INTEREST RATE STRUCTURED INVESTMENTS

Senior Floating Rate Notes due 2019
Based on the 10-Year Constant Maturity Swap Rate

As further described below, interest will accrue and be payable semi-annually, in arrears, on the notes, at a rate equal to the 10-Year Constant Maturity Swap Rate; subject to the maximum interest rate of 10.00% per annum and minimum interest rate of 3.00% per annum.

We describe the basic features of these notes in the sections of the accompanying prospectus called “Description of Debt Securities –Floating Rate Debt Securities” and prospectus supplement called “Description of Notes,” subject to and as modified by the provisions described below. All payments on the notes, including the repayment of principal, are subject to the credit risk of Morgan Stanley.

FINAL TERMS

<table>
<thead>
<tr>
<th><strong>Issuer:</strong></th>
<th>Morgan Stanley</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aggregate principal amount:</strong></td>
<td>$37,000,000</td>
</tr>
<tr>
<td><strong>Issue price:</strong></td>
<td>$1,000 per note</td>
</tr>
<tr>
<td><strong>Stated principal amount:</strong></td>
<td>$1,000 per note</td>
</tr>
<tr>
<td><strong>Pricing date:</strong></td>
<td>October 23, 2009</td>
</tr>
<tr>
<td><strong>Original issue date:</strong></td>
<td>November 9, 2009 (11 business days after the pricing date)</td>
</tr>
<tr>
<td><strong>Maturity date:</strong></td>
<td>November 9, 2019</td>
</tr>
<tr>
<td><strong>Interest accrual date:</strong></td>
<td>November 9, 2009</td>
</tr>
<tr>
<td><strong>Principal protection:</strong></td>
<td>100%</td>
</tr>
<tr>
<td><strong>Reference rate:</strong></td>
<td>The 10-Year Constant Maturity Swap Rate. Please see “Additional Provisions –Reference Rate” below.</td>
</tr>
<tr>
<td><strong>Interest rate:</strong></td>
<td>Reference rate; subject to the maximum interest rate and minimum interest rate. For the purpose of determining the level of the reference rate applicable to an interest payment period, the level of the reference rate will be determined two (2) U.S. government securities business days prior to the related interest payment date (each an “interest determination date”).</td>
</tr>
<tr>
<td><strong>Interest payment period:</strong></td>
<td>Semi-annual</td>
</tr>
<tr>
<td><strong>Interest payment period end dates:</strong></td>
<td>Unadjusted</td>
</tr>
<tr>
<td><strong>Interest payment dates:</strong></td>
<td>Each May 9 and November 9, beginning May 9, 2010; provided that if any such day is not a business day, that interest payment will be made on the next succeeding business day and no adjustment will be made to any interest payment made on that succeeding business day.</td>
</tr>
<tr>
<td><strong>Day-count convention:</strong></td>
<td>30/360</td>
</tr>
<tr>
<td><strong>Minimum interest rate:</strong></td>
<td>3.00% per annum per interest payment period</td>
</tr>
<tr>
<td><strong>Maximum interest rate:</strong></td>
<td>10.00% per annum per interest payment period</td>
</tr>
<tr>
<td><strong>Redemption:</strong></td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>Specified currency:</strong></td>
<td>U.S. dollars</td>
</tr>
<tr>
<td><strong>CUSIP / ISIN:</strong></td>
<td>61745EE72 / US61745EE729</td>
</tr>
<tr>
<td><strong>Book-entry or certificated:</strong></td>
<td>Book-entry</td>
</tr>
</tbody>
</table>
note:

Business day: New York
Agent: Morgan Stanley & Co. Incorporated
Calculation agent: Morgan Stanley Capital Services Inc.
Trustee: The Bank of New York Mellon

Commissions and Issue

<table>
<thead>
<tr>
<th>Price</th>
<th>Price to public</th>
<th>Agent’s commissions(1)</th>
<th>Proceeds to company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Note</td>
<td>100%</td>
<td>2.00%</td>
<td>98.00%</td>
</tr>
<tr>
<td>Total</td>
<td>$37,000,000</td>
<td>$740,000</td>
<td>$36,260,000</td>
</tr>
</tbody>
</table>

(1) For additional information, see “Plan of Distribution” in the accompanying prospectus supplement.

The notes involve risks not associated with an investment in ordinary debt securities. See “Risk Factors” beginning on page 4.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these notes, or determined if this pricing supplement or the accompanying prospectus supplement and prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The agent for this offering, Morgan Stanley & Co. Incorporated, is our wholly-owned subsidiary. See “Supplemental Information Concerning Plan of Distribution; Conflicts of Interest.”

YOU SHOULD READ THIS DOCUMENT TOGETHER WITH THE RELATED PROSPECTUS SUPPLEMENT AND PROSPECTUS, EACH OF WHICH CAN BE ACCESSED VIA THE HYPERLINKS BELOW.


THE NOTES ARE NOT BANK DEPOSITS AND ARE NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

MorganStanley

Senior Floating Rate Notes due 2019
Based on the 10-Year Constant Maturity Swap Rate

Additional Provisions

Reference Rate

What is the 10-Year Constant Maturity Swap Rates?

The 10-Year Constant Maturity Swap Rate (which we refer to as “10CMS”) is, on any day, the fixed rate of interest payable on an interest rate swap with a 10-year maturity as reported on Reuters Page ISDAFIX1 or any successor page thereto at 11:00 a.m. New York City time on that day; provided that for the determination of 10CMS on any calendar day, the “interest determination date” shall be that calendar day unless that calendar day is not a U.S. government securities business day, in which case the 10CMS level shall be the 10CMS level on the immediately preceding U.S. government securities business day. This rate is one of the market-accepted indicators of longer-term interest rates.

An interest rate swap rate, at any given time, generally indicates the fixed rate of interest (paid semi-annually) that a counterparty in the swaps market would have to pay for a given maturity, in order to receive a floating rate (paid quarterly) equal to 3-month LIBOR for that same maturity.

U.S. Government Securities Business Day
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 purposes of trading in U.S. government securities.

CMS Rate Fallback Provisions

If 10CMS is not displayed by 11:00 a.m. New York City time on the Reuters Screen ISDAFIX1 Page on any day on which the level of the reference index must be determined, the rate for such day will be determined on the basis of the mid-market semi-annual swap rate quotations to the calculation agent provided by five leading swap dealers in the New York City interbank market (the “Reference Banks”) at approximately 11:00 a.m., New York City time, on such day, and, for this purpose, the mid-market semi-annual swap rate means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating U.S. Dollar interest rate swap transaction with a 10 year maturity commencing on such day and in a representative amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an actual/360 day count basis, is equivalent to USD-LIBOR-BBA with a designated maturity of three months. The calculation agent will request the principal New York City office of each of the Reference Banks to provide a quotation of its rate. If at least three quotations are provided, the rate for that day will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If fewer than three quotations are provided as requested, the rate will be determined by the calculation agent in good faith and in a commercially reasonable manner.

October 2009

Senior Floating Rate Notes due 2019

Based on the 10-Year Constant Maturity Swap Rate

Historical Information

The following graph sets forth the historical percentage levels of the reference rate for the period from January 1, 1999 to November 6, 2009. The historical levels of the reference rate should not be taken as an indication of future performance. The graph below does not reflect the return the notes would have had during the periods presented because it does not take into account the minimum interest rate. We obtained the information in the graph below from Bloomberg Financial Markets, without independent verification.

The bold lines in the graph above represent the minimum interest rate and maximum interest rate.
Risk Factors

The notes involve risks not associated with an investment in ordinary floating rate notes. An investment in the notes entails significant risks not associated with similar investments in a conventional debt security, including, but not limited to, fluctuations in 10CMS, and other events that are difficult to predict and beyond the issuer’s control. This section describes the most significant risks relating to the notes. For a complete list of risk factors, please see the accompanying prospectus supplement and the accompanying prospectus.

Yield Risk

- The historical performance of the reference rate is not an indication of future performance. The historical performance of the reference rate should not be taken as an indication of future performance during the term of the notes. Changes in the levels of the reference rate will affect the trading price of the notes, but it is impossible to predict whether such levels will rise or fall.

- The amount of interest payable on the notes in any interest payment period is capped. The interest rate on the notes for each interest payment period is capped for that period at the maximum interest rate of 10% per annum (equal to a maximum semi-annual interest payment of $50 for each $1,000 stated principal amount of notes).

Issuer Risk

- Investors are subject to our credit risk, and our credit ratings and credit spreads may adversely affect the market value of the notes. Investors are dependent on our ability to pay all amounts due on the notes on interest payment dates, redemption dates and at maturity and therefore investors are subject to our credit risk and to changes in the market’s view of our creditworthiness. Any decline in our credit ratings or increase in the credit spreads charged by the market for taking our credit risk is likely to adversely affect the value of the notes.

Market Risk

- The price at which the notes may be sold prior to maturity will depend on a number of factors and may be substantially less than the amount for which they were originally purchased. Some of these factors include, but are not limited to: (i) changes in the level of the reference rate, (ii) volatility of the level of the reference rate, (iii) changes in interest and yield rates, (iv) any actual or anticipated changes in our credit ratings or credit spreads, and (v) time remaining to maturity. Depending on the level of the reference rate, the market value of the notes may decrease and you may receive substantially less than 100% of the issue price if you wish to sell your notes prior to maturity.

- The inclusion of commissions and projected profit from hedging in the original issue price is likely to adversely affect secondary market prices. Assuming no change in market conditions or any other relevant factors, the price, if any, at which Morgan Stanley & Co. Incorporated (“MS & Co.”) is willing to purchase notes in secondary market transactions will likely be lower than the original issue price, since the original issue price includes, and secondary market prices are likely to exclude, commissions paid with respect to the notes, as well as the cost of hedging our obligations under the notes. The cost of hedging includes the projected profit that our subsidiaries may realize in consideration for assuming the risks inherent in managing the hedging transactions. In addition, any secondary market prices may differ from values determined by pricing models used by MS & Co., as a result of dealer discounts, mark-ups or other transaction costs.

Liquidity Risk

- The notes will not be listed on any securities exchange and secondary trading may be limited. The notes will not be listed on any securities exchange. Therefore, there may be little or no secondary market for the notes. MS & Co. may, but is not obligated to, make a market in the notes. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the notes easily. Because we do not expect that other broker-dealers will participate significantly in
the secondary market for the notes, the price at which you may be able to trade your notes is likely to depend on the price, if any, at which MS & Co. is willing to transact. If at any time MS & Co. were not to make a market in the notes, it is likely that there would be no secondary market for the notes. Accordingly, you should be willing to hold your notes to maturity.

Conflicts of Interest

- **Issuer or its affiliates are market participants.** The issuer or one or more of their respective affiliates may, at present or in the future, publish research reports with respect to movements in interests rates generally or the reference rate 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 the notes.

- **Economic interests of the calculation agent may be potentially adverse to the investors.** The calculation agent is an affiliate of the issuer. Any determinations made by the calculation agent may adversely affect the payout to investors. Determinations made by the calculation agent, including with respect to the reference rate may adversely affect the payout to you on the notes.

Supplemental Information Concerning Plan of Distribution; Conflicts of Interest

We expect to deliver the notes against payment therefor in New York, New York on November 9, 2009, which will be the eleventh scheduled business day following the date of the pricing of the notes. Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on the date of pricing or on or prior to the third business day prior to the original issue date will be required to specify alternative settlement arrangements to prevent a failed settlement.

The agent may distribute the notes through Morgan Stanley Smith Barney LLC (“MSSB”), as selected dealer, or other dealers, which may include Morgan Stanley & Co. International plc (“MSIP”) and Bank Morgan Stanley AG. MSSB, MSIP and Bank Morgan Stanley AG are affiliates of Morgan Stanley.

MS & Co. is our wholly-owned subsidiary. MS & Co. will conduct this offering in compliance with the requirements of NASD Rule 2720 of the Financial Industry Regulatory Authority, Inc., which is commonly referred to as FINRA, regarding a FINRA member firm’s distribution of the securities of an affiliate and related conflicts of interest. In accordance with NASD Rule 2720, MS & Co. or any of our other affiliates may not make sales in this offering to any discretionary account without the prior written approval of the customer.

Tax Considerations

The notes will be treated as “variable rate debt instruments” for U.S. federal income tax purposes, as described in the section of the accompanying prospectus supplement called “United States Federal Taxation — Tax Consequences to U.S. Holders — Notes — Floating Rate Notes.”

If you are a non-U.S. investor, please also read the section of the accompanying prospectus supplement called “United States Federal Taxation — Tax Consequences to Non-U.S. Holders.” Non-U.S. investors should also note that the discussion in the accompanying prospectus supplement does not address the tax consequences to non-U.S. investors for whom income or gain
in respect of the notes is effectively connected with the conduct of a trade or business in the United States. Such non-U.S. investors should consult their tax advisers regarding the potential tax consequences of an investment in the notes.

You should consult your tax advisers regarding all aspects of the U.S. federal tax consequences of an investment in the notes, as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

Contact Information

Morgan Stanley Smith Barney clients may contact their local Morgan Stanley Smith Barney branch office or our principal executive offices at 1585 Broadway, New York, New York 10036 (telephone number (866) 477-4776). All other clients may contact their local brokerage representative. Third-party distributors may contact Morgan Stanley Structured Investment Sales at (800) 233-1087.

Where You Can Find More Information

Morgan Stanley has filed a registration statement (including a prospectus, as supplemented by a prospectus supplement) with the Securities and Exchange Commission, or SEC, for the offering to which this pricing supplement relates. You should read the prospectus in that registration statement, the prospectus supplement and any other documents relating to this offering that Morgan Stanley has filed with the SEC for more complete information about Morgan Stanley and this offering. You may get these documents without cost by visiting EDGAR on the SEC web site at www.sec.gov. Alternatively, Morgan Stanley will arrange to send you the prospectus and the prospectus supplement if you so request by calling toll-free 800-584-6837.

You may access these documents on the SEC web site at www.sec.gov as follows:

Prospectus Supplement dated December 23, 2008
Prospectus dated December 23, 2008

Terms used in this pricing supplement are defined in the prospectus supplement or in the prospectus. As used in this pricing supplement, the “Company,” “we,” “us,” and “our” refer to Morgan Stanley.