete the Terms and Conditions in relation to such Notes. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of the Notes, the issue price of the Notes and certain other information which is applicable to each Tranche of Notes will be set out in such Final Terms, which will be filed with the CSSF, or such Pricing Supplement. The Final Terms or Pricing Supplement therefore contains vital information in regard to the Notes. Copies of Final Terms or Pricing Supplements in relation to Series A Notes to be listed on the Luxembourg Stock Exchange will also be available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Copies of Final Terms which are required to be made available to the public in relation to Series B Notes will be available at <http://sp.morganstanley.com/EU/Documents>.

### ***The Issuer***

The issuer (the "**Issuer**") of Notes under this Base Prospectus from time to time will be Morgan Stanley. Information on the Issuer is included in this Base Prospectus, including information incorporated by reference.

### ***Status of the Notes***

The Notes are unsecured and unsubordinated 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 United States of America ("**U.S.**") Federal Deposit Insurance Corporation or any other governmental agency or instrumentality or deposit protection scheme anywhere, nor are they obligations of, or guaranteed by, a bank.

### ***Return on the Notes***

The interest payments on the Notes may depend on the performance of one or more of any of the following types of underlying reference assets: interest rates, swap rates and inflation indices, as specified in the applicable Final Terms. In addition, if "Accrued Value" is specified as being applicable in respect of a Note in the applicable Final Terms or Pricing Supplement, the principal amount payable upon redemption will be determined by reference to a formula as further specified in the Conditions and the applicable Final Terms or Pricing Supplement. For the avoidance of doubt, the final redemption amount in respect of such Notes will not be less than 100 per cent.

### ***Benchmarks Regulation: Article 29(2) statements on benchmarks***

Amounts payable under the Notes may be calculated by reference to (i) the Euro Interbank Offered Rate ("**EURIBOR**"), (ii) any CMS Reference Rate (as defined in Condition 2, and determined in accordance with Condition 6.7 (*CMS Rate Determination*), of "Terms and Conditions of the Notes"), (iii) SOFR (as defined in Condition 6.8 (*Provisions specific to SOFR as a Reference Rate*) of "Terms and Conditions of the Notes"), (iv) SONIA (as defined in Condition 6.9 (*Provisions specific to SONIA as a Reference Rate*) of "Terms and Conditions of the Notes"), (v) €STR (as defined in Condition 6.10 (*Provisions specific to €STR as a Reference Rate*) of "Terms and Conditions of the Notes"), (vi) SARON (as defined in Condition 6.11 (*Provisions specific to SARON as a Reference Rate*) of "Terms and Conditions of the Notes"), (vii) TONA (as defined in Condition 6.12 (*Provisions specific to TONA as a Reference Rate*) of "Terms and Conditions of the Notes") or (viii) one or more other specific indices or price sources or a combination of indices or price sources.

EURIBOR is provided by the European Money Markets Institute ("**EMMI**"). As at the date of this Base Prospectus, EMMI appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmarks Regulation**").

A CMS Reference Rate is a constant maturity swap rate, calculated on a fixed-to-floating basis by reference to an underlying floating rate that can in itself constitute a "benchmark" for the purposes of the Benchmarks Regulation.

SOFR and SOFR Index are provided by the Federal Reserve Bank of New York (the "**New York Federal Reserve**"). As at the date of this Base Prospectus, the New York Federal Reserve does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

SONIA and SONIA Index are provided by the Bank of England. As at the date of this Base Prospectus, the Bank of England does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

€STR and €STR Index are provided by the European Central Bank. As at the date of this Base Prospectus, the European Central Bank does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

TONA is provided by the Bank of Japan. As at the date of this Base Prospectus, the Bank of Japan does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

As far as the Issuer is aware the New York Federal Reserve, as administrator of SOFR and SOFR Index, the Bank of England, as administrator of SONIA and SONIA Index, the European Central Bank, as administrator of €STR and €STR Index and the Bank of Japan, as administrator of TONA, are not required to be registered by virtue of Article 2 of the Benchmarks Regulation.

SARON and SAION Index are provided by SIX Financial Information AG and are endorsed for use in the European Union by SIX Financial Information Nordic AB. As at the date of this Base Prospectus, SIX Financial Information Nordic AB appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

TONA Index is provided by QUICK Corp. As at the date of this Base Prospectus, QUICK Corp. does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that QUICK Corp. is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).

Similarly, any other index or price source by reference to which amounts payable under the Notes are calculated may also constitute a "benchmark" for the purposes of the Benchmarks Regulation.

In cases where amounts payable under the Notes are calculated by reference to a CMS Reference Rate or one or more other indices or price sources that is not one of EURIBOR, SOFR, SOFR Index, SONIA, SONIA Index, €STR, €STR Index, SARON, SAION Index, TONA or TONA Index, the relevant Final Terms or Pricing Supplement will specify:

- the name of each index or price source so referenced;
- the legal name of the administrator of each such index or price source; and
- whether or not the legal name of the administrator of each such index or price source appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

Not every index or price source will fall within the scope of the Benchmarks Regulation. Furthermore, where an index or price source does fall within the scope of the Benchmarks Regulation, the transitional provisions in Article 51 or the provision of Article 2 of the Benchmarks Regulation, , as the case may be, may apply, such that the administrator of such index or price source is not at the date of the relevant Final Terms or Pricing Supplement required to obtain authorisation/registration (or, if located outside the European Union recognition, endorsement or equivalence).

The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the relevant Final Terms or Pricing Supplement to reflect any change in the registration status of the administrator.

### ***Risk Factors***

Payments under the Notes are subject to the credit risk of the Issuer. Investing in the Notes involves risks. Before purchasing the Notes, you should carefully consider, in particular, "***Risk Factors Relating to the Notes***" below.

## Important Notices

### 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 interest rate, swap rate or inflation index, if any, 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 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.

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. The Issuer and Morgan Stanley & Co. International plc, as Distribution Agent, as well as any other affiliate involved in the issuance, offer or sale of the Notes, each 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.

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

#### *Important U.S. securities and tax law considerations*

**THE NOTES 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 U.S. THE NOTES MAY NOT BE OFFERED OR SOLD AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE U.S. OR TO OR FOR THE ACCOUNT OR BENEFIT OF ANY PERSON WHO IS A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT).**

**In order to avoid U.S. withholding taxes, the beneficial owner of a Note (or a financial institution holding the Note on behalf of the beneficial owner that is not a U.S. 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-8 on which the beneficial owner certifies under penalty of perjury that it is not a United States person and meets the criteria for exemption from such withholding taxes. Certain tax identification and certification requirements apply as well to holders of Notes 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 Pricing Supplement.

*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 OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

*No participation in a collective investments scheme*

The Notes do not constitute a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA"). The Notes are neither subject to the authorisation nor to the supervision by the Swiss Financial Market Supervisory Authority FINMA ("FINMA") and investors do not benefit from the specific investor protection provided under the CISA. Investors should be aware that they are exposed to the credit risk of the Issuer.

*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 of the Issuer 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", "GBP" and "£" are to the lawful currency of the United Kingdom, all references to "U.S. dollars", "US\$", "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", "EUR" and "€" 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.

*U.S. securities disclosures*

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY U.S. 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 U.S.

*Stabilisation legend*

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES UNDER THE PROGRAM PURSUANT TO THIS BASE PROSPECTUS, ANY DISTRIBUTION AGENT OR ANY OTHER AGENT SPECIFIED FOR THAT PURPOSE IN THE APPLICABLE FINAL TERMS OR PRICING SUPPLEMENT AS THE STABILISATION MANAGER (OR ANY PERSON ACTING FOR THE STABILISATION 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 STABILISATION 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 STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISATION MANAGER (OR ANY PERSON ACTING FOR THE STABILISATION MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

*Defined Terms*

See the "*Index of Defined Terms*" at the end of this document for a list of defined terms and where they are defined in this Base Prospectus.

## **Important Information**

### **IMPORTANT INFORMATION**

**This Base Prospectus comprises a base prospectus for the purposes of the Prospectus Regulation in respect of Series A and Series B Notes issued by Morgan Stanley pursuant to the Issue and Paying Agency Agreement and under the Program.**

**The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms or Pricing Supplement for each Tranche of Notes issued under the Program pursuant to this Base Prospectus. To the best of the knowledge of the Issuer, the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.**

**This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated in it by reference (see "Incorporation by Reference"). This Base Prospectus shall be read and construed on the basis that those documents are incorporated and form part of this Base Prospectus.**

**Morgan Stanley & Co. International plc, as Distribution Agent (or any affiliate thereof involved in the issuance, offer or sale of the Notes), has not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Distribution Agent (or any affiliate thereof involved in the issuance, offer or sale of the Notes) as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by Morgan Stanley in connection with the Program. The Distribution Agent (or any affiliate thereof involved in the issuance, offer or sale of the Notes) does not accept any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Program.**

**No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Program or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Distribution Agent (or any affiliate thereof involved in the issuance, offer or sale of the Notes).**

**Neither this Base Prospectus nor any other information supplied in connection with the Program or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Distribution Agent (or any affiliate thereof involved in the issuance, offer or sale of the Notes) that any recipient of this Base Prospectus or any other information supplied in connection with the Program or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Program or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or the Distribution Agent (or any affiliate thereof involved in the issuance, offer or sale of the Notes) to any person to subscribe for or to purchase any Notes.**

**Neither the Distribution Agent (or any affiliate thereof involved in the issuance, offer or sale of the Notes) nor the Issuer makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.**

**Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning the Issuer is correct at any time subsequent to its date or that any other information supplied in connection with the Program is correct as of any time subsequent to the date indicated in the document containing the same. The Distribution Agent (or any affiliate thereof involved in the issuance, offer or sale of the Notes) expressly does not undertake to review the financial condition or affairs of the Issuer during the term of the Program or to advise any investor in Notes issued under the Program pursuant to this Base Prospectus of any information coming to their attention.**

**MiFID II product governance/target market: The Final Terms or Pricing Supplement in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a**



"distributor") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID product governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any dealer subscribing for any Notes is a manufacturer in respect of such Program Securities, but otherwise neither dealer(s) nor any of its respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

**UK MiFIR product governance/target market:** The Final Terms or Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither dealer(s) nor any of its respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**PRIIPs/IMPORTANT – EEA RETAIL INVESTORS:** If the Final Terms or Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to, any retail investor in the EEA. For these purposes, a retail investor in the EEA 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, as amended ("MiFID II");
- (b) a customer within the meaning of Directive (EU) 2016/97, 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 Regulation.

Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (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.

**UK PRIIPs/IMPORTANT – UK RETAIL INVESTORS -** If the Final Terms or Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "UK"). For these purposes, a retail investor in the UK means a person who is one (or more) of:

- (a) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of "retained EU law", as defined in the EUWA;
- (b) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of "retained EU law", as defined in the EUWA; or
- (c) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of "retained EU law", as defined in the EUWA.

Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of "retained EU law", as defined in the EUWA (the "UK PRIIPs Regulation") for offering or

**selling the Notes or otherwise making them available to retail investors in the UK has been or will be prepared and therefore offering the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.**

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## General Description of the Notes

### GENERAL DESCRIPTION OF THE NOTES

*The following overview describes the key features of the Notes that the Issuer is offering under the Program pursuant to this Base Prospectus 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 or Pricing Supplement. This section constitutes a General Description of the Program for the purpose of Article 25.1(b) of Commission Delegated Regulation (EU) 2019/980.*

<b>Issuer:</b>	Morgan Stanley.
<b>Distribution Agent:</b>	Morgan Stanley & Co. International plc.
<b>Fiscal Agent:</b>	The Bank of New York Mellon, London Branch.
<b>Registrar and Transfer Agent:</b>	The Bank of New York Mellon SA/NV, Luxembourg Branch (together with the Fiscal Agent, the " <b>Agents</b> ")
<b>Notes:</b>	Series A Notes and Series B Notes which are issued by Morgan Stanley under the Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates (the " <b>Program</b> "), and which are issued pursuant to the issue and paying agency agreement dated as of 19 July 2022 between the Issuer and the Agents (the " <b>Issue and Paying Agency Agreement</b> "). For the avoidance of doubt, this Base Prospectus does not relate to or describe any securities other than the Notes.
<b>Authorisation:</b>	The issue of, amongst others, the Notes were authorised by Morgan Stanley pursuant to resolutions (the " <b>Authorising Resolutions</b> ") 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.
<b>Issuance in Series:</b>	Notes will be issued in series (each a " <b>Series</b> "). Each Series may comprise one or more tranches (" <b>Tranches</b> " and each a " <b>Tranche</b> ") 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.
<b>Forms of Notes:</b>	<p>Notes will be issued in registered form and may be in either individual certificate form or in global certificate form.</p> <p>Each global note certificate will either be: (a) in the case of 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 Notes which are to be held under the new safekeeping structure ("<b>New Safekeeping Structure</b>" or "<b>NSS</b>"), registered in the name of a nominee of a common safekeeper for Euroclear and/or Clearstream, Luxembourg and the relevant global note certificate</p>

## General Description of the Notes

will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

### **Terms and Conditions:**

A set of final terms or pricing supplement will be prepared in respect of each Tranche of Notes (each a "**Final Terms**" or a "**Pricing Supplement**", as applicable). 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 or Pricing Supplement in relation to such Tranche. The applicable Final Terms or Pricing Supplement will also specify which of the provisions set out in the Terms and Conditions are applicable in respect of a particular Series of Notes.

### **Specified Currency:**

Notes may be denominated or payable in any currency as set out in the applicable Final Terms or Pricing Supplement, subject to all applicable consents being obtained and compliance with all applicable legal and regulatory requirements.

### **Status:**

The Notes constitute part of the Issuer's senior debt and will rank *pari passu* with all of the Issuer's other unsecured and unsubordinated debt.

Morgan Stanley intends that the Notes will, when issued, constitute "loss-absorbing capacity" within the meaning of the final rules issued by the Board of Governors of the Federal Reserve System and, accordingly, will have only those provisions described in this Base Prospectus that will permit compliance thereof at such time of issuance. In this respect, Morgan Stanley is a parent holding company and has no operations and depends on dividends, distributions and other payments from its subsidiaries to fund its debt obligations (including Notes). Under a support agreement that Morgan Stanley has entered with its material subsidiaries, upon the occurrence of a resolution scenario, including a single-point-of-entry resolution strategy as contemplated in its resolution plan, Morgan Stanley would be obligated to contribute or loan on a subordinated basis all of its material assets, other than shares in its subsidiaries and certain intercompany payables, to provide capital and liquidity, as applicable, to its material subsidiaries. That obligation will be secured, in accordance with an amended and restated secured support agreement, on a senior basis by Morgan Stanley's assets (other than shares in its subsidiaries). As a result, claims of Morgan Stanley's material subsidiaries against its assets (other than shares in its subsidiaries) will be effectively senior to its unsecured obligations, including Notes which would be at risk of absorbing Morgan Stanley's and its subsidiaries' losses.

### **Issue Price:**

Notes may be issued at any price, as specified in the applicable Final Terms or Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements.

### **Maturities:**

Notes will have maturities as specified in the applicable Final Terms or Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements.

Notes having a maturity of less than one year will, if the issue proceeds are accepted in the UK, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 (as

## General Description of the Notes

amended) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see "*Subscription and Sale*".

### Redemption:

The applicable Final Terms or Pricing Supplement will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than as provided in "Early Redemption" below) or that such Notes will be redeemable at the option of the Issuer upon giving notice to the Noteholders on a date or dates specified prior to such stated maturity and at a price or prices specified.

Unless previously redeemed or purchased and cancelled, each Note will be redeemed by the Issuer at no less than 100 per cent. of its nominal value on its maturity date.

Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see above.

### Early Redemption:

Early redemption will be permitted for taxation reasons as mentioned in Condition 10.2 (*Tax Redemption*) of the "*Terms and Conditions of the Notes*" but will otherwise be permitted (including, without limitation, following the occurrence of an Inconvertibility Event) only to the extent specified in the applicable Final Terms or Pricing Supplement.

### 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 at a rate which is linked to the performance of an Inflation Index (see "Inflation-Linked Notes" below).

### Inflation-Linked Notes:

The Issuer may issue Notes that are Inflation-Linked Notes as defined in Condition 8 (*Inflation-Linked Note Provisions*) of the "*Terms and Conditions of the Notes*". The applicable Final Terms or Pricing Supplement in respect of each issue of Inflation-Linked Notes will specify the basis for calculating the amounts of interest payable, which will be determined by reference to the performance of the Inflation Index specified in the applicable Final Terms or Pricing Supplement.

### Denominations:

Notes will be issued in such denominations as may be specified in the applicable Final Terms or Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements.

### Taxation:

Payments made by the Issuer in respect of any Notes will be made without withholding or deduction for, or on account of, any Tax (as defined below) imposed or levied by or on behalf of the U.S. 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 order to avoid withholding, the beneficial owner of the Note (or a financial institution holding the Note on behalf of the beneficial owner that is not a U.S. person) is required under currently applicable law to timely furnish the appropriate IRS Form W-8 on which the beneficial owner certifies under penalties of perjury that it is not a United States person and meets the criteria for exemption from U.S. withholding tax. No additional amounts will be paid with respect to any taxes, including with respect to taxes imposed due to the failure to timely provide the appropriate IRS

## General Description of the Notes

Form W-8 or taxes withheld under FATCA. See "Taxation – United States Federal Taxation".

### **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, account or plan's investment therein.

### **Use of Proceeds:**

The net proceeds from the sale of Notes will be used by the Issuer 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 to the Luxembourg Stock Exchange. The applicable Final Terms or Pricing Supplement 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 Regulated Market or Euro MTF Market of the Luxembourg Stock Exchange, or admitted to listing and trading on the SIX Swiss Exchange or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system, as the 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 but may be offered to the public in the European Economic Area or the United Kingdom other than in circumstances where an exemption is available under Article 1.4 of the Prospectus Regulation or Article 1.4 of the UK Prospectus Regulation, as applicable.

### **Clearing Systems:**

Euroclear, Clearstream, Luxembourg and/or any other clearing system as may be specified in the applicable Final Terms or Pricing Supplement.

### **Governing Law:**

The Notes will be governed by the laws of the State of New York.

### **Restrictions on Sale to U.S. Persons:**

The Notes may not be offered or sold *at any time*, directly or indirectly, within the U.S. or to or for the account or benefit of any person who is a U.S. Person (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 U.S. and in certain other countries, see "*Subscription and Sale*" and "*No Ownership by U.S. Persons*".



## Risk Factors Relating to the Notes

### RISK FACTORS RELATING TO THE NOTES

*Prospective investors should read the entire Base Prospectus (and where appropriate, any applicable Final Terms or Pricing Supplement). 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” (excluding the Risk Factors headed “The United Kingdom’s withdrawal from the European Union and the resulting uncertainty regarding the future regulatory landscape could adversely affect Morgan Stanley” and “Morgan Stanley’s results of operations may be adversely affected by the COVID-19 pandemic”) at pages 3 to 22 of the Registration Document dated 10 December 2021 (the “**2021 Registration Document**” as amended by the Second Supplement to the Registration Document dated 3 March 2022 and the Third Supplement to the Registration Document dated 21 March 2022) referred to in the section entitled “Incorporation by Reference” in this Base Prospectus and the factors described below and consult with their own professional advisers, if they consider it necessary. The Issuer believes that such factors represent the principal risks inherent in investing in Notes issued pursuant to this Base Prospectus but the inability of the 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 the Issuer based on information currently available to it or which it may not currently be able to anticipate.

The Issuer and Morgan Stanley & Co. International plc, as Distribution Agent, as well as any other affiliate involved in the issuance, offer or sale of the Notes, each 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 advisers concerning these matters. This section describes generally the most significant risks of investing in Notes linked to one or more underlyings such as interest rates, swap rates and inflation indices. Each investor should carefully consider whether the Notes, as described herein and in the applicable Final Terms or Pricing Supplement, are suited to its particular circumstances before deciding to purchase any Notes.

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## Risk Factors Relating to the Notes

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### 1. ***Risks relating to the financial situation of Morgan Stanley***

A description of the risks relating to the financial situation of Morgan Stanley that may affect the ability of the Issuer to fulfil its obligations under the Notes are set out in the section entitled "*Risks relating to the financial situation of Morgan Stanley*" on pages 3-7 of the Registration Document.

### 2. ***Risks relating to the operation of Morgan Stanley's business activities***

A description of the risks relating to the operation of Morgan Stanley's business activities that may affect the ability of the Issuer to fulfil its obligations under the Notes are set out in the section entitled "*Risks relating to the operation of Morgan Stanley's business activities*" on pages 7-11 of the Registration Document.

### 3. ***Legal, regulatory and compliance risk***

A description of legal, regulatory and compliance risks that may affect the ability of the Issuer to fulfil its obligations under the Notes are set out in the section entitled "*Legal, regulatory and compliance risk*" on pages 11-15 of the Registration Document.

### 4. ***Other risks relating to Morgan Stanley's business activities***

A description of other risks relating to Morgan Stanley's business activities that may affect the ability of the Issuer to fulfil its obligations under the Notes are set out in the section entitled "*Other risks relating to Morgan Stanley's business activities*" on pages 15-18 of the Registration Document.

### 5. ***Risk Factors relating to the Issuer***

#### 5.1 ***Credit risk***

The obligations of the Issuer under the Notes are unsecured. Holders of Notes bear the credit risk of the Issuer, that is the risk that the Issuer is not able to meet its obligations under such Notes, irrespective of how any principal, interest or other payments under such Notes are to be calculated. Any rating of the Issuer reflects the independent opinion of the relevant rating agency and is not a guarantee of the credit quality of the Issuer. If the Issuer is not able to meet its obligations under the Notes, then that would have a significant negative impact on the investor's return on the Notes and an investor may lose up to its entire investment.

## **Risk Factors Relating to the Notes**

### **5.2 *Conflicts of interest***

The Issuer and its affiliates may act in a number of capacities in connection with the Notes and need not take into account the specific interests of any individual Noteholder. Such a party may also enter into business dealings relating to the Notes or any asset to which the Notes are exposed, from which such party may derive revenues and profits in addition to any fees stated in the various documents, without any duty to account therefor, or act in a way that is adverse to the interests of the Noteholders generally.

For further information, see the section of this Base Prospectus titled "*Conflicts of Interest*".

### **5.3 *The Issuer 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 a subsidiary of Morgan Stanley in place of the Issuer or (ii) substitute a non-Morgan Stanley Group entity in place of the Issuer (provided that such non-Morgan Stanley Group entity is of at least the equivalent creditworthiness to the Issuer). Any such substitution may result in a reduction in the value of the Notes. Additionally, if the Issuer substitutes an entity in place of the Issuer, the tax consequences (including the withholding tax consequences) of holding the Notes may change. Except as provided in Condition 12.1 (*Additional Amounts*), if withholding tax is required on the Notes, no additional amounts will be required to be paid.

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

### **6.1 *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' control, including:

- (i) *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.
- (ii) *Inflation.* Investments in the Notes may involve inflation rate risk. Inflation rates may be affected by the economic, financial and political events in one or more jurisdictions. Rates of inflation may also be subject to significant fluctuations that may not correlate with changes in interest rates or currencies and investors should be aware that the timing of such changes may affect the value of the Notes, even if the average level of inflation is consistent with their expectations.
- (iii) *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.
- (iv) *Creditworthiness.* Any prospective investor who purchases the Notes is relying upon the creditworthiness of the Issuer, and has no rights against any other person. If the Issuer becomes insolvent, investors may suffer potential loss of their entire investment irrespective of any favourable development of the other value determining factors. The ability of the Issuer to make its full payment obligations is subject to the Issuer not being insolvent.

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". 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, changes in market interest rates or inflation rates, 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.

## **Risk Factors Relating to the Notes**

### **6.2 *The Notes may be redeemed prior to maturity***

Unless, in the case of any particular Series of Notes, the applicable Final Terms or Pricing Supplement specify otherwise, in the event that the Issuer 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 taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any relevant jurisdiction, the Issuer may redeem all outstanding Notes in accordance with the Conditions at the early redemption amount specified in the applicable Final Terms or Pricing Supplement.

In addition, if, in the case of any particular Tranche of Notes, the applicable Final Terms or Pricing Supplement specify that the Notes are redeemable at the Issuer's option in certain other circumstances, the 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 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 Issuer and acceleration of the Notes, the investor would have an unsecured claim against the Issuer for the amount due on the early redemption of the Notes.

### **6.3 *Notes issued at a substantial discount or premium***

The market values of Notes 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 Notes. Generally, the longer the remaining term of such Notes, the greater the price volatility as compared to conventional interest-bearing Notes with comparable maturities.

### **6.4 *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 Regulated Market or Euro MTF Market of the Luxembourg Stock Exchange, or admitted to listing and trading on the SIX Swiss Exchange, 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 Issuer were to cease making a market in the Notes, it is likely that there would be little or no secondary market for the Notes. This may impact the ability of a Noteholder to sell the Notes at any time.

## **Risk Factors Relating to the Notes**

### **6.5 *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. Holders of the Notes should be aware that if they are not part of the defined majority, including if such holder did not attend the relevant meeting, they will be bound by the decision of the defined majority on matters which may negatively affect the interests of such holder.

### **6.6 *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.

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

Payments on a Note 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, generally by furnishing the appropriate Internal Revenue Service ("IRS") Form W-8 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**"), and meets the criteria for exemption from such U.S. withholding tax.

As discussed in "Taxation – United States Federal Taxation", Sections 1471 through 1474 of the Code, an agreement entered into with the IRS pursuant to such sections of the Code, or an intergovernmental agreement (an "**IGA**") between the U.S. and another jurisdiction in furtherance of such sections of the Code (including any non-U.S. laws and regulations implementing such an IGA) (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.

If U.S. withholding tax is imposed, including 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, none of the Issuer 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" for further discussion of these rules. Prospective investors should therefore be aware that, if U.S. withholding tax is so imposed, investors will receive less than the amount that investors would have been entitled to receive under the terms of the Notes if such U.S. withholding tax had not been imposed.

### **6.8 *Issuer call option risk***

If Call Option is specified in the applicable Final Terms or Pricing Supplement as being applicable, the Issuer will have the right to redeem the Notes on any "**Optional Redemption Date (Call)**". 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 redeem the Notes will be made by the Issuer taking into account a number of factors, including (in the case of Inflation-Linked Notes) the current level of the Inflation Index to which the Notes are linked, and the likelihood that such levels will be maintained or will decrease or increase, in the future and it is likely that the Issuer will exercise the Call Option at a time in which the redemption 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.

## **Risk Factors Relating to the Notes**

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

If the Notes are Inflation-Linked Notes and the Issuer exercises the Call Option, investors in the Notes will no longer be able to participate in the performance of the Inflation Index or Inflation Indices to which the Notes are linked.

If the Issuer exercises the Call Option, investors generally might not be able to reinvest the redemption 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 reinvest at a comparable rate of returns. Investors should consider reinvestment risk in light of other investments available at the time of their investment decision.

### **6.9 *The Issuer may amend the terms and conditions of the Notes without Noteholder consent***

Condition 17.2 (*Modification*) allows the Issuer to amend the terms and conditions of the Notes without the consent of the Noteholders, if, in the Issuer's opinion, the amendment is: to correct a manifest error or to effect a modification which is of a formal, minor or technical nature; to cure any ambiguity or correct or supplement any defective provisions; to correct an error or omission such that, in the absence of such correction, the relevant terms proposed to be corrected would not otherwise represent the intended terms on which the relevant Notes were sold and have since traded; or 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 pursuant to Condition 17.2 (*Modification*). The Issuer is entitled to exercise its discretion in making these determinations and Noteholders will be bound by any such amendments made pursuant to Condition 17.2 (*Modification*), notwithstanding that the Noteholder's consent is not required for such amendments.

### **6.10 *Investors may receive no or a limited amount of interest, payments may occur at a different time than expected and payments may be made in a different currency than expected***

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/or (iii) payments may be made in a different currency than expected.

### **6.11 *Status of the Notes***

The Notes constitute part of the Issuer's senior debt and will rank *pari passu* with all of the Issuer's other unsecured and unsubordinated debt.

Morgan Stanley intends that the Notes will, when issued, constitute "loss-absorbing capacity" within the meaning of the final rules issued by the Board of Governors of the Federal Reserve System and, accordingly, will have only those provisions described in this Base Prospectus that will permit compliance thereof at such time of issuance. In this respect, Morgan Stanley is a parent holding company and has no operations and depends on dividends, distributions and other payments from its subsidiaries to fund its debt obligations (including Notes). Under a support agreement that Morgan Stanley has entered with its material subsidiaries, upon the occurrence of a resolution scenario, including a single-point-of-entry resolution strategy as contemplated in its resolution plan, Morgan Stanley would be obligated to contribute or loan on a subordinated basis all of its material assets, other than shares in its subsidiaries and certain intercompany payables, to provide capital and liquidity, as applicable, to its material subsidiaries. That obligation will be secured, in accordance with an amended and restated secured support agreement, on a senior basis by Morgan Stanley's assets (other than shares in its subsidiaries). As a result, claims of Morgan Stanley's material subsidiaries against its assets (other than shares in its subsidiaries) will be effectively senior to its unsecured obligations, including Notes which would be at risk of absorbing Morgan Stanley's and its subsidiaries' losses.

## **Risk Factors Relating to the Notes**

### **6.12 *Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued***

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 issued) 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.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

## **7. *Risk Factors relating to currencies and exchange rates***

### **7.1 *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 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 Issuer has no control. Such risks may impact the payments due under the Notes and therefore the value or return of the Notes.

*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.

*The Issuer Has 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 in the investor's home currency for Notes denominated or payable in currencies other than the investor's home currency.

The Issuer 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. Therefore, the investor will bear those risks, which may adversely impact the return on and the value of the Notes.

## Risk Factors Relating to the Notes

*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.

### 7.2 *Emerging market currencies*

Where the Notes are denominated in an emerging market currency, 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. In certain circumstances (including, without limitation, if an Inconvertibility Event occurs), the Determination Agent may be required to make certain adjustments to the terms and conditions applicable to the Notes and, in doing so, may be entitled to exercise substantial discretion. Such adjustments may have an adverse effect on the value or return of the Notes.

### 7.3 *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 or Pricing Supplement.

Renminbi is not a completely freely convertible currency at present, and there are still significant restrictions on remittance of Renminbi into and outside the People's Republic of China ("**PRC**") which may affect the liquidity of the Notes.

The PRC government continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar, despite a reduction in recent years by the PRC government of control over routine foreign exchange transactions for current account items such as payments for imported goods and salary payments. Participating banks in Hong Kong have been permitted to engage in the settlement of Renminbi trade transactions under a pilot scheme introduced in July 2009. The pilot scheme was extended in June 2010 to cover 20 provinces and cities in the PRC and was further extended in August 2011 to cover all of the PRC and to make Renminbi trade and other current account item settlement available in all countries worldwide.

However, remittance of Renminbi by foreign investors into the PRC for purposes such as capital contributions, known as capital account items, is generally only permitted upon obtaining specific approvals from, or completing specific regulations or filings with, the relevant authorities on a case-by-case basis and subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

On 13 October 2011, the People's Bank of China (the "**PBOC**") promulgated the "Administrative Measures on Renminbi Settlement of Foreign Direct Investment" (the "**PBOC FDI Measures**") as part of the implementation of the PBOC's detailed foreign direct investments ("**FDI**") accounts administration system. The system covers almost all aspects in relation to FDI, including capital injections, payments for the acquisition of PRC domestic enterprises, repatriation of dividends and other distributions, as well as Renminbi-denominated cross-border loans. On 14 June 2012, the PBOC further issued the implementing rules for the PBOC FDI Measures. Under the PBOC FDI Measures, special approval for RMB FDI and shareholder loans from the PBOC, which was previously required, is no longer necessary. In some cases, however, post-event filing with the PBOC is still necessary.

On 3 December 2013, the Ministry of Commerce of the PRC ("**MOFCOM**") promulgated the "Circular on issues in relation to Cross-border Renminbi Foreign Direct Investment" (the "**MOFCOM Circular**"), which became effective on 1 January 2014, to further facilitate FDI by simplifying and streamlining the applicable regulatory framework. Pursuant to the MOFCOM Circular, written approval from the appropriate office of MOFCOM and/or its local counterparts specifying "Renminbi Foreign Direct Investment" and the amount of capital contribution is required for each FDI. Unlike previous MOFCOM regulations on FDI, the MOFCOM Circular removes the approval requirement for foreign investors who intend to change the currency of their existing capital contribution from a foreign currency to Renminbi. In addition, the MOFCOM Circular also clearly prohibits FDI funds from being used for any



## Risk Factors Relating to the Notes

investments in securities and financial derivatives (except for investments in PRC-listed companies by strategic investors) or for entrustment loans in the PRC.

As the MOFCOM Circular and the PBOC FDI Measures are relatively new circulars, they will be subject to interpretation and application by the relevant authorities in the PRC.

Although the Renminbi was added to the Special Drawing Rights basket created by the International Monetary Fund on 1 October 2016, there is no assurance that the PRC government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that any schemes for Renminbi cross-border utilisation will not be discontinued 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 any regulatory restrictions inhibit the ability of the Issuer to repatriate funds outside the PRC to meet its obligations under CNY Notes, the Issuer will need to source Renminbi offshore to finance such obligations under CNY Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

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

As a result of the restrictions by the PRC government on cross-border Renminbi funds flows, there are limits on availability of Renminbi outside the PRC. Currently, licensed banks in Singapore and Hong Kong may offer limited CNY-denominated banking services to Singapore residents, Hong Kong residents and specified business customers. While the PBOC has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the "**CNY Clearing Bank**"), including, but not limited to, Hong Kong (the "**Settlement Agreements**"), and are in the process of establishing a Renminbi clearing and settlement mechanisms in several other jurisdictions, the current size of Renminbi-denominated financial assets outside the PRC is limited. Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The CNY Clearing Banks only have access to onshore liquidity support from the PBOC for the purpose of squaring open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement. The relevant CNY Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. The Issuer cannot assure the investor that new PRC regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future, which will have the effect of restricting the availability of Renminbi offshore. The limited availability of Renminbi outside of the PRC may affect the liquidity of the Notes issued hereunder. The Issuer cannot assure the investor that it will be able to source Renminbi on satisfactory terms, if at all, to make payments on the Notes in such currency.

### *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, international political and economic conditions and many other factors. In August 2015, the PBOC implemented changes to the way it calculates the midpoint against the U.S. dollar to take into account market-maker quotes before announcing the daily midpoint. This change, among others that may be implemented, may increase the volatility in the value of the Renminbi against other currencies. All payments of interest and principal will be made with respect to the Notes in CNY, except in the case of CNY Inconvertibility, CNY Non-Transferability or CNY Illiquidity (as defined in Condition 25 (*CNY Disruption Events*)), in which case all payments and settlement in CNY will be made in accordance with Condition 25 (*CNY Disruption Events*). 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 25 (*CNY Disruption Events*)), such a decline may be very substantial. In August 2015, PBOC changed the way it calculates the mid-point price of Renminbi against the U.S. dollar, requiring the market-makers who submit for the PBOC's reference rates to consider

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the previous day's closing spot rate, foreign-exchange demand and supply as well as changes in major currency rates. This change, and other changes such as widening the trading band that may be implemented, may increase volatility in the value of the Renminbi against foreign currencies. In May 2017, PBOC further decided to introduce counter-cyclical factors to offset the market pro-cyclicality, so that the midpoint quotes could adequately reflect PRC's actual economic performance. However, the volatility in the value of the Renminbi against other currencies still exists.

*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 Note held with the common depositary for Clearstream Banking, S.A. and Euroclear Bank SA/NV or any Relevant Clearing System by transfer to a CNY bank account maintained in the relevant offshore CNY centre(s) specified therein, or (ii) for so long as the Notes are in definitive form, by transfer to a CNY bank account maintained in the relevant offshore CNY centre(s) specified therein 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).

*There may be PRC tax consequences with respect to investment in the CNY Notes*

In considering whether to invest in the CNY Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of the holder's investment in the CNY Notes may be materially and adversely affected if the holder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those CNY Notes.

### 7.4 *Exchange rates may affect the value of a judgment*

The Notes will be governed by the laws of the State of New York. If a New York court were to enter a judgment in an action on any securities denominated in a foreign currency, such court would either enter a judgment in U.S. dollars based on the prevailing rate of exchange between the foreign currency and U.S. dollars on the date such judgment is entered or enter judgment in the foreign currency and convert the judgment or decree into U.S. dollars at the prevailing rate of exchange on the date such judgment or decree is entered.

## 8. *Risk Factors relating to the relevant underlying*

### 8.1 *Risks relating to "benchmark" rates*

#### (a) *The regulation and reform of "benchmarks" may adversely affect the value of and return on Notes linked to or referencing such "benchmarks"*

Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**EU Benchmark Regulation**") is a key element of the ongoing regulatory reform of benchmarks in the EU and has applied since 1 January 2018. The EU Benchmark Regulation has been amended by Regulation (EU) 2019/2089 as regards EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and sustainability-related disclosures, by Regulation (EU) 2019/2175 and by Regulation (EU) 2021/168, the latter of which introduced new powers for regulators to mandate one or more replacement rates for critical or systemically important benchmarks in certain limited circumstances and a limited exemption for certain foreign exchange rates.

Following the end of the Brexit transitional period at 11.00p.m (London time) on 31 December 2020 the EU Benchmark Regulation in its then current form was saved into UK domestic law subject to a number of modifications (the "**UK Benchmark Regulation**" and, together with the EU Benchmark Regulation, the "**Benchmark Regulations**").

In addition to so-called "critical benchmarks" other interest rates, foreign exchange rates and certain indices, will in most cases be within scope of the Benchmark Regulations as "benchmarks" where they are used to determine the amount payable under, or the value of, certain financial instruments (including Notes listed on an EU (in the case of the EU Benchmark

## Risk Factors Relating to the Notes

Regulation) or UK (in the case of the UK Benchmark Regulation) regulated market or multilateral trading facility ("MTF")), and in a number of other circumstances.

Each Benchmark Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU (in the case of the EU Benchmark Regulation) or the UK (in the case of the UK Benchmark Regulation). Among other things, each Benchmark Regulation (i) requires benchmark administrators to be authorised or registered (or, if not based in the EU (in the case of the EU Benchmark Regulation) or UK (in the case of the UK Benchmark Regulation), to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by supervised entities of "benchmarks" provided by administrators that are not authorised or registered (or, if not based in the EU (in the case of the EU Benchmark Regulation) or UK (in the case of the UK Benchmark Regulation), not deemed equivalent or recognised or endorsed), subject in each case to transitional provisions for benchmarks provided by third-country benchmark administrators.

The Benchmark Regulations could have a material impact on any Notes linked to or referencing a "benchmark". For example:

- a rate or index which is a "benchmark" may not be used in certain ways by a supervised entity if (subject to applicable transitional provisions) its administrator does not obtain authorisation or registration (or, if a non-EU or non-UK (as the case may be) entity, does not satisfy the "equivalence" conditions and is not "recognised" pending an equivalence decision). If the benchmark administrator does not obtain or maintain (as applicable) such authorisation or registration or, if a non-EU entity, "equivalence" is not available and it is not recognised, then the Notes may be redeemed prior to maturity; and
- the methodology or other terms of the "benchmark" could be changed in order to comply with the requirements of the relevant Benchmark Regulation, and such changes could reduce or increase the rate or level or affect the volatility of the published rate or level, and (depending on the terms of the particular Notes) could lead to adjustments to the terms of the Notes as the Determination Agent deems necessary or appropriate.

Any of the international or national reforms, 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 following effects on certain "benchmarks": (i) discourage market participants from continuing to administer or contribute to the "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmark" and/or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a "benchmark" and the Determination Agent may be entitled to make corresponding adjustments to the conditions of the Notes.

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

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 Notes linked to a "benchmark."

Any of the international, national or other 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

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administration of a "benchmark" could have materially adverse consequences in relation to Notes linked to such "benchmark".

(c) ***Swap Rates may be materially amended or discontinued***

EURIBOR and other "IBORs" are used as the floating leg in the calculation of the EUR Swap Rate and other swap rates (collectively, the "**Swap Rates**", and each a "**Swap Rate**") and these may be used as CMS Reference Rates, or other Relevant Rates Benchmarks, for the Notes. Consequently, if EURIBOR and/or other relevant "IBORs" are discontinued, it may not be possible to calculate the relevant Swap Rate(s), and the Swap Rate may be discontinued. The occurrence of these events may trigger the applicable fallbacks that are contained in Conditions 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) to 6.19 (*General Fallback Arrangements*) having the consequences and risks described below.

(d) ***EURIBOR, CMS Reference Rates, SOFR, SONIA, €STR, SARON, TONA and other benchmark rate discontinuance or prohibition on use may lead to adjustments to the terms of the Notes or an early redemption of the Notes***

*Fallback arrangements where (i) the Relevant Rates Benchmark is other than SOFR or a CMS Reference Rate and (ii) the provisions of Condition 6.17 (Relevant Rates Benchmark Discontinuance or Prohibition on Use) are applicable*

Where any variable by reference to which interest is payable under the Notes is an index, benchmark, rate or price source which is specified in the Conditions as a "Relevant Rates Benchmark", the administrator or sponsor (or the Relevant Rates Benchmark) may be required to be authorised, registered, recognised, endorsed or otherwise included in an official register in order for the Issuer, the Determination Agent or the Calculation Agent to be permitted to use the Relevant Rates Benchmark and perform their respective obligations under the Notes. If the Determination Agent determines that such a requirement applies to the administrator or sponsor (or the Relevant Rates Benchmark) but it has not been satisfied, and if the applicable Final Terms or Pricing Supplement specifies that the provisions of Condition 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) are applicable, then an "Administrator/Benchmark Event" will occur.

In order to address the risk of an Administrator/Benchmark Event occurring and the risk of discontinuance of reference rates, the Conditions include certain fallback provisions. These provisions apply to "Relevant Rates Benchmarks" (which will include EURIBOR, SONIA, €STR, SARON and TONA and other similar interbank rates). Unless otherwise specified in the applicable Final Terms or Pricing Supplement, where ISDA Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Floating Interest Rate is to be determined, the fallbacks described below will only apply after application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option to apply and the application of such ISDA Bespoke Fallbacks fails to provide a means of determining the relevant Floating Rate.

The fallback provisions will be triggered if the Determination Agent determines that (i) the administrator or regulatory supervisor (or other applicable regulatory body) in connection with such Relevant Rates Benchmark announces that the administrator has ceased or will cease permanently or indefinitely to provide such Relevant Rates Benchmark and there is no successor administrator that will continue to provide the Relevant Rates Benchmark or (ii) unless otherwise specified in the applicable Final Terms or Pricing Supplement, an Administrator/Benchmark Event occurs in relation to such Relevant Rates Benchmark.

Following the occurrence of any of these events the Determination Agent may replace the Relevant Rates Benchmark with any "Alternative Pre-nominated Reference Rate" which has been specified in the applicable Final Terms or Pricing Supplement or if no Alternative Pre-nominated Reference Rate is specified in the applicable Final Terms or Pricing Supplement, with an alternative rate that is consistent with accepted market practice (the Alternative Pre-nominated Reference Rate or any such other alternative rate, the "**Alternative Rate**"). If an Alternative Rate is used then the Determination Agent may also make other adjustments to the Notes, including to the new Alternative Rate and to the Margin, which are consistent with accepted market practice for the use of such Alternative Rate for debt obligations such as the Notes. If the Determination Agent is unable to identify an Alternative Rate and determine the necessary adjustments to the terms of the Notes then the Issuer may redeem the Notes. The

## **Risk Factors Relating to the Notes**

replacement of the Relevant Rates Benchmark by an Alternative Rate and the making of other adjustments to the Notes and other determinations, decisions or elections that may be made under the terms of the Notes in connection with the replacement of a Relevant Rates Benchmark could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes. Any early redemption of the Notes will result in the Noteholder losing any future return on the Notes and may result in the Noteholder incurring a loss on its investment in the Notes.

Any determination or decision of the Determination Agent described above will be made in the Determination Agent's discretion (in some cases after consultation with the Issuer).

Potential investors in any Notes that reference a Relevant Rates Benchmark (other than SOFR for the purposes of this risk factor) should be aware that (i) the composition and characteristics of the Alternative Rate will not be the same as those of the Relevant Rates Benchmark which it replaces, the Alternative Rate will not be the economic equivalent of the Relevant Rates Benchmark that it replaces, there can be no assurance that the Alternative Rate will perform in the same way as the Relevant Rates Benchmark that it replaces would have at any time and there is no guarantee that the Alternative Rate will be a comparable substitute for the Relevant Rates Benchmark which it replaces, (each of which means that the replacement of the Relevant Rates Benchmark by the Alternative Rate could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes), (ii) any failure of the Alternative Rate to gain market acceptance could adversely affect the Notes, (iii) the Alternative Rate may have a very limited history and the future performance of the Alternative Rate cannot be predicted based on historical performance, (iv) the secondary trading market for Notes linked to the Alternative Rate may be limited and (v) the administrator of the Alternative Rate may make changes that could change the value of the Alternative Rate or discontinue the Alternative Rate and has no obligation to consider the Noteholder's interests in doing so.

*Fallback arrangements where the Relevant Rates Benchmark is SOFR: If SOFR is discontinued, any Floating Rate Notes referencing SOFR will bear interest by reference to a different base rate, which could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes; there is no guarantee that any Benchmark Replacement will be a comparable substitute for SOFR.*

If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR (in the case of Notes referencing SOFR), then the interest rate on the Notes will no longer be determined by reference to SOFR, but instead will be determined by reference to a different base rate, which will be a different benchmark than SOFR, plus a spread adjustment, which is referred to as a "Benchmark Replacement," as further described in the relevant terms and conditions.

If a particular Benchmark Replacement or Benchmark Replacement Adjustment cannot be determined, then the next-available Benchmark Replacement or Benchmark Replacement Adjustment will apply. These replacement rates and adjustments may be selected, recommended or formulated by (i) the Relevant Governmental Body, (ii) ISDA or (iii) in certain circumstances, the Issuer or its designee. In addition, the terms of the Notes expressly authorise the Issuer or its designee to make Benchmark Replacement Conforming Changes with respect to, among other things, changes to the definition of "interest period," timing and frequency of determining rates and making payments of interest and other administrative matters. The determination of a Benchmark Replacement, the calculation of the interest rate on the Notes by reference to a Benchmark Replacement (including the application of a Benchmark Replacement Adjustment), any implementation of Benchmark Replacement Conforming Changes and any other determinations, decisions or elections that may be made under the terms of the Notes in connection with a Benchmark Transition Event could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes.

Any determination, decision or election described above will be made in the Issuer's or its designee's sole discretion.

Potential investors in any Notes that reference SOFR should be aware that (i) the composition and characteristics of the Benchmark Replacement will not be the same as those of SOFR, the Benchmark Replacement will not be the economic equivalent of SOFR, there can be no assurance that the Benchmark Replacement will perform in the same way as SOFR would have at any time and there is no guarantee that the Benchmark Replacement will be a comparable

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substitute for SOFR (each of which means that a Benchmark Transition Event could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes), (ii) any failure of the Benchmark Replacement to gain market acceptance could adversely affect the Notes, (iii) the Benchmark Replacement may have a very limited history and the future performance of the Benchmark Replacement cannot be predicted based on historical performance, (iv) the secondary trading market for Notes linked to the Benchmark Replacement may be limited and (v) the administrator of the Benchmark Replacement may make changes that could change the value of the Benchmark Replacement or discontinue the Benchmark Replacement and has no obligation to consider the Noteholder's interests in doing so.

See also the risk factors entitled "*Risk Factors — Risk factors relating to the relevant underlying- Risks relating to "benchmark" rates" — "EURIBOR, CMS Reference Rates, SOFR, SONIA, ESTR, SARON, TONA and other benchmark rate discontinuance or prohibition on use may lead to adjustments to the terms of the Notes or an early redemption of the Notes"* above.

*Fallback arrangements where the Relevant Rates Benchmark is a CMS Reference Rate: If the CMS Reference Rate is discontinued, any Floating Rate Notes referencing that CMS Reference Rate will bear interest by reference to a different base rate, which could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes; there is no guarantee that any Benchmark Replacement will be a comparable substitute for the current CMS Reference Rate.*

If the applicable Final Terms or Pricing Supplement specifies that the provisions of Condition 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) are applicable to the Notes and an Index Cessation Event and its related Index Cessation Effective Date (as each term is defined in Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*)) have occurred with respect to the applicable tenor of the CMS Reference Rate, then the interest rate on the Notes will no longer be determined by reference to the CMS Reference Rate. Instead, the interest rate will be determined by reference to a different base rate, which will be a different benchmark than the initial or then current CMS Reference Rate, which is referred to as a "Benchmark Replacement," plus any adjustment spread (which may be positive, negative or zero), all as further described Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*). In such a case, in the first instance, the interest rate on the Notes will be determined based on any alternative reference rate, index or benchmark that is specified for such purpose in the Final Terms or Pricing Supplement (an "**Alternative Pre-nominated Reference Rate**"). In the absence of an Alternative Pre-nominated Reference Rate, the interest rate on the Notes will be determined based on (1) the alternate rate of interest that has been selected or recommended by the relevant governmental body or agency with jurisdiction over the then current CMS Reference Rate for the applicable index maturity, or (2) if no such rate of interest has been selected or recommended by such a governmental body or agency, the alternate rate of interest that has been selected by the Determination Agent as the replacement for the then-current CMS Reference Rate for the applicable index maturity giving due consideration to any industry-accepted rate of interest as a replacement for the then-current CMS Reference Rate for floating rate notes denominated in the Index Currency at such time, including any alternate rate of interest recommended by the International Swaps and Derivatives Association, Inc. or any successor thereto. There can be no assurance that an alternate rate of interest to the CMS Reference Rate will be selected or recommended by a governmental body or agency with the consequence that the replacement rate will be selected by the Determination Agent.

In addition, the terms of the Notes expressly authorise the Determination Agent or its designee to make Benchmark Replacement Conforming Changes with respect to, among other things, changes to the definition of "interest period," timing and frequency of determining rates and making payments of interest and other administrative matters. The determination of a Benchmark Replacement, the calculation of the interest rate on the Notes by reference to a Benchmark Replacement (including the determination by the Determination Agent of any "adjustment spread" that will be added or subtracted from the Benchmark Replacement), any implementation of Benchmark Replacement Conforming Changes and any other determinations, decisions, selections or elections that may be made under the terms of the Notes in connection with a Benchmark Transition Event could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes.

## Risk Factors Relating to the Notes

Potential investors in any Notes that reference one or more CMS Reference Rates should be aware that (i) the composition and characteristics of the Benchmark Replacement will not be the same as those of the initial or then current CMS Reference Rate, the Benchmark Replacement will not be the economic equivalent of the initial or then current CMS Reference Rate, there can be no assurance that the Benchmark Replacement will perform in the same way as the initial or then current CMS Reference Rate would have at any time and there is no guarantee that the Benchmark Replacement will be a comparable substitute for the initial or then current CMS Reference Rate (each of which means that an Index Cessation Event could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes), (ii) any failure of the Benchmark Replacement to gain market acceptance could adversely affect the Notes, (iii) the Benchmark Replacement may have a very limited history and the future performance of the Benchmark Replacement cannot be predicted based on historical performance, (iv) the secondary trading market for Notes linked to the Benchmark Replacement may be limited and (v) the administrator of the Benchmark Replacement may make changes that could change the value of the Benchmark Replacement or discontinue the Benchmark Replacement and has no obligation to consider the Noteholder's interests in doing so. If the implementation of any Benchmark Replacement or Benchmark Replacement Conforming Changes results in a calculation of the CMS Reference Rate that is not consistent with market practice as determined by the Determination Agent, the Issuer may, in its reasonable discretion, redeem the Notes as of any later date.

Any determination, decision, selection or election described above that may be made by the Issuer, the Determination Agent or their respective designees will be made in such person's sole discretion.

See also the risk factors entitled "*Risk Factors—Risk factors relating to the relevant underlying-Risks relating to "benchmark" rates – EURIBOR, CMS Reference Rates, SOFR, SONIA, €STR, SARON, TONA and other benchmark rate discontinuance or prohibition on use may lead to adjustments to the terms of the Notes or an early redemption of the Notes*" above.

### *Fallback arrangements - general*

The application of any of these fallbacks may adversely affect the value of the Noteholder's investment in the Notes.

If (a) none of the fallbacks described above in (1) "*Fallback arrangements where (i) the Relevant Rates Benchmark is other than SOFR or a CMS Reference Rate and (ii) the provisions of Condition 6.17 (Relevant Rates Benchmark Discontinuance or Prohibition on Use) are applicable*" or (2) "*Fallback arrangements where the Relevant Rates Benchmark is SOFR: If SOFR is discontinued, any Floating Rate Notes referencing SOFR will bear interest by reference to a different base rate, which could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes; there is no guarantee that any Benchmark Replacement will be a comparable substitute for SOFR*" or (3) "*Fallback arrangements where the Relevant Rates Benchmark is a CMS Reference Rate: If the CMS Reference Rate is discontinued, any Floating Rate Notes referencing that CMS Reference Rate will bear interest by reference to a different base rate, which could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes; there is no guarantee that any Benchmark Replacement will be a comparable substitute for the current CMS Reference Rate*" applies; and (b) EURIBOR, SONIA, €STR, SARON or TONA has been permanently discontinued, the Determination Agent will use, as a substitute for EURIBOR, SONIA, €STR, SARON or TONA (as the case may be), and for each future Interest Determination Date, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the applicable index currency that is consistent with accepted market practice. The Determination Agent will also make other adjustments to the Notes, including to the new rate and to the Margin, which are consistent with accepted market practice for the use of such alternative rate for debt obligations such as the Notes. However, in the case of EURIBOR only, if the Determination Agent determines that no such alternative rate exists on the relevant date, it will make a determination of an alternative rate as a substitute for EURIBOR, for debt obligations such as the Notes, as well as other adjustments to the Notes, including to the new rate and to the Margin, that is consistent with accepted market practice.

## **Risk Factors Relating to the Notes**

Unless otherwise specified in the applicable Final Terms or Pricing Supplement, where ISDA Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Floating Interest Rate is to be determined, the fallbacks described above will only apply after application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option to apply and the application of such ISDA Bespoke Fallbacks fails to provide a means of determining the relevant Floating Rate.

The replacement of EURIBOR, SONIA, €STR, SARON or TONA by an alternative rate and the making of other adjustments to the Notes and other determinations, decisions or elections that may be made under the terms of the Notes in connection with the replacement of EURIBOR, SONIA, €STR, SARON or TONA could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes.

Any determination or decision described above will be made in the Determination Agent's discretion (after consultation with the Issuer).

Potential investors in any Notes that reference EURIBOR, SONIA, €STR, SARON or TONA should be aware that (i) the composition and characteristics of the alternative rate will not be the same as those of the Relevant Rates Benchmark which it replaces, the alternative rate will not be the economic equivalent of the Relevant Rates Benchmark that it replaces, there can be no assurance that the alternative rate will perform in the same way as the Relevant Rates Benchmark that it replaces would have at any time and there is no guarantee that the alternative rate will be a comparable substitute for the Relevant Rates Benchmark which it replaces, (each of which means that the replacement of the Relevant Rates Benchmark by the alternative rate could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes), (ii) any failure of the alternative rate to gain market acceptance could adversely affect the Notes, (iii) the alternative rate may have a very limited history and the future performance of the alternative rate cannot be predicted based on historical performance, (iv) the secondary trading market for Notes linked to the alternative rate may be limited and (v) the administrator of the alternative rate may make changes that could change the value of the alternative rate or discontinue the alternative rate and has no obligation to consider the Noteholder's interests in doing so.

### **(e) *ISDA Determination and Fallbacks***

In the case where ISDA Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Floating Interest Rate is to be determined, and the application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option results in a replacement of, modification to, or change in the method of calculating, the Floating Rate (or the index, benchmark or other price source that is referred to in the Floating Rate Option), the Determination Agent may, after consultation with the Issuer, determine any adjustments to the Floating Rate and the Margin (including any adjustment spread) as well as the applicable Business Day Convention, Interest Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Notes, in each case that are consistent with accepted market practice for the use of such replacement or modified Floating Rate for debt obligations such as the Notes. The making of such adjustments to the Notes and other determinations could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes.

### **(f) *Specific risks relating to Notes referencing SOFR, SONIA, €STR, SARON or TONA***

***The following sets out a number of additional risks specific to Notes that reference SOFR, SONIA, €STR, SARON or TONA (each of which is referred to as a (nearly) risk free rate or an "RFR").***

*Certain RFRs have limited histories; the future performance of SOFR or SONIA cannot be predicted based on historical performance.*

The publication of €STR began on 2 October 2019 and publication of SOFR began on 3 April 2018 and these RFRs therefore have very limited histories. The publication of SONIA on the basis of its present methodology began on 24 April 2018. The publication of SARON began on 25 August 2009. In addition, the future performance of RFRs cannot be predicted based on the limited historical performance. The level of an RFR during the term of the Notes may bear little



## Risk Factors Relating to the Notes

or no relation to its historical level. Prior observed patterns, if any, in the behaviour of market variables and their relation to an RFR, such as correlations, may change in the future. In the case of SOFR, while some pre-publication historical data have been released by the Federal Reserve Bank of New York (the "**New York Federal Reserve**"), such analysis inherently involves assumptions, estimates and approximations. The future performance of an RFR is impossible to predict and therefore no future performance of an RFR or the Notes may be inferred from any of the historical performance or historical simulations. Hypothetical or historical performance data are not indicative of, and have no bearing on, the potential performance of an RFR or the Notes. Changes in the levels of the relevant RFR referenced by the Notes will affect the return on the Notes and the trading price of such Notes, but it is impossible to predict whether such levels will rise or fall. There can be no assurance that the relevant RFR referenced by the Notes will be positive.

*The composition and characteristics of an RFR are not the same as those of LIBOR and there is no guarantee that an RFR is a comparable substitute for LIBOR.*

In December 2016, the Japanese Study Group on Risk-Free Reference Rates announced TONA as its preferred risk free rate for Japanese yen. In April 2017, the Working Group on Sterling Risk-Free Reference Rates announced SONIA as its preferred risk free rate for sterling. In June 2017, the ARRC announced SOFR as its recommended alternative to U.S. Dollar LIBOR. In October 2017, the Swiss National Working Group on Swiss Franc Reference Rates recommended SARON as the alternative to Swiss franc LIBOR. In September 2018 the Working Group on euro risk free rates recommended €STR as the euro risk free rate. However, the composition and characteristics of each of these RFRs are not the same as those of LIBOR.

SOFR is a broad Treasury repo financing rate that represents overnight secured funding transactions. SARON represents the overnight interest rate of the secured money market for Swiss francs. This means that each of SOFR and SARON is fundamentally different from LIBOR for two key reasons. First, each of SOFR and SARON is a secured rate, while LIBOR is an unsecured rate. Second, each of SOFR and SARON is an overnight rate, while LIBOR represents interbank funding over different maturities.

SONIA is a measure of the rate at which interest is paid on sterling short-term wholesale funds in circumstances where credit, liquidity and other risks are minimal. €STR is a rate which reflects the wholesale euro unsecured overnight borrowing costs of euro area banks. TONA represents the weighted average of call rates for uncollateralised overnight transactions in Japanese yen. While SONIA, €STR, TONA and LIBOR are all unsecured rates, SONIA, €STR and TONA are solely overnight rates unlike LIBOR which represents interbank funding over different maturities.

As a result, there can be no assurance that an RFR will perform in the same way as LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, market volatility or global, national or regional economic, financial, political, regulatory, judicial or other events. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmark or other market rates. For additional information regarding SOFR, see "Secured Overnight Financing Rate" below.

*The secondary trading market for Notes linked to an RFR may be limited.*

Since some of the RFRs are relatively new market rates or have only recently been adopted as a benchmark rate for bonds, the trading market in debt securities such as the Notes may not develop or may not be very liquid. Market terms for debt securities linked to an RFR (such as the Notes) may evolve over time and, as a result, trading prices of the Notes may be lower than those of later-issued debt securities that are linked to the same RFR. Similarly, if an RFR does not prove to be widely used in debt securities similar to the Notes, the trading price of the Notes may be lower than that of debt securities linked to rates that are more widely used. Investors in the Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed

## **Risk Factors Relating to the Notes**

secondary market. Further, investors wishing to sell the Notes in the secondary market will have to make assumptions as to the future performance of the relevant RFR. As a result, investors may suffer from increased pricing volatility and market risk.

*The administrator of the relevant RFR may make changes that could change the value of the benchmark or discontinue the benchmark and has no obligation to consider Noteholders' interests in doing so.*

The New York Federal Reserve (or a successor), as administrator of SOFR, the Bank of England (or a successor), as administrator of SONIA, the European Central Bank (or a successor) as administrator of €STR, SIX Swiss Exchange (or a successor), as administrator of SARON or the Bank of Japan (or a successor), as administrator of TONA may make methodological or other changes that could change the value of the relevant RFR, including changes related to the method by which the relevant rate is calculated, eligibility criteria applicable to the transactions used to calculate the relevant rate, or timing related to the publication of the relevant rate. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of the relevant RFR (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider Noteholders' interests in calculating, adjusting, converting, revising or discontinuing the relevant rate and any such calculations, adjustments, conversion, revision or discontinuation could adversely affect the return on the Notes, the value of the Notes and the price at which the Noteholder can sell such Notes.

*The interest rate on the Notes is based on a daily compounded RFR, which is relatively new in the marketplace; different conventions exist for calculating interest on RFR-linked Notes*

For each Interest Period for Notes linked to an RFR, the interest rate on the Notes is based on a daily compounded RFR calculated using the specific formula specified in the Conditions and the applicable Final Terms or Pricing Supplement, or the specified ISDA Rate not the RFR published on or in respect of a particular date during such Interest Period, or an average of the relevant RFRs during such period. For this and other reasons, the interest rate on the Notes during any Interest Period will not be the same as the interest rate on other investments linked to the same RFR that use an alternative basis to determine the applicable interest rate. Further, unless in the case of an ISDA Rate "Daily Floored Rate" is specified as applicable in the applicable Final Terms or Pricing Supplement and the Daily Floored Rate is zero or above, if the relevant RFR in respect of a particular date during an Interest Period is negative, the portion of the accrued compounded interest compounding factor specifically attributable to such date will be less than one, resulting in a reduction to the accrued interest compounding factor used to calculate the interest payable on the Notes on the Interest Payment Date for such Interest Period.

Limited market precedent exists for securities that use SOFR and certain other RFRs as the interest rate and, in addition, for each RFR, different market conventions exist for calculating interest on debt securities. Accordingly, the specific formula for the daily compounded RFR used in the Notes may not be widely adopted by other market participants, if at all. If the market adopts a different convention for calculating interest, that would likely adversely affect the market value of such Notes.

*The amount of interest payable with respect to each Interest Period will be determined near the end of the Interest Period.*

The amount of interest payable with respect to such Interest Period will be determined on a date near the end of such Interest Period, Noteholders will not know the amount of interest payable with respect to each such Interest Period until shortly prior to the related Interest Payment Date and it may be difficult for Noteholders to reliably estimate the amount of interest that will be payable on each such Interest Payment Date.

*The Issuer, its subsidiaries or affiliates may publish research that could affect the market value of the Notes. They also may hedge the Issuer's obligations under such Notes.*

## **Risk Factors Relating to the Notes**

The Issuer or one or more of its affiliates may, at present or in the future, publish research reports with respect to movements in interest rates generally, the LIBOR transition or any of the RFRs specifically. This research is modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Notes. Any of these activities may affect the market value of such Notes. In addition, the issuer's subsidiaries may hedge the Issuer's obligations under the Notes and they may realize a profit from that hedging activity even if investors do not receive a favourable investment return under the terms of such Notes or in any secondary market transaction.

### *Reliance on third parties*

Each RFR is published and calculated by third parties based on data received from other sources and none of the Issuer, the Determination Agent or the Calculation Agent has any control over the determinations, calculations or publications of any such third parties.

### *Market Adoption*

The market or a significant part thereof may adopt an application of the relevant RFR (one using a different convention to calculating interest including using an RFR screen based rate) that differs significantly from that set out in the Conditions and used in relation to Notes that reference a risk-free rate issued under this Base Prospectus and this may adversely affect the value of the Notes.

Potential investors in the Notes should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of any Notes.

*Where "Payment Delay" applies, in determining the compounded RFR for the final Interest Period, the level of the relevant RFR for any day from and including the relevant SOFR/SONIA/€STR/SARON/TONA Rate Cut-Off Date to but excluding the Maturity Date or redemption date, as applicable, will be the level of the relevant RFR in respect of such Rate Cut-off Date.*

Where "Payment Delay" applies, for the final Interest Period, because the level of the relevant RFR for any day from and including the SOFR/SONIA/€STR/SARON/TONA Rate Cut-off Date to but excluding the Maturity Date or redemption date, as applicable, will be the level of the relevant RFR in respect of such Rate Cut-Off Date, Noteholders will not receive the benefit of any increase in the level in respect of the relevant RFR beyond the level for such date in connection with the determination of the interest payable with respect to such Interest Period, which could adversely impact the amount of interest payable with respect to that Interest Period.

### **(g) Additional Risk relating to SOFR-linked Notes**

*Any failure of SOFR to maintain market acceptance could adversely affect Notes linked to SOFR.*

SOFR may fail to maintain market acceptance. SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to U.S. Dollar LIBOR in part because it is considered a good representation of general funding conditions in the overnight Treasury repo market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR a suitable substitute or successor for all of the purposes for which LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen market acceptance of SOFR. Any failure of SOFR to maintain market acceptance could adversely affect the return on the Notes and the price at which the Noteholder can sell such Notes.

## **Risk Factors Relating to the Notes**

### **8.2 Notes linked to one or more inflation indices**

The Issuer may issue Notes with interest determined by reference to interest rates or inflation indices. In addition, the Issuer 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) the market price of such Notes may be very volatile;
- (b) investors in Notes may receive no interest;
- (c) historic performance of an inflation index is not an indication of future performance of the inflation index over the term of the Notes;
- (d) an inflation index may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies, other indices or the actual levels of inflation affecting Noteholders; and
- (e) the timing of changes in an inflation index 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 inflation index, the greater the effect on yield.

## **9. Risk Factors relating to Notes that include certain features**

### **9.1 Caps and floors on interest rates**

The rate of interest payable on certain Notes may be subject to a maximum rate of interest (or interest cap) or a minimum rate of interest (or interest floor) specified in the applicable Final Terms or Pricing Supplement. If a maximum rate of interest is specified, the rate of interest payable on such Notes will be capped at the maximum rate specified. However, if a floor or a minimum rate of interest is specified in respect of any 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.

### **9.2 If the interest rate on any Notes may be the subject of an automatic conversion, this may affect the secondary market and the market value of the Notes concerned**

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Notes may be subject to such an automatic conversion, this will affect the secondary market in, and the market value of, the Notes since the converted rate may be a rate that is likely to result in a lower overall cost of borrowing for the Issuer. If the interest rate on any Note is automatically converted from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new rate at any time may be lower than the rates on other Notes. If the Notes automatically convert from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing market rates.

### **9.3 Automatic change of interest basis**

Notes shall have (where the applicable Final Terms or Pricing Supplement specify "Automatic Change of Interest Basis" to be applicable) more than one interest basis applicable to different interest periods and/or interest payment dates. These Notes may be Zero Coupon Notes, Fixed Rate Notes, Floating Rate Notes or Inflation-Linked Notes (or any combination of the foregoing).

## Disclaimers

### DISCLAIMERS

The Issuer 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.

#### 1. *General Disclaimers*

##### 1.1 *Issuer's credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to the Issuer. 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.

##### 1.2 *Change of law*

The Conditions of the Notes are based on New York 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 New York law or regulation in New York after the date of this Base Prospectus.

##### 1.3 *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 and the 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.

##### 1.4 *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.

##### 1.5 *Notes in Global Form*

Because the Global Note Certificates (as defined below) may be held by or on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), and/or any other clearing system as may be specified in the applicable Final Terms or Pricing Supplement (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 Issuer.

Notes issued under the Program pursuant to this Base Prospectus may be represented by interests in a global note certificate (a "**Global Note Certificate**"). Such Global Note Certificates may be registered in the name of a common depository (or its nominee) or common

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safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note Certificate, investors will not be entitled to receive definitive Notes. The Relevant Clearing System will maintain records of the beneficial interests in the Global Note Certificates. While the Notes are represented by one or more Global Note Certificates, 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 Note Certificates, 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 Note Certificate must rely on the procedures of the Relevant Clearing System to receive payments under the relevant Notes. The Issuer does not have responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Note Certificates.

Holders of beneficial interests in the Global Note Certificates 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.

### 1.6 ***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.

### 1.7 ***Notes denominated or payable in a currency other than investor's home currency***

Investors should consult their financial and legal advisers as to any specific risks entailed by an investment in Notes that are denominated or payable in 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.

### 1.8 ***Subscription periods***

The Issuer has the right to close the offering of the Notes at any time prior to the end of the subscription period in its reasonable discretion. Prospective investors should be aware that if the Issuer exercises such right, such investors will no longer have the right to purchase any Notes.

## 2. ***Representations and acknowledgments by Noteholders***

Each Noteholder shall be deemed to represent and acknowledge to the Issuer on acquiring any Note that:

- (i) none of the Issuer 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 advisers are not relying on any communication (written or oral and including, without limitation, opinions of third party advisers) 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 advisers prior to making any such investment); and
- (ii) such Noteholder (a) has consulted with its own legal, regulatory, tax, business, investments, financial and accounting advisers to the extent that it has deemed necessary, and has made its own investment, hedging and trading decisions based upon its own judgement and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Issuer or any Affiliate or any of their

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respective agents and (b) is acquiring Notes with a full understanding of the terms, conditions and risks thereof and it is capable of and willing to assume those risks.

### **3. *Discretionary Determinations***

The Issuer and the Determination Agent have certain discretions under the terms of the Notes following events or circumstances occurring in relation to the Notes or a relevant underlying, including to defer valuations, make adjustments to the terms and conditions of such Notes and/or to redeem or cancel such Notes other than on the originally designated date of redemption or cancellation. Such discretion is necessary as such events and circumstances may not be foreseen at the Trade Date of the relevant Notes but impact the economic or other terms of the Notes. For example, it may not be reasonably practicable or appropriate for certain valuations to be carried out in relation to the Notes without the exercise of the discretion. Furthermore, such events and circumstances may not be reflected in the pricing of the Notes and/or any arrangements entered into by the Issuer and/or any of its Affiliates to hedge obligations under Notes and, accordingly, without such discretion to adjust the terms of the Notes the Issuer may not have been able to issue the Notes on the terms applicable on the Issue Date or at all.

## **Conflicts of Interest**

### **CONFLICTS OF INTEREST**

***Potential conflicts of interest may exist between the investor and the Determination Agent, which may be a subsidiary of the Issuer and which may make determinations with respect to the Notes***

Potential conflicts of interest may exist between the investor and the Determination Agent, which may be a subsidiary of the Issuer. Certain determinations made by the Determination Agent may require it to exercise discretion and make subjective judgements, such as with respect to adjustments to the Notes as it considers appropriate as a consequence of certain events affecting any relevant inflation index and/or payment currency for the Notes. These potentially subjective determinations may adversely affect the amount payable to the investor.



## Selected Financial Information of Morgan Stanley

### SELECTED FINANCIAL INFORMATION OF MORGAN STANLEY

This section contains selected financial information of Morgan Stanley relating to the years ended 31 December 2021 and 31 December 2020 and the three months ended 31 March 2022 and 31 March 2021.

The information in respect of the years ended 31 December 2021 and 31 December 2020 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 2021.

The information in respect of the three months ended 31 March 2022 and 31 March 2021 set out below is derived from the unaudited financial statements included in Morgan Stanley's Quarterly Reports on Form 10-Q for the quarterly periods ended 31 March 2022 and 31 March 2021, respectively.

Consolidated Balance Sheets (U.S.\$ in millions)	At 31 December 2021	At 31 December 2020	At 31 March 2022 (unaudited)	At 31 March 2021 (unaudited)
<i>Total assets</i>	1,188,140	1,115,862	1,222,233	1,158,772
<i>Total liabilities and equity</i>	1,188,140	1,115,862	1,222,233	1,158,772

Consolidated Income Statements (in U.S.\$ in millions)	2021	2020	Three months ended 31 March 2022 (unaudited)	Three months ended 31 March 2021 (unaudited)
<i>Net revenues</i>	59,755	48,757	14,801	15,719
<i>Income before provision for income taxes</i>	19,668	14,418	4,588	5,344
<i>Net income</i>	15,120	11,179	3,715	4,168

## Consent to the use of the Base Prospectus in connection with Non-Exempt Offers

### CONSENT TO THE USE OF THE BASE PROSPECTUS IN CONNECTION WITH NON-EXEMPT OFFERS

#### Restrictions on Non-Exempt Offers of Notes in relevant EEA Member States

This Base Prospectus has been prepared on a basis that permits offers of Notes that is not made within an exemption from the requirement to publish a prospectus under the Prospectus Regulation ("**Non-Exempt Offers**") of Notes in Italy (the "**Non-Exempt Offer Jurisdiction**"), if so specified in the applicable Final Terms. Any person making or intending to make a Non-Exempt Offer of Notes on the basis of this Base Prospectus must do so only with the Issuer's consent to the use of this Base Prospectus as provided under "*Consent given in accordance with Article 1.4 of the Prospectus Regulation*" below and provided such person complies with the conditions attached to that consent.

#### Consent given in accordance with Article 1.4 of the Prospectus Regulation

In the context of a Non-Exempt Offer of Notes, the Issuer accepts responsibility, in Italy as the Non-Exempt Offer Jurisdiction, for the content of this Base Prospectus in relation to any person (an "**Investor**") who purchases any Notes in a Non-Exempt Offer made by a Distribution Agent or an Authorised Offeror (as defined below), where that offer is made during the Offer Period specified in the applicable Final Terms and provided that the conditions attached to the giving of consent for the use of this Base Prospectus are complied with. The consent and conditions attached to it are set out under "*Consent*" and "*Conditions to Consent*" below.

None of the Issuer or any Distribution Agent makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-Exempt Offer and none of the Issuer or any Distribution Agent has any responsibility or liability for the actions of that Authorised Offeror.

**Except in the circumstances set out in the following paragraphs, the Issuer has not authorised the making of any Non-Exempt Offer by any offeror, and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any Non-Exempt Offer of Notes. Any Non-Exempt Offer made without the consent of the Issuer is unauthorised and neither the Issuer nor, for the avoidance of doubt, any Distribution Agent accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.** If, in the context of a Non-Exempt Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Base Prospectus for the purposes of the relevant Non-Exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents, it should take legal advice.

The financial intermediaries referred to in paragraphs (ii) and (iii) below are together the "**Authorised Offerors**" and each an "**Authorised Offeror**".

#### *Consent*

**In connection with each Tranche of Notes and subject to the conditions set out below under "*Conditions to Consent*", the Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-Exempt Offer of such Notes by:**

- (i) the relevant Distribution Agent(s) specified in the applicable Final Terms;
- (ii) any financial intermediaries specified in the applicable Final Terms; and
- (iii) any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the Issuer's website <http://sp.morganstanley.com/EU/Documents> and identified as an Authorised Offeror in respect of the relevant Non-Exempt Offer.

#### *Conditions to Consent*

The conditions to the Issuer's consent to the use of this Base Prospectus in the context of the relevant Non-Exempt Offer are that such consent:

- (i) is only valid during the Offer Period specified in the applicable Final Terms; and
- (ii) only extends to the use of this Base Prospectus to make Non-Exempt Offers of the relevant Tranche of Notes in Italy, if so specified in the applicable Final Terms.

## **Consent to the use of the Base Prospectus in connection with Non-Exempt Offers**

The consent referred to above only relates to Offer Periods (if any) occurring within 12 months of the date of this Base Prospectus.

The only relevant EEA member state which may, in respect of any Tranche of Notes, be specified in the applicable Final Terms as indicated in paragraph (ii) above, will be Italy and, accordingly, each Tranche of Notes may only be offered to Investors as part of a Non-exempt Offer in Italy, if so specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish or supplement a prospectus for such offer.

### **ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS**

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR, INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS OR PRICING SUPPLEMENT WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF THE ISSUER OR, FOR THE AVOIDANCE OF DOUBT, ANY DISTRIBUTION AGENT OR ITS AFFILIATES HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.**

Save as provided above, neither the Issuer nor any Distribution Agent have authorised, nor do they authorise, the making of any Non-exempt Offer of Notes in circumstances in which an obligation arises for the Issuer or any Distribution Agent to publish or supplement a prospectus for such offer.

### **IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF NOTES GENERALLY**

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Distribution Agent do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms or Pricing Supplement, no action has been taken by the Issuer or the Distribution Agent which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the U.S., the EEA and the United Kingdom, see "*Subscription and Sale*".

## Where the Investor can find more Information about Morgan Stanley

### 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"). 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](http://www.sec.gov). The information contained on this internet site, 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 which have previously been filed with the CSSF shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus:

Document filed	Information incorporated by reference	Page
1. Morgan Stanley June 30, 2022 Form 8-K dated 14 July 2022  <a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=fdc4505b-1f30-4f5e-9b18-d0adba92025b">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=fdc4505b-1f30-4f5e-9b18-d0adba92025b</a>  <i>The page numbers here are in reference to the PDF format document.</i>	(1) Item 2.02: Results of Operations and Financial Condition	3
	(2) Item 9.01: Financial Statements and Exhibits	3
	(3) Exhibit 99.1: Press release of the Company, dated July 14, 2022, containing financial information for the quarter ended June 30, 2022	5-13
	(4) Exhibit 99.2: Financial Data Supplement of the Company for the quarter ended June 30, 2022	14-35
	(5) Consolidated Financial Summary (unaudited, dollars in millions)	15
	(6) Consolidated Financial Metrics, Ratios and Statistical Data (unaudited)	16
	(7) Consolidated and U.S. Bank Supplemental Financial Information (unaudited, dollars in millions)	18

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(9)	Institutional Securities Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	20
(10)	Wealth Management Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	21
(11)	Wealth Management Financial Information and Statistical Data (unaudited, dollars in billions)	22
(12)	Investment Management Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	23
(13)	Investment Management Financial Information and Statistical Data (unaudited, dollars in billions)	24
(14)	Consolidated Loans and Lending Commitments (unaudited, dollars in billions)	25
(15)	Consolidated Loans and Lending Commitments Allowance for Credit Losses (ACL) as of June 30, 2022 (unaudited, dollars in millions)	26
(16)	Definition of U.S. GAAP to Non-GAAP Measures	27
(17)	Definitions of Performance Metrics and Terms	28-31
(18)	Supplemental Quantitative Details and Calculations	32-35
(19)	Legal Notice	36

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2.	Morgan Stanley April 2022 Form 8-K	(1)	Item 2.02: Results of Operations and Financial Condition	3
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=1c4a76fb-e427-4b04-b00f-3f9daa753e82">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=1c4a76fb-e427-4b04-b00f-3f9daa753e82</a>	(2)	Item 9.01: Financial Statements and Exhibits	3
	<i>The page numbers here are in reference to the PDF format document.</i>	(3)	Exhibit 99.1: Press release of the Company, dated April 14, 2022, containing financial information for the quarter ended March 31, 2022	5-13
		(4)	Exhibit 99.2: Financial Data Supplement of the Company for the quarter ended March 31, 2022	14-35
		(5)	Consolidated Financial Summary (unaudited, dollars in millions)	15
		(6)	Consolidated Financial Metrics, Ratios and Statistical Data (unaudited)	16
		(7)	Consolidated and U.S. Bank Supplemental Financial Information (unaudited, dollars in millions)	17
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		(9)	Institutional Securities Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	19
		(10)	Wealth Management Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	20
		(11)	Wealth Management Financial Information and Statistical Data (unaudited, dollars in billions)	21

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	(13)	Investment Management Financial Information and Statistical Data (unaudited, dollars in billions)	23
	(14)	Consolidated Loans and Lending Commitments (unaudited, dollars in billions)	24
	(15)	Consolidated Loans and Lending Commitments Allowance for Credit Losses (ACL) as of March 31, 2022 (unaudited, dollars in millions)	25
	(16)	Definition of U.S. GAAP to Non-GAAP Measures	26
	(17)	Definitions of Performance Metrics and Terms	27-30
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	(19)	Legal Notice	35
3.	Morgan Stanley March 2022 Form 10-Q	(1) Financial Information	1
	<a href="https://www.morganstanley.com/content/dam/msdotcom/en/about-us-ir/shareholder/10q0322.pdf">https://www.morganstanley.com/ content/dam/msdotcom/en/about -us-ir/shareholder/10q0322.pdf</a>	(2) Management's Discussion and Analysis of Financial Condition and Results of Operations	1-22
		(3) Quantitative and Qualitative Disclosures about Risk	23-30
		(4) Report of Independent Registered Public Accounting Firm	31
		(5) Consolidated Financial Statements and Notes	32-63
		(i) Consolidated Income Statements (Unaudited)	32
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		(iv)	Consolidated Statements of Changes in Total Equity (Unaudited)	34
		(v)	Consolidated Cash Flow Statements (Unaudited)	35
		(vi)	Notes to Consolidated Financial Statements (Unaudited)	36-63
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	<a href="https://www.morganstanley.com/content/dam/msdotcom/en/about-us-2022ams/2022_Proxy_Statement.pdf">https://www.morganstanley.com/content/dam/msdotcom/en/about-us-2022ams/2022_Proxy_Statement.pdf</a>	(2)	Corporate Governance Matters	12-46
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	<a href="https://www.morganstanley.com/content/dam/msdotcom/en/about-us-ir/shareholder/10k2021/10k1221.pdf">https://www.morganstanley.com/content/dam/msdotcom/en/about-us-ir/shareholder/10k2021/10k1221.pdf</a>			



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		<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=7fe5ffd3-b65d-4f26-a459-0beda333d9a4">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=7fe5ffd3-b65d-4f26-a459-0beda333d9a4</a>	
7.		Second Supplement to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 3 March 2022 to the Registration Document (" <b>Second Supplement to the Registration Document</b> ")	
	(1)	Part B – Amendments to the "Risk Factors" section	7
	(2)	Part C – Amendments to the "Description of Morgan Stanley" section	8-18
		<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?">https://sp.morganstanley.com/EU/Download/GeneralDocument?</a>	

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[documentID=7e6b2c6f-520a-41a5-8bf2-a38ac039180c](https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=7e6b2c6f-520a-41a5-8bf2-a38ac039180c)

8.	Third Supplement to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 21 March 2022 to the Registration Document (" <b>Third Supplement to the Registration Document</b> ")	(1)	Part A – Amendments to the "Risk Factors" Section	5-19
		(2)	Part B – Amendments to the “Description of Morgan Stanley” section	20
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=61caad2b-1db6-4439-a9f1-11c6f6d8dc42">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=61caad2b-1db6-4439-a9f1-11c6f6d8dc42</a>			
9.	Fifth Supplement to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 20 May 2022 to the Registration Document (" <b>Fifth Supplement to the Registration Document</b> ")	(1)	Part B – Amendments to “Information Incorporated by Reference Section”	8
		(2)	Part C – Amendments to “Description of Morgan Stanley” section	9
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=cba98b1e-4f17-411c-965e-c1fabffdac36">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=cba98b1e-4f17-411c-965e-c1fabffdac36</a>			
10.	Base Prospectus dated 19 July 2021	(1)	Terms and Conditions of the Notes	41-116
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=833d3fdd-74b9-440d-9f66-fef54fa956db">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=833d3fdd-74b9-440d-9f66-fef54fa956db</a>			
11.	Base Prospectus dated 13 July 2020	(1)	Terms and Conditions of the Notes	38-85
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=1c425882-8aa1-467f-962d-f2f94415f849">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=1c425882-8aa1-467f-962d-f2f94415f849</a>			
12.	Base Prospectus dated 28 June 2019	(1)	Terms and Conditions of the Notes	48-91
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=f3dfbc7e-8ec6-4cf6-9057-92ce9acbfad5">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=f3dfbc7e-8ec6-4cf6-9057-92ce9acbfad5</a>			
13.	Base Prospectus dated 19 June 2018	(1)	Terms and Conditions of the Notes	43-80

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	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=685d211d-660c-412c-8213-917d6e1a6170">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=685d211d-660c-412c-8213-917d6e1a6170</a>		
14.	Base Prospectus dated 19 April 2017	(1) Terms and Conditions of the Notes	44-81
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=b1261e5b-a5ce-4e2d-ae6b-417beae33752">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=b1261e5b-a5ce-4e2d-ae6b-417beae33752</a>		
15.	Base Prospectus dated 8 April 2016	(1) Terms and Conditions of the Notes	43-80
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=ae6c9d5e-cf24-4377-9191-5292b8bbe54a">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=ae6c9d5e-cf24-4377-9191-5292b8bbe54a</a>		
16.	Supplement dated 27 August 2019 to the Base Prospectus dated 28 June 2019	(1) Amendments to the Terms and Conditions of the Notes	8
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=a79f3d27-fe30-4e0f-baaf-c8a8a88e22da">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=a79f3d27-fe30-4e0f-baaf-c8a8a88e22da</a>		
17.	Supplement dated 24 May 2019 to the Base Prospectus dated 19 June 2018	(1) Amendments to the General Information Section	8
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=8b9bb12e-6ce6-4d45-b6c7-3e5c5a34a2e6">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=8b9bb12e-6ce6-4d45-b6c7-3e5c5a34a2e6</a>		
18.	Supplement dated 25 January 2019 to the Base Prospectus dated 19 June 2018	(1) Amendments to the Terms and Conditions	5-8
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=bfeed637-586c-44c4-808a-00aeb147dc4">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=bfeed637-586c-44c4-808a-00aeb147dc4</a>		
19.	Supplement dated 20 January 2017 to the Base Prospectus dated 8 April 2016	(1) Amendments to the Base Prospectus	5
	<a href="https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=18f5fcde-133c-40cc-9c74-cc24ad667120">https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=18f5fcde-133c-40cc-9c74-cc24ad667120</a>		
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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

## **Where the Investor can find more Information about Morgan Stanley**

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 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 Morgan Stanley and approved by the CSSF in accordance with Article 23 of the Prospectus Regulation. 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.

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

For the purposes of Article 19.1 of the Prospectus Regulation and Article 19.1 of the UK Prospectus Regulation, 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.

## Terms and Conditions of the Notes

### TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions, which, as completed by the applicable Final Terms or Pricing Supplement, will be set forth on each Note in definitive form (if any) issued under the Program pursuant to 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".*

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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**"), Morgan Stanley Finance LLC ("**MSFL**") and Morgan Stanley Finance II Ltd ("**MSFII**") 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, *inter alia*, of notes by Morgan Stanley. The Series A Notes and Series B Notes offered pursuant to the Base Prospectus dated 19 July 2022 (the "**Notes**") will

## Terms and Conditions of the Notes

be governed by New York law. References to the "**Issuer**" in these terms and conditions shall mean Morgan Stanley.

- 1.2 **Final Terms or Pricing Supplement:** The Notes 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 (a "**Final Terms**") or pricing supplement (a "**Pricing Supplement**") which complete these terms and conditions (the "**Conditions**"), if any, applicable in relation to such Series.
- 1.3 **Issue and Paying Agency Agreement:** The Notes are the subject of an issue and paying agency agreement dated 19 July 2022 (such agreement as from time to time further modified and/or restated, the "**Issue and Paying Agency Agreement**") between Morgan Stanley, The Bank of New York Mellon SA/NV, 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, 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 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 **The Notes:** All subsequent references in these Conditions to "**Notes**" are to the Notes which are the subject of the applicable Final Terms or Pricing Supplement. Copies of the applicable Final Terms or Pricing Supplement 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.
- 1.5 **Summaries:** Certain provisions of these Conditions are summaries of the Issue and Paying Agency Agreement and are subject to its detailed provisions. The holders of the Notes (the "**Noteholders**") are bound by, and are deemed to have notice of, all the provisions of the Issue and Paying Agency Agreement as are applicable to them. Copies of the Issue and Paying Agency Agreement 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 the Conditions, the following expressions have the following meanings:

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

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

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

**"Administrator/Benchmark Event"** means, in respect of any Notes, a determination made by the Determination Agent that any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Relevant Rates Benchmark or the administrator or sponsor of the Relevant Rates Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that any of the Issuer, the Determination Agent or the Calculation Agent is not, or will not be, permitted under any applicable law or regulation to use the Relevant Rates Benchmark to perform its or their respective obligations in respect of the Notes; For the avoidance of doubt, Administrator/Benchmark Event shall not apply where the Notes are denominated in U.S.



## Terms and Conditions of the Notes

dollars and the Relevant Rates Benchmark is SOFR (see Condition 6.8 (*Provisions specific to SOFR as Reference Rate*) below);

**"Administrator/Benchmark Event Date"** means, in respect of any Notes and an Administrator/Benchmark Event, the date on which the authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is:

- (a) required under any applicable law or regulation; or
- (b) rejected, refused, suspended or withdrawn, if the applicable law or regulation provides that the Relevant Rates Benchmark is not permitted to be used under the Notes following rejection, refusal, suspension or withdrawal,

or, in each case, if such date occurs before the Issue Date, the Issue Date;

**"Affiliate"** means, in relation to any person, (a) any entity controlled, directly or indirectly, by the person, (b) any entity that controls, directly or indirectly, the person or (c) 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);

**"Benchmark"** means, if SOFR is specified in the relevant Final Terms or Pricing Supplement as the Reference Rate, the Secured Overnight Financing Rate with the applicable period of maturity (which shall be daily); provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the Secured Overnight Financing Rate with the applicable period of maturity (which shall be daily), or the then-current Benchmark, then **"Benchmark"** means the applicable Benchmark Replacement;

**"Benchmark Replacement"** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (a) the sum of: (i) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (ii) the Benchmark Replacement Adjustment;
- (b) the sum of: (i) the ISDA Fallback Rate and (ii) the Benchmark Replacement Adjustment;
- (c) the sum of: (i) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (ii) the Benchmark Replacement Adjustment;

**"Benchmark Replacement Adjustment"** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (a) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (b) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

**"Benchmark Replacement Conforming Changes"** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Interest Period", timing and frequency of determining rates and making payments

## Terms and Conditions of the Notes

of interest, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the Interest Period, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

**"Benchmark Replacement Date"** means the earliest to occur of the following events with respect to the then-current Benchmark:

- (a) in the case of limb (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (b) in the case of limb (c) of the definition of "Benchmark Transition Event", the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**"Benchmark Transition Event"** means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (a) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or
- (c) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

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

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

- (a) that is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close (i) for Notes denominated in U.S. dollars, in The City of New York, (ii) for Notes denominated in Sterling, in London, (iii) for Notes denominated in Australian dollars, in Sydney, (iv) 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 (v) in each (if any) Additional Business Centre;
- (b) 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

## Terms and Conditions of the Notes

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"** means, in relation to any particular date referred to in the Conditions or in the applicable Final Terms or Pricing Supplement 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, 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 or Pricing Supplement. In this context, if the Business Day Convention specified in the applicable Final Terms or Pricing Supplement is:

- (a) **"Following Business Day Convention"**, the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **"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;
- (c) **"Preceding Business Day Convention"**, the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **"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 or Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
  - (i) 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;
  - (ii) 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
  - (iii) 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
- (e) **"No Adjustment"** or **"Unadjusted"**, the relevant date shall not be adjusted in accordance with any Business Day Convention;

**provided that** if ISDA Determination, "2021 ISDA Definitions" and "Unscheduled Holiday" are applicable in the applicable Final Terms or Pricing Supplement, then in the case where Modified Following Business Day Convention, Modified Business Day Convention, Preceding Business Day Convention, FRN Convention, Floating Rate Convention or Eurodollar Convention apply to a particular date and that date would otherwise fall on a day that is not a Business Day as a result of an Unscheduled Holiday (as defined in the 2021 ISDA Definitions but disregarding references to Valuation Business Day and Exercise Business Day and construing references to the Confirmation to mean the applicable Final Terms or Pricing Supplement) notwithstanding the provisions of (ii) to (iv) above, such day will instead fall on the first following day that is a Business Day;

**"Calculation Agent"** means, in respect of any Series of Notes, the Fiscal Agent or such other Person specified in the applicable Final Terms or Pricing Supplement as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s), subject as otherwise provided in these Conditions (including, without limitation, as provided in Condition 6 (*Floating Rate Note*

## Terms and Conditions of the Notes

*Provisions*)), 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 or Pricing Supplement, in relation to any Series of Notes, (a) where the Notes have only one Specified Denomination, such Specified Denomination and (b) where Notes of such Series may have more than one Specified Denomination, the lowest common factor of those Specified Denominations;

**"Clearstream, Luxembourg"** means Clearstream Banking, S.A.;

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

**"CMS Reference Rate 1"** means the rate specified as such in the applicable Final Terms or Pricing Supplement, 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 or Pricing Supplement under the heading "CMS Reference Rate 1";

**"CMS Reference Rate 2"** means the rate specified as such in the applicable Final Terms or Pricing Supplement, 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 or Pricing Supplement under the heading "CMS Reference Rate 2";

**"Corresponding Tenor"** with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

**"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 Conditions or the applicable Final Terms or Pricing Supplement and:

- (a) 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;
- (b) 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 (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if **"Actual/365 (Fixed)"** is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) 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);
- (e) if **"Actual/360"** is so specified, means the actual number of days in the Calculation Period divided by 360;
- (f) 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;
- (g) 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:

## Terms and Conditions of the Notes

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

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (h) 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:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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<sub>2</sub> will be 30; and

- (i) 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:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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"D<sub>1</sub>" 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<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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<sub>2</sub> 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

- (j) if "1/1" is specified in the applicable Final Terms or Pricing Supplement, 1;

**"Designated Maturity"** means (a) for the purposes of a determination of the CMS Reference Rate, a period of time specified as such in the applicable Final Terms or Pricing Supplement corresponding to such CMS Reference Rate, (b) for the purposes of Screen Rate Determination, the period of time designated in the Reference Rate and (c) for any other purposes, a period of time specified as such in the applicable Final Terms or Pricing Supplement;

**"Determination Agent"** means Morgan Stanley & Co. International plc or, if different in relation to any Series of Notes, the Person or entity specified as such in the applicable Final Terms or Pricing Supplement;

**"Determination Agent Fallback"** has the meaning give in Condition 6.7 (*CMS Rate Determination*).

**"Early Redemption Amount"** means, in the case of Condition 13 (*Events of Default*) or Condition 24 (*Inconvertibility Events*),

- (a) if **"Accrued Value"** is specified as being applicable in respect of a Note in the applicable Final Terms or Pricing Supplement, an amount equal to the sum of:
- (i) 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 (or such other date as may be specified in the applicable Final Terms or Pricing Supplement as the "Accrued Value Commencement 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 Pricing Supplement or, if none is so specified, a Day Count Fraction of 30/360; and

- (ii) accrued interest (if any); or
- (b) if **"Fixed Redemption"** is specified as being applicable in respect of the Notes in the applicable Final Terms or Pricing Supplement, an amount per Calculation Amount equal to the product of the Specified Rate and the Calculation Amount, together with accrued interest (if any);

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

- (a) if **"Early Redemption Amount (Tax) – Par"** is specified in the applicable Final Terms or Pricing Supplement, an amount equal to the product of 100 per cent. and the Calculation Amount of such Note, together with accrued interest (if any); or
- (b) if **"Early Redemption Amount (Tax) – Accrued Value"** is specified in the applicable Final Terms or Pricing Supplement, an amount equal to the sum of:
- (i) the product of (A) the Calculation Amount of such Note and (B) the percentage produced by the following formula:

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

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where "**n**" means the number of years from (and including) the Issue Date (or such other date as may be specified in the applicable Final Terms or Pricing Supplement as the "Accrued Value Commencement 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 Pricing Supplement or, if none is so specified, a Day Count Fraction of 30/360; and

- (ii) accrued interest (if any);

**"ECB"** means the European Central Bank (or its successor);

**"ECB €STR Guideline"** means Guideline (EU) 2019/1265 of the ECB of 10 July 2019 on the euro short-term rate (€STR) (ECB/2019/19), as amended from time to time;

**"ECB's Website"** means the website of the ECB, currently at [www.ecb.europa.eu](http://www.ecb.europa.eu) or any successor source officially designated by the ECB;

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

**"€STR"**, in respect of any TARGET Settlement Day, means the euro-short term rate administered by the ECB (or any successor administrator) for such TARGET Settlement Day and published on the ECB's Website (or any other authorised source) as of 9:00 a.m. (Frankfurt time) or, in case a revised euro short-term rate is published as provided in Article 4 subsection 3 of the ECB €STR Guideline as of 11:00 a.m. (Frankfurt time), such revised interest rate (or any amended publication time as specified by the administrator of the euro-short term rate in the euro-short term rate benchmark methodology) and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by the administrator of €STR or such authorised distributors, in each case on the TARGET Settlement Day immediately following such TARGET Settlement Day;

**"€STR Rate Cut-Off Date"** means the date that is the number of TARGET Settlement Days specified in the applicable Final Terms or Pricing Supplement (or if none are specified, the second TARGET Settlement Day) prior to the Maturity Date or the redemption date, as applicable;

**"Euroclear"** means Euroclear Bank SA/NV;

**"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 or Pricing Supplement as an alternative basis for determining the CMS Reference Rate: (a) Fallback Screen Page; (b) Mid-Market Quotations; and (c) Determination Agent Fallback;

**"Fallback Screen Page"** has the meaning given in Condition 6.7 (*CMS Rate Determination*);

**"Fallback SOFR"** with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York's Website;

**"Federal Reserve Bank of New York's Website"** means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source;

**"Final Bonus Amount"** means the amount, if any, specified as such in the applicable Final Terms or Pricing Supplement;

**"Final Redemption Amount"** means:

- (a) if "**Accrued Value**" is specified as being applicable in respect of a Note in the applicable Final Terms or Pricing Supplement, an amount equal to the product of (i) the Calculation Amount of such Note and (ii) the percentage produced by the following formula:

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

## Terms and Conditions of the Notes

where "**n**" means the number of years from (and including) the Issue Date (or such other date as may be specified in the applicable Final Terms or Pricing Supplement as the "Accrued Value Commencement 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 Pricing Supplement or, if none is so specified, a Day Count Fraction of 30/360; and

- (b) if "**Fixed Final Redemption**" is specified as being applicable in respect of a Note in the applicable Final Terms or Pricing Supplement, an amount equal to the Fixed Final Redemption Amount,

in each case, if "Final Bonus" is specified as being applicable in the relevant Final Terms or Pricing Supplement, plus the Final Bonus Amount;

"**Fixed Coupon Amount**" means the amount, if any, specified as such in the applicable Final Terms or Pricing Supplement;

"**Fixed Final Redemption Amount**" means the amount per Calculation Amount (which may be expressed as a percentage of the Calculation Amount or an amount per Calculation Amount) specified as such in the applicable Final Terms or Pricing Supplement;

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

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

"**Floating Interest Rate**" means the rate or rates (expressed as a percentage per annum) of interest determined in accordance with Condition 6 (*Floating Rate Note Provisions*);

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

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

"**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;

"**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 or Pricing Supplement. Where the Notes have more than one Interest Basis, an Interest Commencement Date will be specified in the applicable Final Terms or Pricing Supplement in respect of each such Interest Basis;

"**Interest Determination Date**" means, if the applicable Final Terms or Pricing Supplement specifies: (a) "**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; (b) "**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 or Pricing Supplement; or (c) SOFR, SONIA, €STR, SARON or TONA as the applicable Reference Rate, the Interest Determination Date(s) shall be the Interest Period End Date at the end of each Interest Period (or such other date or dates, if any, specified as such in the applicable Final Terms or Pricing Supplement); provided that if any of SOFR Compound with Payment Delay, SONIA Compound with Payment Delay, €STR Compound with Payment Delay, SARON Compound with Payment Delay or TONA Compound with Payment Delay applies, the Interest Determination Date with respect to the final Interest Period for SOFR, SONIA, €STR, SARON or TONA (as the case may be) will be the SOFR Rate Cut-Off Date, the SONIA Rate Cut-Off Date, the €STR Rate Cut-Off Date, the SARON Rate Cut-Off Date or the TONA Rate Cut-Off Date, respectively;



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**"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 or Pricing Supplement 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 or Pricing Supplement, 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 or Pricing Supplement specify Interest Participation Rate to be not applicable, it shall be deemed to be equal to one. Where the applicable Final Terms or Pricing Supplement 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 rate specified as such in the applicable Final Terms or Pricing Supplement;

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

**"Interest Payment Date"** means:

- (i) if none of SOFR Compound with Payment Delay, SONIA Compound with Payment Delay, €STR Compound with Payment Delay, SARON Compound with Payment Delay or TONA Compound with Payment Delay are specified in the relevant Final Terms or Pricing Supplement as applicable and Delayed Payment is not specified in the relevant Final Terms or Pricing Supplement as applicable in respect of any Overnight Floating Rate Option (as defined in the ISDA Definitions) or any Index Floating Rate Option (as defined in the ISDA Definitions), the scheduled Interest Payment Date, if such date is specified in the Conditions or the applicable Final Terms or Pricing Supplement to be subject to adjustment in accordance with a Business Day Convention:
  - (a) such date as adjusted in accordance with the relevant Business Day Convention; or
  - (b) 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 or Pricing Supplement 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 or Pricing Supplement 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; or

- (ii) if:
  - (A) any of SOFR Compound with Payment Delay, SONIA Compound with Payment Delay, €STR Compound with Payment Delay, SARON Compound with Payment Delay or TONA Compound with Payment Delay is specified in the relevant Final Terms or Pricing Supplement as applicable; or
  - (B) Delayed Payment is specified in the relevant Final Terms or Pricing Supplement as applicable in respect of any Overnight Floating Rate Option or any Index Floating Rate Option,

the number of Business Days equal to the Interest Payment Delay following each Interest Period End Date; provided that the Interest Payment Date with respect to the final Interest Period will be the Maturity Date or other date for the redemption of the relevant Notes;

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**"Interest Payment Delay"** means:

- (i) as specified in the applicable Final Terms or Pricing Supplement, or if not so specified, (A) in respect of SOFR, two U.S. Government Securities Business Days, (B) in respect of SONIA, two London Banking Days, (C) in respect of €STR, two TARGET Settlement Days, (D) in respect of SARON, two Zurich Banking Days and (E) in respect of TONA, two Tokyo Banking Days; or
- (ii) in respect of any Overnight Floating Rate Option (as defined in the ISDA Definitions) or any Index Floating Rate Option (as defined in the ISDA Definitions) where Delayed Payment is specified in the relevant Final Terms or Pricing Supplement as applicable, the number of Business Days specified in respect of Delayed Payment in the applicable Final Terms or Pricing Supplement;

**"Interest Period"** means, subject as otherwise provided in the Conditions, each period beginning on (and including) the Interest Commencement Date or any Interest Period End Date and ending on (but excluding) the next Interest Period End Date or any other period specified as such in the applicable Final Terms or Pricing Supplement, subject to adjustment in accordance with the relevant Business Day Convention, except where specified in the applicable Final Terms or Pricing Supplement;

**"Interest Period End Date"** means each Interest Payment Date unless specified otherwise in the relevant Final Terms or Pricing Supplement;

**"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 or Pricing Supplement;

**"Interpolated Benchmark"** with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (1) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor and (2) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

**"ISDA Bespoke Fallbacks"** means, in respect of any Floating Rate Option (as defined in the ISDA Definitions), fallbacks other than ISDA Generic Fallbacks;

**"ISDA Definitions"** means:

- (a) for the purposes of Condition 6.8 (*Provisions specific to SOFR as Reference Rate* or Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*), the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time, including the 2021 ISDA Interest Rate Derivatives Definitions (as amended or supplemented from time to time); and
- (b) for all other purposes, (i) if "2006 ISDA Definitions" is specified as applicable in the relevant Final Terms or Pricing Supplement, 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 or Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.; or (ii) if "2021 ISDA Definitions" is specified as applicable in the relevant Final Terms or Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the applicable Final Terms or Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.;

**"ISDA Fallback Adjustment"** means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

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**"ISDA Fallback Rate"** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**"ISDA Generic Fallbacks"** means any fallbacks would be required to be determined in accordance with Section 8.6 (*Generic Fallback Provisions*) of the 2021 ISDA Interest Rate Derivatives Definitions;

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

**"London Banking Day"** or **"LBD"** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

**"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 or Pricing Supplement 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 or Pricing Supplement 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 or Pricing Supplement, 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 or Pricing Supplement 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 or Pricing Supplement;

**"Margin 2"** means the margin specified as such in the applicable Final Terms or Pricing Supplement;

**"Maturity Date"** means the Scheduled Maturity Date, provided that, if the applicable Final Terms or Pricing Supplement 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 Floating 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;

**"Optional Redemption Amount (Call)"** means:

- (a) if "Optional Redemption Amount (Call) – Accrued Value" is specified in the applicable Final Terms or Pricing Supplement, an amount equal to the product of (i) the Calculation Amount of such Note and (ii) 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 (or such other date as may be specified in the applicable Final Terms or Pricing Supplement as the "Accrued Value Commencement 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

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may be specified in the applicable Final Terms or Pricing Supplement or, if none is so specified, a Day Count Fraction of 30/360; and

- (b) if "Optional Redemption Amount (Call) – Fixed" is specified in the applicable Final Terms or Pricing Supplement, 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 Date (Call)"** means, in relation to any Series of Notes, the date, if any, specified as such in the applicable Final Terms or Pricing Supplement;

**"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 in respect of any Optional Redemption Date (Call), the percentage rate specified as such in the applicable Final Terms or Pricing Supplement or, if no such rate is specified, 100 per cent.;

**"Payment Business Day"** means:

- (a) 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:
- (i) the relevant place of presentation;
  - (ii) each Additional Financial Centre (other than the TARGET System) specified in the applicable Final Terms or Pricing Supplement;
  - (iii) if the TARGET System is specified as an Additional Financial Centre in the applicable Final Terms or Pricing Supplement, a day on which the TARGET System is open; and
- (b) either (1) in relation to any sum payable in a currency other than euro, 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) may be carried on in the Principal Financial Centre of the country of the relevant currency and (2) in relation to any sum payable in euro, a day on which the TARGET System is open;

**"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;

**"Principal Financial Centre"** means, in relation to any currency, other than the euro, the principal financial centre for that currency, **provided, however, that**, in relation to Australian dollars, it means Sydney and Melbourne and, in relation to New Zealand dollars, it means Wellington and Auckland;

**"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 Pricing Supplement or calculated or determined in accordance with the 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 or Pricing Supplement;

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

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

**"Reference Banks"** means the banks specified as such in the applicable Final Terms or Pricing Supplement or, if none are specified, four major banks selected by the Determination Agent in

## Terms and Conditions of the Notes

the market that is most closely connected with the Reference Rate. Where the applicable Final Terms or Pricing Supplement specifies "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 or Pricing Supplement;

**"Reference Price"** means the currency specified as such in the applicable Final Terms or Pricing Supplement;

**"Reference Price"** means a numerical value or percentage as specified in the applicable Final Terms or Pricing Supplement;

**"Reference Rate"** means, in respect of any relevant period or day, any of the following as specified in the applicable Final Terms or Pricing Supplement: (a) a Fixed Interest Rate; (b) a Floating Interest Rate; or (c) any interest rate, swap rate, index, benchmark or price source specified as a "Reference Rate" in the applicable Final Terms or Pricing Supplement, or determined in accordance with the Conditions, in each case, for such period or such day. Where the applicable Final Terms or Pricing Supplement 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 or Pricing Supplement;

**"Reference Time"** with respect to any determination of the Benchmark means the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

**"Relevant Governmental Body"** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

**"Relevant Rates Benchmark"** means, in respect of any Notes:

- (a) each Reference Rate (or, if applicable, the index, benchmark or other price source that is referred to in the Reference Rate) other than a Fixed Interest Rate;
- (b) each Floating Rate Option (or, if applicable, the index, benchmark or other price source that is referred to in the Floating Rate Option); or
- (c) any other index, benchmark or other price source specified as a "Relevant Rates Benchmark" in the applicable Final Terms or Pricing Supplement;

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

**"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 or Pricing Supplement;

**"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 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 or Pricing Supplement;

**"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 or Pricing Supplement 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;

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**"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 or Pricing Supplement corresponding to such Reference Rate;

**"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;

**"SARON"**, in respect of any Zurich Banking Day, means the Swiss Average Rate Overnight rate administered by SIX Financial Information AG (or any successor administrator) for such Zurich Banking Day as provided by the administrator of such rate to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by the administrator of SARON or such authorised distributors, in each case at or after 6.00 p.m. (Zurich time) (or any amended publication time as specified by the administrator of such rate in the benchmark methodology) (or such other publication time as specified in the applicable Final Terms or Pricing Supplement) on the same Zurich Banking Day;

**"SARON Rate Cut-Off Date"** means the date that is the number of Zurich Banking Days specified in the applicable Final Terms or Pricing Supplement (or if none are specified, the second Zurich Banking Day) prior to the Maturity Date or the redemption date, as applicable;

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

**"SOFR"**, in respect of any U.S. Government Securities Business Day, means the rate determined by the Determination Agent as:

- (i) the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or a successor administrator) on the Federal Reserve Bank of New York's Website on or about 5:00 p.m. (New York time) on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day; or
- (ii) if the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day does not appear as specified in paragraph (1), unless both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the Secured Overnight Financing Rate in respect of the last U.S. Government Securities Business Day for which such rate was published on the Federal Reserve Bank of New York's Website; or
- (iii) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the provisions of Condition 6.8(iii) (*Provisions specific to SOFR as a Reference Rate – Effect of a Benchmark Transition Event*) will apply;

**"SOFR Rate Cut-Off Date"** means the date that is the second U.S. Government Securities Business Day prior to the Maturity Date or the redemption date, as applicable;

**"SONIA"**, in respect of any London Banking Day, means the Sterling Overnight Index Average rate administered by the Bank of England (or any successor administrator) for such London Banking Day as provided by the administrator of such rate to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors, in each case as of 9.00a.m. (London time) (or any amended publication time as specified by the administrator of such rate in the benchmark methodology) on the London Banking Day immediately following such London Banking Day;

**"SONIA Rate Cut-Off Date"** means the date that is the number of London Banking Days specified in the applicable Final Terms or Pricing Supplement (or if none are specified, the second London Banking Day) prior to the Maturity Date or the redemption date, as applicable;

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

**"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 or Pricing Supplement;

**"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 or Pricing Supplement and may be expressed as (a) currency amounts or (b) a currency amount and integral multiples of a second currency amount in excess of such currency amount;

**"Specified Fixed Leg"** means any of the following as specified in the applicable Final Terms or Pricing Supplement: (a) the annual fixed leg; (b) the semi-annual fixed leg; (c) quarterly-annual fixed leg; or (d) 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 or Pricing Supplement;

**"Specified Rate"** has the meaning given it in the applicable Final Terms or Pricing Supplement;

**"Specified Swap Rate"** means any of the following as specified in the applicable Final Terms or Pricing Supplement: (a) the swap rate; (b) the annual swap rate; (c) the semi-annual swap rate; (d) the quarterly swap rate; (e) the quarterly-annual swap rate; or (f) the quarterly quarterly swap rate;

**"Spread"** has the value given to it in the applicable Final Terms or Pricing Supplement;

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

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

**"TARGET System"** means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) system or any successor thereto;

**"TARGET Settlement Day"** means any day on which TARGET System 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;

**"Tokyo Banking Day"** or **"TBD"** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Tokyo;

**"TONA"**, in respect of any Tokyo Banking Day, means the Tokyo Overnight Average Rate administered by the Bank of Japan (or any successor administrator) for such Tokyo Banking Day as provided by the administrator of such rate to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by the administrator of TONA or by such authorised distributors, in each case as of approximately 10.00a.m. (Tokyo time) (or any amended publication time as specified by the administrator of such rate in the benchmark methodology) on the Tokyo Banking Day immediately following such Tokyo Banking Day;

**"TONA Rate Cut-Off Date"** means the date that is the number of Tokyo Banking Days specified in the applicable Final Terms or Pricing Supplement (or if none are specified, the second Tokyo Banking Day) prior to the Maturity Date or the redemption date, as applicable;

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**"Trade Date"** means, in relation to any Series of Notes, the date specified as such in the applicable Final Terms or Pricing Supplement;

**"Treaty"** means the Treaty establishing the European Union, as amended;

**"Unadjusted Benchmark Replacement"** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment;

**"U.S. Government Securities Business Day"** means any day except for a Saturday, 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 the purposes of trading in U.S. government securities;

**"Zero Coupon Note"** means a Note specified as such in the applicable Final Terms or Pricing Supplement; and

**"Zurich Banking Day"** or **"ZBD"** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Zurich.

### 2.2 Interpretation

In these Conditions:

- (a) any reference to a numbered **"Condition"** shall be construed as a reference to the relevant Condition;
- (b) 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 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to the Conditions;
- (c) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*), and any other amount in the nature of interest payable pursuant to the Conditions;
- (d) references to Notes being **"outstanding"** shall be construed in accordance with the Issue and Paying Agency Agreement; and
- (e) if an expression is stated in Condition 2.1 (*Definitions*) to have the meaning given or specified in the applicable Final Terms or Pricing Supplement, but the applicable Final Terms or Pricing Supplement gives no such meaning or specifies that such expression is **"not applicable"**, then such expression is not applicable to the Notes.

### 3. FORM AND TITLE

3.1 **Form:** The Issuer will issue Notes in registered form.

#### 3.2 Notes

- (a) **Form of Certificate:** Notes may be in either individual certificate form or in global certificate form.
- (b) **Title:** Title to the 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 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"** and **"holder"** means, in the case of Notes, the person in whose name such 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) **Interest:** A Note may be a Fixed Rate Note, a Floating Rate Note, an Inflation-Linked Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms or Pricing Supplement.
- (d) **Ownership:** The holder of any 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



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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.

- (e) **Transfers:** Subject to Conditions 3.2(h) (*Closed Periods*) and 3.2(i) (*Regulations concerning Transfers and Registration*), a 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 Note may not be transferred unless the principal amount of Note transferred and (where not all of the Notes held by a holder are being transferred) the principal amount of the balance of Notes not transferred are Specified Denominations. Where not all the Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Notes will be issued to the transferor.
- (f) **Registration and Delivery:** Within five business days of the surrender of a Note Certificate in accordance with Condition 3.2(e) (*Transfers*), the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the 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 3.2(f) (*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.
- (g) **No Charge:** The transfer of a 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.
- (h) **Closed Periods:** Holders of 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 Notes.
- (i) **Regulations concerning Transfers and Registration:** All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer of 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 Notes who requests in writing a copy of such regulations.

## 4. STATUS

The Notes constitute part of the Issuer's senior debt and will rank *pari passu* with all of the Issuer's other unsecured and unsubordinated debt.

Morgan Stanley intends that the Notes will, when issued, constitute "loss-absorbing capacity" within the meaning of the final rules issued by the Board of Governors of the Federal Reserve System and, accordingly, will have only those provisions described in this Base Prospectus that will permit compliance thereof at such time of issuance. In this respect, Morgan Stanley is a parent holding company and has no operations and depends on dividends, distributions and other payments from its subsidiaries to fund its debt obligations (including Notes). Under a support agreement that Morgan Stanley has entered with its material subsidiaries, upon the occurrence of a resolution scenario, including a single-point-of-entry resolution strategy as contemplated in its resolution plan, Morgan Stanley would be obligated to contribute or loan on a subordinated basis all of its material assets, other than shares in its subsidiaries and certain intercompany payables, to provide capital and liquidity, as applicable, to its material subsidiaries. That obligation will be secured, in accordance with an amended and restated secured support agreement, on a senior basis by Morgan Stanley's assets (other than shares in its subsidiaries). As a result, claims of Morgan Stanley's material subsidiaries against its assets

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(other than shares in its subsidiaries) will be effectively senior to its unsecured obligations, including Notes which would be at risk of absorbing Morgan Stanley's and its subsidiaries' losses.

### 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 or Pricing Supplement as being applicable in each case, in respect of an Interest Period and/or Interest Payment Date(s).

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 or Pricing Supplement. If a Rate of Interest or a Reference Rate for any period or any relevant day is specified in the Conditions or in the applicable Final Terms or Pricing Supplement 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 (and including) the Interest Commencement Date at the Rate(s) of Interest. Interest will be payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the date for its final redemption, unless upon such date, the Redemption Amount remains unpaid when due and payable, in which case it will continue to bear interest on unpaid amounts in accordance with this Condition 5 (*Fixed Rate Note Provisions*) (as well after as before judgment) until the day on which the Redemption Amount has been paid or duly made available for payment.

5.4 **Fixed Coupon Amount:** If "Fixed Coupon Amount" is specified as applicable in the applicable Final Terms or Pricing Supplement, the amount of interest payable in respect of each Note on each Interest Payment Date 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 or Pricing Supplement as applicable 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.

Different Fixed Coupon Amounts may apply in respect of different Interest Periods and/or Interest Payment Dates, as specified in the applicable Final Terms or Pricing Supplement.

5.5 **Calculation of Interest:** If "Fixed Coupon Amount" is specified as not applicable in the applicable Final Terms or Pricing Supplement, the amount of interest payable in respect of each Note in respect of any 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 applicable Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half of any such 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.

5.6 **Day Count Fraction:** The relevant day count fraction shall be determined in accordance with the definition of "Day Count Fraction" set out in Condition 2.1 (*Definitions*).

### 6. FLOATING RATE NOTE PROVISIONS

6.1 **Application:** This Condition 6 (*Floating Rate Note Provisions*) is applicable to the Notes only if one or more of the Floating Rate Note Provisions are specified in the applicable Final Terms or Pricing Supplement as being applicable, in each case, in respect of an Interest Period and/or Interest Payment Date(s).

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 or Pricing Supplement. If a

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Rate of Interest or a Reference Rate for any period or any relevant day is specified in the Conditions or in the applicable Final Terms or Pricing Supplement 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 Condition 6.5 (*Screen Rate Determination*), Condition 6.6 (*ISDA Determination*), Condition 6.7 (*CMS Rate Determination*), Condition 6.8 (*Provisions specific to SOFR as Reference Rate*), Condition 6.9 (*Provisions specific to SONIA as Reference Rate*), Condition 6.10 (*Provisions specific to €STR as Reference Rate*), Condition 6.11 (*Provisions specific to SARON as Reference Rate*) or Condition 6.12 (*Provisions specific to TONA as Reference Rate*), as specified in the applicable Final Terms or Pricing Supplement.

- 6.3 **Accrual of Interest:** Each Floating Rate Note bears interest from (and including) the Interest Commencement Date at the Floating Interest Rate in respect of each Interest Period (each being a **"Rate of Interest"** in respect of Floating Rate Notes) payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the date for its final redemption unless, upon such date, the Redemption Amount remains unpaid when due and payable, in which case it will continue to bear interest on unpaid amounts in accordance with this Condition 6 (*Floating Rate Note Provisions*) (as well after as before judgment) until the day on which the Redemption Amount has been paid or duly made available for payment. The Rate of Interest in respect of all or any Interest Periods shall, if so specified in the applicable Final Terms or Pricing Supplement, 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, unless either "2006 ISDA Definitions Linear Interpolation" or "2021 ISDA Definitions Linear Interpolation" is specified as applicable in the relevant Final Terms or Pricing Supplement, 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:** Subject to Condition 6.8 (*Provisions specific to SOFR as Reference Rate*), Condition 6.9 (*Provisions specific to SONIA as Reference Rate*), Condition 6.10 (*Provisions Specific to €STR as Reference Rate*), Condition 6.11 (*Provisions specific to SARON as Reference Rate*), Condition 6.12 (*Provisions specific to TONA as Reference Rate*), Condition 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Final Terms or Pricing Supplement, Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*) or Condition 6.19 (*General Fallback Arrangements*), if "Screen Rate Determination" is specified in the applicable Final Terms or Pricing Supplement 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 or Pricing Supplement) the Margin (if any is specified in the applicable Final Terms or Pricing Supplement in relation to such Screen Rate),

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and multiplied by the Interest Participation Rate (if any is specified in the applicable Final Terms or Pricing Supplement 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) (*Screen Rate Determination*), such rate does not appear on that page or, in the case of Condition 6.5(b) (*Screen Rate Determination*), 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,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined, **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:** Subject to Condition 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Final Terms or Pricing Supplement, Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*) or Condition 6.19 (*General Fallback Arrangements*), if "ISDA Determination" is specified in the applicable Final Terms or Pricing Supplement 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 or Pricing Supplement) the Margin (if any is specified in the applicable Final Terms or Pricing Supplement in relation to such ISDA Rate), and multiplied by the Interest Participation Rate (if any is specified in the applicable Final Terms or Pricing Supplement 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 calculation agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

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- (b) if "2006 ISDA Definitions" is specified as applicable in the relevant Final Terms or Pricing Supplement:
  - (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Final Terms or Pricing Supplement;
  - (ii) except in the case of Overnight Floating Rate Options (as defined in the ISDA Definitions), the Designated Maturity (as defined in the ISDA Definitions), if applicable, is a period specified in the applicable Final Terms or Pricing Supplement;
  - (iii) the relevant Reset Date (as defined in the ISDA Definitions) is as specified in the applicable Final Terms or Pricing Supplement;
  - (iv) if an Overnight Floating Rate Option is specified as applicable in the relevant Final Terms or Pricing Supplement and:
    - (A) an Overnight Rate Compounding Method (as defined in the ISDA Definitions) is specified in the applicable Final Terms or Pricing Supplement:
      - (1) OIS Compounding is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement;
      - (2) Compounding with Lookback is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Lookback is the number of Applicable Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions, and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement;
      - (3) Compounding with Observation Period Shift is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Final Terms or Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Final Terms or Pricing Supplement and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement; or
      - (4) Compounding with Lockout is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the

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Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement; or

- (B) an Overnight Rate Averaging Method (as defined in the ISDA Definitions) is specified in the applicable Final Terms or Pricing Supplement:
  - (1) Overnight Averaging is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement;
  - (2) Averaging with Lookback is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Lookback is the number of Applicable Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement;
  - (3) Averaging with Observation Period Shift is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the applicable Final Terms or Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Final Terms or Pricing Supplement and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement; or
  - (4) Averaging with Lockout is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement;
- (v) if an Index Floating Rate Option (as defined in the ISDA Definitions) is specified as applicable in the relevant Final Terms or Pricing Supplement and an Index Method (as defined in the ISDA Definitions) is specified in the applicable Final Terms or Pricing Supplement:
  - (A) Compounded Index Method is applicable if specified in the relevant Final Terms or Pricing Supplement; or
  - (B) Compounded Index Method with Observation Period Shift is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Final Terms or Pricing

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Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions and (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Final Terms or Pricing Supplement;

- (vi) in connection with any Overnight Rate Compounding Method, Overnight Rate Averaging Method or Index Method specified in the applicable Final Terms or Pricing Supplement, references in the ISDA Definitions to: (1) numbers, financial centers or other items specified in the Confirmation shall be deemed to be references to the numbers, financial centers or other items specified for such purpose in the relevant Final Terms or Pricing Supplement; (2) "Business Day in the financial centers, if any, specified for such purpose in the Confirmation" shall be deemed to be references to Business Day; (3) "Calculation Period" shall be deemed to be references to the relevant Interest Period; (4) "Floating Rate Day Count Fraction" shall be deemed to be references to Day Count Fraction; (5) "Period End Date" shall be deemed to be references to the relevant Interest Period End Date; (6) "Termination Date" shall be deemed to be references to the final Interest Period End Date; and (7) "Effective Date" shall be deemed to be references to the Interest Commencement Date;
  - (vii) Delayed Payment is applicable if specified in the relevant Final Terms or Pricing Supplement and the relevant delay is the number of Business Days specified in respect of Delayed Payment in the applicable Final Terms or Pricing Supplement;
  - (viii) Section 8.3 (*Linear Interpolation*) of the ISDA Definitions is deemed to be deleted unless "2006 ISDA Definitions Linear Interpolation" is specified as applicable in the relevant Final Terms or Pricing Supplement; and
  - (ix) Section 4.14 (*Calculation Agent*) is deemed to be amended by the deletion of the words "Whenever the Calculation Agent is required to act, make a determination or to exercise judgment in any other way, it will do so in good faith and in a commercially reasonable manner.";
- (c) if "2021 ISDA Definitions" is specified as applicable in the relevant Final Terms or Pricing Supplement:
- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Final Terms or Pricing Supplement;
  - (ii) except in the case of Overnight Floating Rate Options (as defined in the ISDA Definitions), the Designated Maturity (as defined in the ISDA Definitions), if applicable, is a period specified in the applicable Final Terms or Pricing Supplement;
  - (iii) the relevant Reset Date (as defined in the ISDA Definitions) is as specified in the applicable Final Terms or Pricing Supplement;
  - (iv) if an Overnight Floating Rate Option is specified as applicable in the relevant Final Terms or Pricing Supplement and:
    - (A) an Overnight Rate Compounding Method (as defined in the ISDA Definitions) is specified in the relevant Final Terms or Pricing Supplement:
      - (1) OIS Compounding is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement;

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- (2) Compounding with Lookback is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Lookback is the number of Applicable Business Days specified in the relevant Final Terms or Pricing Supplement or, if not so specified in the relevant Final Terms or Pricing Supplement, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Final Terms or Pricing Supplement;
  - (3) Compounding with Observation Period Shift is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Final Terms or Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Final Terms or Pricing Supplement and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement;
  - (4) Compounding with Lockout is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement; or
  - (5) unless an Overnight Rate Compounding Method in sub-paragraphs (1) to (4) above is applicable, in respect of an Overnight Floating Rate Option in the Floating Rate Matrix (as defined in the ISDA Definitions), any other method of compounding an overnight rate that is set out in the column entitled "Category/Style" in the Floating Rate Matrix is applicable; or
- (B) an Overnight Rate Averaging Method (as defined in the ISDA Definitions) is specified in the applicable Final Terms or Pricing Supplement:
  - (1) Overnight Averaging is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement;
  - (2) Averaging with Lookback is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Lookback is the number of Applicable Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the



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Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement;

- (3) Averaging with Observation Period Shift is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, Set-in-Advance is applicable if specified as such in the relevant Final Terms or Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Final Terms or Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Final Terms or Pricing Supplement and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement;
- (4) Averaging with Lockout is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Final Terms or Pricing Supplement; or
- (5) unless an Overnight Rate Averaging Method in sub-paragraphs (1) to (4) above is applicable, in respect of an Overnight Floating Rate Option in the Floating Rate Matrix, any other method of averaging an overnight rate that is set out in the column entitled "Category/Style" in the Floating Rate Matrix is applicable;
- (v) if an Index Floating Rate Option (as defined in the ISDA Definitions) is specified as applicable in the relevant Final Terms or Pricing Supplement and an Index Method is specified in the relevant Final Terms or Pricing Supplement:
  - (A) Standard Index Method is applicable if specified in the relevant Final Terms or Pricing Supplement;
  - (B) Compounded Index Method is applicable if specified in the relevant Final Terms or Pricing Supplement; or
  - (C) Compounded Index Method with Observation Period Shift is applicable if specified in the relevant Final Terms or Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Final Terms or Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Final Terms or Pricing Supplement or, if not so specified in the applicable Final Terms or Pricing Supplement, in the ISDA Definitions and (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Final Terms or Pricing Supplement;
- (vi) in connection with any Overnight Rate Compounding Method, Overnight Rate Averaging Method or Index Method specified in the applicable Final Terms or Pricing Supplement, references in the ISDA Definitions to: (1) numbers, financial centers or other items specified in the Confirmation shall be deemed to be references to the

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numbers, financial centers or other items specified for such purpose in the relevant Final Terms or Pricing Supplement; (2) "Business Day in the financial centers, if any, specified for such purpose in the Confirmation" shall be deemed to be references to Business Day; (3) "Calculation Period" shall be deemed to be references to the relevant Interest Period; (4) "Floating Rate Day Count Fraction" shall be deemed to be references to Day Count Fraction; (5) "Period End Date" shall be deemed to be references to the relevant Interest Period End Date; (6) "Termination Date" shall be deemed to be references to the final Interest Period End Date; and (7) "Effective Date" shall be deemed to be references to the Interest Commencement Date;

- (vii) Delayed Payment is applicable if specified in the relevant Final Terms or Pricing Supplement and the relevant delay is the number of Business Days specified in respect of Delayed Payment in the applicable Final Terms or Pricing Supplement;
- (viii) Period End Date/ Termination Date adjustment for Unscheduled Holiday (as defined in the 2021 ISDA Definitions) will apply if specified in the applicable Final Terms or Pricing Supplement to be applicable;
- (ix) Non-Representative (as defined in the 2021 ISDA Definitions) will apply if specified in the relevant Final Terms or Pricing Supplement to be applicable;
- (x) Successor Benchmark and Successor Benchmark Effective Date (as defined in the 2021 ISDA Definitions) will be as specified in the applicable Final Terms or Pricing Supplement;
- (xi) if any fallbacks would otherwise be required to be determined in accordance with Section 8.6 (*Generic Fallback Provisions*) of the ISDA Definitions, such fallbacks shall not be so determined, but shall instead be determined in accordance with Condition 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Final Terms or Pricing Supplement, Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*), where the Relevant Rates Benchmark is the CMS Reference Rate, or Condition 6.19 (*General Fallback Arrangements*) and the ISDA Definitions shall be construed accordingly;
- (xii) Sections 1.2.2 (*Calculation Agent Standard*) and 1.2.4 (*Determinations by Calculation Agent*) of the ISDA Definitions are deemed to be deleted;
- (xiii) Section 6.10 (*Linear Interpolation*) of the ISDA Definitions is deemed to be deleted unless "2021 ISDA Definitions Linear Interpolation" is specified as applicable in the relevant Final Terms or Pricing Supplement; and
- (xiv) in any circumstance where the ISDA Definitions provide for anything to be determined by agreement between the parties or a discretion is given thereunder to the Calculation Agent to make any determination, the Determination Agent will make such determination or exercise such discretion.

6.7 **CMS Rate Determination:** Subject to Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*), if CMS Rate Determination is specified in the applicable Final Terms or Pricing Supplement 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 or Pricing Supplement 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 or Pricing Supplement) the Margin (if any is specified in the applicable Final Terms or Pricing Supplement in relation to such CMS Reference Rate), and multiplied by the Interest Participation Rate (if any is specified in the applicable Final Terms or Pricing Supplement in relation to such CMS Reference Rate).

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### (b) *Spread CMS Rate*

If the CMS Interest Rate is specified in the applicable Final Terms or Pricing Supplement 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 or Pricing Supplement) Margin 1 (if any is specified in the applicable Final Terms or Pricing Supplement in relation to such CMS Reference Rate 1), and multiplied by Interest Participation Rate 1 (if any is specified in the applicable Final Terms or Pricing Supplement 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 or Pricing Supplement) Margin 2 (if any is specified in the applicable Final Terms or Pricing Supplement in relation to such CMS Reference Rate 2), and multiplied by Interest Participation Rate 2 (if any is specified in the applicable Final Terms or Pricing Supplement 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 or Pricing Supplement specifies:

- (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 or Pricing Supplement 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 applicable Final Terms or Pricing Supplement, 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 or Pricing Supplement, such that if the Determination Agent determines that the CMS Reference Rate

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cannot be determined by applying a Fallback Rate Determination, then the next Fallback Rate Determination specified shall apply.

### 6.8 Provisions specific to SOFR as Reference Rate

- (i) If Screen Rate Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which a Floating Interest Rate is to be determined and SOFR is specified in the applicable Final Terms or Pricing Supplement as the Reference Rate, the Floating Interest Rate for an Interest Period will be the relevant SOFR Benchmark plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin (as specified in the applicable Final Terms or Pricing Supplement), subject to a minimum of zero per cent. per annum
- (ii) The **"SOFR Benchmark"** will be determined based on SOFR Compound with Lookback, SOFR Compound with Observation Period Shift, SOFR Compound with Payment Delay or SOFR Index Average, as follows:
  - (1) if SOFR Compound with Lookback (**"SOFR Compound with Lookback"**) is specified as applicable in the relevant Final Terms or Pricing Supplement, the SOFR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SOFR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_{i-xUSBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

**"d"** means the number of calendar days in the relevant Interest Period;

**"d<sub>0</sub>"**, for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant Interest Period;

**"i"** is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Period;

**"Lookback Days"** means the number of U.S. Government Securities Business Days specified in the relevant Final Terms or Pricing Supplement;

**"n<sub>i</sub>"** for any U.S. Government Securities Business Day **"i"** in the relevant Interest Period, means the number of calendar days from, and including, such day **"i"** up to, but excluding, the following U.S. Government Securities Business Day (**"i+1"**);

**"SOFR<sub>i</sub>"**, for any U.S. Government Securities Business Day **"i"** in the relevant Interest Period, is equal to SOFR in respect of that day; and

**"SOFR<sub>i-xUSBD</sub>"**, for any U.S. Government Securities Business Day **"i"** in the relevant Interest Period, is equal to SOFR in respect of the U.S. Government Securities Business Days falling a number of U.S. Government Securities Business Days prior to that day **"i"** equal to the number of Lookback Days;

- (2) if SOFR Compound with Observation Period Shift (**"SOFR Compound with Observation Period Shift"**) is specified as applicable in the relevant Final Terms or Pricing Supplement, the SOFR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SOFR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

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$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

**"d"** means the number of calendar days in the relevant Observation Period;

**"d<sub>0</sub>"**, for any Observation Period, means the number of U.S. Government Securities Business Days in the relevant Observation Period;

**"i"** is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period;

**"n<sub>i</sub>"** for any U.S. Government Securities Business Day **"i"** in the relevant Observation Period, means the number of calendar days from, and including, such day **"i"** up to, but excluding, the following U.S. Government Securities Business Day (**"i+1"**);

**"Observation Period"** means, in respect of each Interest Period, the period from, and including, the date falling a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the first day of such Interest Period to, but excluding, the date falling a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the Interest Period End Date for such Interest Period;

**"Observation Shift Days"** means the number of U.S. Government Securities Business Days specified in the applicable Final Terms or Pricing Supplement; and

**"SOFR<sub>i</sub>"**, for any U.S. Government Securities Business Day **"i"** in the relevant Observation Period, is equal to SOFR in respect of that day;

- (3) if SOFR Compound with Payment Delay (**"SOFR Compound with Payment Delay"**) is specified as applicable in the relevant Final Terms or Pricing Supplement, the SOFR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SOFR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

**"d"** means the number of calendar days in the relevant Interest Period;

**"d<sub>0</sub>"**, for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant Interest Period;

**"i"** is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Period;

**"n<sub>i</sub>"** for any U.S. Government Securities Business Day **"i"** in the relevant Interest Period, means the number of calendar days from, and including, such day **"i"** up to, but excluding, the following U.S. Government Securities Business Day (**"i+1"**); and

**"SOFR<sub>i</sub>"**, for any U.S. Government Securities Business Day **"i"** in the relevant Interest Period, is equal to SOFR in respect of that day.

Where **"SOFR Compound with Payment Delay"** applies, for the purposes of calculating the SOFR Benchmark with respect to the final Interest Period, the level of SOFR for each U.S. Government Securities Business Day in the period from

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(and including) the SOFR Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of SOFR in respect of such SOFR Rate Cut-Off Date;

- (4) if SOFR Index Average ("**SOFR Index Average**") is specified as applicable in the relevant Final Terms or Pricing Supplement, the SOFR Benchmark for each Interest Period shall be equal to the rate of return of the SOFR Index calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \left( \frac{360}{d_c} \right)$$

where:

"**d<sub>c</sub>**" means the number of calendar days from, and including, the SOFR Index<sub>Start</sub> to, but excluding, the SOFR Index<sub>End</sub>;

"**SOFR Index Determination Time**" means approximately 5:00 p.m. (New York City time);

"**SOFR Index**" means, in respect of any U.S Government Securities Business Day, the SOFR Index value as published by the Federal Reserve Bank of New York in relation to such U.S. Government Securities Business Day, as such value appears at the SOFR Index Determination Time on such U.S. Government Securities Business Day on the Federal Reserve Bank of New York's Website, and appearing on the Relevant Screen Page;

"**SOFR Index<sub>End</sub>**" means the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the applicable Final Terms or Pricing Supplement preceding the Interest Period End Date relating to such Interest Period (or in the final Interest Period, the Maturity Date or redemption date); and

"**SOFR Index<sub>Start</sub>**" means the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the applicable Final Terms or Pricing Supplement preceding the first date of the relevant Interest Period.

If the values for SOFR Index<sub>Start</sub> or SOFR Index<sub>End</sub> are not published on or by the relevant Interest Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, the "SOFR Index Average" shall be calculated on such Interest Determination Date with respect to the relevant Interest Period, in accordance with the formula set out in Condition 6.8(ii)(2) above and for such purpose, "Observation Shift Days" shall be the number of U.S. Government Securities Business Days specified for such purpose in the applicable Final Terms or Pricing Supplement. If a Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in paragraph (iii) below shall apply.

(iii) *Effect of Benchmark Transition Event*

- (A) *Benchmark Replacement.* If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates.
- (B) *Benchmark Replacement Conforming Changes.* In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. In no event shall the Calculation Agent be responsible for determining any substitute for SOFR, or for making any adjustments to any alternative benchmark

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or spread thereon, the business day convention, interest determination dates or any other relevant methodology for calculating any such substitute or successor benchmark. In connection with the foregoing, the Calculation Agent will be entitled to conclusively rely on any determinations made by the Issuer or its designee and will have no liability for such actions taken at the direction of the Issuer or its designee.

- (C) *Decisions and Determinations.* Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 6.8(iii) (*Effect of Benchmark Transition Event*), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, will be made in the Issuer's or its designee's sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party. None of the Fiscal Agent, the Calculation Agent, the Registrar or the Transfer Agent will have any liability for any determination made by or on behalf of the Issuer or its designee in connection with a Benchmark Transition Event or a Benchmark Replacement.

### 6.9 Provisions specific to SONIA as Reference Rate

- (i) If Screen Rate Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which a Floating Interest Rate is to be determined and SONIA is specified in the applicable Final Terms or Pricing Supplement as the Reference Rate, the Floating Interest Rate for an Interest Period will be the relevant SONIA Benchmark plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin (if any) (as specified in the applicable Final Terms or Pricing Supplement), subject to a minimum of zero per cent. per annum
- (ii) The **"SONIA Benchmark"** will be determined based on SONIA Compound with Lookback, SONIA Compound with Observation Period Shift, SONIA Compound with Payment Delay or SONIA Index Average, as follows:
- (1) if SONIA Compound with Lookback (**"SONIA Compound with Lookback"**) is specified as applicable in the relevant Final Terms or Pricing Supplement, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SONIA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SONIA}_{i-\text{pLBD}} \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

**"d"** means the number of calendar days in the relevant Interest Period;

**"d<sub>0</sub>"** for any Interest Period, means the number of London Banking Days in the relevant Interest Period;

**"i"** is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period;

**"Lookback Days"** means the number of London Banking Days specified in the applicable Final Terms or Pricing Supplement;

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" $n_i$ " for any London Banking Day " $i$ " in the relevant Interest Period, means the number of calendar days from, and including, such day " $i$ " up to, but excluding, the following London Banking Day (" $i+1$ "); and

" $SONIA_{i-pLBD}$ " for any London Banking Day " $i$ " in the relevant Interest Period, is equal to the SONIA in respect of the London Banking Day falling a number of London Banking Days prior to that day " $i$ " equal to the number of Lookback Days;

- (2) if SONIA Compound with Observation Period Shift ("**SONIA Compound with Observation Period Shift**") is specified as applicable in the relevant Final Terms or Pricing Supplement, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SONIA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

" $d$ " means the number of calendar days in the relevant Observation Period;

" $d_0$ " for any Observation Period, means the number of London Banking Days in the relevant Observation Period;

" $i$ " is a series of whole numbers from one to  $d_0$ , each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Observation Period;

" $n_i$ " for any London Banking Day " $i$ " in the relevant Observation Period, means the number of calendar days from, and including, such day " $i$ " up to, but excluding, the following London Banking Day (" $i+1$ ");

"**Observation Period**" means, in respect of each Interest Period, the period from, and including, the date falling a number of London Banking Days equal to the Observation Shift Days preceding the first day of such Interest Period to, but excluding, the date falling a number of London Banking Days equal to the Observation Shift Days preceding the Interest Period End Date for such Interest Period;

"**Observation Shift Days**" means the number of London Banking Days specified in the applicable Final Terms or Pricing Supplement; and

" $SONIA_i$ " for any London Banking Day " $i$ " in the relevant Observation Period, is equal to SONIA in respect of that day " $i$ ";

- (3) if SONIA Compound with Payment Delay ("**SONIA Compound with Payment Delay**") is specified as applicable in the relevant Final Terms or Pricing Supplement, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SONIA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

" $d$ " means the number of calendar days in the relevant Interest Period;

" $d_0$ " for any Interest Period, means the number of London Banking Days in the relevant Interest Period;



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"**i**" is a series of whole numbers from one to  $d_0$ , each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period;

"**n<sub>i</sub>**" for any London Banking Day "**i**" in the relevant Interest Period, means the number of calendar days from, and including, such day "**i**" up to, but excluding, the following London Banking Day ("**i+1**"); and

"**SONIA<sub>i</sub>**" for any London Banking Day "**i**" in the relevant Interest Period, is equal to SONIA in respect of that day "**i**".

Where "SONIA Compound with Payment Delay" applies, for the purposes of calculating the SONIA Benchmark with respect to the final Interest Period, the level of SONIA for each London Banking Day in the period from (and including) the SONIA Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of SONIA in respect of such SONIA Rate Cut-Off Date;

- (4) if SONIA Index Average ("**SONIA Index Average**") is specified as applicable in the relevant Final Terms or Pricing Supplement, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of the SONIA Index calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \frac{SONIA\ Index_{End}}{SONIA\ Index_{Start}} - 1 \right) \times \left( \frac{365}{d} \right)$$

where:

"**d**" means the number of calendar days from, and including, the SONIA Index<sub>Start</sub> to, but excluding, the SONIA Index<sub>End</sub>;

"**Relevant Number**" means the number specified as such in the applicable Final Terms or Pricing Supplement (or, if no such number is specified, five); and

"**SONIA Index**" means in respect of any London Banking Day, the SONIA Compounded Index in relation to such London Banking Day as provided by the Bank of England (or any successor) to authorised distributors and as then published on the Relevant Screen Page, or if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors, in each case on such London Banking Day.

If the value of either or both of SONIA Index<sub>Start</sub> and SONIA Index<sub>End</sub> is not published or displayed on the Relevant Screen Page by the administrator of the SONIA Index or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA Index or of such other information service, as the case may be) on the relevant Interest Determination Date, the SONIA Benchmark for the applicable Interest Period for which the SONIA Index is not available shall be determined as set out under Condition 6.9(ii)(2) above as if SONIA Compound with Observation Period Shift were specified as applicable in the relevant Final Terms or Pricing Supplement, and for these purposes: the Observation Shift Days in respect of the applicable Interest Period for which the SONIA Index is not available shall be deemed to be equal to the Relevant Number of London Banking Days plus one (or such other number of London Banking Days as is specified for this purpose in the applicable Final Terms or Pricing Supplement), as if such alternative elections had been made in the applicable Final Terms or Pricing Supplement;

"**SONIA Index<sub>End</sub>**" means, in respect of an Interest Period, the SONIA Index value on the date that is the Relevant Number of London Banking Days preceding (a) the Interest Payment Date relating to such Interest Period or (b) such other date on

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which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period); and

**"SONIA Index<sub>start</sub>"** means, in respect of an Interest Period, the SONIA Index value on the date that is the Relevant Number of London Banking Days preceding the first date of the relevant Interest Period.

For the purposes of this Condition 6.9 (*Provisions specific to SONIA as Reference Rate*), if SONIA in respect of any London Banking Day (the **"Relevant London Banking Day"**) is not published on the Relevant Screen Page or by an authorised distributor, and is not otherwise provided by the administrator of SONIA, by either (A) the immediately following London Banking Day (or any amended publication day for SONIA as specified by the administrator of SONIA in the SONIA benchmark methodology) or (B) such other date and time on which SONIA for the Relevant London Banking Day is required for the purpose of any determination pursuant to the Conditions and, in either case, none of the events triggering the fallbacks specified in Conditions 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 6.19 (*General Fallback Arrangements*) (as applicable) have occurred, SONIA for the Relevant London Banking Day shall be deemed to be the rate equal to SONIA for the most recent London Banking Day in respect of which SONIA was so published or provided.

### 6.10 *Provisions specific to €STR as Reference Rate*

- (i) If Screen Rate Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which a Floating Interest Rate is to be determined and €STR is specified in the applicable Final Terms or Pricing Supplement as the Reference Rate, the Floating Interest Rate for an Interest Period will be the relevant €STR Benchmark plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin (if any) (as specified in the applicable Final Terms or Pricing Supplement), subject to a minimum of zero per cent. per annum
- (ii) The **"€STR Benchmark"** will be determined based on €STR Compound with Lookback, €STR Compound with Observation Period Shift, €STR Compound with Payment Delay or €STR Index Average, as follows:
  - (1) if €STR Compound with Lookback (**"€STR Compound with Lookback"**) is specified as applicable in the relevant Final Terms or Pricing Supplement, the €STR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound €STR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{€STR}_{i-\text{pTBD}} \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

where:

**"d"** means the number of calendar days in the relevant Interest Period;

**"d<sub>0</sub>"** for any Interest Period, means the number of TARGET Settlement Days in the relevant Interest Period;

**"€STR<sub>i-pTBD</sub>"** for any TARGET Settlement Day "i" in the relevant Interest Period, is equal to €STR in respect of the TARGET Settlement Day falling a number of TARGET Settlement Days prior to that day "i" equal to the number of Lookback Days;

**"i"** is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in the relevant Interest Period;

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**"Lookback Days"** means the number of TARGET Settlement Days specified in the applicable Final Terms or Pricing Supplement; and

**"n<sub>i</sub>"** for any TARGET Settlement Day **"i"** in the relevant Interest Period, means the number of calendar days from, and including, such day **"i"** up to, but excluding, the following TARGET Settlement Day (**"i+1"**);

- (2) if €STR Compound with Observation Period Shift (**"€STR Compound with Observation Period Shift"**) is specified as applicable in the relevant Final Terms or Pricing Supplement, the €STR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound €STR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{€STR}_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

where:

**"d"** means the number of calendar days in the relevant Observation Period;

**"d<sub>0</sub>"** for any Observation Period, means the number of TARGET Settlement Days in the relevant Observation Period;

**"€STR<sub>i</sub>"** for any TARGET Settlement Day **"i"** in the relevant Observation Period, is equal to €STR in respect of that day **"i"**;

**"i"** is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in the relevant Observation Period;

**"n<sub>i</sub>"** for any TARGET Settlement Day **"i"** in the relevant Observation Period, means the number of calendar days from, and including, such day **"i"** up to, but excluding, the following TARGET Settlement Day (**"i+1"**);

**"Observation Period"** means, in respect of each Interest Period, the period from, and including, the date falling a number of TARGET Settlement Days equal to the Observation Shift Days preceding the first day of such Interest Period to, but excluding, the date falling a number of TARGET Settlement Days equal to the Observation Shift Days preceding the Interest Period End Date for such Interest Period; and

**"Observation Shift Days"** means the number of TARGET Settlement Days specified in the applicable Final Terms or Pricing Supplement;

- (3) if €STR Compound with Payment Delay (**"€STR Compound with Payment Delay"**) is specified as applicable in the relevant Final Terms or Pricing Supplement, the €STR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound €STR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{€STR}_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

where:

**"d"** means the number of calendar days in the relevant Interest Period;

**"d<sub>0</sub>"** for any Interest Period, means the number of TARGET Settlement Days in the relevant Interest Period;

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"€STR<sub>i</sub>" for any TARGET Settlement Day "i" in the relevant Interest Period, is equal to €STR in respect of that day "i";

"i" is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in the relevant Interest Period; and

"n<sub>i</sub>" for any TARGET Settlement Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following TARGET Settlement Day ("i+1").

Where "€STR Compound with Payment Delay" applies, for the purposes of calculating €STR with respect to the final Interest Period, the level of €STR for each TARGET Settlement Day in the period from (and including) the €STR Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of €STR in respect of such €STR Rate Cut-Off Date;

- (4) if €STR Index Average ("€STR Index Average") is specified as applicable in the relevant Final Terms or Pricing Supplement, the €STR Benchmark for each Interest Period shall be equal to the rate of return of the €STR Index calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \frac{\text{€STR Index}_{\text{End}}}{\text{€STR Index}_{\text{Start}}} - 1 \right) \times \left( \frac{360}{d} \right)$$

where:

"d" means the number of calendar days from, and including, the €STR Index<sub>Start</sub> to, but excluding, the €STR Index<sub>End</sub>;

"€STR Index" means, in respect of any TARGET Settlement Day, the Compounded €STR Index in relation to such TARGET Settlement Day as published by the ECB on the ECB's Website on such TARGET Settlement Day and appearing on the Relevant Screen Page.

If the value of either or both of €STR Index<sub>Start</sub> or €STR Index<sub>End</sub> is not published or displayed on the ECB's Website or the Relevant Screen Page by the administrator of the €STR Index or other information service by 5.00 p.m. (Central European Time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of €STR Index or of such other information service, as the case may be) on the relevant Interest Determination Date, the €STR Benchmark for the applicable Interest Period for which the €STR Index is not available shall be determined as set out under Condition 6.10(ii)(2) above as if €STR Compound with Observation Period Shift were specified as applicable in the relevant Final Terms or Pricing Supplement, and for these purposes: the Observation Shift Days in respect of the applicable Interest Period for which the €STR Index is not available shall be deemed to be equal to the Relevant Number of TARGET Settlement Days plus one (or such other number of TARGET Settlement Days as is specified for this purpose in the applicable Final Terms or Pricing Supplement), as if such alternative elections had been made in the applicable Final Terms or Pricing Supplement;

"€STR Index<sub>End</sub>" means, in respect of an Interest Period, the €STR Index value on the date that is the Relevant Number of TARGET Settlement Days specified in the relevant Final Terms or Pricing Supplement preceding (a) the Interest Payment Date relating to such Interest Period or (b) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

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**"€STR Index<sub>start</sub>"** means, in respect of an Interest Period, the €STR Index value on the date that is the Relevant Number of TARGET Settlement Days preceding the first date of the relevant Interest Period; and

**"Relevant Number"** means the number specified as such in the applicable Final Terms or Pricing Supplement (or, if no such number is specified, five).

For the purposes of this Condition 6.10 (*Provisions specific to €STR as Reference Rate*), if €STR in respect of any TARGET Settlement Day (the **"Relevant TARGET Settlement Day"**) is not published on the Relevant Screen Page or by an authorised distributor, and is not otherwise provided by the administrator of €STR, by either (A) the immediately following TARGET Settlement Day (or any amended publication day for €STR as specified by the administrator of €STR in the €STR benchmark methodology) or (B) such other date and time on which €STR for the Relevant TARGET Settlement Day is required for the purpose of any determination pursuant to the Conditions and, in either case, none of the events triggering the fallbacks specified in Conditions 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 6.19 (*General Fallback Arrangements*) (as applicable) have occurred, €STR for the Relevant TARGET Settlement Day shall be deemed to be the rate equal to €STR for the most recent TARGET Settlement Day in respect of which €STR was so published or provided.

### 6.11 *Provisions specific to SARON as Reference Rate*

- (i) If Screen Rate Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which a Floating Interest Rate is to be determined and SARON is specified in the applicable Final Terms or Pricing Supplement as the Reference Rate, the Floating Interest Rate for an Interest Period will be the relevant SARON Benchmark plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin (if any) (as specified in the relevant Final Terms or Pricing Supplement), subject to a minimum of zero per cent. per annum
- (ii) The **"SARON Benchmark"** will be determined based on SARON Compound with Lookback, SARON Compound with Observation Period Shift, SARON Compound with Payment Delay or SAION Index Average, as follows:
  - (1) if SARON Compound with Lookback (**"SARON Compound with Lookback"**) is specified as applicable in the relevant Final Terms or Pricing Supplement, the SARON Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SARON interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SARON}_{i-\text{xZBD}} \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

where:

**"d"** means the number of calendar days in the relevant Interest Period;

**"d<sub>0</sub>"** for any Interest Period, means the number of Zurich Banking Days in the relevant Interest Period;

**"i"** is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Zurich Banking Day in chronological order from, and including, the first Zurich Banking Day in the relevant Interest Period;

**"Lookback Days"** means the number of Zurich Banking Days specified in the applicable Final Terms or Pricing Supplement;

**"n<sub>i</sub>"** for any Zurich Banking Day **"i"** in the relevant Interest Period, means the number of calendar days from, and including, such day **"i"** up to, but excluding, the following Zurich Banking Day (**"i+1"**); and

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"**SARON<sub>i-ZBD</sub>**" for any Zurich Banking Day "i" in the relevant Interest Period, is equal to SARON in respect of the Zurich Banking Day falling a number of Zurich Banking Days prior to that day "i" equal to the number of Lookback Days;

- (2) if SARON Compound with Observation Period Shift ("**SARON Compound with Observation Period Shift**") is specified as applicable in the relevant Final Terms or Pricing Supplement, the SARON Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SARON interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SARON}_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

where:

"**d**" means the number of calendar days in the relevant Observation Period;

"**d<sub>0</sub>**" for any Observation Period, means the number of Zurich Banking Days in the relevant Observation Period;

"**i**" is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Zurich Banking Day in chronological order from, and including, the first Zurich Banking Day in the relevant Observation Period;

"**n<sub>i</sub>**" for any Zurich Banking Day "i" in the relevant Observation Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following Zurich Banking Day ("**i+1**");

"**Observation Period**" means, in respect of each Interest Period, the period from, and including, the date falling a number of Zurich Banking Days equal to the Observation Shift Days preceding the first day of such Interest Period to, but excluding, the date falling a number of Zurich Banking Days equal to the Observation Shift Days preceding the Interest Period End Date for such Interest Period;

"**Observation Shift Days**" means the number of Zurich Banking Days specified in the applicable Final Terms or Pricing Supplement; and

"**SARON<sub>i</sub>**" for any Zurich Banking Day "i" in the relevant Observation Period, is equal to SARON in respect of that day "i";

- (3) if SARON Compound with Payment Delay ("**SARON Compound with Payment Delay**") is specified as applicable in the relevant Final Terms or Pricing Supplement, the SARON Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SARON interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SARON}_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

where:

"**d**" means the number of calendar days in the relevant Interest Period;

"**d<sub>0</sub>**" for any Interest Period, means the number of Zurich Banking Days in the relevant Interest Period;

"**i**" is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Zurich Banking Day in chronological order from, and including, the first Zurich Banking Day in the relevant Interest Period;

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"**n<sub>i</sub>**" for any Zurich Banking Day "**i**" in the relevant Interest Period, means the number of calendar days from, and including, such day "**i**" up to, but excluding, the following Zurich Banking Day ("**i+1**"); and

"**SARON<sub>i</sub>**" for any Zurich Banking Day "**i**" in the relevant Interest Period, is equal to SARON in respect of that day "**i**".

Where "SARON Compound with Payment Delay" applies, for the purposes of calculating SARON with respect to the final Interest Period, the level of SARON for each Zurich Banking Day in the period from (and including) the SARON Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of SARON in respect of such SARON Rate Cut-Off Date;

- (4) if SAION Index Average ("**SAION Index Average**") is specified as applicable in the relevant Final Terms or Pricing Supplement, the SARON Benchmark for each Interest Period shall be equal to the rate of return of the SAION Index calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \frac{SAION\ Index_{End}}{SAION\ Index_{Start}} - 1 \right) \times \left( \frac{360}{d} \right)$$

where:

"**d**" means the number of calendar days from, and including, the SAION Index<sub>Start</sub> to, but excluding, the SAION Index<sub>End</sub>;

"**Relevant Number**" means the number specified as such in the applicable Final Terms or Pricing Supplement (or, if no such number is specified, five); and

"**SAION Index**" means, in respect of any Zurich Banking Day, the SAION Index in relation to such Zurich Banking Day as provided by SIX Financial Information AG (or any successor administrator) to authorised distributors and as then published on the Relevant Screen Page, or if the Relevant Screen Page is unavailable, as otherwise published by such administrator or authorised distributors, in each case on such Zurich Banking Day.

If the value of either or both of SAION Index<sub>Start</sub> or SAION Index<sub>End</sub> is not published or displayed by the administrator of the SARON or other information service by 6.00 p.m. (Zurich time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SAION Index or of such other information service, as the case may be) on the relevant Interest Determination Date, the SARON Benchmark for the applicable Interest Period for which the SAION Index is not available shall be determined as set out under Condition 6.11(ii)(2) above as if SARON Compound with Observation Period Shift were specified as applicable in the relevant Final Terms or Pricing Supplement, and for these purposes the Observation Shift Days in respect of the applicable Interest Period for which the SAION Index is not available shall be deemed to be equal to the Relevant Number of Zurich Banking Days plus one (or such other number of Zurich Banking Days as is specified for this purpose in the applicable Final Terms or Pricing Supplement), as if such alternative elections had been made in the applicable Final Terms or Pricing Supplement;

"**SAION Index<sub>End</sub>**" means, with respect to an Interest Period, the SAION Index value on the date that is the Relevant Number of Zurich Banking Days preceding (a) the Interest Payment Date relating to such Interest Period or (b) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period); and

"**SAION Index<sub>Start</sub>**" means, with respect to an Interest Period, the SAION Index value on the date that is the Relevant Number of Zurich Banking Days preceding the first date of the relevant Interest Period.

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For the purposes of this Condition 6.11 (*Provisions specific to SARON as Reference Rate*), if SARON in respect of any Zurich Banking Day (the "**Relevant Zurich Banking Day**") is not published on the Relevant Screen Page or by an authorised distributor, and is not otherwise provided by the administrator of SARON, by either (A) that Zurich Banking Day (or any amended publication day for SARON as specified by the administrator of SARON in the SARON benchmark methodology) or (B) such other date and time on which SARON for the Relevant Zurich Banking Day is required for the purpose of any determination pursuant to the Conditions and, in either case, none of the events triggering the fallbacks specified in Conditions 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 6.19 (*General Fallback Arrangements*) (as applicable) have occurred, SARON for the Relevant Zurich Banking Day shall be deemed to be the rate equal to SARON for the most recent Zurich Banking Day in respect of which SARON was so published or provided.

### 6.12 *Provisions specific to TONA as Reference Rate*

- (i) If Screen Rate Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which a Floating Interest Rate is to be determined and TONA is specified in the applicable Final Terms or Pricing Supplement as the Reference Rate, the Floating Interest Rate for an Interest Period will be the relevant TONA Benchmark plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin (if any) (as specified in the relevant Final Terms or Pricing Supplement), subject to a minimum of zero per cent. per annum
- (ii) The "**TONA Benchmark**" will be determined based on TONA Compound with Lookback, TONA Compound with Observation Period Shift, TONA Compound with Payment Delay or TONA Index Average, as follows:
  - (1) if TONA Compound with Lookback ("**TONA Compound with Lookback**") is specified as applicable in the relevant Final Terms or Pricing Supplement, the TONA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound TONA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{TONA}_{i-\text{pTBD}} \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

"**d**" means the number of calendar days in the relevant Interest Period;

"**d<sub>0</sub>**" for any Interest Period, means the number of Tokyo Banking Days in the relevant Interest Period;

"**i**" is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Tokyo Banking Day in chronological order from, and including, the first Tokyo Banking Day in the relevant Interest Period;

"**Lookback Days**" means the number of Tokyo Banking Days specified in the applicable Final Terms or Pricing Supplement;

"**n<sub>i</sub>**" for any Tokyo Banking Day "**i**" in the relevant Interest Period, means the number of calendar days from, and including, such day "**i**" up to, but excluding, the following Tokyo Banking Day ("**i+1**"); and

"**TONA<sub>i-pTBD</sub>**" for any Tokyo Banking Day "**i**" in the relevant Interest Period, is equal to TONA in respect of the Tokyo Banking Day falling a number of Tokyo Banking Days prior to that day "**i**" equal to the number of Lookback Days;

- (2) if TONA Compound with Observation Period Shift ("**TONA Compound with Observation Period Shift**") is specified as applicable in the relevant Final Terms



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or Pricing Supplement, the TONA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound TONA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{TONA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

**"d"** means the number of calendar days in the relevant Observation Period;

**"d<sub>0</sub>"** for any Observation Period, means the number of Tokyo Banking Days in the relevant Observation Period;

**"i"** is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Tokyo Banking Day in chronological order from, and including, the first Tokyo Banking Day in the relevant Observation Period;

**"n<sub>i</sub>"** for any Tokyo Banking Day **"i"** in the relevant Observation Period, means the number of calendar days from, and including, such day **"i"** up to, but excluding, the following Tokyo Banking Day (**"i+1"**);

**"Observation Period"** means, in respect of each Interest Period, the period from, and including, the date falling a number of Tokyo Banking Days equal to the Observation Shift Days preceding the first day of such Interest Period to, but excluding, the date falling a number of Tokyo Banking Days equal to the Observation Shift Days preceding the Interest Period End Date for such Interest Period;

**"Observation Shift Days"** means the number of Tokyo Banking Days specified in the applicable Final Terms or Pricing Supplement; and

**"TONA<sub>i</sub>"** for any TONA Banking Day **"i"** in the relevant Observation Period, is equal to TONA in respect of that day **"i"**;

- (3) if TONA Compound with Payment Delay (**"TONA Compound with Payment Delay"**) is specified as applicable in the relevant Final Terms or Pricing Supplement, the TONA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound TONA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{TONA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

**"d"** means the number of calendar days in the relevant Interest Period;

**"d<sub>0</sub>"** for any Interest Period, means the number of Tokyo Banking Days in the relevant Interest Period;

**"i"** is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Tokyo Banking Day in chronological order from, and including, the first Tokyo Banking Day in the relevant Interest Period;

**"n<sub>i</sub>"** for any Tokyo Banking Day **"i"** in the relevant Interest Period, means the number of calendar days from, and including, such day **"i"** up to, but excluding, the following Tokyo Banking Day (**"i+1"**); and

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"**TONA<sub>i</sub>**" for any Tokyo Banking Day "**i**" in the relevant Interest Period, is equal to TONA in respect of that day "**i**".

Where "TONA Compound with Payment Delay" applies, for the purposes of calculating TONA with respect to the final Interest Period, the level of TONA for each Tokyo Banking Day in the period from (and including) the TONA Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of TONA in respect of such TONA Rate Cut-Off Date;

- (4) if TONA Index Average ("**TONA Index Average**") is specified as applicable in the relevant Final Terms or Pricing Supplement, the TONA Benchmark for each Interest Period shall be equal to the rate of return of the TONA Index calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left( \frac{TONA\ Index_{End}}{TONA\ Index_{Start}} - 1 \right) \times \left( \frac{365}{d} \right)$$

where:

"**d**" means the number of calendar days from, and including, the TONA Index<sub>Start</sub> to, but excluding, the TONA Index<sub>End</sub>;

"**Relevant Number**" means the number specified as such in the applicable Final Terms or Pricing Supplement (or, if no such number is specified, five); and

"**TONA Index**" means, in respect of any Tokyo Banking Day, the TONA Index in relation to such Tokyo Banking Day as provided by QUICK Corp (or any successor administrator) and published on the Relevant Screen Page, or if the Relevant Screen Page is unavailable, as otherwise published by QUICK Corp. (or successor administrator), in each case on such Tokyo Banking Day.

If the value of either or both of TONA Index<sub>Start</sub> or TONA Index<sub>End</sub> is not published or displayed on the Relevant Screen Page by the administrator of the TONA Index or other information service by 5.00 p.m. (Tokyo time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the TONA Index or of such other information service, as the case may be) on the relevant Interest Determination Date, the TONA Benchmark for the applicable Interest Period for which the TONA Index is not available shall be determined as set out under Condition 6.12(ii)(2) above as if TONA Compound with Observation Period Shift were specified as applicable in the relevant Final Terms or Pricing Supplement, and for these purposes: the Observation Shift Days in respect of the applicable Interest Period for which the TONA Index is not available shall be deemed to be equal to the Relevant Number of Tokyo Banking Days plus one (or such other number of Tokyo Banking Days as is specified for this purpose in the applicable Final Terms or Pricing Supplement), as if such alternative elections had been made in the applicable Final Terms or Pricing Supplement;

"**TONA Index<sub>End</sub>**" means, with respect to an Interest Period, the TONA Index value on the date that is the Relevant Number of Tokyo Banking Days preceding (a) the Interest Payment Date relating to such Interest Period or (b) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period); and

"**TONA Index<sub>Start</sub>**" means, with respect to an Interest Period, the TONA Index value on the date that is the Relevant Number of Tokyo Banking Days preceding the first date of the relevant Interest Period.

For the purposes of this Condition 6.12 (*Provisions specific to TONA as Reference Rate*), if TONA in respect of any Tokyo Banking Day (the "**Relevant Tokyo Banking Day**") is not published on the Relevant Screen Page or by an authorised distributor, and is not otherwise provided by the administrator of TONA, by either (A) the immediately following Tokyo Banking Day (or any amended publication day for TONA as specified

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by the administrator of TONA in the TONA benchmark methodology) or (B) such other date and time on which TONA for the Relevant Tokyo Banking Day is required for the purpose of any determination pursuant to the Conditions and, in either case, none of the events triggering the fallbacks specified in Conditions 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 6.19 (*General Fallback Arrangements*) (as applicable) have occurred, TONA for the Relevant Tokyo Banking Day shall be deemed to be the rate equal to TONA for the most recent Tokyo Banking Day in respect of which TONA was so published or provided.

- 6.13 **Maximum or Minimum Rate of Interest:** If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the applicable Final Terms or Pricing Supplement, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- 6.14 **Calculation of Interest Amount:** In respect of Floating Rate 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 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 of any such 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.
- 6.15 **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, but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Determination Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination, the Determination Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.
- 6.16 **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 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.
- 6.17 **Relevant Rates Benchmark Discontinuance or Prohibition on Use:**  
If (i) Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*) does not apply, (ii) the applicable Final Terms or Pricing Supplement specifies that the provisions of this Condition 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) are applicable and (iii) unless otherwise specified in the applicable Final Terms or Pricing Supplement, where ISDA Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Floating Interest Rate is to be determined, after application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option (as defined in the ISDA Definitions) to apply following the occurrence of any of the following events and the application of such ISDA Bespoke Fallbacks fails to provide a means of determining the relevant Floating Rate (as defined in the ISDA Definitions), then notwithstanding the terms set forth elsewhere in these Conditions, if the Determination Agent determines that any of the following events has occurred:

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- (a) a public statement or publication of information by or on behalf of the administrator of the Relevant Rates Benchmark announcing that it has ceased or will cease to provide the Relevant Rates Benchmark permanently or indefinitely, provided that, at the time of statement or publication, there is no successor administrator that will continue to provide the Relevant Rates Benchmark; or
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Rates Benchmark, the central bank for the currency of the Relevant Rates Benchmark, an insolvency official with jurisdiction over the administrator of the Relevant Rates Benchmark, a resolution authority with jurisdiction over the administrator of the Relevant Rates Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator of the Relevant Rates Benchmark, which states that the administrator of the Relevant Rates Benchmark has ceased or will cease to provide the Relevant Rates Benchmark permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Relevant Rates Benchmark; or
- (c) unless otherwise specified in the Final Terms or Pricing Supplement, an Administrator/Benchmark Event occurs in relation to a Relevant Rates Benchmark,

then the Determination Agent may use, as a substitute for the Relevant Rates Benchmark, and for each future Interest Determination Date (or other rate fixing date), the alternative rates benchmark determined in accordance with the following provisions:

- (i) if an alternative reference rate, index or benchmark is specified in the Final Terms or Pricing Supplement for this purpose (an "**Alternative Pre-nominated Reference Rate**"), such Alternative Pre-nominated Reference Rate; or
- (ii) if an Alternative Pre-nominated Reference Rate is not specified in the Final Terms or Pricing Supplement, the alternative reference rate, index or benchmark selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the applicable index currency that is consistent with accepted market practice (the rate determined under sub-paragraph (i) above or this sub-paragraph (ii), the "**Alternative Rate**").

The Determination Agent may, after consultation with the Issuer, determine any adjustments to the Alternative Rate or the Margin (which may include the addition of an adjustment spread, which may be positive or negative, in order to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value to or from the Issuer as a result of the replacement of the Relevant Rates Benchmark with the Alternative Rate), as well as the applicable Business Day Convention, Interest Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Notes, in each case that are consistent with accepted market practice for the use of such Alternative Rate for debt obligations such as the Notes.

If the Determination Agent determines, after consultation with the Issuer, that no such Alternative Rate exists on the relevant date, it may, after consultation with the Issuer, determine an alternative rate to be used as a substitute for the Relevant Rates Benchmark (which shall be the "Alternative Rate" for the purposes of these provisions), as well as any adjustments to the Margin (including any adjustment spread), the Business Day Convention, the Interest Determination Dates (or any other rate fixing dates) and related provisions and definitions in respect of the Notes, in each case, that are consistent with accepted market practice for the use of such Alternative Rate for debt obligations such as the Notes.

The Issuer will then provide a notice, in accordance with Condition 19 (Notices), to Noteholders to inform them of the occurrence of any of the events listed in Conditions 6.17(a) to 6.17(d) (*Relevant Rates Benchmark Discontinuance or Prohibition of Use*) above, the Alternative Rate and any adjustment determinations which will apply to the Notes. The notice shall also confirm the effective date of the Alternative Rate and any adjustments.

Notwithstanding anything else in this Condition 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition of Use*), if the Determination Agent determines that the selection of a particular index, benchmark or other price as an "Alternative Rate" (taking into account any necessary adjustments that would need to be made in accordance with this Condition 6.17

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(*Relevant Rates Benchmark Discontinuance or Prohibition of Use*)) (1) is or would be unlawful under any applicable law or regulation; or (2) would contravene any applicable licensing requirements; or (3) would result in the Determination Agent, the Issuer or the Calculation Agent being considered to be administering a benchmark, index or other price source whose production, publication, methodology or governance would subject the Determination Agent, the Issuer or the Calculation Agent to material additional regulatory obligations which it is unwilling to undertake, then the Determination Agent shall not select such index, benchmark or price source as the Alternative Rate).

If the Determination Agent is unable to identify an Alternative Rate and determine the necessary adjustments to the terms of the Notes, then the Issuer may, 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 the Early Redemption Amount.

1. if "**Fixed Redemption (Benchmark Trigger Event)**" is specified in the applicable Final Terms or Pricing Supplement, an amount per Calculation Amount (expressed as a percentage) as specified in the applicable Final Terms or Pricing Supplement;

2. if "**Fixed Redemption (Benchmark Trigger Event) Less Costs**" is specified in the applicable Final Terms or Pricing Supplement, an amount per Calculation Amount (expressed as a percentage) as specified in the applicable Final Terms or Pricing Supplement 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; or

3. if "**Fair Market Value (Benchmark Trigger Event)**" is specified in the applicable Final Terms or Pricing Supplement, 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 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.

The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount.

In the case where ISDA Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Floating Interest Rate is to be determined, and the application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option results in a replacement of, modification to, or change in the method of calculating, the Floating Rate (or the index, benchmark or other price source that is referred to in the Floating Rate Option), the Determination Agent may, after consultation with the Issuer, determine any adjustments to the Floating Rate and the Margin (including any adjustment spread) as well as the applicable Business Day Convention, Interest Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Notes, in each case that are consistent with accepted market practice for the use of such replacement or modified Floating Rate for debt obligations such as the Notes. The Issuer will provide a notice, in accordance with Condition 19 (*Notices*), to Noteholders to inform them of any adjustment determinations which will apply to the Notes. The notice shall also confirm the effective date of any adjustments.

### 6.18 ***CMS Reference Rate – Effect of Index Cessation Event***

This Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*) applies where (i) the Relevant Rates Benchmark is a CMS Reference Rate and (ii) the applicable Final Terms or Pricing Supplement specifies that the provisions of this Condition 6.178 (*CMS Reference Rate – Effect of Index Cessation Event*) are applicable.

- (a) *Index Cessation*. If, as of an Interest Determination Date or any other relevant day on which a CMS Reference Rate is to be determined, an Index Cessation Effective Date with respect to the applicable tenor of the then-current CMS Reference Rate has occurred, then the CMS Reference

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Rate in respect of such Interest Determination Date or other relevant day (as applicable) and each subsequent Interest Determination Date or other relevant day (as applicable) shall be the sum of (i) the Benchmark Replacement; and (ii) any adjustment spread (which may be a positive or negative value or zero), in each case determined on that Interest Determination Date or other relevant day (as applicable) by the Determination Agent acting in good faith and in a commercially reasonable manner. Following the occurrence of an Index Cessation Effective Date in respect of one or more Index Cessation Events, the determination of the Benchmark Replacement and any adjustment spread will be a one-time process and will apply to each following Interest Determination Date or other relevant day (as applicable).

- (b) *Early Redemption:* If the implementation of any Benchmark Replacement or Benchmark Replacement Conforming Changes results in a calculation of the CMS Reference Rate that is not consistent with market practice as determined by the Determination Agent, the Issuer may, 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:
- (i) if "Early Redemption Amount (CMS Reference Rate) – Fixed Redemption" is specified in the applicable Final Terms or Pricing Supplement, an amount per Calculation Amount (expressed as a percentage) as specified in the applicable Final Terms or Pricing Supplement;
  - (ii) if "Early Redemption Amount (CMS Reference Rate) – Fixed Redemption Less Costs" is specified in the applicable Final Terms or Pricing Supplement, an amount per Calculation Amount (expressed as a percentage) as specified in the applicable Final Terms or Pricing Supplement less the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate on unwinding any related hedging arrangements, in each case as calculated by the Determination Agent in its reasonable discretion;
  - (iii) if "Early Redemption Amount (CMS Reference Rate) – Fair Market Value Less Costs" is specified in the applicable Final Terms or Pricing Supplement, 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, in each case as calculated by the Determination Agent in its reasonable discretion; or
  - (iv) if "Early Redemption Amount (CMS Reference Rate) - Fair Market Value" is specified in the applicable Final Terms or Pricing Supplement, 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 obligation under the Notes shall be satisfied in full upon payment of such amount.

- (c) *Decisions and Determinations.* Any determination, decision, selection or election that may be made by the Issuer, the Determination Agent or their respective designees, pursuant to this Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*), including any determination with respect to a tenor, rate, spread or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any determination, decision, selection or election:
- (i) will be conclusive and binding absent manifest error;
  - (ii) will be made in such person's sole discretion; and
  - (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

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- (d) For the purposes of this Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*), the following terms shall bear the following meanings:

**"Benchmark Replacement"** means the first alternative benchmark set forth in the order below that can be determined by the Determination Agent as of the Interest Determination Date or other relevant day on which a CMS Reference Rate is to be determined, in each case next succeeding the relevant Index Cessation Effective Date (or, if the Index Cessation Effective Date occurs on the Interest Determination Date or other relevant day, that Interest Determination Date or other relevant day (as applicable)):

- (i) if an alternative reference rate, index or benchmark is specified in the applicable Final Terms or Pricing Supplement for this purpose (an **"Alternative Pre-nominated Reference Rate"**), such Alternative Pre-nominated Reference Rate;
- (ii) the alternate rate of interest that has been selected or recommended by the relevant governmental body or agency with jurisdiction over the then-current CMS Reference Rate or the administrator thereof as the replacement for the then-current CMS Reference Rate for the applicable index maturity; or
- (iii) the alternate rate of interest that has been selected by the Determination Agent as the replacement for the then-current CMS Reference Rate for the applicable index maturity giving due consideration to any industry-accepted rate of interest as a replacement for the then-current CMS Reference Rate for floating rate notes denominated in the Index Currency at such time, including any alternate rate of interest recommended by the International Swaps and Derivatives Association, Inc. or any successor thereto.

In connection with the implementation of a Benchmark Replacement, the Determination Agent or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

**"Benchmark Replacement Conforming Changes"** means, with respect to any Benchmark Replacement, any changes (including changes to the definition of "Interest Period", the timing and frequency of determining rates and making payments of interest, and other administrative matters) that the Determination Agent or its designee determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Determination Agent or its designee determines that adoption of any portion of such market practice is not administratively feasible or if the Determination Agent or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Determination Agent or its designee determines is reasonably necessary).

**"CMS Reference Rate"** means, initially, the CMS Reference Rate specified in the applicable Final Terms or Pricing Supplement; provided that if an Index Cessation Effective Date has occurred with respect to such rate or the then-current CMS Reference Rate, then "CMS Reference Rate" means the applicable Benchmark Replacement. For the avoidance of doubt, such Benchmark Replacement will replace the then-current CMS Reference Rate for all purposes relating to the Notes.

**"Index Cessation Effective Date"** means, in respect of the then-current CMS Reference Rate and one or more Index Cessation Events, the first date on which the CMS Reference Rate would ordinarily have been published or provided and is no longer published or provided. If the CMS Reference Rate ceases to be provided on an Interest Determination Date or other relevant day, but it was provided at the time at which it is to be observed pursuant to these Conditions, then the Index Cessation Effective Date will be the next day on which the rate would ordinarily have been published or provided.

**"Index Cessation Event"** means, in respect of the then-current CMS Reference Rate:

- (i) a public statement or publication of information by or on behalf of the administrator of the CMS Reference Rate announcing that it has ceased or will cease to provide the CMS Reference Rate permanently or indefinitely; provided that, at the time of the statement

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or publication, there is no successor administrator or provider, as applicable, that will continue to provide the CMS Reference Rate:

- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the CMS Reference Rate, the central bank for the currency of the CMS Reference Rate, an insolvency official with jurisdiction over the administrator for the CMS Reference Rate, a resolution authority with jurisdiction over the administrator for the CMS Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the CMS Reference Rate, which states that the administrator of the CMS Reference Rate has ceased or will cease to provide the CMS Reference Rate permanently or indefinitely; provided that, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the CMS Reference Rate; or
- (iii) unless otherwise specified in the applicable Final Terms or Pricing Supplement, an Administrator/Benchmark Event occurs with respect to the CMS Reference Rate (with the CMS Reference Rate being the Relevant Rates Benchmark for the purpose of the definition of "Administrator/Benchmark Event").

**"Index Currency"** means the currency in respect of which the relevant CMS Reference Rate is calculated or expressed, as determined by the Determination Agent.

- (e) Application to multiple CMS Reference Rates: If either:
  - (i) the CMS Interest Rate is specified in the applicable Final Terms or Pricing Supplement to be "Spread CMS Rate"; or
  - (ii) the Notes otherwise reference more than one CMS Reference Rate,

the foregoing provisions of this Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*) shall apply separately for each CMS Reference Rate so referenced (including each of CMS Reference Rate 1 and CMS Reference Rate 2 in the case where the CMS Interest Rate is a "Spread CMS Rate") and for the purpose of construing such provisions, each of CMS Reference Rate 1 and CMS Reference Rate 2 shall be the "CMS Reference Rate". However, if an Index Cessation Effective Date has occurred in respect of one or more CMS Reference Rate(s) (the "**Impacted CMS Reference Rate(s)**") but not all of the CMS Reference Rate(s) referenced by the Notes (the "**Non-Impacted CMS Reference Rate(s)**"), the Issuer or its designee may elect to treat each of the Non-Impacted CMS Reference Rate(s) as if an Index Cessation Effective Date had occurred in respect of such Non-Impacted CMS Reference Rate and apply the foregoing provisions accordingly.

### 6.19 **General Fallback Arrangements**

The following provisions of this Condition 6.19 (*General Fallback Arrangements*) shall apply where:

- (i) the Relevant Rates Benchmark is EURIBOR, SONIA, €STR, SARON or TONA;
- (ii) such Relevant Rates Benchmark has been permanently discontinued;
- (iii) the applicable Final Terms or Pricing Supplement specify that the provisions of Condition 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition of Use*) do not apply; and
- (iv) unless otherwise specified in the applicable Final Terms or Pricing Supplement, where ISDA Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Floating Interest Rate is to be determined, application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option (as defined in



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the ISDA Definitions) following the permanent discontinuation of the Relevant Rates Benchmark fails to provide a means of determining the relevant Floating Rate (as defined in the ISDA Definitions).

If this Condition 6.19 (*General Fallback Arrangements*) applies, then notwithstanding the terms set forth elsewhere in these Conditions; the Determination Agent will use, as a substitute for such Relevant Rates Benchmark, and for each future Interest Determination Date, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the applicable index currency that is consistent with accepted market practice (the "**Alternative Rate**"). The Determination Agent will, after consultation with the Issuer, make such adjustments to the Alternative Rate or the Margin (or Margin 1 or Margin 2, as applicable), as well as the applicable Business Day Convention, Interest Determination Dates and related provisions and definitions of the Notes, in each case that are consistent with accepted market practice for the use of such Alternative Rate for debt obligations such as the Notes. However, in the case of EURIBOR only, if the Determination Agent determines, after consultation with the Issuer, that no such Alternative Rate exists on the relevant date, it shall make a determination, after consultation with the Issuer, of an alternative rate as a substitute for EURIBOR, for debt obligations such as the Notes, as well as the Margin, the Business Day Convention and the Interest Determination Dates in respect of the Notes, that is consistent with accepted market practice.

In the case where ISDA Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Floating Interest Rate is to be determined, and the application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option results in a replacement of, modification to, or change in the method of calculating, the Floating Rate (or the index, benchmark or other price source that is referred to in the Floating Rate Option), the Determination Agent may, after consultation with the Issuer, determine any adjustments to the Floating Rate and the Margin (or Margin 1 or Margin 2, as applicable), (including any adjustment spread) as well as the applicable Business Day Convention, Interest Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Notes, in each case that are consistent with accepted market practice for the use of such replacement or modified Floating Rate for debt obligations such as the Notes. The Issuer will provide a notice, in accordance with Condition 19 (*Notices*), to Noteholders to inform them of any adjustment determinations which will apply to the Notes. The notice shall also confirm the effective date of any adjustments.

### 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 or Pricing Supplement as being applicable.

7.2 **Late Payment on Zero Coupon Notes:** If the Redemption Amount payable in respect of any Zero Coupon Note remains unpaid when due and payable, 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 (or such other date as may be specified in the applicable Final Terms or Pricing Supplement as the "Accrued Value Commencement Date") to (but excluding) the day on which all such sums due in respect of such Note have been paid or duly made available for 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 Pricing Supplement or, if none is so specified, a Day Count Fraction of 30/360.

### 8. INFLATION-LINKED NOTE PROVISIONS

The Issuer may issue Notes the payment of interest on which is linked to an inflation index ("**Inflation-Linked Notes**") in accordance with these Conditions which are specified as being applicable in the applicable Final Terms or Pricing Supplement, in accordance with the elections made in the applicable Final Terms or Pricing Supplement.

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This Condition 8 (*Inflation-Linked Note Provisions*) is applicable only in relation to Notes specified in the applicable Final Terms or Pricing Supplement as being Inflation-Linked Notes.

- 8.1 **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 or Maturity Date under the Notes or other relevant payment date as may be specified in the applicable Final Terms or Pricing Supplement 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 or other relevant payment date as may be specified in the applicable Final Terms or Pricing Supplement, such Relevant Level will not be used in any calculations. The Substitute Inflation Index Level so determined pursuant to this Condition 8.1 (*Delay of Publication*), will be the definitive level for that Reference Month.
- 8.2 **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 or Pricing Supplement in relation to the Notes, notwithstanding that any other Successor Inflation Index may previously have been determined under Condition 8.2(b), 8.2(c) or 8.2(d) (*Cessation of Publication*);
  - (b) if a Successor Inflation Index has not been determined under Condition 8.2(a) (*Cessation of Publication*) 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;
  - (c) if a Successor Inflation Index has not been determined under Condition 8.2(a) or 8.2(b) (*Cessation of Publication*), 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 8.2(d) (*Cessation of Publication*);
  - (d) if no Successor Inflation Index has been determined under Condition 8.2(a), 8.2(b) or 8.2(c) (*Cessation of Publication*) by the fifth Business Day prior to the next Affected Payment Date, the Determination Agent will determine an appropriate alternative index for such Affected Payment Date, and such index will be deemed a "**Successor Inflation Index**"; or
  - (e) If the Determination Agent determines that there is no appropriate alternative index, 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:
    - (1) if "**Fixed Redemption (Inflation Index Cessation)**" is specified in the applicable Final Terms or Pricing Supplement, an amount per Calculation

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Amount (expressed as a percentage) as specified in the applicable Final Terms or Pricing Supplement;

- (2) if "**Fixed Redemption (Inflation Index Cessation) Less Costs**" is specified in the applicable Final Terms or Pricing Supplement, an amount per Calculation Amount (expressed as a percentage) as specified in the applicable Final Terms or Pricing Supplement 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; or
- (3) if "**Fair Market Value (Inflation Index Cessation)**" is specified in the applicable Final Terms or Pricing Supplement, 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 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.

- 8.3 **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.
- 8.4 **Material Modification Prior to Payment Date:** If, on or prior to the day that is five Business Days before an Interest Payment 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.
- 8.5 **Manifest Error in Publication:** If, within 30 days of publication and prior to any relevant Interest Payment 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 19 (*Notices*) of (a) that correction, (b) the adjusted amount that is then payable under the Notes as a result of that correction and (c) take such other action as it may deem necessary to give effect to such correction, provided that any amount payable pursuant to (b) above shall be paid (with no interest accruing thereon) (i) 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 or other relevant payment date in relation to the Notes has occurred, within five Business Days after notice of such amount payable by the Determination Agent, (ii) 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, 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 (iii) if there is no further Interest Payment Date or other relevant payment date in relation to the Notes, within five Business Days after notice of such amount payable by the Determination Agent.

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- 8.6 ***Index Level Adjustment Correction:*** In relation to any Inflation Index, as specified in the Final Terms or Pricing Supplement, either: (a) 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 8 (*Inflation-Linked Note Provisions*), later revisions to the level of the Inflation Index for such Reference Month will not be used in any calculations; or (b) the first publication or announcement of a level of the Inflation Index (disregarding estimates) published by the relevant Inflation 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 19 (*Notices*).

### 8.7 ***Inflation-Linked Rates***

If the Notes are specified in the applicable Final Terms or Pricing Supplement as Inflation-Linked Notes and the applicable Final Terms or Pricing Supplement specify:

- (a) **"Leveraged Inflation Coupon"**, the Issuer shall, on each Interest Payment Date, pay interest on the Notes in an amount (which may be zero) per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \left\{ \left[ \text{Leverage} \times \left( \frac{CPI_n}{CPI_m} - 1 \right) \right] + \text{Spread} \right\} \times \text{Day Count Fraction}$$

provided that, if the applicable Final Terms or Pricing Supplement specify:

- (i) an Interest Cap, the amount calculated in accordance with the above formula shall not exceed the Interest Cap;
  - (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"**, the Issuer shall, on each Interest Payment Date, pay interest on the Notes in an amount (which may be zero) per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Leverage} \times \frac{CPI_n}{CPI_{Initial}} \times \text{Day Count Fraction}$$

provided that, if the applicable Final Terms or Pricing Supplement specify:

- (i) an Interest Cap, the amount calculated in accordance with the above formula shall not exceed the Interest Cap;
  - (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"**, the Issuer shall, on each Interest Payment Date, pay interest on the Notes in an amount (which may be zero) per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Calculation Amount} \times \text{Leverage} \times \left( \frac{CPI_n}{CPI_{Initial}} - 1 \right) \times \text{Day Count Fraction}$$

provided that, if the applicable Final Terms or Pricing Supplement specify:

- (i) an Interest Cap, the amount calculated in accordance with the above formula shall not exceed the Interest Cap;

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- (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.

8.8 **Calculation of Interest Amount:** In respect of Inflation-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 Inflation-Linked Note for such Interest Period. The Interest Amount will be calculated by the Determination Agent in accordance with the formula set out above, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half of any such 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.

8.9 **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, but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Determination Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination, the Determination Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

8.10 **Notifications etc.:** All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 8 (*Inflation-Linked Note 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.

8.11 **Definitions Applicable to Inflation-Linked Notes**

In relation to Inflation-Linked Notes, the following expressions have the meanings set out below:

**"Affected Payment Date"** means each Interest Payment Date or other relevant payment date as may be specified in the applicable Final Terms or Pricing Supplement 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 (i) it has become illegal to hold, acquire or dispose of Hedge Positions or (ii) 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);

**"CPI<sub>Final</sub>"** means the official determination of the Inflation Index published for the Determination Month (Final) subject to adjustment in accordance with the provisions of Condition 8 (*Inflation-Linked Note Provisions*);

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**"CPI<sub>Initial</sub>"** means either of the following as specified in the applicable Final Terms or Pricing Supplement: (a) the value specified as "CPI<sub>Initial</sub>" in the applicable Final Terms or Pricing Supplement; or (b) the Initial Inflation Index Level;

**"CPI<sub>m</sub>"** 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 8 (*Inflation-Linked Note Provisions*);

**"CPI<sub>n</sub>"** 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 8 (*Inflation-Linked Note Provisions*);

**"Determination Date"** means, subject to the Conditions, the date specified as such in the applicable Final Terms or Pricing Supplement;

**"Determination Month"** means, in respect of each Interest Payment Date, the month specified as such in the applicable Final Terms or Pricing Supplement, which may, without limitation, also be expressed as a specified number of months before or after, as specified in the applicable Final Terms or Pricing Supplement, the relevant Interest Payment Date;

**"Determination Month (Final)"** means a calendar month of the year specified as such in the applicable Final Terms or Pricing Supplement, 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 or Pricing Supplement, 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 or Pricing Supplement: (a) 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; (b) 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 (c) 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 or Pricing Supplement: (a) 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; (b) 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 (c) 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;

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**"Determination Month Table"** means a table specified as such in the applicable Final Terms or Pricing Supplement, 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)
<i>[insert date] (repeat as required)</i>	<i>[insert calendar month and year] (repeat as required)</i>	<i>[insert calendar month and year] (repeat as required)</i>

**"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, (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 Issue 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 (a) positions or contracts in securities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) 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 or Pricing Supplement;

**"Inflation Index Sponsor"** means, in respect of an Inflation Index, the entity specified as such in the applicable Final Terms or Pricing Supplement or, if no entity is specified, the entity that publishes or announces (directly or through an agent) the level of the relevant Inflation Index;

**"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 8 (*Inflation-Linked Note Provisions*);

**"Interest Cap"** means an amount specified as such in the applicable Final Terms or Pricing Supplement;

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**"Interest Floor"** means an amount specified as such in the applicable Final Terms or Pricing Supplement;

**"Interest Period"** means each period specified as such in the applicable Final Terms or Pricing Supplement, and may be expressed as beginning on (and including) a specified date and ending on (and not including) another date;

**"Leverage"** means the percentage rate specified as such in the applicable Final Terms or Pricing Supplement;

**"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. 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 Pricing Supplement, 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 8.11 (*Definitions Applicable to Inflation-Linked Notes*)). If no bond is specified in the applicable Final Terms or Pricing Supplement as the Related Bond and "Fallback Bond: Not applicable" is specified in the applicable Final Terms or Pricing Supplement, there will be no Related Bond. If a bond is selected as the Related Bond in the applicable Final Terms or Pricing Supplement, and that bond redeems or matures before the relevant Maturity Date, unless "Fallback Bond: Not applicable" is specified in the applicable Final Terms or Pricing Supplement, 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 8.1 (*Delay of Publication*), in respect of an Affected Payment Date; and

**"Successor Inflation Index"** has the meaning specified in Condition 8.2(a) (*Cessation of Publication*).

### 9. AUTOMATIC CHANGE OF INTEREST BASIS

If the applicable Final Terms or Pricing Supplement 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 specified in the Interest Basis Table set out in the applicable Final Terms or Pricing Supplement.

### 10. REDEMPTION AND PURCHASE

10.1 ***Scheduled Redemption:*** Unless previously redeemed or cancelled, and unless otherwise specified in the Conditions, Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 11 (*Payments*) in accordance with the Conditions.

10.2 ***Tax Redemption:*** Notes may be redeemed in whole (but not in part), at the option of the Issuer at any time prior to maturity, upon the giving of a notice of redemption as described below in Condition 19 (*Notices*), if the Issuer determines 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 U.S. or of any political subdivision or taxing authority of or in the U.S. 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 or Pricing Supplement in connection with the issuance of the Notes, the Issuer is or will become obligated to pay Additional Amounts with respect to the Notes as described in Condition 12 (*Taxation*). The Notes will be redeemed at the Early Redemption Amount (Tax).

Notice of redemption will be given not less than 30 nor more than 60 days prior to the date fixed for redemption. The date and the applicable redemption price will be specified in the notice.



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- 10.3 **Redemption at the Option of the Issuer:** If the Call Option is specified in the applicable Final Terms or Pricing Supplement as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the applicable Final Terms or Pricing Supplement, 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).<sup>1</sup>
- 10.4 **Partial Redemption:** If the Notes are to be redeemed in part only on any date in accordance with Condition 10.3 (*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, 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 10.3 (*Redemption at the Option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed.
- 10.5 **Purchase:** Morgan Stanley or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price.
- 10.6 **Cancellation:** All Notes so redeemed shall, and all Notes so purchased by Morgan Stanley or any of its Subsidiaries may, at the discretion of the relevant purchaser, be cancelled. All Notes so redeemed, and all Notes so purchased and cancelled, may not be reissued or resold.
- 10.7 **Definitions**
- In these Conditions:
- "Maximum Notice Number of Day(s)"** means the number of days specified in the Final Terms or Pricing Supplement; and
- "Minimum Notice Number of Day(s)"** means the number of days specified in the Final Terms or Pricing Supplement.
11. **PAYMENTS**
- 11.1 **Principal:** Subject to Condition 11.3 (*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 Note to the Specified Office of the Fiscal Agent not later than the fifteenth (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.
- 11.2 **Interest:** Subject to Condition 11.3 (*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 Note to the Specified Office of the Fiscal Agent not later than the fifteenth (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.
- 11.3 **Payments of Principal and Interest in CNY:** Notwithstanding Conditions 11.1 (*Principal*) and 11.2 (*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 (a) for so long as the

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<sup>1</sup> Clearstream, Luxembourg and Euroclear require a minimum notice period of five business days.

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CNY Notes are represented by a Note held with the common depository for Clearstream Banking, S.A. and Euroclear Bank SA/NV or any Relevant Clearing System, by transfer to a CNY bank account maintained in Hong Kong, or (b) for so long as the Notes are in definitive form, by transfer to a CNY bank account maintained in Hong Kong, in each case in accordance with prevailing rules and regulations.

- 11.4 **Payments Subject to Fiscal Laws:** All payments in respect of the Notes are subject in all cases to (a) any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 12 (*Taxation*) and (b) any withholding or deduction required pursuant to an agreement described 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, regulation or official guidance implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- 11.5 **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 (a) (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 (b) (in the case of payments of interest payable other than on redemption) on the due date for payment. A holder of a Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (i) the due date for a payment not being a Payment Business Day or (ii) a cheque mailed in accordance with this Condition 11 (*Payments*) arriving after the due date for payment or being lost in the mail.
- 11.6 **Partial Payments:** If a Paying Agent makes a partial payment in respect of any 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.
- 11.7 **Record Date:** Each payment in respect of a 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 or Pricing Supplement (the "**Record Date**"). Where payment in respect of a 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.
- 11.8 **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 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 and the Noteholders. The Exchange Rate Agent will be Morgan Stanley & Co. International plc, unless otherwise noted in the applicable Final Terms or Pricing Supplement. If the Exchange

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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 or default.

The foregoing provisions do not apply 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 or default.

### 12. TAXATION

- 12.1 **Additional Amounts:** If the applicable Final Terms or Pricing Supplement specify "**Additional Amounts**" as being applicable in respect of any Series of Notes, the Issuer 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 defined below) as may be necessary in order that every net payment by or on behalf of the Issuer of the principal of and interest in respect of the Note and any other amounts payable on the Note after withholding for or on account of any tax, assessment or governmental charge imposed upon or as a result of that payment by the U.S. 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 Issuer will not, however, be required to make any payment of Additional Amounts to any Noteholder for or on account of:

- (a) any 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 Noteholder or beneficial owner, or between a fiduciary, settlor, beneficiary, member or shareholder of the Noteholder, if the Noteholder is an estate, a trust, a partnership or a corporation, and the U.S. or its possessions, including, without limitation, the Noteholder or beneficial owner, or such fiduciary, settlor, beneficiary, member or shareholder, being or having been a citizen or resident of the U.S. or being or having been engaged in the conduct of a trade or business or present in the U.S. or having, or having had, a permanent establishment in the U.S.; 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 Noteholder's or beneficial owner's past or present status as a personal holding company or controlled foreign corporation or passive foreign investment company for U.S. federal income tax purposes 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 or connection with the U.S. of the holder or beneficial owner of that Note, if compliance is required by statute or by regulation or published administrative guidance of the U.S. or of any political

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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 provisions under non-U.S. law analogous or relating to the foregoing (including withholding resulting from any inter-governmental agreement or other agreement between the U.S. and any non-U.S. 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 the Noteholder'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;
- (h) any tax, assessment or other governmental charge that a holder or beneficial owner would have been able to avoid by presenting the relevant Note to another paying agent in a member state of the European Union or the United Kingdom; or
- (i) any combination of the items listed above.

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 U.S. (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 non-resident alien individual, a foreign trust, or a foreign partnership one or more of the members of which is a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust.

For the avoidance of doubt, if any withholding or deduction of any tax, assessment, levy or governmental charge is required under the laws of any jurisdiction (including any political subdivision thereof or therein), none of the Issuer, an Agent or any other person will be required to pay additional amounts to a Noteholder or an owner of Notes with respect to such withholding or deduction, except to the extent provided in this Condition 12 (if Condition 12 is applicable pursuant to the relevant Final Terms or Pricing Supplement).

### 13. EVENTS OF DEFAULT

13.1 If any of the following events (each an "**Event of Default**") occurs and is continuing:

- (a) **Non-payment:** the Issuer fails to pay any amount of principal in respect of the Notes or fails to pay any amount of interest in respect of the Notes, in each case within 30 days of the respective 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 60 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 due and payable, whereupon they shall

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become so due and payable at their Early Redemption Amount without further action or formality. Notice of any such declaration shall promptly be given to the Noteholders.

- 13.2 ***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.

14. **PRESCRIPTION**

Claims for principal and interest on redemption in respect of Notes shall become void unless the relevant Note Certificates are surrendered for payment within 10 years of the appropriate Relevant Date.

15. **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.

16. **AGENTS**

- 16.1 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.

- 16.2 The initial Agents 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, London Branch. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor Fiscal Agent or Registrar or Calculation Agent or additional or successor paying agents; provided, however, that:

- (a) there shall at all times be a Registrar appointed in respect of the Notes;
- (b) if a Calculation Agent is specified in the applicable Final Terms or Pricing Supplement, the Issuer shall at all times maintain a Calculation Agent;
- (c) if a Determination Agent is specified in the applicable Final Terms or Pricing Supplement, the Issuer shall at all times maintain a Determination Agent; and
- (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.

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- 16.3 Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 19 (*Notices*).
- 16.4 Notwithstanding any provision to the contrary, the Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders and 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.
- 16.5 Notwithstanding any provision to the contrary, the Calculation Agent shall act as an expert and not as an agent for the Issuer or the Noteholders and all determinations, considerations and decisions made by the Calculation Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Calculation Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.

## 17. MEETINGS OF NOTEHOLDERS AND MODIFICATION

- 17.1 ***Meetings of Noteholders:*** The Issue and Paying Agency 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.

## 17.2 Modification

- (a) The Notes and the Conditions 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;
  - (ii) the amendment is to cure any ambiguity or is to correct or supplement any defective provisions;
  - (iii) the amendment is to correct an error or omission such that, in the absence of such correction, the relevant terms proposed to be corrected would not otherwise represent the intended terms on which the relevant Notes were sold and have since traded; or
  - (iv) 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 type contemplated in Condition 17.2(a).
- 17.3 ***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.

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- 17.4 **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.

### 18. FURTHER ISSUES

The Issuer 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.

### 19. NOTICES

- 19.1 **Notes:** Notices to holders of Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective last 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 Notes are admitted to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Regulated Market or the Luxembourg Stock Exchange's Euro MTF market, or admitted to listing and trading on the SIX Swiss Exchange, notices to holders will be published in accordance with the rules of the Luxembourg Stock Exchange or the SIX Swiss Exchange (as applicable), and, if permitted by the rules and regulations of the Luxembourg Stock Exchange or the SIX Swiss Exchange (as applicable), on the Issuer's website at <http://sp.morganstanley.com/EU/Documents>.

- 19.2 **Unlisted Notes:** Notices to Noteholders of non-listed Notes may be published, as specified in the applicable Final Terms or Pricing Supplement, in newspapers, on the Issuer's website at <http://sp.morganstanley.com/EU/Documents>, or otherwise.

### 20. LOSSES

In no event shall the Issuer 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.

### 21. CURRENCY INDEMNITY

- 21.1 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.
- 21.2 This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

### 22. ROUNDING

For the purposes of any calculations referred to in the Conditions (unless otherwise specified in the Conditions or the applicable Final Terms or Pricing Supplement), (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. dollar 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 (or, if specified in the applicable Final Terms or Pricing Supplement, upward to the next upper whole Japanese Yen amount or, rounded to the nearest whole Japanese Yen

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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).

### 23. REDENOMINATION, RENOMINALISATION AND RECONVENTIONING

23.1 **Application:** This Condition 23 (*Redenomination, Renominalisation and Reconventioning*) is applicable to the Notes only if it is specified in the applicable Final Terms or Pricing Supplement as being applicable.

23.2 **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 30 days' prior notice to the Noteholders and the Paying Agents, 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.

23.3 **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 Union 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 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.

23.4 **Interest:** Following redenomination of the Notes pursuant to this Condition 23 (*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.

23.5 **Interest Determination Date:** If the Floating Rate Note Provisions are specified in the applicable Final Terms or Pricing Supplement as being applicable and Screen Rate Determination is specified in the applicable Final Terms or Pricing Supplement 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.

### 24. INCONVERTIBILITY EVENTS

24.1 If, in respect of any Series of Notes, the applicable Final Terms or Pricing Supplement specifies that "Inconvertibility Event Provisions" are applicable, this Condition 24 (*Inconvertibility Events*) shall apply in respect of such Notes.

24.2 If, at any time during the term of such Notes, the Determination Agent determines 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 may, at its reasonable discretion, provide a notice of the occurrence of such an event of inconvertibility to the holders of the Notes in accordance with Condition 19 (*Notices*) electing either:

- (a) if "**Converted Payment**" is specified in the applicable Final Terms or Pricing Supplement: 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;
- (b) if "**Early Redemption**" is specified in the applicable Final Terms or Pricing Supplement: to early redeem the Notes on a specified date (such date the "**Inconvertibility Early Redemption Date**"), in which case the Notes shall early



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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 or Pricing Supplement: to suspend the payment until such number of Business Days as are specified in the applicable Final Terms or Pricing Supplement 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 or Pricing Supplement, 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.

### 24.3 Definitions:

**"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 Early Redemption Amount"** means:

- (a) if **"Fixed Redemption"** is specified in the applicable Final Terms or Pricing Supplement, an amount per Calculation Amount as specified as such in the applicable Final Terms or Pricing Supplement;
- (b) if **"Early Redemption Amount"** is specified in the applicable Final Terms or Pricing Supplement, an amount equal to the Early Redemption Amount (i) 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 (ii) 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; or
- (c) if **"Fair market value"** is specified in the applicable Final Terms or Pricing Supplement, 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;

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:

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- (a) 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
- (b) 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
- (c) 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
- (d) to determine a rate at which any Relevant Currency can be lawfully exchanged for U.S. dollars; or
- (e) to convert any Relevant Currency into U.S. dollars; or
- (f) 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;

**"Inconvertibility Specified Currency"** means the currency specified in the applicable Final Terms or Pricing Supplement;

**"Relevant Currency"** means the currency as specified in the applicable Final Terms or Pricing Supplement; and

**"Relevant Jurisdiction"** means the jurisdiction as specified in the applicable Final Terms or Pricing Supplement.

### 25. CNY DISRUPTION EVENTS

25.1 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 Condition 25.1(b) (*CNY Disruption Events*) will apply on the day immediately following the lapse of such 14-calendar day period;
- (b) secondly, the relevant payment obligations under the Affected CNY Note shall be replaced by an obligation to pay an amount that would be due as if settlement were non-deliverable with the effect that any amounts in CNY payable under the Affected CNY Note shall be 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 Condition 25.1(b) (*CNY Disruption Events*) 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.

25.2 For the purpose of this Condition 25 (*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

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possible) for the Issuer to obtain a firm quote of an offer price in respect of an amount in CNY equal to the then current 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.

**"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 or Pricing Supplement.

**"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, in respect of any payment date determined pursuant to the terms herein, subject to adjustment in accordance with the provisions of Condition 25.1(a) (*CNY Disruption Events*) 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, but in no event later than two Hong Kong Business Days after the date on which the USD/CNY Spot Rate is determined.

**"Offshore CNY Centre"** means Hong Kong, or such other CNY Centre as specified in the applicable Final Terms or Pricing Supplement.

**"USD/CNY Spot Rate"** means the Chinese Renminbi/U.S. dollar official fixing rate, expressed as the amount of Chinese Renminbi per one U.S. dollar, for settlement in two Hong Kong Business Days reported by the Treasury Markets Association which appears on Reuters page <CNHFIX=> at approximately 11:15 a.m., Hong Kong time (the **"Spot USD/CNY(HK) Fixing"**). In the event that the Spot USD/CNY(HK) Fixing is not available, the Determination Agent may in its reasonable discretion (a) delay the determination of the USD/CNY Spot Rate until such day that the Spot USD/CNY(HK) Fixing is available or (b) determine the USD/CNY spot rate in its reasonable discretion.

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.

## Terms and Conditions of the Notes

### 26. SUBSTITUTION

#### 26.1 *Substitution of Issuer with Morgan Stanley Group Entities*

Subject to the conditions set out in this Condition 26 (*Substitution*), the Issuer may, at any time, without the consent of Noteholders, substitute a Subsidiary of Morgan Stanley in place of the Issuer as principal debtor under the Notes, provided that any Notes in respect of which such a substitution is effected will be fully and unconditionally 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).

#### 26.2 *Substitution of Issuer with Non Morgan Stanley Group Entities*

Subject to the conditions set out in this Condition 26 (*Substitution*), the Issuer may, at any time, without the consent of the Noteholders, substitute for itself any entity which is not a Morgan Stanley Group entity, provided that such entity is, on the date of such substitution and in the opinion of the Issuer, of at least the equivalent creditworthiness (this will be deemed to be the case where the Substitute (defined below) 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 Issuer) to the Issuer.

#### 26.3 *Conditions to Substitution*

Substitution of the Issuer for another entity (the "**Substitute**") as provided in Condition 26.1 (*Substitution of Issuer with Morgan Stanley Group Entities*) or 26.2 (*Substitution of Issuer with Non Morgan Stanley Group Entities*) (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 Issuer;
- (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 has obtained all necessary corporate authorisations to assume all such rights, obligations and liabilities under the Notes;
- (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 and that all such approvals and consents are in full force and effect;
- (d) in the case of substitution of the Issuer pursuant to Condition 26.2 (*Substitution of Issuer with Non Morgan Stanley Group Entities*) only:
  - (i) the Substitute and the Issuer having obtained legal opinions from independent legal advisers of recognised standing in the country of incorporation of the Substitute and in New York that the obligations of the Substitute under the Notes are legal, valid and binding obligations of the Substitute; and
  - (ii) if the relevant Notes are rated at the relevant time, the Substitute has obtained, prior to the substitution date, a written confirmation 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) all consents and approvals as required have been obtained and that the Substitute and the Notes comply with all applicable requirements of the Securities Act;
- (f) the Fiscal Agent has confirmed to the Issuer that it has completed its relevant "know your customer" requirements on the proposed Substitute;
- (g) 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;

## Terms and Conditions of the Notes

- (h) no payment in respect of the Notes, receipts and coupons is overdue at the relevant time;
- (i) 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 (except for any type of withholding taxes that would have applied to payments by the Issuer if the substitution did not occur), and to transfer all amounts which are required therefor to the Fiscal Agent without any restrictions; and
- (j) 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.

### 26.4 *Reference in the Conditions to the Issuer*

In the event of a substitution pursuant to this Condition 26 (*Substitution*), any reference in the Conditions to the Issuer shall be construed as a reference to the entity substituted.

### 26.5 *Notification to Noteholders*

The Issuer shall as soon as reasonably practicable notify Noteholders of the substitution in accordance with Condition 19 (*Notices*).

### 26.6 *No Obligation to have Regard to the Consequences of the Exercise of the Right of Substitution*

In connection with the right of substitution under this Condition 26 (*Substitution*), the Issuer shall not be obliged to have regard to the consequences of the exercise of such right for individual Noteholders, provided that the Substitute indemnifies each holder of Notes, receipts and coupons against any tax, assessment or governmental charge imposed on such Noteholder or required to be withheld or deducted as a consequence of such substitution.

### 26.7 *Tax Consequences of Substitution*

If the Issuer substitutes an entity in place of the Issuer as principal debtor under the Notes, the tax consequences (including the withholding tax consequences) of holding the Notes may change. Except as provided in Condition 12.1 (*Additional Amounts*), if withholding is required on the Notes, no additional amounts will be required to be paid.

## 27. **REPRESENTATIONS AND ACKNOWLEDGEMENTS BY NOTEHOLDERS**

Each Noteholder shall be deemed to represent and acknowledge to the Issuer on acquiring any Notes that:

- 27.1 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 advisers are not relying on any communication (written or oral and including, without limitation, opinions of third party advisers) 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 advisers prior to making any such investment); and
- 27.2 such Noteholder (a) has consulted with its own legal, regulatory, tax, business, investments, financial and accounting advisers to the extent that it has deemed necessary, and has made its own investment, hedging, and trading decisions based upon its own judgement and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Issuer or any Affiliate or any of their agents and (b) 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.

## 28. **GOVERNING LAW AND JURISDICTION**

- 28.1 ***Governing Law:*** The Notes will be governed by the laws of the State of New York.

## Terms and Conditions of the Notes

- 28.2 ***Jurisdiction:*** Morgan Stanley for the benefit of the Noteholders hereby (a) irrevocably submits to the non-exclusive jurisdiction of any New York State court or U.S. federal court sitting in the Borough of Manhattan in the City of New York solely for purposes of any legal action or proceeding arising out of or relating to the Notes and (b) irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any legal action or proceeding in any New York State court or U.S. federal court sitting in the Borough of Manhattan in the City of New York, and any claim that any such action or proceedings brought in any such court has been brought in an inconvenient forum. Morgan Stanley agrees that a final judgment in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

## Pro Forma Final Terms for Notes

### PRO FORMA FINAL TERMS FOR NOTES

#### [PROHIBITION OF SALES TO EEA RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (THE "EEA"). FOR THESE PURPOSES, A RETAIL INVESTOR IN THE EEA 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, AS AMENDED ("**MIFID II**");
- (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, 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 REGULATION (EU) 2017/1129 (THE "**PROSPECTUS REGULATION**").

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE "**PRIIPS REGULATION**") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN OR WILL BE 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.]

#### [PROHIBITION OF SALES TO UK RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM (THE "UK"). FOR THESE PURPOSES, A RETAIL INVESTOR IN THE UK MEANS A PERSON WHO IS ONE (OR MORE) OF:

- (A) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF "**RETAINED EU LAW**" AS DEFINED IN THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "**EUWA**");
- (B) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("**FSMA**") AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUWA; OR
- (C) NOT A QUALIFIED INVESTOR AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUWA (THE "**UK PROSPECTUS REGULATION**").

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUWA (THE "**UK PRIIPS REGULATION**") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN OR WILL BE PREPARED AND, THEREFORE, OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.]

**[MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:**

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.

ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A **"DISTRIBUTOR"**) SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.]

**[UK MIFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:**

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE NOTES IS ONLY ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("**COBS**"), AND PROFESSIONAL CLIENTS, AS DEFINED IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("**EUWA**") ("**UK MIFIR**"); AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A **"DISTRIBUTOR"**)]/[DISTRIBUTOR] SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS' TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (THE "**UK MIFIR PRODUCT GOVERNANCE RULES**") IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.]

**[MIFID II PRODUCT GOVERNANCE/ RETAIL INVESTORS/ PROFESSIONAL INVESTORS AND ECPS TARGET MARKET:**

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES, PROFESSIONAL CLIENTS AND RETAIL CLIENTS, EACH AS DEFINED IN MIFID II; AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES ARE APPROPRIATE.

ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A **"DISTRIBUTOR"**) SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT



## Pro Forma Final Terms for Notes

OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.]

### **[UK MIFID PRODUCT GOVERNANCE/ RETAIL INVESTORS/ PROFESSIONAL INVESTORS AND ECPS TARGET MARKET:**

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE NOTES IS RETAIL CLIENTS, AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("EUWA"), ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("COBS"), AND PROFESSIONAL CLIENTS, AS DEFINED IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUWA ("UK MIFIR"); AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES ARE APPROPRIATE.

*[INSERT IN CASE OF AN OFFER IN SWITZERLAND:*

THE NOTES DO NOT CONSTITUTE A COLLECTIVE INVESTMENT SCHEME WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("CISA"). THE NOTES ARE NEITHER SUBJECT TO THE AUTHORISATION NOR TO THE SUPERVISION BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA AND INVESTORS DO NOT BENEFIT FROM THE SPECIFIC INVESTOR PROTECTION PROVIDED UNDER THE CISA. INVESTORS SHOULD BE AWARE THAT THEY ARE EXPOSED TO THE CREDIT RISK OF THE ISSUER AND, IF APPLICABLE, OF THE GUARANTOR.]

*[INSERT IN CASE OF A PUBLIC OFFERING IN SWITZERLAND REQUIRING A PROSPECTUS:*

THESE FINAL TERMS MUST BE READ TOGETHER WITH THE BASE PROSPECTUS, WHICH WAS INCLUDED AS A FOREIGN PROSPECTUS, WHICH IS DEEMED APPROVED ALSO IN SWITZERLAND PURSUANT TO ARTICLE 54(2) OF THE SWISS FEDERAL ACT ON FINANCIAL SERVICES ("FINSA") BY SIX EXCHANGE REGULATION LTD. AS REVIEWING BODY (*PRÜFSTELLE*) IN THE LIST OF APPROVED PROSPECTUSES AND DEPOSITED WITH IT AND PUBLISHED PURSUANT TO ARTICLE 64 FINSA. THESE FINAL TERMS WILL ALSO BE DEPOSITED WITH SIX EXCHANGE REGULATION AS REVIEWING BODY AND PUBLISHED PURSUANT TO ARTICLE 64 FINSA.]

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR")]/[DISTRIBUTOR] SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS' TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (THE "UK MIFIR PRODUCT GOVERNANCE RULES") IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.]

**A NON-U.S. HOLDER WILL BE SUBJECT TO U.S. WITHHOLDING TAX UNLESS THE BENEFICIAL OWNER OF THE NOTES (OR A FINANCIAL INSTITUTION HOLDING THE NOTES ON BEHALF OF THE BENEFICIAL OWNER) FURNISHES THE APPROPRIATE FORM W-8, ON WHICH THE BENEFICIAL OWNER CERTIFIES UNDER PENALTIES OF PERJURY THAT IT IS NOT A U.S. PERSON. IF WITHHOLDING OR DEDUCTION OF TAXES IS REQUIRED BY LAW (REGARDLESS OF WHETHER A HOLDER FURNISHED AN APPROPRIATE FORM), PAYMENTS ON THE NOTES WILL BE MADE NET OF APPLICABLE WITHHOLDING TAXES, AND MORGAN STANLEY WILL NOT BE REQUIRED TO PAY ANY ADDITIONAL AMOUNTS TO NON-U.S. HOLDERS WITH RESPECT TO ANY TAXES WITHHELD.**

**Final Terms dated [●]**

## Pro Forma Final Terms for Notes

### MORGAN STANLEY

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Legal Entity Identifier (LEI): IGJSJL3JD5P30I6NJZ34

Under the Base Prospectus for the Issuance of Notes, Series A and Series B 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 19 July 2022 [and the supplement[s] dated [●],[●] ... [●]] to the Base Prospectus] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus [as so supplemented] in order to obtain all the relevant information. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. [However, a summary of the Issue is annexed to these Final Terms.]<sup>2</sup> 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 Issuer's 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](http://www.bourse.lu).

*[The following alternative language applies 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 [8 April 2016 and the supplement to it dated 20 January 2017]/[19 April 2017]/[19 June 2018 and the supplement to it dated 25 January 2019]/ [28 June 2019 and the supplement to it dated 27 August 2019]/[13 July 2020]/[19 July 2021] which [are/is] incorporated by reference in the Base Prospectus dated 19 July 2022. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus dated 19 July 2022 [and the supplement[s] to it dated [●],[●] ... [●]] in order to obtain all the relevant information, which together constitutes a base prospectus for the purposes of the Prospectus Regulation (the "**Base Prospectus**"), including the Conditions incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. [However, a summary of the Issue is annexed to these Final Terms.]<sup>3</sup> 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 Issuer's 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](http://www.bourse.lu).]

*[(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. | a)  | Series Number:      | [●]                   |
|    | b)  | Series Designation: | [Series A]/[Series B] |
|    | [c) | Tranche Number:     | [●]                   |

<sup>2</sup> Insert if Notes are for denominations lower than EUR 100,000.

<sup>3</sup> Insert if Notes are for denominations lower than EUR 100,000.

## Pro Forma Final Terms for Notes

- [The Notes will be fungible with the [currency] [●] [Title of the Notes], bearing ISIN [●]]
2. Specified Currency: [●]
3. Aggregate [Nominal Amount]/[Number] of Notes: [●]<sup>4</sup>
- [[a)] Series: [●]]
- [b)] Tranche: [●]]
4. Issue Price: [●] per cent. of par per Note/[●] per Note
5. a) Specified Denominations (Par): [●] [and integral multiples of [●] in excess thereof]
- b) Calculation Amount: [●]
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations)*
6. a) Issue Date: [●]
- b) Trade Date: [●]
- c) Interest Commencement Date: [●]/[Issue Date]/[Not Applicable]
- [OR]
- [In relation to interest payable under Condition 5 (*Fixed Rate Note Provisions*), [●]. See paragraph 14 below for further details]
- [In relation to interest payable under Condition 6 (*Floating Rate Note Provisions*), [●]. See paragraph 15 below for further details]
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, the 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. Interest Basis: [Non-interest bearing]

<sup>4</sup> 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.

## Pro Forma Final Terms for Notes

[Zero Coupon [and]]

[Fixed Rate Notes [and]]

[Floating Rate Notes [and]]

[Inflation-Linked Notes]

(further particulars specified below)

10. Automatic Change of Interest Basis: [Applicable/Not Applicable]

(Condition 9)

Interest Basis Table		
Interest Commencement Date(s)	Interest Payment Date(s)	Interest Basis
[●] <i>(repeat as required)</i>	[●]/[As set forth in paragraph [●] below] <i>(repeat as required)</i>	[Zero Coupon]/ [Fixed Rate Notes]/ [Floating Rate Notes]/ [Inflation-Linked Notes]/ <i>(repeat as required)</i>

11. Final Redemption Amount: [Fixed Final Redemption. The Fixed Final Redemption Amount is [●]]

[Accrued Value. [The Accrued Value Commencement Date is [●].] The Accrual Yield is [●] per cent. and the Reference Price is *[specify]*]

- (i) Final Bonus: [Applicable/Not Applicable]

- (ii) Final Bonus Amount: [●]/[Not Applicable]

12. Call Option:<sup>5</sup>

- Redemption at the Option of the Issuer: [Applicable/Not Applicable]

(Condition 10.3)

13. Method of Distribution: [Syndicated/Non-syndicated]

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

14. Fixed Rate Note Provisions [Applicable/Not Applicable]

- (Condition 5) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

<sup>5</sup> Clearstream, Luxembourg and Euroclear require a minimum notice period of five business days.

## Pro Forma Final Terms for Notes

- 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]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] to (but excluding) the [Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] [(such scheduled [Interest Payment Dates]/[Interest Period End Dates] not being adjusted for any Business Day Convention)] ( <i>repeat as required</i> )	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other ( <i>specify</i> )] in arrear] ( <i>repeat as required</i> )

- b) Interest Period(s) subject only to Fixed Rate Notes Provisions: From (and including) the [Interest Commencement Date]/[Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] to (but excluding) the [Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] [(such scheduled [Interest Payment Dates]/[Interest Period End Dates] not being adjusted for any Business Day Convention)]

(*repeat as required*)

- c) Interest Period End Date(s): [Each Interest Payment Date]/[Specify other]

- d) 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 only Fixed Rate Notes Provisions apply*)

- e) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Modified Business Day Convention/Preceding Business Day Convention]/[No Adjustment/Unadjusted]

- f) Additional Business Centre(s): [●]

- g) Fixed Coupon Amount(s): [Applicable, [●] per Calculation Amount]/[Not Applicable]

[OR]

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Interest Period	Fixed Coupon Amount
From (and including) the [Interest Commencement Date]/[Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] ] to (but excluding) the [Interest Payment Date] /[Interest Period End Date] [falling on]/[scheduled to fall on] [●] [(such scheduled [Interest Payment Dates] /[Interest Period End Dates] not being adjusted for any Business Day Convention)]  <i>(repeat as required)</i>	[●] per Calculation Amount/[Not Applicable]  <i>(repeat as required)</i>

- h) Broken Amount(s): [Applicable, [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]]/[Not Applicable]

*[OR]*

Interest Payment Date(s)	Broken Amount
[●]  <i>(repeat as required)</i>	[[●] per Calculation Amount]/[Not Applicable]  <i>(repeat as required)</i>

- i) 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]
- j) Party responsible for calculating the Interest Amount(s): [●]/[Morgan Stanley & Co. International plc]

15. **Floating Rate Note Provisions** [Applicable. The Notes are Floating Rate Notes]/[Not Applicable]

(Condition 6) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

- a) 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]]
- b) Interest Period End Date(s): [Each Interest Payment Date]/[Specify other]

## Pro Forma Final Terms for Notes

- c) Interest Period(s): From (and including) the [Interest Commencement Date]/[Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] to (but excluding) the [Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] [(such scheduled [Interest Payment Dates]/[Interest Period End Dates] not being adjusted for any Business Day Convention)]
- (repeat as required)*
- d) Linear Interpolation: [Applicable in respect of the Interest Period: *(repeat applicable Interest Periods from above)*]/[Not Applicable]  
(Condition 6.4)
- e) 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)*
- f) Additional Business Centre(s): [●]
- g) Manner in which the Floating Interest Rate(s) is/are to be determined: [Screen Rate Determination]/[ISDA Determination] [CMS Rate Determination]/[Not Applicable]

*[OR]*

Interest Period	Floating Interest Rate
From (and including) the [Interest Commencement Date]/[Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] ] to (but excluding) the [Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] ] [(such scheduled [Interest Payment Dates]/[Interest Period End Dates] not being adjusted for any Business Day Convention)]  <i>(repeat as required)</i>	[Screen Rate Determination]/[ISDA Determination]/[CMS Rate Determination]/[[●] per cent.]  <i>(repeat as required)</i>

## Pro Forma Final Terms for Notes

- h) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐/[Determination Agent]
- i) Screen Rate Determination: ☐[Applicable]/[Not Applicable]
- Reference Rate: ☐
  - Provisions specific to SOFR as Reference Rate – SOFR Benchmark (Condition 6.8): ☐[Not Applicable]
    - ☐[SOFR Compound with Lookback  
Lookback Days: ☐ U.S. Government Securities Business Days]
    - ☐[SOFR Compound with Observation Period Shift  
Observation Shift Days: ☐ U.S. Government Securities Business Days]
    - ☐[SOFR Compound with Payment Delay  
[Interest Payment Delay: ☐ U.S. Government Securities Business Days]]
    - ☐[SOFR Index Average  
SOFR Index<sub>Start</sub>: ☐ U.S. Government Securities Business Days preceding the first date of the relevant Interest Period  
SOFR Index<sub>End</sub>: ☐ U.S. Government Securities Business Days preceding the Interest Period End Date relating to the relevant Interest Period  
Observation Shift Days: ☐ U.S. Government Securities Business Days]
  - Provisions specific to SONIA as Reference Rate – SONIA Benchmark (Condition 6.9): ☐[Not Applicable]
    - ☐[SONIA Compound with Lookback  
Lookback Days: ☐ London Banking Days]
    - ☐[SONIA Compound with Observation Period Shift  
Observation Shift Days: ☐ London Banking Days]
    - ☐[SONIA Compound with Payment Delay  
[SONIA Rate Cut-Off Date: ☐ London Banking Days]  
[Interest Payment Delay: ☐ London Banking Days]]
    - ☐[SONIA Index Average  
Relevant Number: ☐  
[Observation Shift Days: ☐ London Banking Days]]
  - Provisions specific to €STR as Reference Rate – €STR: ☐[€STR Compound with Lookback  
Lookback Days: ☐ TARGET Settlement Days]  
☐[€STR Compound with Observation Period Shift]



## Pro Forma Final Terms for Notes

- |   |   |
|---|---|
| Benchmark<br>(Condition 6.10):  | Observation Shift Days: [●] TARGET Settlement Days<br><br>[€STR Compound with Payment Delay<br>[€STR Rate Cut-Off Date: [●] TARGET Settlement Days]<br>[Interest Payment Delay: [●] TARGET Settlement Days]]<br>[€STR Index Average<br>Relevant Number: [●]<br>[Observation Shift Days: [●] TARGET Settlement Days]]  |
| • Provisions specific to SARON as Reference Rate – SARON Benchmark<br>(Condition 6.11): | [SARON Compound with Lookback<br>Lookback Days: [●] Zurich Banking Days]<br>[SARON Compound with Observation Period Shift<br>Observation Shift Days: [●] Zurich Banking Days]<br>[SARON Compound with Payment Delay<br>[SARON Rate Cut-Off Date: [●] Zurich Banking Days]<br>[Interest Payment Delay: [●] Zurich Banking Days]]<br>[SAION Index Average<br>Relevant Number: [●]<br>[Observation Shift Days: [●] Zurich Banking Days]] |
| • Provisions specific to TONA as Reference Rate – TONA Benchmark<br>(Condition 6.12):   | [TONA Compound with Lookback<br>Lookback Days: [●] Tokyo Banking Days]<br>[TONA Compound with Observation Period Shift<br>Observation Shift Days: [●] Tokyo Banking Days]<br>[TONA Compound with Payment Delay<br>[TONA Rate Cut-Off Date: [●] Tokyo Banking Days]<br>[Interest Payment Delay: [●] Tokyo Banking Days]]<br>[TONA Index Average<br>Relevant Number: [●]<br>[Observation Shift Days: [●] Tokyo Banking Days]]           |
| • 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]  |

## Pro Forma Final Terms for Notes

- [Rate Table:]

Rate Table		
Interest Payment Date(s)	Margin	Interest Participation Rate
[●] <i>(repeat as required)</i>	[[+/-][●] per cent. per annum] <i>(repeat as required)</i>	[●] <i>(repeat as required)]</i>

j) ISDA Determination: [Applicable]/[Not Applicable]

- 2006 ISDA [Applicable]/[Not Applicable]  
Definitions:

- 2021 ISDA [Applicable]/[Not Applicable]  
Definitions:

- Floating Rate Option: [●]

- Designated Maturity: [●]/[Not Applicable] *(Only applicable where the Floating Rate Option is not an overnight rate)*

- Reset Date: [●]

- Overnight Floating [Applicable]/[Not Applicable]  
Rate Option:

- Index Floating Rate [Applicable]/[Not Applicable]  
Option:

- Overnight Compounding Rate [Not Applicable] *(Specify as Not Applicable if Averaging applies)*

Method:

[OIS Compounding

[Daily Capped Rate and/or Daily Floored Rate:  
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]]

[Compounding with Lookback

[Lookback: [●] Applicable Business Days]

[Daily Capped Rate and/or Daily Floored Rate:  
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]]

[Compounding with Observation Period Shift

Set-in-Advance: [Applicable]/[Not Applicable]

[Observation Period Shift: [●] Observation Period  
Shift Business Days]

## Pro Forma Final Terms for Notes

[Observation Period Shift Additional Business Days: [●]/[Not Applicable]]

[Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Compounding with Lockout

[Lockout: [●] Lockout Period Business Days]

[Lockout Period Business Days: [●]/[Applicable Business Days]]

[Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)] *(Only applicable where the 2021 ISDA Definitions apply)*

- Overnight Rate [Not Applicable] *(Specify as Not Applicable if Averaging Method: Compounding applies)*

[Overnight Averaging

[Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Averaging with Lookback

[Lookback: [●] Applicable Business Days]

[Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Averaging with Observation Period Shift

Set-in-Advance: [Applicable]/[Not Applicable]

[Observation Period Shift: [●] Observation Period Shift Business Days]

[Observation Period Shift Additional Business Days: [●]/[Not Applicable]]

[Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Averaging with Lockout

[Lockout: [●] Lockout Period Business Days]

## Pro Forma Final Terms for Notes

[Lockout Period Business Days: [●]/[Applicable Business Days]]

[Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)] *(Only applicable where the 2021 ISDA Definitions apply)*

- Index Method: [Not Applicable]  
[Standard Index Method] *(Only applicable where the 2021 ISDA Definitions apply)*  
[Compounded Index Method]  
[Compounded Index Method with Observation Period Shift  
Set-in-Advance: [Applicable]/[Not Applicable]  
[Observation Period Shift: [●] Observation Period Shift Business Days]  
[Observation Period Shift Additional Business Days: [●]/[Not Applicable]]
- Delayed Payment: [Applicable, with the specified number of days being [●] Business Days]/[Not Applicable]
- [2006 ISDA [Applicable]/[Not Applicable]] *(Only include where the Definitions Linear 2006 ISDA Definitions apply)*  
Interpolation:
- [2021 ISDA [Applicable]/[Not Applicable]] *(Only include where the Definitions Linear 2021 ISDA Definitions apply)*  
Interpolation:
- Unscheduled Holiday: [Applicable]/[Not Applicable]] *(Only include where the 2021 ISDA Definitions apply)*
- [Period End [Applicable]/[Not Applicable]] *(Only include where the Date/Termination 2021 ISDA Definitions apply)*  
Date adjustment for Unscheduled Holiday:
- [Non-Representative: [Applicable]/[Not Applicable]] *(Only include where the 2021 ISDA Definitions apply)*
- [Successor Benchmark: [●]  
Successor Benchmark Effective Date: [●]]  
*(Only include where the 2021 ISDA Definitions apply)*
- If ISDA [Yes]/[No]  
Determination applies,  
ISDA Bespoke  
Fallbacks to apply in  
priority to other

### Pro Forma Final Terms for Notes

fallbacks in Condition 6.17:

- Margin: [[+/-][●] per cent. per annum]/[As specified in the Rate Table below]
- [Interest Participation [●]/[As specified in the Rate Table below]] Rate:

- [Rate Table:]

Rate Table		
Interest Payment Date(s)	Margin	Interest Participation Rate
<p align="center">[●]</p> <p align="center"><i>(repeat as required)</i></p>	<p align="center">[[+/-][●] per cent. per annum]</p> <p align="center"><i>(repeat as required)</i></p>	<p align="center">[●]</p> <p align="center"><i>(repeat as required)]</i></p>

- k) 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", insert this column 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]

- Reference Currency: [●] [●]

- Designated Maturity: [●][month[s]/year[s]] [●][month[s]/year[s]]

- Relevant Screen Page: [●] [●]

- Relevant Time: [●] [●]

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Interest Determination Date(s):</li> </ul> | [Periodic Determination is applicable. The Interest Determination Date(s) [●]/[the first day of each Interest Period]/[the second TARGET Settlement Day prior to the start of each TARGET Settlement | Rate [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 TARGET Settlement |
|---|--|--|

## Pro Forma Final Terms for Notes

- |  |   |   |   |
|--|---|---|---|
|  |   | Day prior to the start of Interest Period]]/[Daily Rate each Interest Determination is applicable]  | Interest Period]]/[Daily Rate Determination is applicable]  |
| <ul style="list-style-type: none"> <li>• Fallback Rate Determination:</li> </ul>   | [Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable]  | [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]  | 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]   | Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable]   |
|  | [Reference Banks: [●]]  | [Reference Banks: [●]]  | [Reference Banks: [●]]  |
| <ul style="list-style-type: none"> <li>• Specified Fixed Leg <i>(for determination of Mid-Market Quotations if specified to be applicable):</i></li> </ul> | [annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-annual fixed leg]  | [annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-annual fixed leg]  | [annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-annual fixed leg]  |
| <ul style="list-style-type: none"> <li>• Fixed Leg Day Count Basis:</li> </ul>   | [Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1] | [Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1] | [Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1] |
| <ul style="list-style-type: none"> <li>• Floating Leg Day Count Basis:</li> </ul>  | [Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1] | [Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1] | [Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1] |

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- Floating Leg Rate [●] [●]  
Option:
- Margin [1]: (If CMS [●]/[As specified in the Rate Table below]  
Interest Rate is  
"Spread CMS Rate",  
insert "Margin 1")
- 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 [●]/[As specified in the Rate Table below]  
Rate [1]: (If CMS  
Interest Rate is  
"Spread CMS Rate",  
insert "Interest  
Participation Rate 1")
- Interest Participation [●]/[As specified in the Rate Table below] (Specify  
Rate 2:  
"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 Participatio n Rate [1]]	[Interest Participatio n Rate 2]
[●] (repeat as required)	[●] (repeat as required)	[●] (repeat as required )	[●] (repeat as required)	[●] (repeat as required)]

- l) 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 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.]]
- m) 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 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.]]
- n) 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]

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- o) Relevant Rates Benchmark Discontinuance or Prohibition on Use (Condition 6.17): [Applicable][Not Applicable]<sup>6</sup> *(if not applicable delete the remaining sub-paragraphs of this paragraph)*
- (1) Other Relevant Rates Benchmark: *[specify]*[Not Applicable] (specify any applicable Relevant Rates Benchmark Rate which is not a Reference Rate. Otherwise delete line)
- (2) Administrator/Benchmark Event applicable for Condition 6.17(c): [Applicable as per the Conditions] [Not Applicable]
- (3) Alternative Pre-nominated Reference Rate: *[specify]*[Not Applicable] *(specify in respect of each Relevant Rates Benchmark)*
16. **Inflation-Linked Notes** [Applicable]/[Not Applicable]
- (Condition 8 (*Inflation-Linked Note Provisions*)) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph 16)*
- Rate of Interest [Leveraged Inflation Coupon]/[Real Inflation Coupon]/[Cumulative Inflation Coupon]
- a) Inflation Index/Inflation Indices: [●]
- b) Inflation Index Sponsor(s): [●]
- c) Determination Agent responsible for calculating Interest Amount: [●]/[Morgan Stanley & Co. International plc]
- d) 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 Condition 8 (*Inflation-Linked Note Provisions*), 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 Inflation 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)*
- (Condition 8.6 (*Index Level Adjustment Correction*))
- e) Related Bond: [Specify]/[Fallback Bond]/[Fallback Bond: Not Applicable]
- f) Interest Period(s): From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on]/[scheduled to

<sup>6</sup> Not applicable where the Relevant Rates Benchmark is U.S. dollar LIBOR.



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fall on] [●] to (but excluding) the Interest Payment Date [falling on]/[scheduled to fall on] [●] [(such scheduled Interest Payment Dates not being adjusted for any Business Day Convention)]

*(repeat as required)*

g) 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]]

h) 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)*

i) Leverage: [●] per cent.

j) Spread: [[+/-] [●] per cent.]/[Not Applicable]

k) CPI<sub>Initial</sub>: [●]/[Initial Inflation Index Level]/[Not Applicable]

[• Determination Month (Initial): [●] *(specify if Initial Inflation Index Level is applicable)*

l) Determination Month:

Determination Month Table		
Interest Payment Date(s)	Determination Month (n)	Determination Month (m)
[insert date] <i>(repeat as required)</i>	[insert calendar month and year] <i>(repeat as required)</i>	[insert calendar month and year] <i>(repeat as required)</i>

*[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]

## Pro Forma Final Terms for Notes

- **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 16(xii) 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]

- m) **Interest Cap:** [●]/[Not Applicable]
- n) **Interest Floor:** [●]/[Not Applicable]
- o) **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. **Zero Coupon Note Provisions** [Applicable/Not Applicable]

(Condition 7 (*Zero Coupon Note Provisions*))

*(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

- a) **Accrual Yield:** [●] per cent. per annum
- b) **Reference Price:** [●]
- c) **Accrued Value Commencement Date:** [●]/[Not Applicable]

## PROVISIONS RELATING TO EARLY REDEMPTION

### 18. **Call Option<sup>7</sup>** [Applicable/Not Applicable]

[Optional Redemption Amount (Call) – Fixed applies.]

[Optional Redemption Amount (Call) – Accrued Value applies. [The Accrued Value Commencement Date is [●]]]

(Condition 10.3 (*Redemption at the Option of the Issuer*))

*(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

- a) **Optional Redemption Date(s) (Call):** [●]
- b) **[Participation Rate (Call)]/[Accrual Yield and Reference Price] for determining the Optional Redemption Amount (Call):** [[[●] per cent.]/[100 per cent.]] (*insert if Optional Redemption Amount (Call) – Fixed applies*)/[The Accrual Yield is [●] per cent. and the Reference Price is *[specify]* [The Accrued Value Commencement Date is [●]].] (*insert if Optional Redemption Amount (Call) – Accrued Value applies*)

<sup>7</sup> Clearstream, Luxembourg and Euroclear require a minimum notice period of five business days.

## Pro Forma Final Terms for Notes

- |    |                                   |   |
|----|-----------------------------------|---|
| c) | Optional Redemption in Part only: | [Applicable. Redemption will be effected in accordance with Condition 10.4 ( <i>Partial Redemption</i> )]/[Not Applicable]<br><br>(delete as appropriate) |
| d) | Maximum Notice Number of Day(s):  | [●] [calendar day[s]]/[Business Day[s]]   |
| e) | Minimum Notice Number of Day(s):  | [●] [calendar day[s]]/[Business Day[s]] <sup>8</sup>  |
19. a) **Early Redemption Amount upon Event of Default** (Condition 13):
- [Fixed Redemption. The Specified Rate is [●]/[100] per cent.]
- [Accrued Value. [The Accrued Value Commencement Date is [●].] The Accrual Yield is [●] per cent. and the Reference Price is [specify].] (*N.B. Accrued Value should always be specified for Zero Coupon Notes*)
- b) **Early Redemption Amount (Tax) upon any withholding or deduction being required with respect to the Notes**, as described in Condition 12 (*Taxation*):
- [Not applicable]/
- [Early Redemption Amount (Tax) – Par]/
- [Early Redemption Amount (Tax) – Accrued Value. The Accrual Yield is [●] per cent. and the Reference Price is [specify]. [The Accrued Value Commencement Date is [●]]] (*N.B. Accrued Value should always be specified for Zero Coupon Notes*)
- c) **Early redemption related to benchmarks** in the circumstances described in Condition 6.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*):
- [Fixed Redemption (Benchmark Trigger Event). [●] per cent. per Calculation Amount.] / [Fixed Redemption (Benchmark Trigger Event) Less Costs. [●] per cent. per Calculation Amount.] / [Fair Market Value (Benchmark Trigger Event)] / [Not Applicable]
- (*Note – for issuances of Notes to retail investors, "Fixed Redemption (Benchmark Trigger Event) Less Costs" may not be selected*)
- d) **CMS Reference Rate – Effect of Index Cessation Event** as described in Condition 6.18 (*CMS Reference Rate - Effect of Index Cessation Event*)
- Index Cessation Event: applicable for Condition 6.18(d): [Not Applicable] [Applicable as per the Conditions]
- [Alternative Pre-nominated Reference Rate: [None] [Specify]]
- [[Early Redemption Amount (CMS Reference Rate) – Fixed Redemption: [●] per Calculation Amount] / [Early Redemption Amount (CMS Reference Rate) – Fixed Redemption Less Costs: [●] per Calculation Amount] / [Early Redemption Amount (CMS Reference Rate) – Fair Market Value Less Costs] / [Early Redemption Amount (CMS Reference Rate) – Fair Market Value] shall apply] / [Not Applicable]
- (*Note – for issuances of Notes to retail investors, ["Early Redemption Amount (CMS Reference Rate) – Fair Market Value Less Costs"]/["Early Redemption Amount (CMS*

<sup>8</sup> Clearstream, Luxembourg requires a minimum notice period of five business days.

## Pro Forma Final Terms for Notes

*Reference Rate) – Fixed Redemption Less Costs"] may not be selected)*

Reference Time: [●]/[Not Applicable]

- e) **Early redemption related to cessation of publication of Inflation Index** in the circumstances described in Condition 8.2(e) (*Cessation of Publication*):
- [Fixed Redemption (Inflation Index Cessation). [●] per cent. per Calculation Amount.] / [Fixed Redemption (Inflation Index Cessation) Less Costs. [●] per cent. per Calculation Amount.] / [Fair Market Value (Inflation Index Cessation)] / [Not Applicable]
- (Note – for issuances of Notes to retail investors, "Fixed Redemption (Inflation Index Cessation) Less Costs" may not be selected)*

20. **Inconvertibility Event Provisions:** [Applicable]/[Not Applicable]

(Condition 24 (*Inconvertibility Events*)) *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- a) Consequences of the occurrence of an Inconvertibility Event: [Converted Payment]/[Early Redemption]/[Suspended Payment]
- b) Inconvertibility Early Redemption Amount: [Not Applicable]

*[OR]*

[Fixed Redemption. [●] per cent. per Calculation Amount.]

[Early Redemption Amount:

[Fixed Redemption. [●] per cent. per Calculation Amount.]/[Accrued Value. The Accrual Yield is [●] per cent. and the Reference Price is *[specify]*.] [The Accrued Value Commencement Date is [●]]] (*N.B. If Early Redemption Amount is specified as applicable, Accrued Value should always be specified for Zero Coupon Notes.*)

[Fair Market Value]

- c) Relevant Currenc(y)/(ies): [●]
- d) Relevant Jurisdiction(s): [●]
- e) Inconvertibility Specified Currenc(y)/(ies): [●]
- f) Settlement Rate Option: [Currency Reference Dealers]/[Not Applicable]

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. **Form of 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
- (Condition 3 (*Form and Title*))

## Pro Forma Final Terms for Notes

under the New Safekeeping Structure (NSS))<sup>9</sup>, exchangeable for Individual Note Certificates in the limited circumstances described in the Global Note Certificate]

[Individual Note Certificates]

22. **Additional Financial Centre(s) or other special provisions relating to Payment Dates:** [Not Applicable]/[ ☐ ] (*Specify Additional Financial Centre(s)*)  
(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)<sup>10</sup>
23. **Record Date:** [As set out in the Conditions/The Record Date is ☐ [Business Day/day/clearing system business day] before the relevant due date for payment/Not Applicable]
24. **Redenomination, renominatisation and reconventioning provisions:** [Not Applicable]/[The provisions in Condition 23 (*Redenomination, Renominatisation and Reconventioning*) apply]
25. **Taxation:**  
Condition 12.1 (*Additional Amounts*): "Additional Amounts" is [Applicable]/[Not Applicable]
26. **CNY Centre:** ☐/[Not Applicable]
27. **Rounding (Condition 22 (Rounding))** [Japanese Yen amounts to be rounded [to the nearest whole JPY (with amounts greater than or equal to JPY 0.5 being rounded) upward to the next higher whole Japanese Yen amount)] [Not Applicable]

## DISTRIBUTION

28. a) If syndicated, names [and addresses]<sup>11</sup> of Managers [and underwriting commitments]<sup>12</sup>; 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.)<sup>13</sup> [Not Applicable/give names[, addresses and underwriting commitments]] [(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis.)]
- b) [Date of [Subscription] Agreement: ☐]<sup>14</sup>
- c) Stabilisation Manager(s) (if any): [Not Applicable/give name]

<sup>9</sup> To be included for Notes in global form which are to be held under the NSS.

<sup>10</sup> 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.

<sup>11</sup> Delete for Notes with a denomination per Note of EUR 100,000 or more.

<sup>12</sup> Delete for Notes with a denomination per Note of EUR 100,000 or more.

<sup>13</sup> Delete for Notes with a denomination per Note of EUR 100,000 or more.

<sup>14</sup> Delete for Notes with a denomination per Note of EUR 100,000 or more.

## Pro Forma Final Terms for Notes

- |     |   |  |
|-----|---|--|
| 29. | If non-syndicated, name [and address] <sup>15</sup> of Dealer:  | [Not Applicable/give name <i>[and address]</i> <sup>16</sup> ]   |
| 30. | Non-exempt Offer and Offer Period:  | [Applicable]/[Not Applicable]  |
|     | Offer Period  | [the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] (" <b>Offer Period</b> ")]/[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]]  |
|     | Swiss Non-exempt Offer and Swiss Offer Period   | [Applicable]/[Not Applicable]<br><br>[A public offer of the Notes that does not fall within an exemption from the requirement to publish a prospectus under the FinSA (a " <b>Swiss Non-exempt Offer</b> ") may be made by [●] (the " <b>Swiss Authorised Offeror</b> ") in Switzerland during the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] (the " <b>Swiss Offer Period</b> ") [subject to the following conditions: <i>[specify]</i> ]. The Issuer consents to the use of the Base Prospectus in connection with an offer of the Notes in Switzerland by the Swiss Authorised Offeror during the Swiss Offer Period, provided however, that the Base Prospectus is still valid according to Article 55 FinSA.] |
| 31. | Financial Intermediaries granted specific consent to use the Base Prospectus in accordance with the Conditions in it: | <i>[insert names and addresses of financial intermediaries receiving consent (specific consent)]</i>   |
| 32. | Total commission and concession:  | [In connection with the offer and sale of the Notes, [the Issuer][Morgan Stanley & Co. International plc or an Affiliate] will pay <i>[name/s]</i> a [one time][recurring] [distribution]/[structuring] fee amount equal to [a maximum of] [●] [of the Aggregate Nominal Amount]/ <i>[specify amount]</i> ]/[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]] <sup>17</sup>   |

### [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.]<sup>18</sup>

<sup>15</sup> Delete for Notes with a denomination per Note of EUR 100,000 or more.

<sup>16</sup> Delete for Notes with a denomination per Note of EUR 100,000 or more.

<sup>17</sup> Delete for Notes with a denomination per Note of EUR 100,000 or more.

<sup>18</sup> Insert if any third party information has been provided.

**Pro Forma Final Terms for Notes**

Signed on behalf of the Issuer:

By .....

Duly authorised

## Pro Forma Final Terms for Notes

### PART B – OTHER INFORMATION

#### 1. LISTING AND ADMISSION TO TRADING

Listing and admission to Trading: *(Insert for Series A Notes:)*

[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 the SIX Swiss 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.]

*(Insert for Series B Notes:)*

[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: [●]]<sup>19</sup>

#### 2. RATINGS

Ratings: [The Notes to be issued have been rated:

[S&P: [●]]

[Moody's: [●]]

[Fitch: [●]]

[DBRS: [●]]

[[Other]: [●]]

*Option 1*

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<sup>19</sup> Delete for Notes with a denomination per Note of less than EUR 100,000.



## Pro Forma Final Terms for Notes

*[Insert legal name of particular credit rating agency entity providing rating]* is established in the EEA and registered under Regulation (EC) 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 (EC) 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 and is not registered under Regulation (EC) No. 1060/2009, as amended (the "**CRA Regulation**"). 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 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 (EC) No. 1060/2009, as amended (the "**CRA Regulation**").<sup>20</sup>

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*<sup>21</sup>

*(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]*

<sup>20</sup> Edit and delete options as appropriate for the relevant rating agency/agencies providing the rating(s).

<sup>21</sup> Delete for Notes with a denomination per Note of EUR 100,000 or more.

## Pro Forma Final Terms for Notes

*(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 23 of the Prospectus Regulation)*

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

[Not Applicable]<sup>22</sup>/[a) Reasons [●]  
for the offer:

*(If reasons for offer different from making profit and/or hedging certain risks, will need to include those reasons here.)*

b) Estimated net proceeds: [●]

*(It is only necessary to include disclosure of net proceeds where disclosure is included at (a) above, although either estimated net proceeds or estimated total expenses at (c) below should be disclosed.)*

c) Estimated total expenses:] [●][Include breakdown of expenses.]

*(It is only necessary to include disclosure of total expenses where disclosure is included at (a) above, although either estimated total expenses or estimated net proceeds at (b) above should be disclosed.)*

### d) **Fixed Rate Notes only – YIELD**

Indication of yield: [●]/[Not Applicable]

### e) **Floating Rate Notes only – HISTORIC INTEREST RATES**

Details of historic [EURIBOR/other] rates can be obtained from [Reuters.]/[Not Applicable]<sup>23</sup>

### f) **Inflation-Linked Notes only – DESCRIPTION OF INFLATION INDEX/PERFORMANCE OF INFLATION INDEX AND OTHER INFORMATION CONCERNING THE INFLATION INDEX**

[Not Applicable]<sup>24</sup>/ [[Include the name of the Inflation Index and an indication of where to obtain information about the Inflation Index]

*[Need to include details of where past and future performance and volatility of the Inflation Index can be obtained.]*

*(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 23 of the Prospectus Regulation)*

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].]

<sup>22</sup> Specify "Not Applicable" for Notes with a denomination per Note of EUR 100,000 or more and delete rest of the section.

<sup>23</sup> Specify "Not Applicable" for Notes with a denomination per Note of EUR 100,000 or more and delete rest of the section.

<sup>24</sup> Specify "Not Applicable" for Notes with a denomination per Note of EUR 100,000 or more and delete rest of the section.

## Pro Forma Final Terms for Notes

### 5. OPERATIONAL INFORMATION

ISIN Code: ☐

Common Code: ☐

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s): ☐ [Not Applicable]/[give [name(s)] [, addresses of the clearing system(s)] [, relevant identification number(s)]

Delivery: ☐ Delivery [against/free of] payment

CFI: ☐/Not Applicable

FISN: ☐/Not applicable

Names and addresses of initial Paying Agent: ☐

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 the designation "**yes**" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs<sup>25</sup> as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper<sup>26</sup> 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 upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met]

*(include this text if "Yes" selected)*

[Whilst the designation is specified as "**no**" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

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<sup>25</sup> International Central Securities Depositories.

<sup>26</sup> To be included for Notes

## Pro Forma Final Terms for Notes

(include this text if "No" is selected)

### 6. TERMS AND CONDITIONS OF THE OFFER

[Not Applicable] <sup>27</sup> /[Offer Price:	[Issue Price] <i>[specify]</i>
Conditions to which the offer is subject:	[Not Applicable/Offers of the Notes are conditional upon their issue]
Description of the application process:	[Not Applicable/ <i>give details</i> ]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/ <i>give details</i> ]
Details of the minimum and/or maximum amount of application:	[Not Applicable/ <i>give details</i> ]
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/ <i>give details</i> ]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/ <i>give details</i> ]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/ <i>give details</i> ]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not Applicable]/[Estimated expenses charged to the investor by the Issuer or the offeror are [●].]/[No expenses will be charged by the Issuer to the investor, however, a subscription charge of up to <i>[specify amount]</i> 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]/ <i>[give details]</i> ]
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/ <i>give details</i> ]

### 7. PLACING AND UNDERWRITING

[Not Applicable]<sup>28</sup>/[Name and address of the co-ordinator(s) of the global offer and of single parts of the [●]

<sup>27</sup> Specify "Not Applicable" for Notes with a denomination per Note of EUR 100,000 or more and delete rest of the section.

<sup>28</sup> Specify "Not Applicable" for Notes with a denomination per Note of EUR 100,000 or more and delete rest of the section.

## Pro Forma Final Terms for Notes

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] [●]

### 8. 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]

9. **[PROHIBITION OF SALES TO EEA RETAIL INVESTORS]** [Applicable]/[Not Applicable]

10. **[PROHIBITION OF SALES TO UK RETAIL INVESTORS]** [Applicable]/[Not Applicable]

11. **[PROHIBITION OF OFFER TO PRIVATE CLIENTS IN SWITZERLAND]** [Applicable]/[Not Applicable]

12. **[SWISS WITHDRAWAL RIGHT PURSUANT TO ARTICLE 63(5) OF THE SWISS FINANCIAL SERVICES ORDINANCE]** [Applicable: If an obligation to prepare a supplement to the Base Prospectus pursuant to Article 56(1) FinSA is triggered during the Swiss Offer Period, subscriptions / purchase orders may be withdrawn within two days of publication of the supplement]/[Not Applicable]

*(Specify as applicable in case of a Swiss public offer where a withdrawal right pursuant to Article 63 of the Swiss Financial Services Ordinance is granted)*

13. **DETAILS OF BENCHMARKS ADMINISTRATORS AND REGISTRATION UNDER EU BENCHMARKS REGULATION:** [Applicable]/[Not Applicable]  
 [[*specify benchmark*] is administered by [*insert legal name of administrator*], who as at the Issue Date, appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/2011) (the "**Benchmarks Regulation**").]/[[*specify benchmark*] is administered by [*insert legal name of administrator*], who as at the Issue Date, does not appear on the register of

## Pro Forma Final Terms for Notes

administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) (the "**Benchmarks Regulation**"). [As far as the Issuer is aware *[insert legal name of administrator]* is not required to be registered by virtue of Article 2 of the Benchmarks Regulation.][As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that *[insert legal name of administrator]* is not currently required to obtain authorisation or registration (or if located outside the European Union, recognition, endorsement or equivalence).]

*(repeat as appropriate)*

### 14. DETAILS OF BENCHMARKS ADMINISTRATORS AND REGISTRATION UNDER UK BENCHMARKS REGULATION:

[Applicable]/[Not Applicable]

[[*specify benchmark*] is administered by *[insert legal name of administrator]*, who as at the Issue Date, appears on the register of administrators and benchmarks established and maintained by the United Kingdom Financial Conduct Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/2011) as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**").][*[specify benchmark]* is administered by *[insert legal name of administrator]*, who as at the Issue Date, does not appear on the register of administrators and benchmarks established and maintained by the United Kingdom Financial Conduct Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/2011) as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**").]. [As far as the Issuer is aware *[insert legal name of administrator]* is not required to be registered by virtue of Article 2 of the UK Benchmarks Regulation.][As far as the Issuer is aware, the transitional provisions in Article 51 of the UK Benchmarks Regulation apply, such that *[insert legal name of administrator]* is not currently required to obtain authorisation or registration (or if located outside the United Kingdom, recognition, endorsement or equivalence).]

*(repeat as appropriate)*

**Issue-Specific Summary of the Notes**

**ISSUE-SPECIFIC SUMMARY OF THE NOTES**

*[Insert]*

**PRO FORMA PRICING SUPPLEMENT FOR NOTES<sup>29</sup>**

**NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 FOR THE ISSUE OF NOTES DESCRIBED BELOW. [THE COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER HAS NEITHER APPROVED NOR REVIEWED THIS PRICING SUPPLEMENT IN ITS CAPACITY AS COMPETENT AUTHORITY UNDER THE LUXEMBOURG ACT DATED 16 JULY 2019 ON PROSPECTUSES FOR SECURITIES.]<sup>30</sup>**

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS:**

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (THE "EEA"). FOR THESE PURPOSES, A RETAIL INVESTOR IN THE EEA 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, AS AMENDED ("MiFID II");
- (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, 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 REGULATION (EU) 2017/1129 (THE "PROSPECTUS REGULATION").

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (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.]

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS:**

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM (THE "UK"). FOR THESE PURPOSES, A RETAIL INVESTOR IN THE UK MEANS A PERSON WHO IS ONE (OR MORE) OF:

- (A) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "EUWA");
- (B) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("FSMA") AND ANY RULES OR REGULATIONS MADE UNDER FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF "RETAINED EU LAW" AS DEFINED IN THE EUWA; OR
- (C) NOT A QUALIFIED INVESTOR AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUWA (THE "UK PROSPECTUS REGULATION").

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<sup>29</sup> For Exempt Notes only.

<sup>30</sup> To include for Exempt Notes to be admitted to trading on the Luxembourg Stock Exchange's Euro MTF Market.



## Pro Forma Pricing Supplement for Notes

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUWA (THE "**UK PRIIPS REGULATION**") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND, THEREFORE, OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.]

### **[MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:**

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.

ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "**DISTRIBUTOR**") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.]

### **[UK MIFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:**

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE NOTES IS ONLY ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("**COBS**"), AND PROFESSIONAL CLIENTS, AS DEFINED IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("**EUWA**") ("**UK MIFIR**"); AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.

### *[INSERT IN CASE OF AN OFFER IN SWITZERLAND:*

THE NOTES DO NOT CONSTITUTE A COLLECTIVE INVESTMENT SCHEME WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("**CISA**"). THE NOTES ARE NEITHER SUBJECT TO THE AUTHORISATION NOR TO THE SUPERVISION BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA AND INVESTORS DO NOT BENEFIT FROM THE SPECIFIC INVESTOR PROTECTION PROVIDED UNDER THE CISA. INVESTORS SHOULD BE AWARE THAT THEY ARE EXPOSED TO THE CREDIT RISK OF THE ISSUER AND, IF APPLICABLE, OF THE GUARANTOR.]

### *[INSERT IN CASE OF A PUBLIC OFFERING IN SWITZERLAND REQUIRING A PROSPECTUS:*

THIS PRICING SUPPLEMENT MUST BE READ TOGETHER WITH THE BASE PROSPECTUS, WHICH WAS INCLUDED AS A FOREIGN PROSPECTUS, WHICH IS DEEMED APPROVED ALSO IN SWITZERLAND PURSUANT TO ARTICLE 54(2) OF THE SWISS FEDERAL ACT ON FINANCIAL SERVICES ("**FINSA**") BY SIX EXCHANGE REGULATION LTD. AS REVIEWING BODY (*PRÜFSTELLE*) IN THE LIST OF APPROVED PROSPECTUSES AND DEPOSITED WITH IT AND PUBLISHED PURSUANT TO ARTICLE 64 FINSA. THIS PRICING SUPPLEMENT WILL ALSO BE DEPOSITED WITH SIX EXCHANGE REGULATION AS REVIEWING BODY AND PUBLISHED PURSUANT TO ARTICLE 64 FINSA.]

## Pro Forma Pricing Supplement for Notes

[INSERT IN CASE OF AN OFFER IN SWITZERLAND: THE NOTES DO NOT CONSTITUTE A COLLECTIVE INVESTMENT SCHEME WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("CISA"). THE NOTES ARE NEITHER SUBJECT TO THE AUTHORISATION NOR TO THE SUPERVISION BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA AND INVESTORS DO NOT BENEFIT FROM THE SPECIFIC INVESTOR PROTECTION PROVIDED UNDER THE CISA. INVESTORS SHOULD BE AWARE THAT THEY ARE EXPOSED TO THE CREDIT RISK OF THE ISSUER AND, IF APPLICABLE, OF THE GUARANTOR.]

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A **"DISTRIBUTOR"**)]/[DISTRIBUTOR] SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS' TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (THE **"UK MIFIR PRODUCT GOVERNANCE RULES"**) IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.]

### **[MIFID II PRODUCT GOVERNANCE/ RETAIL INVESTORS/ PROFESSIONAL INVESTORS AND ECPS TARGET MARKET:**

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES, PROFESSIONAL CLIENTS AND RETAIL CLIENTS, EACH AS DEFINED IN MIFID II; AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES ARE APPROPRIATE.

ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A **"DISTRIBUTOR"**) SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.]

### **[UK MIFID PRODUCT GOVERNANCE/ RETAIL INVESTORS/ PROFESSIONAL INVESTORS AND ECPS TARGET MARKET:**

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE NOTES IS RETAIL CLIENTS, AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("**EUWA**"), ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("**COBS**"), AND PROFESSIONAL CLIENTS, AS DEFINED IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUWA ("**UK MIFIR**"); AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES ARE APPROPRIATE.

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A **"DISTRIBUTOR"**)]/[DISTRIBUTOR] SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS' TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (THE **"UK MIFIR PRODUCT GOVERNANCE RULES"**) IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.]

## Pro Forma Pricing Supplement for Notes

A NON-U.S. HOLDER WILL BE SUBJECT TO U.S. WITHHOLDING TAX UNLESS THE BENEFICIAL OWNER OF THE NOTES (OR A FINANCIAL INSTITUTION HOLDING THE NOTES ON BEHALF OF THE BENEFICIAL OWNER) FURNISHES THE APPROPRIATE FORM W-8, ON WHICH THE BENEFICIAL OWNER CERTIFIES UNDER PENALTIES OF PERJURY THAT IT IS NOT A U.S. PERSON. IF WITHHOLDING OR DEDUCTION OF TAXES IS REQUIRED BY LAW (REGARDLESS OF WHETHER A HOLDER FURNISHED AN APPROPRIATE FORM), PAYMENTS ON THE NOTES WILL BE MADE NET OF APPLICABLE WITHHOLDING TAXES, AND MORGAN STANLEY WILL NOT BE REQUIRED TO PAY ANY ADDITIONAL AMOUNTS TO NON-U.S. HOLDERS WITH RESPECT TO ANY TAXES WITHHELD.

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

Pricing Supplement dated [●]

**MORGAN STANLEY**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Legal Entity Identifier (LEI): IGJSJL3JD5P30I6NJZ34

Under the Base Prospectus for the Issuance of Notes, Series A and Series B under the Regulation S Program for the Issuance of Notes, Series A and Series B, Warrants and Certificates

This Pricing Supplement has been prepared on the basis that any offer of Notes in any member state of the European Economic Area or the United Kingdom (each, a "**Relevant State**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") or the Prospectus Regulation as it forms part of "retained EU law" as defined in the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**") from the requirement to publish a prospectus for offers of the Notes. Accordingly, any person making or intending to make an offer in that Relevant State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

**Warning:** This Pricing Supplement does not constitute a "prospectus" for the purposes of Article 8 of the Prospectus Regulation or Article 8 of the UK Prospectus Regulation, and this Pricing Supplement has been prepared on the basis that no prospectus shall be required under the Prospectus Regulation or UK Prospectus Regulation in relation to any Notes be offered and sold under hereby.

## PART A — CONTRACTUAL TERMS

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 19 July 2022 (the "**Base Prospectus**") [and the supplement[s] dated [●][,●] ... [●]] to the Base Prospectus]. This document constitutes the Pricing Supplement of the Notes described herein. Reference in the Issue and Paying Agency Agreement (as defined in the Base Prospectus) to "Final Terms" shall be deemed to be relevant to this Pricing Supplement. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. 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 Issuer's website at <http://sp.morganstanley.com/EU/Documents> and copies of the Base Prospectus [and any supplement(s) thereto].

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date:*

## Pro Forma Pricing Supplement for Notes

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 [8 April 2016 and the supplement to it dated 20 January 2017]/[19 April 2017]/[19 June 2018 and the supplement to it dated 25 January 2019]/ [28 June 2019 and the supplement to it dated 27 August 2019]/[13 July 2020]/[19 July 2021] which [are]/is incorporated by reference in the Base Prospectus dated 19 July 2022. This document constitutes the Pricing Supplement of the Notes described herein. Reference in the Base Prospectus and the Issue and Paying Agency Agreement (as defined in the Base Prospectus) to "Final Terms" shall be deemed to be relevant to this Pricing Supplement. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. 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 Issuer's website at <http://sp.morganstanley.com/EU/Documents> and copies of the Base Prospectus [and any supplement(s) thereto].

1.
  - a) Series Number: [●]
  - b) Series Designation: [Series A]/[Series B]
  - [c) Tranche Number: [●]  
[The Notes will be fungible with the [currency] [●] [Title of the Notes], bearing ISIN [●]]
2. Specified Currency: [●]
3. Aggregate [Nominal Amount]/[Number] of Notes: [●]
  - [[a)] Series: [●]]
  - [b) Tranche: [●]]
4. Issue Price: [●] per cent. of par per Note/[●] per Note
5.
  - a) Specified Denominations (Par): [●] [and integral multiples of [●] in excess thereof]
  - b) Calculation Amount: [●]  
*(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations)*
6.
  - a) Issue Date: [●]
  - b) Trade Date: [●]
  - c) Interest Commencement Date: [●]/[Issue Date]/[Not Applicable]

[OR]

[In relation to interest payable under Condition 5 (*Fixed Rate Note Provisions*), [●]. See paragraph 14 below for further details]

[In relation to interest payable under Condition 6 (*Floating Rate Note Provisions*), [●]. See paragraph 15 below for further details]

## Pro Forma Pricing Supplement for Notes

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, the 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. Interest Basis: [Non-interest bearing]

[Zero Coupon [and]]

[Fixed Rate Notes [and]]

[Floating Rate Notes [and]]

[Inflation-Linked Notes]

*(further particulars specified below)*

10. Automatic Change of Interest Basis: [Applicable/Not Applicable]

(Condition 9)

Interest Basis Table		
Interest Commencement Date(s)	Interest Payment Date(s)	Interest Basis
[●] <i>(repeat as required)</i>	[●]/[As set forth in paragraph [●] below] <i>(repeat as required)</i>	[Zero Coupon]/ [Fixed Rate Notes]/ [Floating Rate Notes]/ [Inflation-Linked Notes]/ <i>(repeat as required)</i>

11. Final Redemption Amount: [Fixed Final Redemption. The Fixed Final Redemption Amount is [●]]

[Accrued Value. [The Accrued Value Commencement Date is [●].] The Accrual Yield is [●] per cent. and the Reference Price is *[specify]*]

- (i) Final Bonus: [Applicable/Not Applicable]

- (ii) Final Bonus Amount: [●]/[Not Applicable]

## Pro Forma Pricing Supplement for Notes

12. Call Option:<sup>31</sup>

Redemption at the Option of the Issuer: [Applicable/Not Applicable]

(Condition 10.3)

13. Method of Distribution: [Syndicated/Non-syndicated]

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

14. Fixed Rate Note Provisions [Applicable/Not Applicable]

(Condition 5)

*(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

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]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] to (but excluding) the [Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] [(such scheduled [Interest Payment Dates]/[Interest Period End Dates] not being adjusted for any Business Day Convention)] ( <i>repeat as required</i> )	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other ( <i>specify</i> )] in arrear] ( <i>repeat as required</i> )

b) Interest Period(s) subject only to Fixed Rate Notes Provisions: From (and including) the [Interest Commencement Date]/[Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] to (but excluding) the [Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] [(such scheduled [Interest Payment Dates]/[Interest Period End Dates] not being adjusted for any Business Day Convention)]

*(repeat as required)*

c) Interest Period End Date(s): [Each Interest Payment Date]/[Specify other]

<sup>31</sup> Clearstream, Luxembourg and Euroclear require a minimum notice period of five business days.

## Pro Forma Pricing Supplement for Notes

- d) 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 only Fixed Rate Notes Provisions apply)*

- e) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Modified Business Day Convention/Preceding Business Day Convention]/[No Adjustment/Unadjusted]

- f) Additional Business Centre(s): [●]

- g) Fixed Coupon Amount(s): [Applicable, [●] per Calculation Amount]/[Not Applicable]

[OR]

Interest Period	Fixed Coupon Amount
From (and including) the [Interest Commencement Date]/[Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] ] to (but excluding) the [Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] ] [(such scheduled [Interest Payment Dates]/[Interest Period End Dates] not being adjusted for any Business Day Convention)] <i>(repeat as required)</i>	[●] per Calculation Amount/[Not Applicable] <i>(repeat as required)</i>

- h) Broken Amount(s): [Applicable, [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]]/[Not Applicable]

[OR]

Interest Payment Date(s)	Broken Amount
[●] <i>(repeat as required)</i>	[[●] per Calculation Amount]/[Not Applicable] <i>(repeat as required)</i>

- i) 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]

## Pro Forma Pricing Supplement for Notes

- (ISDA)/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]
- j) Party responsible for calculating the Interest Amount(s): [●]/[Morgan Stanley & Co. International plc]
15. **Floating Rate Note Provisions** [Applicable. The Notes are Floating Rate Notes]/[Not Applicable]
- (Condition 6) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- a) 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]]
- b) Interest Period End Date(s): [Each Interest Payment Date]/[Specify other]
- c) Interest Period(s): From (and including) the [Interest Commencement Date]/[Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] to (but excluding) the [Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] [(such scheduled [Interest Payment Dates]/[Interest Period End Dates] not being adjusted for any Business Day Convention)]
- (repeat as required)*
- d) Linear Interpolation: [Applicable in respect of the Interest Period: *(repeat applicable Interest Periods from above)*]/[Not Applicable]  
(Condition 6.4)
- e) 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)*
- f) Additional Business Centre(s): [●]
- g) Manner in which the Floating Interest Rate(s) is/are to be determined: [Screen Rate Determination]/[ISDA Determination] [CMS Rate Determination]/[Not Applicable]
- [OR]*



## Pro Forma Pricing Supplement for Notes

Interest Period	Floating Interest Rate
From (and including) the [Interest Commencement Date]/[Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] ] to (but excluding) the [Interest Payment Date]/[Interest Period End Date] [falling on]/[scheduled to fall on] [●] ] [(such scheduled [Interest Payment Dates]/[Interest Period End Dates] not being adjusted for any Business Day Convention)]  (repeat as required)	[Screen Rate Determination]/[ISDA Determination]/[CMS Rate Determination]/[[●] per cent.]  (repeat as required)

- h) Party responsible for [●]/[Determination Agent] calculating the Rate(s) of Interest and/or Interest Amount(s):
- i) Screen Rate [Applicable]/[Not Applicable] Determination:
- Reference Rate: [●]
  - Provisions specific to [Not Applicable]  
 SOFR as Reference Rate – SOFR [SOFR Compound with Lookback  
 Benchmark Lookback Days: [●] U.S. Government Securities Business Days]  
 (Condition 6.8): [SOFR Compound with Observation Period Shift  
 Observation Shift Days: [●] U.S. Government Securities Business Days]  
 [SOFR Compound with Payment Delay  
 [Interest Payment Delay: [●] U.S. Government Securities Business Days]]  
 [SOFR Index Average  
 SOFR Index<sub>Start</sub>: [●] U.S. Government Securities Business Days preceding the first date of the relevant Interest Period  
 SOFR Index<sub>End</sub>: [●] U.S. Government Securities Business Days preceding the Interest Period End Date relating to the relevant Interest Period  
 Observation Shift Days: [●] U.S. Government Securities Business Days]
  - Provisions specific to [Not Applicable]  
 SONIA as Reference Rate – SONIA [SONIA Compound with Lookback

## Pro Forma Pricing Supplement for Notes

- |   |  |
|---|--|
| <p>Benchmark<br/>(Condition 6.9):</p>   | <p style="text-align: right;">Lookback Days: [●] London Banking Days]</p> <p>[SONIA Compound with Observation Period Shift</p> <p style="text-align: right;">Observation Shift Days: [●] London Banking Days]</p> <p>[SONIA Compound with Payment Delay</p> <p style="text-align: right;">[SONIA Rate Cut-Off Date: [●] London Banking Days]</p> <p style="text-align: right;">[Interest Payment Delay: [●] London Banking Days]]</p> <p>[SONIA Index Average</p> <p style="text-align: right;">Relevant Number: [●]</p> <p>[Observation Shift Days: [●] London Banking Days]]</p>   |
| <p>• Provisions specific to<br/>€STR as Reference<br/>Rate – €STR<br/>Benchmark<br/>(Condition 6.10):</p>   | <p>[€STR Compound with Lookback</p> <p style="text-align: right;">Lookback Days: [●] TARGET Settlement Days]</p> <p>[€STR Compound with Observation Period Shift</p> <p style="text-align: right;">Observation Shift Days: [●] TARGET Settlement Days]</p> <p>[€STR Compound with Payment Delay</p> <p style="text-align: right;">[€STR Rate Cut-Off Date: [●] TARGET Settlement Days]</p> <p style="text-align: right;">[[Interest Payment Delay: [●] TARGET Settlement Days]]</p> <p>[€STR Index Average</p> <p style="text-align: right;">Relevant Number: [●]</p> <p>[Observation Shift Days: [●] TARGET Settlement Days]]</p> |
| <p>• Provisions specific to<br/>SARON as Reference<br/>Rate – SARON<br/>Benchmark<br/>(Condition 6.11):</p> | <p>[SARON Compound with Lookback</p> <p style="text-align: right;">Lookback Days: [●] Zurich Banking Days]</p> <p>[SARON Compound with Observation Period Shift</p> <p style="text-align: right;">Observation Shift Days: [●] Zurich Banking Days]</p> <p>[SARON Compound with Payment Delay</p> <p style="text-align: right;">[SARON Rate Cut-Off Date: [●] Zurich Banking Days]</p> <p style="text-align: right;">[Interest Payment Delay: [●] Zurich Banking Days]]</p> <p>[SAION Index Average</p> <p style="text-align: right;">Relevant Number: [●]</p> <p>[Observation Shift Days: [●] Zurich Banking Days]]</p>            |
| <p>• Provisions specific to<br/>TONA as Reference<br/>Rate – TONA<br/>Benchmark<br/>(Condition 6.12):</p>   | <p>[TONA Compound with Lookback</p> <p style="text-align: right;">Lookback Days: [●] Tokyo Banking Days]</p> <p>[TONA Compound with Observation Period Shift</p> <p style="text-align: right;">Observation Shift Days: [●] Tokyo Banking Days]</p> <p>[TONA Compound with Payment Delay</p>  |

## Pro Forma Pricing Supplement for Notes

[TONA Rate Cut-Off Date: [●] Tokyo Banking Days]

[Interest Payment Delay: [●] Tokyo Banking Days]]

[TONA Index Average

Relevant Number: [●]

[Observation Shift Days: [●] Tokyo Banking Days]]

- Interest Determination [●]  
Date(s):
- Relevant Screen Page: [●]
- Margin: [[+/-][●] per cent. per annum]/[As specified in the Rate Table below]
- [Interest Participation [●]/[As specified in the Rate Table below]  
Rate:

- [Rate Table:]

Rate Table		
Interest Payment Date(s)	Margin	Interest Participation Rate
[●] <i>(repeat as required)</i>	[[+/-][●] per cent. per annum] <i>(repeat as required)</i>	[●] <i>(repeat as required)]</i>

j) ISDA Determination: [Applicable]/[Not Applicable]

- 2006 ISDA [Applicable]/[Not Applicable]  
Definitions:
- 2021 ISDA [Applicable]/[Not Applicable]  
Definitions:
- Floating Rate Option: [●]
- Designated Maturity: [●]/[Not Applicable] *(Only applicable where the Floating Rate Option is not an overnight rate)*
- Reset Date: [●]
- Overnight Floating Rate Option: [Applicable]/[Not Applicable]
- Index Floating Rate Option: [Applicable]/[Not Applicable]
- Overnight Compounding Rate Method: [Not Applicable] *(Specify as Not Applicable if Averaging applies)*  
[OIS Compounding]

## Pro Forma Pricing Supplement for Notes

[Daily Capped Rate and/or Daily Floored Rate:  
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Compounding with Lookback

[Lookback: [●] Applicable Business Days]

[Daily Capped Rate and/or Daily Floored Rate:  
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Compounding with Observation Period Shift

Set-in-Advance: [Applicable]/[Not Applicable]

[Observation Period Shift: [●] Observation Period  
Shift Business Days]

[Observation Period Shift Additional Business  
Days: [●]/[Not Applicable]]

[Daily Capped Rate and/or Daily Floored Rate:  
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Compounding with Lockout

[Lockout: [●] Lockout Period Business Days]

[Lockout Period Business Days: [●]/[Applicable  
Business Days]]

[Daily Capped Rate and/or Daily Floored Rate:  
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Applicable, as per the Floating Rate Matrix (as defined in  
the ISDA Definitions)] *(Only applicable where the 2021  
ISDA Definitions apply)*

- Overnight Rate [Not Applicable] *(Specify as Not Applicable if  
Averaging Method: Compounding applies)*

[Overnight Averaging

[Daily Capped Rate and/or Daily Floored Rate:  
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Averaging with Lookback

[Lookback: [●] Applicable Business Days]

[Daily Capped Rate and/or Daily Floored Rate:  
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

## Pro Forma Pricing Supplement for Notes

[Daily Floored Rate: [●]]]

[Averaging with Observation Period Shift

Set-in-Advance: [Applicable]/[Not Applicable]

[Observation Period Shift: [●] Observation Period Shift Business Days]

[Observation Period Shift Additional Business Days: [●]/[Not Applicable]]

[Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]]

[Averaging with Lockout

[Lockout: [●] Lockout Period Business Days]

[Lockout Period Business Days: [●]/[Applicable Business Days]]

[Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]]

[Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)] *(Only applicable where the 2021 ISDA Definitions apply)*

- Index Method:

[Not Applicable]

[Standard Index Method] *(Only applicable where the 2021 ISDA Definitions apply)*

[Compounded Index Method]

[Compounded Index Method with Observation Period Shift

Set-in-Advance: [Applicable]/[Not Applicable]

[Observation Period Shift: [●] Observation Period Shift Business Days]

[Observation Period Shift Additional Business Days: [●]/[Not Applicable]]

- Delayed Payment:

[Applicable, with the specified number of days being [●] Business Days]/[Not Applicable]

- [2006 Definitions Interpolation:

ISDA [Applicable]/[Not Applicable]] *(Only include where the 2006 ISDA Definitions apply)*

- [2021 Definitions Interpolation:

ISDA [Applicable]/[Not Applicable]] *(Only include where the 2021 ISDA Definitions apply)*

- Unscheduled Holiday:

[Applicable]/[Not Applicable]] *(Only include where the 2021 ISDA Definitions apply)*

## Pro Forma Pricing Supplement for Notes

- [Period End [Applicable]/[Not Applicable]] *(Only include where the Date/Termination 2021 ISDA Definitions apply)*  
Date adjustment for  
Unscheduled Holiday:
- [Non-Representative: [Applicable]/[Not Applicable]] *(Only include where the 2021 ISDA Definitions apply)*
- [Successor Benchmark: [●]]  
Successor Benchmark Effective Date: [●]  
*(Only include where the 2021 ISDA Definitions apply)*
- If ISDA [Yes]/[No]  
Determination applies,  
ISDA Bespoke  
Fallbacks to apply in  
priority to other  
fallbacks in Condition  
6.17:
- Margin: [[+/-][●] per cent. per annum]/[As specified in the Rate Table below]
- [Interest Participation [●]/[As specified in the Rate Table below]]  
Rate:

- [Rate Table:]

Rate Table		
Interest Payment Date(s)	Margin	Interest Participation Rate
[●] <i>(repeat as required)</i>	[[+/-][●] per cent. per annum] <i>(repeat as required)</i>	[●] <i>(repeat as required)</i>

- k) 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 [CMS Reference Rate 2] *(If [1]) (If CMS Interest Rate CMS Interest Rate is "Spread is "Spread CMS Rate", CMS Rate", insert this column insert this column and heading "CMS Reference heading "CMS Reference Rate 2") Rate 1")*
- Specified Swap Rate: [the swap rate/annual [the swap rate/annual swap rate/semi-annual rate/semi-annual swap rate/quarterly swap rate/quarterly swap rate/quarterly-annual rate/quarterly-annual swap

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- |  |  |   |
|--|--|---|
|  | swap<br>quarterly swap rate]   | rate/quarterly-<br>rate/quarterly-quarterly swap<br>rate] |
| • Reference Currency:  | [●]  | [●]   |
| • Designated Maturity:   | [●][month[s]/year[s]]  | [●][month[s]/year[s]]                                     |
| • Relevant Screen Page:  | [●]  | [●]   |
| • Relevant Time:   | [●]  | [●]   |
| • Interest Determination Date(s):  | <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">                     [Periodic Determination Date(s): [●]/[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]                 </div> <div style="width: 45%;">                     [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]                 </div> </div>  |   |
| • Fallback Determination:  | <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">                     Rate [Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable]                 </div> <div style="width: 45%;">                     [Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable]                 </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">                     Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable]                 </div> <div style="width: 45%;">                     Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable]                 </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">                     Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable]                 </div> <div style="width: 45%;">                     Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable]                 </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">[Reference Banks: [●]]</div> <div style="width: 45%;">[Reference Banks: [●]]</div> </div> |   |
| • Specified Fixed Leg <i>(for determination of Mid-Market Quotations if specified to be applicable):</i> | <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">                     [annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-quarterly fixed leg]                 </div> <div style="width: 45%;">                     [annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-quarterly fixed leg]                 </div> </div>  |   |
| • Fixed Leg Day Count Basis:   | <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">                     [Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/                 </div> <div style="width: 45%;">                     [Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond                 </div> </div>   |   |

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- [360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]
- Floating Leg Day [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)

- 1) 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 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.]]



## Pro Forma Pricing Supplement for Notes

- m) 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 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.]]
- n) 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]
- o) Relevant Rates Benchmark Discontinuance or Prohibition on Use (Condition 6.17) [Applicable][Not Applicable]<sup>32</sup> (*if not applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) Other Relevant Rates Benchmark: [specify][Not Applicable] (*specify any applicable Relevant Rates Benchmark Rate which is not a Reference Rate. Otherwise delete line*)
- (2) Administrator/Benchmark Event applicable for Condition 6.17(c): [Applicable as per the Conditions] [Not Applicable]
- (3) Alternative Pre-nominated Reference Rate: [specify][Not Applicable] (*specify in respect of each Relevant Rates Benchmark*)
16. **Inflation-Linked Notes** [Applicable]/[Not Applicable]
- (Condition 8 (*Inflation-Linked Note Provisions*)) (*If Not Applicable, delete the remaining sub-paragraphs of this paragraph 16*)
- Rate of Interest [Leveraged Inflation Coupon]/[Real Inflation Coupon]/[Cumulative Inflation Coupon]
- a) Inflation Index/Inflation Indices: [●]
- b) Inflation Index Sponsor(s): [●]
- c) Determination Agent responsible for calculating Interest Amount: [●]/[Morgan Stanley & Co. International plc]
- d) 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 Condition 8 (*Inflation-Linked Note Provisions*), 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 Inflation Index Sponsor or, if revised, any subsequent
- (Condition 8.6 (*Index Level Adjustment Correction*))

<sup>32</sup> Not applicable where the Relevant Rates Benchmark is U.S. dollar LIBOR.

## Pro Forma Pricing Supplement for Notes

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)*

e) Related Bond: [Specify]/[Fallback Bond]/[Fallback Bond: Not Applicable]

f) 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] [●] [(such scheduled Interest Payment Dates not being adjusted for any Business Day Convention)]

*(repeat as required)*

g) 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]]

h) 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)*

i) Leverage: [●] per cent.

j) Spread: [[+/-] [●] per cent.]/[Not Applicable]

k) CPI<sub>Initial</sub>: [●]/[Initial Inflation Index Level]/[Not Applicable]

[• Determination Month (Initial): [●] *(specify if Initial Inflation Index Level is applicable)*

l) Determination Month:

Determination Month Table		
Interest Payment Date(s)	Determination Month (n)	Determination Month (m)
[insert date] <i>(repeat as required)</i>	[insert calendar month and year] <i>(repeat as required)</i>	[insert calendar month and year] <i>(repeat as required)</i>

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[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 16(xii) 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]

- m) Interest Cap: [●]/[Not Applicable]
- n) Interest Floor: [●]/[Not Applicable]
- o) 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. Zero Coupon Note Provisions [Applicable/Not Applicable]

(Condition 7 (Zero Coupon Note Provisions))

*(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

- a) Accrual Yield: [●] per cent. per annum
- b) Reference Price: [●]
- c) Accrued Value Commencement Date: [●]/[Not Applicable]

## PROVISIONS RELATING TO EARLY REDEMPTION

### 18. Call Option<sup>33</sup> [Applicable/Not Applicable]

[Optional Redemption Amount (Call) – Fixed applies.]

[Optional Redemption Amount (Call) – Accrued Value applies. [The Accrued Value Commencement Date is [● ]]]

(Condition 10.3 (Redemption at the Option of the Issuer))

*(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

<sup>33</sup> Clearstream, Luxembourg and Euroclear require a minimum notice period of five business days.

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- |     |   |  |
|-----|---|--|
| a)  | Optional Redemption Date(s) (Call):   | [●]  |
| b)  | [Participation Rate (Call)]/[Accrual Yield and Reference Price] for determining the Optional Redemption Amount (Call):  | [[[●] per cent.]/[100 per cent.]] <i>(insert if Optional Redemption Amount (Call) – Fixed applies)</i> /[The Accrual Yield is [●] per cent. and the Reference Price is <i>[specify]</i> . [The Accrued Value Commencement Date is [●]].] <i>(insert if Optional Redemption Amount (Call) – Accrued Value applies)</i>  |
| c)  | Optional Redemption in Part only:   | [Applicable. Redemption will be effected in accordance with Condition 10.4 ( <i>Partial Redemption</i> )]/[Not Applicable]<br><br><i>(delete as appropriate)</i>   |
| d)  | Maximum Notice Number of Day(s):  | [●] [calendar day[s]]/[Business Day[s]]  |
| e)  | Minimum Notice Number of Day(s):  | [●] [calendar day[s]]/[Business Day[s]] <sup>34</sup>  |
| 19. | a) <b>Early Redemption Amount upon Event of Default</b> (Condition 13):   | [Fixed Redemption. The Specified Rate is [●]/[100] per cent.]<br><br>[Accrued Value. [The Accrued Value Commencement Date is [●].] The Accrual Yield is [●] per cent. and the Reference Price is <i>[specify]</i> .] <i>(N.B. Accrued Value should always be specified for Zero Coupon Notes)</i>  |
|     | b) <b>Early Redemption Amount (Tax) upon any withholding or deduction being required with respect to the Notes</b> , as described in Condition 12 ( <i>Taxation</i> ):      | [Not applicable]/<br>[Early Redemption Amount (Tax) – Par]/<br>[Early Redemption Amount (Tax) – Accrued Value. The Accrual Yield is [●] per cent. and the Reference Price is <i>[specify]</i> . [The Accrued Value Commencement Date is [●]]] <i>(N.B. Accrued Value should always be specified for Zero Coupon Notes)</i>   |
|     | c) <b>Early redemption related to benchmarks in the circumstances described</b> in Condition 6.17 ( <i>Relevant Rates Benchmark Discontinuance or Prohibition on Use</i> ): | [Fixed Redemption (Benchmark Trigger Event). [●] per cent. per Calculation Amount.] / [Fixed Redemption (Benchmark Trigger Event) Less Costs. [●] per cent. per Calculation Amount.] / [Fair Market Value (Benchmark Trigger Event)] / [Not Applicable]  |
|     | d) <b>CMS Reference Rate – Effect of Index Cessation Event</b> as described in Condition 6.18 ( <i>CMS Reference Rate - Effect of Index Cessation Event</i> )               | Index Cessation Event: applicable for Condition 6.18: [Not Applicable] [Applicable as per the Conditions]<br><br>[Alternative Pre-nominated Reference Rate: [None] [Specify]]<br><br>[[Early Redemption Amount (CMS Reference Rate) – Fixed Redemption: [●] per Calculation Amount] / [Early Redemption Amount (CMS Reference Rate) – Fixed Redemption Less Costs: [●] per Calculation Amount] / |

<sup>34</sup> Clearstream, Luxembourg requires a minimum notice period of five business days.

## Pro Forma Pricing Supplement for Notes

		[Early Redemption Amount (CMS Reference Rate) – Fair Market Value Less Costs: [●] per Calculation Amount] / [Early Redemption Amount (CMS Reference Rate) – Fair Market Value] shall apply] / [Not Applicable]
		Reference Time: [●]/[Not Applicable]
e)	<b>Early redemption related to cessation of publication of Inflation Index</b> in the circumstances described in Condition 8.2(e) ( <i>Cessation of Publication</i> ):	[Fixed Redemption (Inflation Index Cessation). [●] per cent. per Calculation Amount.] / [Fixed Redemption (Inflation Index Cessation) Less Costs. [●] per cent. per Calculation Amount.] / [Fair Market Value (Inflation Index Cessation)] / [Not Applicable]
20.	<b>Inconvertibility Event Provisions:</b>	[Applicable]/[Not Applicable]
	(Condition 24 ( <i>Inconvertibility Events</i> ))	( <i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i> )
a)	Consequences of the occurrence of an Inconvertibility Event:	[Converted Payment]/[Early Redemption]/[Suspended Payment]
b)	Inconvertibility Early Redemption Amount:	[Not Applicable]
		[OR]
		[Fixed Redemption. [●] per cent. per Calculation Amount.]
		[Early Redemption Amount:
		[Fixed Redemption. [●] per cent. per Calculation Amount.]/[Accrued Value.] The Accrual Yield is [●] per cent. and the Reference Price is [ <i>specify</i> ]. [The Accrued Value Commencement Date is [●].] ( <i>N.B. If Early Redemption Amount is specified as applicable, Accrued Value should always be specified for Zero Coupon Notes.</i> )
		[Fair Market Value]
c)	Relevant Currenc(y)/(ies):	[●]
d)	Relevant Jurisdiction(s):	[●]
e)	Inconvertibility Specified Currenc(y)/(ies):	[●]
f)	Settlement Rate Option:	[Currency Reference Dealers]/[Not Applicable]

### GENERAL PROVISIONS APPLICABLE TO THE NOTES

21.	<b>Form of Notes:</b> (Condition 3 ( <i>Form and Title</i> ))	[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
-----	--	---

## Pro Forma Pricing Supplement for Notes

under the New Safekeeping Structure (NSS))]<sup>35</sup>, exchangeable for Individual Note Certificates in the limited circumstances described in the Global Note Certificate]

[Individual Note Certificates]

22. **Additional Financial Centre(s) or other special provisions relating to Payment Dates:** [Not Applicable]/[ ☐ ] (*Specify Additional Financial Centre(s)*)  
(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)<sup>36</sup>
23. **Record Date:** [As set out in the Conditions/The Record Date is ☐ [Business Day/day/clearing system business day] before the relevant due date for payment/Not Applicable]
24. **Redenomination, renominatisation and reconventioning provisions:** [Not Applicable]/[The provisions in Condition 23 (*Redenomination, Renominatisation and Reconventioning*) apply]
25. **Taxation:**  
Condition 12.1 (*Additional Amounts*): "Additional Amounts" is [Applicable]/[Not Applicable]
26. **CNY Centre:** ☐/[Not Applicable]
27. **Rounding (Condition 22 (Rounding))** [Japanese Yen amounts to be rounded [to the nearest whole JPY (with amounts greater than or equal to JPY 0.5 being rounded) upward to the next higher whole Japanese Yen amount)] [Not Applicable]
28. **Other terms:** []

### DISTRIBUTION

29. a) If syndicated, names of Managers: [Not Applicable/give names]
- b) Stabilisation Manager(s) (if any): [Not Applicable/give name]
30. If non-syndicated, name of Dealer: [Not Applicable/give name]

Signed on behalf of the Issuer:

By .....

Duly authorised

<sup>35</sup> To be included for Notes in global form which are to be held under the NSS.

<sup>36</sup> 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.

## Pro Forma Pricing Supplement for Notes

### PART B – OTHER INFORMATION

#### 1. LISTING AND ADMISSION TO TRADING

Listing and admission to Trading:

*(Insert for Series A Notes:)*

[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 Euro MTF 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 the SIX Swiss 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.]

*(Insert for Series B Notes:)*

[Not Applicable.]

*[Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading.]*

#### 2. RATINGS

Ratings:

[The Notes to be issued have been rated:

[S&P: [●]]

[Moody's: [●]]

[Fitch: [●]]

[DBRS: [●]]

[[Other]: [●]]

*Option 1*

*[Insert legal name of particular credit rating agency entity providing rating]* is established in the EEA and registered under Regulation (EC) 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 (EC) No. 1060/2009, as amended (the "**CRA Regulation**").

## Pro Forma Pricing Supplement for Notes

### Option 3

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EEA and is not registered under Regulation (EC) No. 1060/2009, as amended (the "**CRA Regulation**"). 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 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 (EC) No. 1060/2009, as amended (the "**CRA Regulation**").<sup>37</sup>

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

[Not Applicable]<sup>38</sup>/ [a) Reasons [●]  
for the offer:

(If reasons for offer different from making profit and/or hedging certain risks, will need to include those reasons here.)

b) Estimated net proceeds: [●]

(It is only necessary to include disclosure of net proceeds where disclosure is included at (a) above, although either estimated net proceeds or estimated total expenses at (c) below should be disclosed.)

c) Estimated total expenses:] [●][Include breakdown of expenses.]

(It is only necessary to include disclosure of total expenses where disclosure is included at (a) above, although either estimated total expenses or estimated net proceeds at (b) above should be disclosed.)

## d) **Fixed Rate Notes only – YIELD**

Indication of yield: [●]/[Not Applicable]

<sup>37</sup> Edit and delete options as appropriate for the relevant rating agency/agencies providing the rating(s).

<sup>38</sup> Specify "Not Applicable" for Notes with a denomination per Note of EUR 100,000 or more and delete rest of the section.



## Pro Forma Pricing Supplement for Notes

**[e) *Inflation-Linked Notes only* – DESCRIPTION OF INFLATION INDEX/PERFORMANCE OF INFLATION INDEX AND OTHER INFORMATION CONCERNING THE INFLATION INDEX**

*[Include the name of the Inflation Index and an indication of where to obtain information about the Inflation Index]*

*[Need to include details of where past and future performance and volatility of the Inflation Index can be obtained.]*

*(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 23 of the Prospectus Regulation)*

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].

### 4. OPERATIONAL INFORMATION

ISIN Code: [●]

Common Code: [●]

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s): [Not Applicable]/[give [name(s)] [, addresses of the clearing system(s)] [, relevant identification number(s)]]

Delivery: Delivery [against/free of] payment

CFI: [[●]/Not Applicable]

FISN: [[●]/Not applicable]

Names and addresses of initial Paying Agent: [●]

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 the designation "**yes**" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs<sup>39</sup> as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper<sup>40</sup> 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 upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met]

*(include this text if "Yes" selected)*

<sup>39</sup> International Central Securities Depositories.

<sup>40</sup> To be included for Notes

## Pro Forma Pricing Supplement for Notes

[Whilst the designation is specified as "**no**" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

*(include this text if "No" is selected)*

5. **[PROHIBITION OF SALES TO EEA RETAIL INVESTORS]** [Applicable]/[Not Applicable]
6. **[PROHIBITION OF SALES TO UK RETAIL INVESTORS]** [Applicable]/[Not Applicable]
7. **[SWISS NON-EXEMPT OFFER AND SWISS OFFER PERIOD]** [Applicable]/[Not Applicable]  

[A public offer of the Notes that does not fall within an exemption from the requirement to publish a prospectus under the FinSA (a "**Swiss Non-exempt Offer**") may be made by [●] (the "**Swiss Authorised Offeror**") in Switzerland during the period from, and [including]/[excluding], [●] to, and [including]/[excluding], [●] (the "**Swiss Offer Period**") [subject to the following conditions: *[specify]*]. The Issuer consents to the use of the Base Prospectus in connection with an offer of the Notes in Switzerland by the Swiss Authorised Offeror during the Swiss Offer Period, provided however, that the Base Prospectus is still valid according to Article 55 FinSA.]
8. **DETAILS OF BENCHMARKS ADMINISTRATORS AND REGISTRATION UNDER EU BENCHMARKS REGULATION:** [Applicable]/[Not Applicable]  

[[*specify benchmark*] is administered by [*insert legal name of administrator*], who as at the Issue Date, appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/2011) (the "**Benchmarks Regulation**").]/[[*specify benchmark*] is administered by [*insert legal name of administrator*], who as at the Issue Date, does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) (the "**Benchmarks Regulation**"). [As far as the Issuer is aware [*insert legal name of administrator*] is not required to be registered by virtue of Article 2 of the Benchmarks Regulation.][As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that [*insert legal name of administrator*] is not currently required to obtain authorisation or registration (or if located outside the European Union, recognition, endorsement or equivalence).]

## Pro Forma Pricing Supplement for Notes

*(repeat as appropriate)*

9. **DETAILS OF BENCHMARKS  
ADMINISTRATORS AND  
REGISTRATION UNDER UK  
BENCHMARKS REGULATION:**

[Applicable]/[Not Applicable]

[[*specify benchmark*] is administered by [*insert legal name of administrator*], who as at the Issue Date, appears on the register of administrators and benchmarks established and maintained by the United Kingdom Financial Conduct Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/2011) as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**").]/[[*specify benchmark*] is administered by [*insert legal name of administrator*], who as at the Issue Date, does not appear on the register of administrators and benchmarks established and maintained by the United Kingdom Financial Conduct Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/2011) as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**").]. [As far as the Issuer is aware [*insert legal name of administrator*] is not required to be registered by virtue of Article 2 of the UK Benchmarks Regulation.]. [As far as the Issuer is aware, the transitional provisions in Article 51 of the UK Benchmarks Regulation apply, such that [*insert legal name of administrator*] is not currently required to obtain authorisation or registration (or if located outside the United Kingdom, recognition, endorsement or equivalence).]

*(repeat as appropriate)*

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## FORMS OF NOTES

Morgan Stanley will issue Notes in registered form in either individual certificate form or global certificate form.

Notes will be issued 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 applicable Final Terms or Pricing Supplement. Each Global Note Certificate will either be: (a) in the case of a Note which is not to be held under the New Safekeeping Structure (defined below), registered in the name of a common depository (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 depository and will be exchangeable in accordance with its terms; or (b) in the case of a Note to be held under the new safekeeping structure ("**New Safekeeping Structure**" or "**NSS**"), registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Global Note Certificate will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg and will be exchangeable for Individual Note Certificates in accordance with its terms.

Where a Global Note Certificate is intended to be held under the NSS, the applicable Final Terms or Pricing Supplement will indicate whether or not such Global Note Certificates are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Note Certificates are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day Credit operations by the Eurosystem either upon issue or at any time during their life as such recognition depends upon the satisfaction of the Eurosystem eligibility criteria. The common safekeeper for a Global Note Certificate held under the NSS will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

If the applicable Final Terms or Pricing Supplement 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 or Pricing Supplement specify the form of 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 only upon the occurrence of an Exchange Event.

An "**Exchange Event**" will occur 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;
- (b) any of the circumstances described in Condition 13 (*Events of Default*) occurs; or
- (c) the Issuer has or will become subject to adverse tax consequences which would not be suffered if the Notes represented by the Global Note Certificate were represented by Individual 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 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.

## Forms of Notes

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### *Terms and Conditions applicable to the 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 applicable Final Terms or Pricing Supplement 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.

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## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

### *Conditions Applicable to Global Note Certificates*

Each Global Note Certificate will contain provisions which modify the terms and conditions set out in "*Terms and Conditions of the Notes*" above as they apply to the Global Note Certificate. The following is a summary of certain of those provisions:

### *Clearing System Accountholders*

For so long as any of the Notes is represented by a Global Note Certificate and such Global Note Certificate is held on behalf of the Relevant Clearing System, each person (other than the Relevant Clearing System) who is for the time being shown in the records of the Relevant Clearing System as the holder of a particular principal amount of Notes (each an "**Accountholder**") (in which regard any certificate or other document issued by the Relevant Clearing System as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of that principal amount for all purposes (including, but not limited, to for the purposes of any quorum requirements of, or the right to demand a poll or, meetings of the Noteholders and giving notice to the Issuer pursuant to Condition 13 (*Events of Default*)) other than with respect to the payment of principal and interest on the Notes, the right to which shall be vested, as against the Issuer, solely in the registered holder of the Global Note Certificate in accordance with and subject to its terms, and the expressions "**Holder**", "**holder**" and "**Noteholder**" and related expressions shall be construed accordingly. Each Accountholder must look solely to the Relevant Clearing System for its share of each payment made to the registered holder of the 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 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.

The Issuer irrevocably agrees that in the event that (i) a Global Note Certificate (or any part of it) has become due and repayable in accordance with the Conditions or the Maturity Date has occurred and, in either case, payment in full of the amount due has not been made to the holder in accordance with the provisions of the Global Note Certificate on such date or (ii) following an Exchange Event, the Global Note Certificate is not duly exchanged for Individual Note Certificates by the date provided above, each Accountholder or its successors or assigns may, provided any required certifications have been made, without the consent and to the exclusion of the holder of the Global Note Certificate, file any claim, take any action or institute any proceeding to enforce, directly against the Issuer, the obligation of the Issuer under the Global Note Certificate to pay any amount due in respect of each Note represented by the Global Note Certificate which is credited to such Accountholder's securities account with the Relevant Clearing System as fully as though such Note were evidenced by an Individual Note Certificate without the production of the Global Note Certificate; *provided* that the holder of the Global Note Certificate shall not theretofore have filed a claim, taken action or instituted proceedings to enforce the same in respect of such Note.

### *Transfers*

Transfers of beneficial interests in a Global Note Certificate will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Global Note Certificate will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Global Note Certificate of the same series only in the authorised denominations set out in the applicable Final Terms or Pricing Supplement and only in accordance with the rules and operating procedures for

## Summary of Provisions Relating to the Notes while in Global Form

the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Issue and Paying Agency Agreement.

### **Record Date**

For so long as the Notes are evidenced by a Global Note Certificate, the Record Date for the purposes of Condition 11.7 (*Record Date*) shall be the day before the due date for the relevant payment.

**Interest Calculation:** For so long as the Notes are evidenced by a Global Note Certificate, interest payable to the registered holder will be calculated by applying the Rate of Interest to the aggregate outstanding principal amount of the Notes evidenced by the Global Note Certificate and multiplying the sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

**Partial Exercise of Call Option:** In connection with an exercise of the option contained in Condition 10.3 (*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).<sup>41</sup>

**Notices:** Notwithstanding Condition 19 (*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 registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper (or its nominee), 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 19 (*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:

- (i) 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:
  - (A) each Additional Financial Centre (other than the TARGET System) specified in the applicable Final Terms or Pricing Supplement;
  - (B) if the TARGET System is specified in the applicable Final Terms or Pricing Supplement, a day on which the TARGET System is open; and
- (ii) either (A) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits in the Principal Financial Centre of the country of the relevant currency and (B) in relation to any sum payable in euro, a day on which the TARGET System is open.

<sup>41</sup> Clearstream, Luxembourg and Euroclear require a minimum notice period of five business days.

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**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, account 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 SECURITIES 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, ACCOUNT OR PLAN'S INVESTMENT THEREIN.



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## TAXATION

**Any tax legislation applicable in the investor's jurisdiction or the Issuer's country of incorporation may have an impact on the income received from the Notes.**

### UNITED STATES FEDERAL TAXATION

**This discussion is limited to the U.S. federal tax considerations addressed below. Additional considerations may exist that are not addressed in this discussion and that could affect the U.S. federal tax treatment of the transaction or the holders. Investors 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 U.S. 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 all of the tax consequences that may be relevant to holders in light of their particular circumstances or to holders subject to special rules under U.S. federal tax laws, such as:

- persons other than Non-U.S. Holders and persons that have or have had a connection to the United States other than holding the Notes;
- non-resident alien individuals who have lost their U.S. citizenship, who have ceased to be treated as resident aliens; or
- corporations that are treated as personal holding companies, controlled foreign corporations or passive foreign investment companies.

Further, this discussion does not address U.S. gift, state, local, non-U.S. and other tax considerations.

As used herein, the term "**Non-U.S. Holder**" means a beneficial owner of a Note that is not a U.S. Holder (as defined below) and is not an entity or arrangement treated as a partnership for U.S. federal income tax purposes. A Non-U.S. Holder does not include a holder who is an individual present in the United States for 183 days or more in the taxable year of a disposition of a Note and who is not otherwise a resident of the United States for U.S. federal income tax purposes or, except as described below, any holder who holds a Note in connection with the conduct of a trade or business in the United States engaged in by such holder. Such a person is urged to consult his or her own tax advisers regarding the U.S. federal income tax consequences of acquiring, owning, exchanging or disposing of a Note.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes 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 entities or arrangements treated as partnerships for U.S. federal income tax purposes holding Notes should consult their tax advisers regarding the U.S. federal income tax consequences of acquiring, owning, exchanging or disposing of a Note.

As used herein, the term "**U.S. Holder**" means a beneficial owner of a Note that is:

- a citizen or individual resident of the United States;
- a corporation, including any entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia; or
- an estate or trust, the income of which is subject to U.S. federal income tax without regard to its source.

### Income Tax

Except as otherwise discussed in "*Effectively Connected Income*", "*FATCA*" and "

*Backup Withholding and Information Reporting*" below, a Non-U.S. Holder generally will not be subject to U.S. federal income tax, including withholding tax, on payments of principal or interest (including original issue discount, if any) on a Note, or on proceeds from the sale, exchange or other disposition of a Note, **provided that** for U.S. federal income tax purposes:

## United States Federal Taxation

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- the Note is treated as indebtedness of the Issuer;
- the Non-U.S. 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 the Issuer entitled to vote;
- the Non-U.S. Holder is not a controlled foreign corporation for U.S. federal income tax purposes related to the Issuer through stock ownership;
- the Non-U.S. 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 Non-U.S. Holder (and any intermediary) have complied with all U.S. tax identification and certification requirements.

*Certification Requirement.* The certification requirements referred to in the preceding paragraphs will be fulfilled if the Non-U.S. Holder (and any intermediary) furnishes the U.S. Internal Revenue Service ("IRS") Form W-8BEN or W-8BEN-E (or with respect to certain intermediaries and beneficial owners, other appropriate forms), on which, among other things, the Non-U.S. Holder certifies under penalties of perjury that it is not a United States person, as defined in the Code.

Payments of interest (including original issue discount, if any) on the Notes that do not qualify for the exception to U.S. federal income and withholding tax discussed above and that are not effectively connected with a Non-U.S. Holder's conduct of a trade or business in the United States generally will be subject to 30 per cent. U.S. federal withholding tax, unless a U.S. income tax treaty applies to reduce or eliminate withholding and the Non-U.S. Holder complies with applicable certification requirements.

### Effectively Connected Income

If interest on or gain from a Note is effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment or fixed base), the Non-U.S. Holder will generally be taxed on income or gain from the Notes in the same manner as a U.S. taxpayer and will be subject to certain reporting obligations. Such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI in order to claim an exemption from withholding tax on interest. A Non-U.S. Holder that holds Notes in connection with a U.S. trade or business should consult its tax adviser with respect to the U.S. tax consequences of owning and disposing of Notes, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate) in the case of a corporate Non-U.S. Holder.

### Estate Tax

Subject to benefits provided by an applicable estate tax treaty, a Note that is treated as indebtedness for U.S. federal income tax purposes will generally be excluded from the gross estate of an individual Non-U.S. Holder for U.S. federal estate tax purposes upon the individual's death unless, at such time, interest payments on the Note would have been:

- subject to U.S. federal withholding tax without regard to any certification that such Non-U.S. Holder is not a United States person, as defined in the Code, not taking into account an elimination of such U.S. federal withholding tax due to the application of an income tax treaty; or
- effectively connected with the conduct by the Non-U.S. Holder of a trade or business in the United States.

### FATCA

Sections 1471 through 1474 of the Code (including U.S. Treasury regulations promulgated 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 (including any non-U.S. laws and regulations implementing such an IGA)) (collectively referred to as "FATCA") impose an information reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution" or "FFI" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the IRS to provide the IRS with certain information in respect of its account holders and investors, unless otherwise exempt from or deemed to be in compliance with FATCA or, where applicable, the FFI complies with any local laws enacted in respect of an IGA and (ii)

any investor that (unless otherwise exempted) does not provide certain tax certifications or ownership information (or, if applicable, a waiver of any laws prohibiting disclosure of such information to a taxing authority). The Issuer and most financial intermediaries will be subject to the requirements imposed under FATCA.

Withholding (if applicable) currently applies to payments of interest or other fixed or determinable annual or periodical income ("**FDAP income**") from sources within the United States. The FATCA legislation imposes withholding also on payments of gross proceeds of the disposition of financial instruments that provide for U.S.-source interest. However, under proposed regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization) no withholding will apply to payments of gross proceeds (other than amounts treated as FDAP income).

The United States and a number of jurisdictions have entered into IGAs to facilitate the implementation of FATCA. Payee financial institutions that are resident in a country that has entered into an IGA generally are required to comply with such country's FATCA implementing laws, which may not require that the financial institution enter into an agreement with the IRS. In such case, such country's FATCA implementing laws generally require the financial institution to collect and report certain information on its account holders to the relevant taxing authority of such country, which will send such information to the IRS.

**In the event that the Issuer or an intermediary is required to deduct a withholding tax under FATCA, neither the Issuer, nor any intermediary will be required to pay any additional amounts with respect to the amounts so withheld. Each potential purchaser of Notes should consult its own tax adviser to determine how FATCA may affect such investor in its particular circumstance.**

### **Backup Withholding and Information Reporting**

Information returns will be filed with the IRS in connection with payments on the Notes and may be filed in connection with the proceeds from a sale, exchange or other disposition of the Notes. 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 from backup withholding. Compliance with the certification procedures described under "*Income Tax – Certification Requirement*" above will satisfy the certification requirements necessary to avoid backup withholding. Backup withholding is not an additional tax. 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.

## ITALIAN TAXATION

*The following is a general description of current Italian law and practise mainly relating to the direct taxation of the Notes. The statements herein 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 Italian 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. This general description assumes that the Issuer is not a tax resident nor deemed to be a tax resident of Italy and that it has no permanent establishment within the Italian territory to which the Notes are effectively connected.*

*Prospective investors are advised to consult their own tax advisers concerning the overall tax consequences of their interest in the Notes.*

### ***Tax treatment of the Notes***

As clarified by the Italian tax authorities, the Notes may be subject to different tax regimes depending on whether:

- (a) they represent derivative financial instruments or bundles of derivative financial instruments not entailing a "use of capital" (*impiego di capitale*), through which the Noteholders invests indirectly in underlying financial instruments (please see section 1 below); 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. In particular, such Notes representing debt instruments implying a "use of capital" could be divided in: Notes having capital protection guaranteed by the Issuer (please see section 2 below) and Notes not having capital protection guaranteed by the Issuer, so called "atypical securities" (please see section 3 below).

### ***1. Notes representing derivative financial instruments or bundles of derivative financial instruments***

With regard to certain innovative or structured financial instruments, there is limited guidance as to the tax treatment of such financial instruments. Accordingly, it cannot be excluded that the Italian tax authorities will change their current view, as specified below, and courts will adopt a view different from that outlined below.

#### ***1.1 Italian resident Noteholders***

If the Notes qualify as derivative instruments for the purposes of Italian tax law, the following consequences apply to an Italian resident Noteholder pursuant to Article 67(1)(c-*quater*) and/or (c-*quinqies*) of Italian Presidential Decree No. 917 of 22 December 1986, as subsequently amended ("**Decree No. 917**"), and according to, *inter alia*, the Italian tax authority's Resolution no. 72/E of 12 July 2010.

In particular, according to Italian Legislative Decree No. 461 of 21 November 1997 ("**Decree No. 461**"), where an 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, derivative income realised on the sale or redemption of the Notes are subject to a 26 per cent. substitute tax ("**imposta sostitutiva**").

In this respect, the above Italian resident Noteholders may opt for three different taxation regimes (*regime della dichiarazione, regime del risparmio amministrato, regime del risparmio gestito*, in this respect please see par. 2.2 "*Capital gains*" below). This option may result in certain impacts that the investors should consider with their tax advisers. In particular, provided that the relevant conditions are met, the depository is responsible for accounting for *imposta sostitutiva* 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 certain conditions, capital losses may be deducted from the above-mentioned capital gains.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals holding the Notes not in connection with an entrepreneurial activity or social securities entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from the imposta sostitutiva on Italian capital gains relating to the Notes if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of 11 December 2016, as subsequently amended and supplemented (the "**Finance Act 2017**"), in Article 1 (210-215) of Law No. 145 of 30 December 2018 (the "**Finance Act 2019**"), or in Article 13-*bis* of Law Decree No. 124 of 26 October 2019 converted into Law No. 157 of 19 December 2019, (the "**Fiscal Decree linked to the Finance Act 2020**"), Article 136 of Law Decree No. 34 of 19 May 2020, converted into Law No. 77 of 17 July 2020, as subsequently amended and supplemented (the "**Decree No. 34**"), Article 1 (219-225) of Law No. 178 of 30 December 2020, as subsequently amended and supplemented (the "**Finance Act 2021**"), and Article 1 (26-27) Law No. 234 of 2021, as subsequently amended and supplemented (the "**Finance Act 2022**").

The imposta sostitutiva does not apply also to the following Italian resident taxpayers:

(A) Corporate Investors

Where an Italian resident Noteholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Notes are effectively connected, capital gains arising from the Notes will not be subject to imposta sostitutiva, but must be included in the relevant Noteholder's income tax return and are therefore subject to Italian corporate tax ("**IRES**", currently applicable at a rate of 24 per cent. with a 3.5 per cent. surcharge for banks and financial intermediaries) and, in certain cases, depending on the status of such holder, may also have to be included in its taxable base for regional tax purposes ("**IRAP**", currently applicable at the general rate of 3.9 per cent., though a surcharge up to 0.92 per cent. may be applicable from region to region). The IRAP rate may be increased in certain Italian regions; IRAP rate has also been increased by article 23(5) of Italian Law Decree no. 98 of 6 July 2011 to 4.65 per cent. for banks and other financial institutions and to 5.9 per cent. for the insurance companies as indicated, respectively, under article 6 and article 7 of Italian Legislative Decree no. 446 of 15 December 1997).

(B) Investment funds

Capital gains realised by a Noteholder which is an Italian open-ended or closed-ended investment fund (subject to the tax regime provided by Law No. 77 of 23 March 1983) (the "**Investment Fund**") or an Italian open-ended investment company (*società di investimento a capitale variabile* – "**SICAV**") or an Italian closed-ended investment company, other than a real estate investment company (*società di investimento a capitale fisso* – "**SICAF**") will neither be subject to imposta sostitutiva nor to any other income in the hands of the Investment Fund or the SICAV/SICAF. The proceeds distributed by the Investment Fund or the SICAV/SICAF or received by certain categories of unitholders upon redemption or disposal of the units will be taxed in the hands of the investors who subscribe the quotas of the Investment Funds or the shares of the SICAV/SICAF on a cash basis.

(C) Real estate investment funds and real estate SICAFs

Capital gains realised by an investor which is an Italian resident real estate investment fund established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 ("**Real Estate Fund**") or an Italian real estate investment company (the "**Real Estate SICAF**") are subject neither to imposta sostitutiva nor to any other income in the hands of the same Real Estate Fund or Real Estate SICAF. The income of the Real Estate Fund or of the Real Estate SICAF may be subject to tax, in the hands of the unitholder/shareholder, depending on the status and percentage of participation.

(D) Pension funds

Capital gains realised by an Italian resident holder which is an Italian pension fund (subject to the regime provided by Article 17 of the Legislative Decree No. 252 of 5 December 2005 ("**Decree No. 252**") - "**Pension Funds**") will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. ad hoc annual substitute tax ("**Pension Fund Tax**").

Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains may be excluded from the taxable base of the Pension Fund Tax, pursuant to Article 1, paragraph

92, of the Finance Act 2017, if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Finance Act 2017, in Article 1 (210-215) of the Finance Act 2019 or in Article 13-*bis* of the Fiscal Decree linked to the Finance Act 2020, Article 136 of the Decree No. 34, Article 1 (219-225) of the Finance Act 2021 and Article 1 (26-27) of the Finance Act 2022.

### **2. Notes representing debt instruments implying a "use of capital"; Notes having capital protection guaranteed by the Issuer**

#### **2.1 Taxation of interest**

##### **Italian resident Noteholders**

Legislative Decree No. 239 of 1 April 1996 ("**Decree No. 239**") governs 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 paragraph 2, letter (c) of Decree No. 917.

Pursuant to Article 44, paragraph 2, letter (c) of Decree No. 917, Notes qualify as "bonds" or "debentures similar to bonds" for Italian tax purposes if they incorporate an unconditional obligation to pay, at maturity, an amount not less than the value indicated therein and do not give any right to directly or indirectly participate in the management of the relevant issuer or of the business in relation to which they are issued. The Italian tax authorities have clarified (please see Circular Letter No. 4/E of 18 January 2006) that bonds may have a maturity which is not scheduled at a specific date, but it is linked to the maturity of the issuing company or to the liquidation thereof, if the company has been set-up with an undetermined maturity pursuant to Article 2328 (2), No. 13, of the Italian Civil Code.

Interest on the Notes is subject to a 26 per cent. substitute tax (*imposta sostitutiva*) if the recipient is included among the following categories of Italian residents: (i) individuals not engaged in an entrepreneurial activity to which the Notes are effectively connected; (ii) non-commercial partnerships; (iii) non-commercial private or public institutions; or (iv) entities that are exempt from IRES. The *imposta sostitutiva* may not be recovered as a deduction from the income tax due. In the event that the Noteholders described under (i) and (iii) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax and it may be credited against the overall corporate income tax due by the taxpayer in respect of the income derived from its business activity which will include the Interest.

The 26 per cent. *imposta sostitutiva* does not apply where the Notes are held in a discretionary investment portfolio managed by an Italian authorised financial intermediary and the beneficial owner thereof, where possible, has opted to be taxed at a flat rate of 26 per cent. on the year-end increase in value of the investment portfolio accrued, even if not realised (which increase in value includes any Interest accrued on the Notes), pursuant to the so-called portfolio management tax regime ("**regime del risparmio gestito**" - as defined and described below) provided for by Decree No. 461.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals holding the Notes not in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income tax, including the *imposta sostitutiva*, on Interest relating to the Notes if the Notes are included in a long-term individual savings plan (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of the Finance Act 2017, in Article 1 (210-215) of the Finance Act 2019 or in Article 13-*bis* of the Fiscal Decree linked to the Finance Act 2020, Article 136 of the Decree No. 34, Article 1 (219-225) of the Finance Act 2021 and Article 1 (26-27) of the Finance Act 2022.

Pursuant to Decree No. 239, the 26 per cent. *imposta sostitutiva* is applied by banks, SIMs, fiduciary companies, *società di gestione del risparmio* ("**SGRs**") stock brokers and other qualified entities identified by a decree of the Ministry of Finance ("**Intermediaries**" and each an "**Intermediary**") resident in Italy, or by permanent establishments in Italy of a non-Italian resident Intermediary, that intervene, in any way, in the collection of Interest or, also as transferees, in transfers or disposals of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of notes includes any

assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant securities or in a change of the Intermediary with which the notes are deposited.

Where the Notes are not deposited with an authorised Italian Intermediary (or with a permanent establishment in Italy of a foreign Intermediary), the *imposta sostitutiva* is applied and withheld by any Italian Intermediary paying Interest to the Noteholders.

The *imposta sostitutiva* does not apply also to the following Italian resident persons, to the extent that the Notes are deposited in a timely manner, directly or indirectly, with an Intermediary:

(A) Corporate Investors

Interest on the Notes received by (i) an Italian resident company or similar commercial entity; and (ii) an Italian permanent establishment of foreign entities to which the Notes are effectively connected; will not be subject to the *imposta sostitutiva*, but will be included in the taxable base for the purposes of IRES and – under certain circumstances – of IRAP, as described in section 1 above.

(B) Real estate investment funds and real estate SICAFs

Where a Noteholder is an Italian resident Real Estate Fund or an Italian Real Estate SICAF, to which the provisions of Law Decree No. 351 of 25 September, 2001, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010, and Legislative Decree No. 44 of 4 March 2014, all as amended, apply Interest accrued on the Notes are subject neither to the *imposta sostitutiva* nor to any other income tax in the hands of the Real Estate Fund or Real Estate SICAF. The income of the Real Estate Fund or of the Real Estate SICAF may be subject to tax, in the hands of the unitholder/shareholder, depending on the status and percentage of participation.

(C) Investment funds

Interest accrued on the Notes held by Italian Investment Funds, SICAVs, SICAFs is not subject to such *imposta sostitutiva* nor to any other income tax of the Investment Funds, or SICAVs/SICAFs, but is included in the aggregate income of the Investment Funds or SICAVs/SICAFs. The proceeds distributed by the Investment Fund or the SICAV/SICAF or received by certain categories of unitholders upon redemption or disposal of the units will be taxed in the hands of the investors who subscribe the quotas of the Investment Funds or the shares of the SICAV/SICAF on a cash basis.

(D) Pension funds

Interest accrued on the Notes held by Italian pension funds subject to the regime provided for by Article 17 of Decree No. 252 is not subject to such *imposta sostitutiva* but will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the Pension Fund Tax. Subject to certain conditions (including a minimum holding period) and limitations, pursuant to Article 1, paragraph 92, of the Finance Act 2017, Interest accrued on the Notes may be excluded from the taxable base of the Pension Fund Tax if the Notes are included in a long-term individual savings plan (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth under Article 1 (100-114) of the Finance Act 2017, in Article 1 (210-215) of the Finance Act 2019 or in Article 13-*bis* of the Fiscal Decree linked to the Finance Act 2020, Article 136 of the Decree No. 34, Article 1 (219-225) of the Finance Act 2021 and Article 1 (26-27) of the Finance Act 2022.

## 2.2 Taxation of Capital Gains

### Italian resident Noteholders

A 26 per cent., *imposta sostitutiva* is applicable on capital gains realised on the disposal of the Notes by the Noteholders included among the following categories of Italian residents: (i) individuals not engaged in an entrepreneurial activity to which the Notes are effectively connected; (ii) non-commercial partnerships; and (iii) non-commercial private or public institutions.

In respect of the application of the *imposta sostitutiva*, such taxpayers may opt for one of the three regimes described below.

- (a) Under the "*regime della dichiarazione*" provided for by Article 5 of Decree No. 461 (the "**Tax Declaration Regime**"), which is the standard regime for Italian resident individuals not

engaged in an entrepreneurial activity to which the Notes are effectively connected, the 26 per cent. *imposta sostitutiva* will be chargeable, on a cumulative basis, on 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 the *imposta sostitutiva* must be paid 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;

- (b) as an alternative to the tax declaration regime, Noteholders listed above may elect to pay under the "*risparmio amministrato*" regime provided for by Art. 6 of Decree No. 461 (the "**Administrative Savings Regime**") the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes. Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, "*società di intermediazione mobiliare*" ("**SIMs**") or certain authorised financial intermediaries and (ii) an express election for the Administrative Savings 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 Noteholders or using funds provided by the Noteholders for this purpose. Under the Administrative Savings 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. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains in the annual tax return;
- (c) any payments received and any capital gains accrued by the Noteholders listed above 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 provided for by Art. 7 of Decree No. 461 (the "**Asset Management 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 the Asset Management 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. Under the Asset Management Regime, the Noteholder is not required to declare the capital gains realised in the annual tax return.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals holding the Notes not in connection with an entrepreneurial activity pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the 26 per cent. *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Notes if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Finance Act 2017, in Article 1 (210-215) of the Finance Act 2019, in Article 13-*bis* of the Fiscal Decree linked to Finance Act 2020, Article 136 of the Decree No. 34, Article 1 (219-225) of the Finance Act 2021 and Article 1 (26-27) of the Finance Act 2022.

The *imposta sostitutiva* does not apply also to the following Italian-resident taxpayers:

### (A) Corporate Investors

Any capital gains obtained from the sale or redemption of the Notes will not be subject to *imposta sostitutiva* but would be treated as part of the IRES taxable income and, in certain circumstances, depending on the status of the Noteholder, also as part of the net value of the production for IRAP purposes if realised by (i) an Italian company or a similar commercial entity; (ii) an Italian permanent establishment of foreign entities to which the Notes are connected).



### (B) Real estate investment funds and real estate SICAFs

Any capital gains realized by a Noteholder which is an Italian Real Estate Fund or an Italian Real Estate SICAF to which the provisions of Law Decree No. 351 of 25 September, 2001, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010, and Legislative Decree No. 44 of 4 March 2014, all as amended, apply are subject neither to imposta sostitutiva nor to any other income tax in the hands of the Real Estate Fund or the Real Estate SICAF. The income of the Real Estate Fund or of the Real Estate SICAF may be subject to tax, in the hands of the unitholder/shareholder, depending on the status and percentage of participation.

### (C) Investment funds

Any capital gains realised by a Noteholder which is an Italian Investment Fund, a SICAV or a SICAF will neither be subject to imposta sostitutiva nor to any income tax in the hands of the Investment Fund or of the SICAV/SICAF. The proceeds distributed by the Investment Fund or the SICAV/SICAF or received by certain categories of unitholders upon redemption or disposal of the units will be taxed in the hands of the investors who subscribe the quotas of the Investment Funds or the shares of the SICAV/SICAF on a cash basis.

### (D) Pension funds

Any capital gains realised by a Noteholder which is an Italian pension fund (subject to the regime provided for by Article 17 of Decree No. 252) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. Pension Fund Tax.

Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains realised through the transfer for consideration or redemption of the Notes may be excluded from the taxable base of the Pension Funds, pursuant to Article 1, paragraph 92, of the Finance Act 2017, if the Notes are included in a long-term individual savings plan (*piano individuale di risparmio a lungo termine*) pursuant to Article 1 (100-114) of the Finance Act 2017, Article 1 (210-215) of the Finance Act 2019 or in Article 13-bis of the Fiscal Decree linked to Finance Act 2020, Article 136 of the Decree No. 34, Article 1 (219-225) of the Finance Act 2021 and Article 1 (26-27) of the Finance Act 2022.

## **3. Notes not having capital protection guaranteed by the Issuer (Atypical Securities)**

### **3.1 Taxation of interest**

#### **Italian resident Noteholders**

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) may be subject to a withholding tax, (final or on account depending on the "status" and tax residence of the Noteholder) levied at the rate of 26 per cent by the Italian tax resident financial intermediary intervening in the payment of the Interest, if any.

If the Notes are issued by a non-Italian resident Issuer, the 26 per cent. withholding tax mentioned above does not apply as a final tax to Interest payments made to an Italian resident Noteholder which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are effectively connected), (ii) a commercial partnership or (iii) a commercial private or public institution. According to Italian tax law, in similar cases, the withholding tax, if any, qualifies as a provisional withholding tax.

Subject to certain limitations and requirements (including a minimum holding period), Interest in respect of Notes received by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from taxation, including the withholding tax on interest, premium and other income relating to atypical securities, if those Notes are included in a long-term individual savings plan (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of the Finance Act 2017, as subsequently amended and supplemented, in Article 1 (210-215) of the Finance Act 2019, as subsequently amended

and supplemented and in Article 13-*bis* of the Fiscal Decree linked to the Finance Act 2020, as subsequently amended and supplemented.

### 3.2 Capital gains

The same regime as under paragraph 2.2 above should be applicable *mutatis mutandis*.

### 4. Stamp duty

The Italian Law Decree No. 201 of 6 December 2011 ("**Decree No. 201**"), converted into law with amendments by Law No. 214 of 22 December 2011, has replaced the paragraphs 2-bis and 2-ter and related notes (3-bis and 3-ter) of Article 13 of the first part of the Tariff annexed to stamp duty Law approved with Presidential Decree No. 642 of 26 October 1972.

Pursuant to Decree No. 201, statements sent to customers and related to all the financial products and instruments, including those not deposited, are subject to stamp duty at the rate of 0.20 per cent. The maximum amount due is set at euro 14,000 for Noteholders other than individuals.

The tax is applied to each statement, on the total market value, or in its absence, on the face or repayment value of securities and financial products. The statement is considered to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release or the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable pro rata. Based on the wording of the law and the implementing decree issued by the Italian Ministry of Finance on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 20 June 2012, as subsequently amended and supplemented from time to time) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

### 5. Wealth tax on securities deposited abroad

Pursuant to Article 19, paragraphs 18 to 23, of Decree No. 201, Italian resident individuals, non-profit entities and certain partnership including *società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917 holding the Notes outside the Italian territory are required to pay a wealth tax at a rate of 0.20 per cent. The maximum amount due is set at Euro 14,000 for Noteholders other than individuals.

The tax is calculated on the fair market value of the Notes at the end of the relevant year or, in the case the fair market value cannot be determined, on their nominal values or redemption values or, in the case the face or redemption values cannot be determined, on the purchase value of any financial asset (including banking bonds, *obbligazioni* and capital adequacy financial instruments) held abroad by Italian resident individuals. A tax credit is granted for any foreign property tax levied abroad on such financial assets.

### 6. Inheritance and Gift Tax

Pursuant to Italian Law Decree No. 262 of 3 October 2006, as converted with amendments by Law No. 286 of 24 November 2006, inheritance and gift taxes have been re-introduced in Italy, with effect as of 3 October 2006.

Inheritance and gift taxes apply according to the following rates and exclusions:

- (a) if assets (including money) pass to a spouse, as well as to any linear descendent, tax is levied at a rate of 4 per cent. The tax applies to the value of the assets (net of liabilities) left to each heir/beneficiary which exceeded euro 1,000,000;
- (b) assets (including money) pass to a relative within the fourth degree or to a linear relative-in-law, as well as to a collateral relative within the third degree, tax is levied at a rate of 6 per cent. The tax applies to the value of the assets (net of liabilities) exceeding euro 100,000 if assets are left to a brother or sister;
- (c) 8 per cent. in all other cases.

If the transfer is made in favour of persons affected by a handicap deemed as "critical" pursuant to Law No. 104 of 5 February 1992, inheritance and gift taxes apply only on the value exceeding euro 1,500,000.

Under Article 1 (114) of the Finance Act 2017, as subsequently amended and supplemented, the *mortis causa* transfer of financial instruments included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of the Finance

Act 2017, Article 1 (210-215) of the Finance Act 2019 or Article 13-bis of the Fiscal Decree linked to Finance Act 2020, Article 136 of the Decree No. 34, Article 1 (219-225) of the Finance Act 2021 and Article 1 (26-27) of the Finance Act 2022 are exempt from inheritance and gift taxes.

### **7. Tax monitoring obligations**

Pursuant to Italian Law Decree No. 167 of 28 June 1990, as amended by Law No. 97 of 6 August 2013 and by Law No. 50 of 28 March 2014, individuals, non-profit entities and certain partnerships (in particular, *società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917) resident in Italy are required to report in their yearly income tax declaration, for tax monitoring purposes, the amount of Notes held abroad during each tax year.

The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the beneficial owner of the instrument for anti-money laundering purposes. The above reporting is not required to be complied with respect to Notes deposited for management with qualified Italian intermediaries and with respect to contracts entered into through their intervention, provided that the financial flows and income derived from the Notes are subject to tax by the same intermediaries.

### **8. EU Directive on Administrative Cooperation in the field of Taxation**

On 9 July 2015, the Italian Parliament adopted Law No. 114 delegating the Italian Government to implement in Italy certain EU Council Directives, including Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). Such Directive is aimed at broadening the scope of the operational mechanism of intra-EU automatic exchange of information in order to fight cross-border tax fraud and evasion. The Italian government implemented the above-mentioned Council Directive 2014/107/EU in the Ministerial Decree issued by the Ministry of Finance on 28 December 2015, as amended by the Ministerial Decree of 17 January 2017. Following the Ministerial Decree quoted, the Italian tax authorities may communicate to other EU member states information about interest and other categories of financial income of Italian source, including income from the Notes.

Furthermore, the Italian Government implemented the later changes to the Council Directive 2011/16/EU, including the changes introduced by the Council Directive 2376/2015/EU on the mandatory automatic exchange of information on advance cross-border rulings and advance pricing arrangements, through the issue of the Legislative Decree 15 March 2017, no. 32, and by the Council Directive 2016/2258/EU as regards access to anti-money-laundering information by tax authorities, through the issue of the Legislative Decree 18 May 2018, no. 60.

### **9. Financial Transaction Tax**

Pursuant to Article 1 (491-500) of Law No. 228 of 24 December 2012, an Italian financial transaction tax ("**FTT**") applies to (a) transfer of property rights in shares and other participating securities issued by Italian resident companies or of financial instruments representing the mentioned shares and/or participating securities (irrespective of whether issued by Italian resident issuers or not) (the Relevant Securities), (b) transactions on financial derivatives (i) the main underlying assets of which are the Relevant Securities, or (ii) whose value depends mainly on one or more Relevant Securities, as well as to (c) any transaction on certain securities (i) which allow to mainly purchase or sell one or more Relevant Securities or (ii) implying a cash payment determined with main reference to one or more Relevant Securities.

Certain Notes could be included in the scope of application of the FTT if they meet the requirements set out above. On the other hand, Notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) are not included in the scope of the FTT.

The FTT on derivative instruments is levied at a fixed amount that varies depending on the nature of the relevant instrument and the notional value of the transaction, and ranges between Euro 0.01875 and Euro 200 per transaction. The amount of FTT payable is reduced to 1/5 of the standard rate in case the transaction is performed on regulated markets or multilateral trading facilities of certain EU and EEA member states. The FTT on derivatives is due by each of the parties to the transactions. FTT exemptions and exclusions are provided for certain transactions and entities.

The FTT is levied and paid by the subject (generally a financial intermediary) that is involved, in any way, in the execution of the transaction. Intermediaries which are not resident in Italy but are liable to

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apply the FTT can appoint an Italian tax representative for the purposes of the FTT. If no intermediary is involved in the execution of the transaction, the FTT must be paid by the relevant taxpayers.

Investors are advised to consult their own tax advisors also on the possible impact of the FTT.

### SWISS TAXATION

*The following discussion is a summary of certain material Swiss tax considerations relating to (i) Notes issued by the Issuer where the Holder is tax resident in Switzerland or has a tax presence in Switzerland or (ii) Notes where the Paying Agent, custodian or securities dealer is located in Switzerland. The discussion is a summary based on legislation as of the date of this Base Prospectus. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Notes. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisors as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Notes (or options embedded therein) in light of their particular circumstances.*

#### **Swiss Withholding Tax**

Payments under the Notes will not be subject to Swiss federal withholding tax, provided that the Issuer is at all times resident and managed outside Switzerland for Swiss tax purposes.

On 3 April 2020, the Swiss Federal Council proposed draft legislation and opened the consultation procedure regarding the reform of the Swiss withholding tax regime, which had previously been suspended. A main aspect of the draft legislation is the exemption of Swiss-domiciled legal entities and foreign investors from withholding tax on Swiss domestic interest-based investments. In essence, the draft legislation would replace the current debtor-based regime applicable to interest payments with a paying agent-based regime for Swiss withholding tax. Broadly, this paying agent-based regime would (i) subject all interest payments made through paying agents in Switzerland to individuals resident in Switzerland to Swiss withholding tax and (ii) exempt from Swiss withholding tax interest payments to all other persons, including to Swiss-domiciled legal entities and foreign investors (other than for indirect interest payments via foreign and domestic collective investments vehicles). If such a new paying agent-based regime were to be enacted and were to result in the deduction or withholding of Swiss withholding tax on any interest payments in respect of the Notes, the Notes would not be entitled to receive any additional amounts as a result of such deduction or withholding under the terms of the Notes. However, the results of the consultation, which ended on 10 July 2020, were controversial. Consequently, on 15 April 2021, the Swiss Federal Council submitted a new draft on the reform of the Swiss withholding tax system providing for the abolition of Swiss withholding tax on interest payments on bonds for submission to the Swiss Federal Parliament.

#### **Income Taxation**

##### ***Notes held as Private Assets by a Swiss resident Holder***

##### ***Structured Notes***

If a Note classifies as a structured security, i.e. as derivative financial instrument(s) with a bond-like prefunding component embedded therein, its income taxation depends on whether (i) the embedded bond component and the embedded derivative financial instrument(s) are reported separately from each other, or, if the Note is a standard product, alternatively the values of the embedded bond component and the embedded derivative financial instrument(s) can at any time be determined analytically by using standard valuation programmes, and (ii) the Note classifies as a structured product with or without a predominant one-time interest payment:

*Non-transparent derivative financial instruments:* If the embedded bond is not recorded separately from the embedded derivative financial instrument(s) and if the conditions for analytical determination of the values of the embedded bond and the embedded derivative financial instrument(s) set forth above do not apply, then the Note classifies as non-transparent structured note and any return over the initial investment classifies as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under "—Transparent derivative financial instruments with a predominant one-time interest payment".

*Transparent derivative financial instruments without a predominant one-time interest payment:* If the embedded bond is recorded separately from the embedded derivative financial instrument(s) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment

premium (see below "*Transparent derivative financial instruments with a predominant one-time interest payment*"), then a person who is an individual resident in Switzerland holding such a Note as a private asset is required to include any periodic and one-time interest payments received on the Note, converted in each case into Swiss Francs at the exchange rate prevailing at the time of payment, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. Option premium received, and a gain, including in respect of interest accrued, a loss, respectively, realised on the sale of such a Note is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

*Transparent derivative financial instruments with a predominant one-time interest payment:* If the embedded bond is recorded separately from the embedded derivative financial instrument(s) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments, then a person who is an individual resident in Switzerland holding such a Note as a private asset, is required to include any periodic interest payments received on the Note and, in addition, any amount equal to the difference between the value of the Note at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, i.e., including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Any compensation received by such a holder for the embedded derivative, i.e., option premium received, and any residual gain, and a loss, respectively, realised on the sale of such a Note is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively. However, notwithstanding the foregoing, such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Note against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

### **Bonds**

*Bonds without a predominant one-time interest payment:* If a Note classifies as a pure bond without a predominant one-time interest payment (i.e., the yield-to-maturity of which predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium), then a person who is an individual resident in Switzerland holding such a Note as a private asset is required to include any periodic and one-time interest payments received on such Note, converted into Swiss Francs at the exchange rate prevailing at the time of payment, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. A gain, including, *inter alia*, in respect of interest accrued or foreign exchange rate, a loss, respectively, realised on the sale of such a Note is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

*Bonds with a predominant one-time interest payment:* If a Note classifies as a pure bond with a predominant one-time interest payment (the yield-to-maturity of which predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments), then a person who is an individual resident in Switzerland holding such a Note as a private asset, is required to include any periodic interest payments received on the Note and, in addition, any amount equal to the difference between the value of the Note at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, i.e., including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Note against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

### **Pure Derivative Financial Instruments**

A capital gain realised by an individual on the sale or redemption of a Note which classifies as a pure derivative financial instrument (such as pure call and put options, pure futures, static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right and discount certificates with a maturity not exceeding twelve months) and which is held as part of

the individual's private assets is a tax-free private capital gain. Conversely, a capital loss realised on the sale or redemption of such a Note cannot be set off against taxable income. Dividend equalisation payments on such a Note constitute taxable investment income.

### ***Low Exercise Price Warrants***

A fully pre-funded call option with a term of not more than one year classifies as pure derivative financial instrument (see taxation treatment above "Pure Derivative Financial Instruments"). If the term of a call option exceeds one year and the instrument underlying the call option is pre-financed by 50 per cent. or more at the time of issuance then the interest component embedded in such an instrument (i.e., issue discount) constitutes taxable interest income (see taxation treatment above "Structured Notes").

### ***Fund-like Securities***

A Note which is classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less costs attributable) realised on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Note as part of his or her private assets receives taxable income (which he or she must report annually) over such portion of distributions (in case the fund is distributing the income realised on the underlying investments) or earnings credits (in case the fund is reinvesting the income realised on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realised on the underlying investments constitute a tax-free private capital gain, and any respective loss is a non-tax-deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like Note (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised on such a Note a non-tax-deductible capital loss.

### ***Notes held as Assets of a Swiss Business***

Corporate entities and individuals who hold Notes as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of business in Switzerland, are required to recognise any payments on, and any capital gains or losses realised on the sale or redemption of, such Notes (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities.

## **Capital Gains**

### ***Notes held as Private Assets by a Swiss resident Holder***

A gain, a loss, respectively, realised by an individual resident in Switzerland for tax purposes upon the sale or other disposal of a Note held as part of his or her private assets is a tax-free private capital gain, or a non-tax deductible capital loss, respectively, unless such individual is classified, for income tax purposes, as a "professional securities dealer" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities. If an individual is classified as "professional securities dealer" he or she will be taxed in accordance with the principles set forth above under "*Income Taxation, Notes held as Assets of a Swiss Business*". Concerning the bifurcation of a tax-exempt capital gain component, or a non-tax deductible capital loss component, respectively, from taxable income components of a Note see the bifurcation principles set forth above with regard to the different instruments under "*Income Taxation, Notes held as Private Assets by a Swiss resident Holder*").

### ***Notes held as Assets of a Swiss Business***

Capital gains realised on Notes held as Assets of a Swiss Business are taxed in accordance with the taxation principles set forth above under "*Income Taxation, Notes held as Assets of a Swiss Business*").

## **Swiss Federal Stamp Taxes**

The issuance of Notes on the Issue Date (primary market) is exempt from Swiss federal securities turnover tax (*Umsatzabgabe*), except that the issuance of Notes which are classified as fund-like instruments may be subject to Swiss federal securities turnover tax of up to 0.3 per cent. on the offering

## Swiss Taxation

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price, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and, additionally, if no exemption applies.

Dealings in Notes (secondary market) which classify as pure derivative financial instruments (such as pure call and put options, including low exercise price options with a maturity not exceeding twelve months, pure futures with a maximal pre-financing of 25 per cent., fully-funded Notes statically replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) are exempt from Swiss federal securities turnover tax. Dealings in other Notes may be subject to Swiss federal securities turnover tax of up to 0.3 per cent. on the consideration paid, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and, additionally, if no exemption applies.

The physical settlement of a security at exercise or redemption to the holder of the Note may be subject to Swiss federal securities turnover tax of 0.3 per cent. in case a security issued by an issuer outside Switzerland is delivered and of 0.15 per cent. in case a security issued by a Swiss domestic issuer is delivered, however, in each case, only if a Swiss domestic securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the delivery and, additionally, if no exemption applies.

### **Gift, Inheritance and Estate Taxes**

Subject to an applicable tax treaty in an international situation, transfers of Notes may be subject to cantonal and/or communal inheritance tax, estate tax or gift tax if the deceased person has had his or her last domicile in Switzerland, the donor is resident in Switzerland, respectively, or in the case of a foreign deceased or resident person the transfer involves an unincorporated business in Switzerland and Notes are held as part of such business. No such taxes exist at the federal level. Rates depend upon the existing relationship (i.e. the relationship between the deceased and the heirs, or between the donor and the donee) and the size of the inheritance or gift. Interspousal gifts and gifts to descendants and inheritances collected by the surviving spouse and descendants are frequently exempt or taxed at low rates (up to 6 per cent.). Gifts and inheritances received from unrelated persons attract rates ranging from 20 per cent. to 40 per cent. The taxable base is usually the market value of the property transferred.

### **Net Worth and Capital Taxes**

A holder of Notes who is an individual resident in Switzerland for tax purposes or is a non-Swiss resident holding Notes as part of a Swiss business operation or a Swiss permanent establishment is required to report Notes as part of private wealth or as part of Swiss business assets, as the case may be, and is subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including the Notes), in the case of a non-Swiss resident individual holding Notes as part of a Swiss business operation or a Swiss permanent establishment to the extent the aggregate taxable wealth is allocable to Switzerland. Incorporated holders of Notes are subject to cantonal and communal capital tax on net taxable equity, in the case of non-Swiss resident person holding Notes as part of a Swiss permanent establishment, to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes are levied at the federal level.

### **Non-Swiss resident Holders**

A holder of a Note who is not resident in Switzerland and who during the taxation year has not engaged in a trade or business carried on through a permanent establishment or fixed place of business in Switzerland will in respect of such Note not be subject to income tax in Switzerland.



## Subscription and Sale

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### SUBSCRIPTION AND SALE

The 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, directly or through its affiliates, offers to purchase the Notes. The 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. The 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.

The 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, directly or through any affiliates, 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 19 July 2022 (as modified and restated from time to time, the "**Distribution Agreement**") among Morgan Stanley and the Distribution Agent. Pursuant to the Distribution Agreement, Morgan Stanley and the Distribution Agent have agreed to indemnify each other against certain liabilities or to contribute payments made in respect thereof. Morgan Stanley has 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 Morgan Stanley.

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 overallocments 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 have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the U.S., and may not be offered or sold at any time within the U.S. or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the Securities Act ("**Regulation S**")), and otherwise in accordance with Rule 903 of Regulation S. Each Distribution Agent: (1) has acknowledged that the Notes have not been and will not be registered under the Securities Act, or any securities laws of any state or other jurisdiction in the U.S., and the Notes are not being offered or sold and may not be offered or sold at any time, directly or indirectly, within the U.S. or to, or for the account or benefit of, any U.S. Person; (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 U.S. and was not solicited to purchase Notes while present in the U.S.; (3) has agreed not to offer or sell any of the Notes at any time, directly or indirectly, in the U.S. or to, or for the account or benefit of, any U.S. Person; and (4) 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, "**U.S.**" means the United States of America (including the states and the District of Columbia), its territories and possessions.

Each Distribution Agent has represented and agreed that it has offered and sold the Notes, and agrees that it will at all times offer and sell the Notes, as part of its distribution or otherwise only outside the U.S. and to persons who are not U.S. persons (as such term is defined under Regulation S) and otherwise

## Subscription and Sale

in accordance with Rule 903 of Regulation S. Accordingly, each Distribution Agent has represented and agreed that neither it, its affiliates (if any) nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes at any time, and they have 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. Each Distribution Agent has agreed that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from a confirmation or notice to substantially the following effect:

"The securities covered hereby have not been registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not at any time be offered or sold within the U.S. or to, or for the account or benefit of, any U.S. person as defined in Regulation S under the Securities Act ("**Regulation S**"). Terms used above have the meanings given to them by Regulation S."

Each Distribution Agent has represented that it has not entered and has agreed that it will not enter into any contractual arrangement with any distributor (as that term is defined in Regulation S) with respect to the distribution or delivery of the Notes, except with its affiliates or with the prior written consent of the Issuer. An offer or sale of Notes within the U.S. 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 (each a "**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 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 to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that 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 Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, **provided that** any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, 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 Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), 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 1(4) of the Prospectus Regulation, **provided that** no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any 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 and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

### *Prohibition of Sales to EEA Retail Investors*

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

## Subscription and Sale

Distribution Agent appointed under the Distribution Agreement 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 Directive (EU) 2016/97, 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 Regulation; 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 for the Notes.

### *United Kingdom*

If the Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", 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 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 to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to section 86 of the FSMA (a "**Public Offer**"), following the date of publication of a prospectus in relation to such Notes which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by final terms contemplating such Public Offer, 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 Public Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within section 86 of the FSMA,

**provided that** no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Distribution Agent to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes 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 for the Notes and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of "retained EU law" as defined in the European Union (Withdrawal) Act 2018 (the "**EUWA**").

In relation to each Tranche of Notes, the Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Distribution Agreement will be required to represent and agree, with the issue that:

- (a) in relation to any Notes which have a maturity of less than one year, (1) 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 (2) 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,

## Subscription and Sale

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- 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 FSMA by the Issuer;
- (b) 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; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### ***Prohibition of Sales to UK Retail Investors***

Unless the Final Terms in respect of any Notes specifies the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each 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 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 United Kingdom. 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of "retained EU law", as defined in the EUWA; or
  - (2) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of "retained EU law", as defined in the EUWA; or
  - (3) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of "retained EU law", as defined in the EUWA; 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 for the Notes.

### ***Republic of Italy***

Unless it is specified in the relevant Final Terms that a Non-exempt Offer may be made in 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 and any other document relating to the Notes in the Republic of Italy except:

- (a) to "qualified investors", as defined in Article 2 of the Prospectus Regulation; or
- (b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended from time to time (the "**Decree No. 58**"), Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (the "**Regulation No. 11971**"), and the applicable Italian laws.

Any such offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy must:

- (i) be 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

## Subscription and Sale

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1993 as amended (the "**Banking Act**"), Decree No. 58, CONSOB Regulation No. 20307 of 15 February 2018, and any other applicable laws and regulations; and

- (ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

### *Provisions relating to the secondary market in Italy*

Please note that in accordance with Article 5 of the Prospectus Regulation and Article 100-bis of Decree No. 58, where no exemption from the rules on public offerings applies under (a) and (b) above, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Prospectus Regulation, the Decree No. 58 and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.

## No Ownership by U.S. Persons

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### 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 U.S. and was not solicited to purchase such Notes while present in the U.S.;
- (b) such Notes have not been and will not be registered under the Securities Act and may not at any time be offered or sold within the U.S. or to, or for the account or benefit of, any person that is a U.S. Person (within the meaning of Regulation S), and otherwise 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 U.S. 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 to the following effect:

"THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE U.S. THE NOTES MAY NOT BE OFFERED OR SOLD AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY PERSON THAT IS A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")).

IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE U.S. NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING SUCH NOTES ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH U.S. PERSON."

and

- (d) the Issuer, the Registrar, the Distribution Agents and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

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### IMPORTANT LEGAL INFORMATION

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#### 1. *Offering through Distribution Agent*

The 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, directly or through its affiliates, offers to purchase the Notes. The 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, directly or through its affiliates, any Notes it purchases as principal at prevailing market prices, or at other prices, as it determines. The 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. *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 or Pricing Supplement. 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 or Pricing Supplement. In general, European regulated investors 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**"), Rating and Investment Information, Inc. ("**R&I**") and Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings ("**S&P**"). The list of credit rating agencies registered under the CRA Regulation (as updated from time to time) is published on the website of the European Securities and Markets Authority (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>).

None of DBRS, Fitch, Moody's or S&P is established in the EEA or has applied for registration under the CRA Regulation. However, certain of their respective affiliates are established in the EEA and registered under the CRA Regulation. Such affiliates endorse the ratings of DBRS, Fitch, Moody's and S&P for use for regulatory purposes in the EEA.

R&I is not incorporated in the EEA and is not registered under the CRA Regulation.

The credit rating of Morgan Stanley's short-term and long-term debt is (i) R-1 (middle) and A (high), with a stable outlook, by DBRS, Inc. ("**DBRS**"), (ii) F1 and A, with a positive outlook, by Fitch Ratings, Inc. ("**Fitch**"), (iii) P-1 and A1, with a stable outlook, by Moody's Investors Service, Inc. ("**Moody's**"), (iv) a-1 and A, with a stable outlook, by Rating and Investment Information, Inc. ("**R&I**"); and (v) A-2 and A- with a stable outlook, by Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings ("**S&P**").

#### *Explanation of Ratings*

**DBRS:** For short-term ratings, DBRS has a sliding scale from R-1 (highest credit quality) to R-5 (highly speculative). The modifier (middle) indicates that the obligation ranks in the middle end of the R-1 category. For long-term credit ratings, DBRS has a sliding scale ranging from AAA (highest credit quality) to C (very highly speculative). The modifier (high) indicates that the obligation ranks in the higher end of the A category.<sup>42</sup>

**Fitch:** For short-term ratings, a rating of F1 indicates the strongest intrinsic capacity for timely payment of financial commitments. For long-term credit ratings, a rating of A denotes expectations of low credit risk. The capacity for payment of financial commitments is

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<sup>42</sup> Information found at <http://www.dbrs.com/>

## Important Legal Information

considered strong. This capacity may, nevertheless, be more vulnerable to adverse business conditions than is the case for higher ratings.<sup>43</sup>

Moody's: For short-term ratings, Issuers rated P-1 are deemed to have a superior ability to repay short-term debt obligations. For long-term ratings, obligations rated A are judged to be upper-medium grade and are subject to low credit risk. Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category.<sup>44</sup>

R&I: For short-term ratings, a rating of a-1 indicates that the certainty of the fulfilment of a short-term obligation is high. For long-term ratings, a rating of A indicates high creditworthiness. The modifier (-) indicates that the obligation ranks in the lower end of the A category.<sup>45</sup>

S&P: For short-term ratings, a rating of A-2 indicates satisfactory capacity to meet financial commitments. However, the Issuer is more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in the highest rating category. For long-term ratings, an obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories.<sup>46</sup>

### 3. ***Responsibility Statements***

Morgan Stanley accepts responsibility for information contained in the Base Prospectus. To the best of the knowledge and belief of Morgan Stanley, 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.

### 4. ***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 or Pricing Supplement, must be read and construed together with the applicable Final Terms or Pricing Supplement.

### 5. ***No information or representatives outside offer***

No person has been authorised by Morgan Stanley 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. 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 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 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).

<sup>43</sup> Information found at <https://www.fitchratings.com/site/home>

<sup>44</sup> Information found at <https://www.moody's.com/>

<sup>45</sup> Information found at <https://www.r-i.co.jp/eng/>

<sup>46</sup> Information found at [https://www.standardandpoors.com/en\\_US/web/guest/home](https://www.standardandpoors.com/en_US/web/guest/home)



## Important Legal Information

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6. ***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.

7. ***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 to inform themselves about and to observe those restrictions.

Neither this Base Prospectus nor any Final Terms or Pricing Supplement 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 or the Distribution Agent that any recipient of this Base Prospectus or any Final Terms or Pricing Supplement should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms or Pricing Supplement will be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of Morgan Stanley and of the particular terms of any offered Notes.

Neither this Base Prospectus nor any Final Terms or Pricing Supplement 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 or Pricing Supplement and other offering material relating to the Notes, see "*Subscription and Sale*" above.

8. ***Secured Overnight Financing Rate***

As further described under "*Risk Factors Relating to the Notes*" above, the interest rate on the Notes may be determined by reference to SOFR (as defined in the Terms and Conditions of the Notes).

SOFR is published by the New York Federal Reserve and is intended to be a broad measure of the cost of borrowing cash overnight collateralized by U.S. Treasury securities. The New York Federal Reserve reports that SOFR includes all trades in the Broad General Collateral Rate and bilateral Treasury repurchase agreement (repo) transactions cleared through the delivery-versus-payment service offered by the Fixed Income Clearing Corporation (the "**FICC**"), a subsidiary of The Depository Trust and Clearing Corporation ("**DTCC**"), and SOFR is filtered by the New York Federal Reserve to remove some (but not all) of the foregoing transactions considered to be "specials." According to the New York Federal Reserve, "specials" are repos for specific-issue collateral, which take place at cash-lending rates below those for general collateral repos because cash providers are willing to accept a lesser return on their cash in order to obtain a particular security.

The New York Federal Reserve reports that SOFR is calculated as a volume-weighted median of transaction-level tri-party repo data collected from The Bank of New York Mellon as well as General Collateral Finance Repo transaction data and data on bilateral Treasury repo transactions cleared through the FICC's delivery-versus-payment service. The New York Federal Reserve also notes that it obtains information from DTCC Solutions LLC, an affiliate of DTCC.

If data for a given market segment were unavailable for any day, then the most recently available data for that segment would be utilized, with the rates on each transaction from that day adjusted to account for any change in the level of market rates in that segment over the intervening period. SOFR would be calculated from this adjusted prior day's data for segments where current data were unavailable, and unadjusted data for any segments where data were available. To determine the change in the level of market rates over the intervening period for the missing market segment, the New York Federal Reserve would use information collected through a daily survey conducted by its Trading Desk of primary dealers' repo borrowing activity. Such daily

## Important Legal Information

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survey would include information reported by Morgan Stanley & Co. LLC, a wholly owned subsidiary of the Issuer, as a primary dealer.

The New York Federal Reserve notes on its publication page for SOFR that use of SOFR is subject to important limitations, indemnification obligations and disclaimers, including that the New York Federal Reserve may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice.

Each U.S. government securities business day, the New York Federal Reserve publishes SOFR on its website at approximately 8:00 a.m., New York City time. If errors are discovered in the transaction data provided by The Bank of New York Mellon or DTCC Solutions LLC, or in the calculation process, subsequent to the initial publication of SOFR but on that same day, SOFR and the accompanying summary statistics may be republished at approximately 2:30 p.m., New York City time. Additionally, if transaction data from The Bank of New York Mellon or DTCC Solutions LLC had previously not been available in time for publication, but became available later in the day, the affected rate or rates may be republished at around this time. Rate revisions will only be effected on the same day as initial publication and will only be republished if the change in the rate exceeds one basis point. Any time a rate is revised, a footnote to the New York Federal Reserve's publication would indicate the revision. This revision threshold will be reviewed periodically by the New York Federal Reserve and may be changed based on market conditions.

Because SOFR is published by the New York Federal Reserve based on data received from other sources, the Issuer has no control over its determination, calculation or publication. See "Risk Factors Relating to the Notes" above.

The information contained in this section "*Secured Overnight Financing Rate*" is based upon the New York Federal Reserve's Website and other U.S. government sources.

## General Information

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### GENERAL INFORMATION

The Notes have been accepted for clearance 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 or Pricing Supplement. 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 pursuant to this Base Prospectus 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 applicable Final Terms or Pricing Supplement. It is not an indication of future yield.

#### *Documents available*

This Base Prospectus and any supplement thereto will be published on the websites of (a) the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and (b) Morgan Stanley & Co. International plc (<http://sp.morganstanley.com/EU/Documents>).

For so long as this Base Prospectus remains in effect or Notes 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, London Branch, One Canada Square, London E14 5AL and also at the principal executive offices of Morgan Stanley and on the free to access website (<http://sp.morganstanley.com/EU/Documents>):

- (a) copies of the Distribution Agreement, the Issue and Paying Agency Agreement and all of Morgan Stanley's future Annual, Quarterly and Current Reports;
- (b) the Certificate of Incorporation and Amended and Restated By-laws of Morgan Stanley;
- (c) 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;
- (d) Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2021, Morgan Stanley's Current Reports on Form 8-K dated 19 January 2022, 14 April 2022 and 14 July 2022, Morgan Stanley's Quarterly Reports on Form 10-Q for the quarterly period ended 31 March 2022 and Morgan Stanley's Proxy Statement dated 8 April 2022;
- (e) a copy of this Base Prospectus and any document incorporated by reference herein;
- (f) any supplement to this Base Prospectus; and
- (g) any Final Terms or Pricing Supplement (save that any Final Terms or Pricing Supplement 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 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.

#### *Authorization*

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 2013, 14

## General Information

December 2004, 20 September 2005, 12 December 2006, 19 June 2007, 17 September 2007 and 16 June 2008.

### ***No material adverse change in prospects and no significant change in the financial performance and financial position***

There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2021, the date of the last published annual audited financial statements of Morgan Stanley.

There has been no significant change in the financial performance of Morgan Stanley since 14 July 2022, the date of the last published interim (unaudited) financial statements of Morgan Stanley.

### ***Legal and arbitration proceedings***

Save as disclosed in:

- (a) the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" at pages 117-118 and the section entitled "Legal Proceedings" at pages 145-148 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2021;
- (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 54-55 and the section entitled "Legal Proceedings" at page 66 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2022; and
- (c) the section entitled "Legal Proceedings" at Part 7 of the section entitled "Description of Morgan Stanley" at pages 66-69 of the Registration Document as amended by paragraph 5 of the section entitled "Amendments to the 'Description of Morgan Stanley' Section" at pages 33-38 of the First Supplement to the Registration Document,

other than those disclosed in the audited financial statements or the interim (unaudited) financial statements, there are no, nor have there been, any governmental, legal or arbitration proceedings involving Morgan Stanley (including any such proceedings which are pending or threatened of which Morgan Stanley 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.

### ***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.

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