



FTSE® 5/FTSE® 100 Quarterly Defensive December 2013

Product Summary

Underlying assets	BP Plc, BAE Systems Plc, Rio Tinto plc, Standard Chartered Plc and Vodafone Group Plc
Term	A maximum six year and two week investment
Asset type	Structured Notes
Type of structure	Autocall/kick-out
Investment return	Potential gross investment return of 2.625% per quarter
Return of capital	Capital-at-risk with a 50% European soft protection barrier on the FTSE 100 Index
Issuer	Morgan Stanley B.V.
Guarantor	Morgan Stanley
Product Provider	Meteor Asset Management Limited
Qualifying asset for ISAs	Stocks and shares ISAs/ISA transfers
Tax treatment	Capital Gains Tax
Start Date	13 December 2013
ISIN	XS0986190204

Please note: You may purchase the Security directly from a stockbroker; an administration platform; SPwrap or another wrap company; a pension provider; or through a Meteor Omnium Account.

Investing in this product puts your capital at risk. You may lose some or all of your investment. This Product Factsheet explains the features of the product. Please ensure that you read this document fully prior to making an investment. Meteor does not provide financial advice. We recommend that you talk to a financial adviser who will be able to help you assess whether the product is suitable for you. You should conduct such independent investigation and analysis of the tax treatment of an investment as you feel appropriate, to evaluate the merits and risks of an investment in the product. The information on taxation contained in the Factsheet is based on our understanding of rates of tax, current legislation, regulations and practice, which are likely to change in the future and which may be applied retrospectively.

Term	A maximum six year and two week investment		
Underlying assets (the 'shares')	<ul style="list-style-type: none"> ■ BP Plc (Energy) ■ BAE Systems Plc (Aerospace/Defence) ■ Rio Tinto plc (Mining) ■ Standard Chartered Plc (Financial) ■ Vodafone Group Plc (Telecommunications) 		
Counterparty	The Securities for this product will be issued by Morgan Stanley B.V. and guaranteed by Morgan Stanley.		
Return of capital	This is a capital-at-risk product and the return of capital is linked to the performance of the FTSE 100 Index. You may lose some, or all, of the money you invest if on 13 December 2019 the Final Level of the Index is below 50% of its Opening Level, i.e. if the 50% European soft protection barrier is breached. The amount you would lose will equal the same percentage that the Final Level of the Index is below its Opening Level.		
Investment return	<p>The investment return is dependent on the performance of the shares. If on any Measurement Date, the closing levels of all five shares are at least equal to 85% of their respective Opening Levels, the product will mature early and make a gross investment return of 2.625% of the money you invest for each quarterly period that the product has been in force.</p> <p>The first Measurement Date will be on 15 December 2014, twelve months after the Start Date. Thereafter, the performance of the five shares will be measured quarterly (i.e. every three months). If the product runs for the full term, it will provide a gross investment return of 63% as long as the Final Level of the lowest performing share is at least 85% of its Opening Level.</p>		
Counterparty Risk	It is possible that Morgan Stanley B.V. and/or Morgan Stanley could collapse or fail to make the payments due from the product. If this happened you would lose some, or all, of the money you invest in the product, as well as any investment return to which you might otherwise have become entitled.		
Tax treatment	It is our understanding that any investment return from this product is expected to be subject to Capital Gains Tax (see page 10).		
Available for investment as	<ul style="list-style-type: none"> ■ Individual or joint applications ■ Stocks and shares ISAs in respect of 2013/14 tax year ■ ISA transfers ■ Pension schemes ■ Trustees and companies <p>This product is not available to residents of the United States</p>		
Securities	The Securities purchased will be Notes issued by Morgan Stanley B.V. and guaranteed by Morgan Stanley. These Securities are effectively a loan to the Issuer and the return of any capital and any potential investment return depends on the ability of Morgan Stanley B.V. and Morgan Stanley to make the payments due from the Securities.		
ISIN	XS0986190204	Listing	Irish Stock Exchange
Base Prospectus	You can obtain a copy of the Base Prospectus relating to the Securities and any further information about the investment product on request from Meteor or by visiting our website at www.meteoram.com		
Meteor distribution fee	We will receive a distribution fee of up to 2.5%, which we will use to cover our costs for the preparation of product literature and information, as well as marketing the product. This fee may also be used to cover payments to introducers, where necessary. Please note that this fee will not affect the terms of the product.		
Closing dates for Omnium product subscription	<ul style="list-style-type: none"> ■ ISA transfer applications ■ Applications with cheques ■ Applications with bank transfers 	<ul style="list-style-type: none"> 29 November 2013 6 December 2013 11 December 2013 	
Start Date	13 December 2013		
Opening Levels	Closing level of the shares and the Index on 13 December 2013		
Measurement Dates	15 December 2014, 16 March 2015, 15 June 2015, 14 September 2015, 14 December 2015, 14 March 2016, 13 June 2016, 13 September 2016, 13 December 2016, 13 March 2017, 13 June 2017, 13 September 2017, 13 December 2017, 13 March 2018, 13 June 2018, 13 September 2018, 13 December 2018, 13 March 2019, 13 June 2019, 13 September 2019		
Final Levels	Closing level of the shares and the Index on 13 December 2019		
Maturity Date	27 December 2019		

About Morgan Stanley

Neither Morgan Stanley nor any of its affiliates has provided advice, nor made any recommendation about investments or tax in relation to this product. Morgan Stanley is a global financial services firm and a market leader in securities, investment management and credit services. With over 600 offices in 32 countries, and more than 57,000 employees worldwide, Morgan Stanley connects people, ideas and capital to help clients achieve their financial aspirations.

Since its founding in 1935, Morgan Stanley has served as the pre-eminent financial advisor to companies, governments and investors from around the world, helping redefine the meaning of financial services. The firm has continually broken new ground in advising their clients on strategic transactions, in pioneering the global expansion of finance and capital markets, and in providing new opportunities for individual and institutional investors.

In 1977, Morgan Stanley opened its European headquarters in London, where it now has over 5,000 staff. More than 3,000 further employees are located in the firm's other European offices in Amsterdam, Athens, Budapest, Frankfurt, Geneva, Glasgow, Luxembourg, Madrid, Milan, Moscow, Munich, Paris, Stockholm and Zurich.

Both in the UK and in Europe generally, Morgan Stanley is one of the leading financial services firms, with longstanding client relationships and a leading role in many landmark transactions. Morgan Stanley offers a full range of services covering mergers, acquisitions, restructurings, fixed income and equity financing, as well as secondary trading, research, foreign exchange, commodities, securities lending, asset management and prime brokerage.

Source: Morgan Stanley, 22 October 2013

Long Term Credit Ratings and Outlook for Morgan Stanley (Guarantor of Morgan Stanley B.V.)

Agency	Rating	Date rating effective	Outlook	Date outlook effective
Fitch	A	15/12/2011	Stable	15/12/2011
Moody's	Baa2	14/11/2013	Stable	14/11/2013
Standard & Poor's	A-	29/11/2011	Negative	29/11/2011

Source: Bloomberg, 18 November 2013

The product is not endorsed, sponsored or otherwise promoted by Morgan Stanley or any of its affiliates. None of Morgan Stanley or its affiliates are responsible for the contents of this Product Factsheet and nothing in this document should be considered a representation or warranty by Morgan Stanley to any person regarding whether investing in the product is suitable or advisable for such a person.

Selection of a Counterparty

The security of your investment depends on the creditworthiness of Morgan Stanley. It is possible that Morgan Stanley B.V. and/or Morgan Stanley could collapse or fail to make payments due from the product. If this happened you would lose some or all of your original capital as well as any investment return to which you might otherwise have become entitled.

One of the factors taken into account when selecting a counterparty is its long term credit ratings. These are the opinions of a range of credit rating agencies regarding the long term security of the counterparty.

A high rating from one or more of the credit rating agencies is not a guarantee that Morgan Stanley will meet its obligation to pay the amount due from under the Securities.

Fitch, Moody's and Standard & Poor's are independent ratings agencies that research and grade the ability of financial and other institutions to make the payments due from under the Securities issued and/or guaranteed by them.

By way of example, Standard & Poor's highest possible rating is AAA, followed by AA and A. These three ratings along with their BBB rating are generally regarded as investment grade (i.e. of higher quality). All of these ratings, except the AAA rating, can also be modified by a plus or a minus to give a counterparty's relative status within the grade; for example, A+, A, A- for the A rating. Ratings from BB downwards are provided in respect of other securities.

A rating outlook assesses the potential direction of a long-term credit rating view over the intermediate term. In determining a rating outlook, consideration is given to any changes in the economic and fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future creditwatch action.

- Positive means that a rating may be raised.
- Negative means that a rating may be lowered.
- Stable means that a rating is not likely to change.
- Developing means a rating may be raised or lowered.

All references to the credit rating are correct as at the date of this Factsheet. Credit ratings are subject to change during the offer period and during the term of the product.

Ongoing information about the ratings of Morgan Stanley is available on the Meteor website and if you have invested via an Omnium Account, we will, where appropriate, include information relating to credit ratings in your periodic valuation statements.

Please refer to your financial adviser if you have any queries regarding credit ratings.

Investment return

How your investment return is calculated

The investment returns from the product are linked to the performance of a basket of five FTSE 100 shares across a range of sectors. The Opening Levels of the shares will be their close of business levels on 13 December 2013.

We will compare the Opening Levels with the closing levels of the shares on each Measurement Date. The first Measurement Date will be on 15 December 2014, twelve months after the Start Date. Thereafter, the performance of the five shares will be measured quarterly (i.e. every three months).

If, at the close of business on a Measurement Date, the levels of all five shares are at least equal to 85% of their respective Opening Levels, the product will mature early and make a gross investment return of 2.625% of the money you have invested for each quarter the product has been in force.

If on a Measurement Date, the closing level of any of the shares is below 85% of its Opening Level, no investment return will be payable and the product will remain in force.

In this case, the levels of the shares will be measured again at the next Measurement Date.

If the product matures early, settlement of maturity funds will be made within 10 Business Days of the relevant Measurement Date, or upon receipt of your signed instruction, if later.

If the product has not matured early and the Final Level of the lowest performing share is at least equal to 85% of its Opening Level, the product will provide at maturity, a gross investment return of 63% of the money you have invested.

If the product has not matured early and the Final Level of the lowest performing share is below 85% of its Opening Level, no investment return will be payable.

Please note that the product returns are dependent on the performance of five shares and not the FTSE 100 Index as a whole.



Return of capital

How capital return is calculated

If early maturity has been triggered, you will receive a full return of the money you invest in the product.

If no investment return has been triggered on any of the Measurement Dates, the return of the money you invest in the product will be based on the performance of the Index rather than the shares. The money you invest in the product is not guaranteed to be returned in full.

The amount of capital returned to you will be decided by the performance of the Index. We will record the closing level of the Index on 13 December 2019 to determine the Final Level. If the Final Level of the Index is more than 50% below its Opening Level, the money you invest in the product will be reduced by the same percentage that the Final Level is below its Opening Level.

For example, if the money you invest is £10,000 and the Final Level of the Index is 60% below its Opening Level, you will receive only £4,000 of the money you invest in the product. See the table below for more examples of capital return at maturity.

If the Final Level of the Index is equal to or greater than 50% of its Opening Level, you will receive a full return of the money you invest in the product.

Amount invested	Final Level of the Index relative to its Opening Level					
	-20%	-45%	-50%	-55%	-70%	-100%
£10,000	£10,000	£10,000	£10,000	£4,500	£3,000	£0
£15,000	£15,000	£15,000	£15,000	£6,750	£4,500	£0
£20,000	£20,000	£20,000	£20,000	£9,000	£6,000	£0
£25,000	£25,000	£25,000	£25,000	£11,250	£7,500	£0
£50,000	£50,000	£50,000	£50,000	£22,500	£15,000	£0

The table above gives some examples of capital return at the Maturity Date, based on a range of movements of the Index. These examples are not predictions of what we believe you might receive. The table is designed to illustrate how the return of the money you invest in the product is calculated. You should be aware that you could lose all of the money you invest in the product.

The Index

There are now many indices from lots of organisations, all of which are designed to convey to the world how different markets are performing. The most well known of these in the UK is the FTSE 100 Index.

The FTSE 100 Index is made up of the top 100 UK listed companies by market capitalisation, who operate across the whole market place including banking, oils, pharmaceuticals, mining and retail and includes companies such as BP, GlaxoSmithKline, Rio Tinto and Marks & Spencer.

The Index is based on market capitalisation in the UK and is a capital value only index, i.e. it does not make any allowance for reinvestment of dividends.

You will not be entitled to receive dividends that would normally be available from an investment in the Index as you are not investing directly in the shares of any listed company.

The graph shows the movements in the FTSE 100 Index over the ten year period ending 21 October 2013. You must remember that past performance should not be used as an indicator to the future, as the results shown might have been achieved during investment conditions that may not be repeated. As the graph shows, it is important to remember that the value of stock market investments, such as shares, can and do fall as well as rise.



Source: Meteor Research Department/Bloomberg, 22 October 2013

For the purposes of the graph the Index has been rebased at 100 on 21 October 2003

Past performance is not a reliable indicator of future performance and should not be used to assess the future returns or risks associated with this product.

Simulated historical performance

We have simulated the past performance of the product based on actual performance of the shares and the Index over every completed 6 year period since 17 November 1988 (the earliest date that prices of all five shares were available on Bloomberg).

This research shows that the product would have kicked out at the end of quarter 4 in 2682 instances (56.13% of all occasions) and would have produced an investment return of 10.50%. On 97 instances (2.03% of all occasions), the product would have matured in the final quarter and provided a 63% investment return.

In total, the product would have produced an investment return and a full return of capital on 4282 instances (89.62% of all occasions). In 496 instances (10.38% of all occasions) the product would have returned the capital only.

There were no occasions where the FTSE 100 Index breached the 50% European barrier. Therefore, there would have been no occasions where the product would have produced a capital loss. However, it should be remembered that simulated historical performance is not an indicator of future performance and that this may not be replicated over the term of this product.

The table below shows the historical performance of the five share prices and the FTSE 100 Index for every completed 6 year period from 17 November 1988 to 21 October 2013 to determine how many times a product linked to the performance of the five shares and the Index would have matured early during any six year term, provided an investment return at maturity, returned capital only or produced a capital loss.

Historical performance of the five shares and the FTSE 100 Index		
Number of six year cycles tested	4778	
Number of times product would have produced an investment return	4282	89.62%
Number of times product would have produced no capital loss and no investment return	496	10.38%
Number of times capital loss would have occurred	0	0.00%
Number of times product would have matured early in quarter 4 (10.50% investment return)	2682	56.13%
Number of times product would have matured early in quarter 5 (13.125% investment return)	347	7.26%
Number of times product would have matured early in quarter 6 (15.75% investment return)	147	3.08%
Number of times product would have matured early in quarter 7 (18.375% investment return)	127	2.66%
Number of times product would have matured early in quarter 8 (21% investment return)	73	1.53%
Number of times product would have matured early in quarter 9 (23.625% investment return)	26	0.54%
Number of times product would have matured early in quarter 10 (26.25% investment return)	50	1.05%
Number of times product would have matured early in quarter 11 (28.875% investment return)	94	1.97%
Number of times product would have matured early in quarter 12 (31.50% investment return)	38	0.80%
Number of times product would have matured early in quarter 13 (34.125% investment return)	112	2.34%
Number of times product would have matured early in quarter 14 (36.75% investment return)	142	2.97%
Number of times product would have matured early in quarter 15 (39.375% investment return)	112	2.34%
Number of times product would have matured early in quarter 16 (42% investment return)	79	1.65%
Number of times product would have matured early in quarter 17 (44.625% investment return)	97	2.03%
Number of times product would have matured early in quarter 18 (47.25% investment return)	9	0.19%
Number of times product would have matured early in quarter 19 (49.875% investment return)	12	0.25%
Number of times product would have matured early in quarter 20 (52.50% investment return)	0	0.00%
Number of times product would have matured early in quarter 21 (55.125% investment return)	6	0.13%
Number of times product would have matured early in quarter 22 (57.75% investment return)	13	0.27%
Number of times product would have matured early in quarter 23 (60.375% investment return)	19	0.40%
Number of times product would have produced an investment return at maturity (63% investment return)	97	2.03%

Source: Meteor Research Department, 21 October 2013

Note: Percentages are rounded to two decimal places and may not add up to exactly 100%.

Past performance is not a reliable indicator of future performance and should not be used to assess the future returns or risks associated with this product.

The shares

BP Plc

BP is one of the world's largest energy companies, providing its customers with fuel for transportation, energy for heat and light, retail services and petrochemicals products for everyday items.

BP has transformed from a local oil company, into a global energy group; employing approx. 79,000 people and operating in over 100 countries worldwide.

The BP group operates across six continents, and their products and services are available in more than 100 countries.

www.bp.com

BAE Systems Plc

BAE Systems is a global defence, aerospace and security company employing around 88,200 people worldwide. Its wide-ranging products and services cover air, land and naval forces, as well as advanced electronics, security, information technology, and support services.

It is a British company headquartered in London with operations globally. Today, it is based around five key markets – Australia, India, the Kingdom of Saudi Arabia, the United Kingdom and the United States.

BAE Systems strive to discover new technologies to improve the safety and effectiveness of troops in combat.

www.baesystems.com

Rio Tinto plc

With founding companies established in 1873 and 1905, Rio Tinto stands today as one of the world's leading mining and exploration companies.

Rio Tinto's principal activities are finding, mining and processing the earth's mineral resources – metals and minerals essential for making thousands of everyday products.

The business spans the world with production on every continent. Their products include aluminium, copper, diamonds, energy products, gold, industrial minerals and iron ore.

www.riotinto.com

Standard Chartered Plc

Founded in 1853 and headquartered in London, Standard Chartered is a British multinational banking and financial services company.

The company provides consumer and wholesale banking products and services worldwide. It operates a network of over 1,700 branches and outlets in 70 countries and employs around 87,000 people in Asia, the Middle East, Europe and the Americas. It is a universal bank with operations on consumer, corporate and institutional banking and treasury services.

www.standardchartered.com

Vodafone Group Plc

Vodafone Group Plc is the world's leading mobile telecommunications company, with a significant presence in Europe, the Middle East, Africa, Asia Pacific and the United States through the Company's subsidiary undertakings, joint ventures, associated undertakings and investments.

The Group's mobile subsidiaries operate under the brand name 'Vodafone'. In the United States the Group's associated undertaking operates as Verizon Wireless.

During the last few years, Vodafone Group has entered into arrangements with network operators in countries where the Group does not hold an equity stake. Under the terms of these Partner Market Agreements, the Group and its partner operators co-operate in the development and marketing of global products and services, with varying levels of brand association.

The Group have more than 407 million customers around the world (excluding paging customers).

The Company's ordinary shares are listed on the London Stock Exchange and the Company's American Depositary Shares ('ADSs') are listed on the NASDAQ Stock Market.

www.vodafone.co.uk

Source: Meteor Research Department/Bloomberg, 22 October 2013

Taxation

The information contained in this Factsheet is based on our understanding of rates of tax, current legislation, regulations and practice, which are likely to change in the future and may be applied retrospectively.

This is a general guide only. The information relates solely to United Kingdom taxation and is expected to apply to you if you are a UK tax resident investor who is the beneficial owner of your investment in this product. The statements are not exhaustive and do not constitute tax advice.

It is important that you consult your tax advisers concerning possible taxation and other consequences of making an investment in the product.

Any gains made from the investment by SIPPs, SASSs and other pension arrangement will usually be free of tax.

When you invest individually, jointly or via a trust, the returns under current legislation, will be subject to Capital Gains Tax (CGT). Should you invest within an ISA via your Omnium Account, the returns will be tax free.

The values of any tax reliefs will depend on your individual circumstances and could change at any time and be applied retrospectively.

All individuals have an annual CGT exemption allowance (trusts receive 50% of this allowance). This means that if liable to CGT the total gains in the tax year in which the product matures will be added to any other gains for tax that year. Provided that the total of these gains is below the exemption level in the tax year of maturity, they will be free of CGT.

The rate at which capital gains are taxed depends on your individual circumstances. CGT is currently payable at 18% for UK tax payers taxed at the basic rate of Income Tax. This rises to 28% for higher rate tax payers, trusts and personal representatives. However, only gains in excess of the annual exempt amount are subject to the tax.

The taxation of any gains on investments in the product made by companies, partnerships or other businesses will depend on the tax position of the organisation.

Further information about tax in the UK is available from HMRC website www.hmrc.gov.uk.

Adjustment Events

Should any of the five companies experience an event which may affect the value of its shares, Morgan Stanley & Co. International plc, as the determination agent for the Securities will, at its sole and absolute discretion determine whether any adjustment is required. Any adjustment could include the amending of the Opening Level, removal or substitution of the affected company or even early redemption of the product. Examples which may constitute an adjustment event include, but are not limited to, delisting of the share, a merger with or takeover by another company, insolvency or nationalisation. During any adjustment process Morgan Stanley & Co. International plc will act in good faith and in a commercially reasonable manner. Further information is available within the Base Prospectus which is available upon request.

As soon as practical Meteor will advise clients invested via Omnium of the adjustment to be made.

Risks

- Cancellation risk**
- If you want to cancel your investment after the Securities have been purchased, you will only get back the value of the Securities when they are sold, which is likely to be less than your original investment.
 - If you have an Omnium Account and we pay an adviser charge/fee amount to your financial adviser on your behalf and you subsequently change your mind about investing, you will be responsible for obtaining any refund which may be due to you from your adviser.
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- Concentration risk**
- Each available security should only be considered as part of your overall investment portfolio.
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- Counterparty risks**
- There is a risk that the Counterparty could fail to make the payments due from under the Securities. In the event of this happening you would lose some or all of your investment as well as any investment returns to which you may otherwise have been entitled.
 - The actual and perceived ability of the Counterparty to meet its obligations may affect the market value of an investment over the term. If the Counterparty fails to meet its obligations, you will get back less than is due to you, or nothing at all.
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- Early encashment risk**
- If you decide to encash the investment before maturity you could get less back than you invested.
 - Please note there is no guarantee the Issuer will make a market in the Securities.
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- Inflation risk**
- Any inflation will reduce the real value of your investment over time.
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- Investment risks**
- This is a capital-at-risk product. The capital return at maturity will depend on the performance of the Index and you could lose some, or all, of the money you invest.
 - Should the shares increase by more than the returns provided by the product, you would not receive the benefit of any additional investment return above that provided by the product.
 - If your circumstances change and you need to withdraw from the product prior to the Maturity Date, the Securities would have to be sold and you may not receive back all of the amount you originally invested in the product. If you have invested via an Omnium Account, you will also have to pay an administration charge. Please note that there is no guarantee that the Counterparty will provide pricing (see Liquidity risks on page 12).
 - Should the product be oversubscribed, the purchase might not be completed for you. As we near capacity we will flag this on our website at www.meteoram.com.
 - The value of a security may vary significantly throughout the life of the investment. Whether you decide to sell a security at its prevailing value during its life, or whether you wait until maturity, you could receive back significantly less than you invested.
 - The value of a security will be initially impacted by any fees or costs that were built into it. Subsequently, factors such as, but not limited to, movements in interest rates, the performance of the shares and the Index, and the creditworthiness of the Counterparty will all affect the price of a security.
 - The Opening Levels of the shares and the Index apply on the Start Date of the product and not the date on which you apply for the Securities. The level may vary significantly between these dates.
 - When the product matures you might not be able to reinvest the proceeds to achieve the same, or similar, level of potential investment return.
 - If you have an Omnium Account and we pay an adviser charge/fee amount to your financial adviser on your behalf and you subsequently change your mind about investing, you will be responsible for obtaining any refund which may be due to you from your adviser.

Risks – continued

ISA transfer risks

- If you wish to transfer an existing ISA this must be done in cash, which means your existing ISA manager will sell your investment.
- You could lose some interest if you transfer a cash ISA and decide not to wait for the expiry of any notice period. Your existing ISA Manager may also charge you an exit or transfer fee.
- There is the potential for loss of investment returns if markets should rise while your transfer remains pending.
- We have a deadline for receipt of ISA transfer applications, to allow time for us to receive the proceeds from your existing ISA Manager. However, if they do not send us the funds you have requested before the Start Date we will not be able to purchase the Securities on your behalf.
- If you have elected to pay any adviser fees in respect of the advice you received to transfer your ISA and have asked us to pay that fee to your adviser on your behalf this could reduce the amount invested with the tax advantages of an ISA.

Liquidity risks

- You should have other savings that you can access immediately and without penalty to meet any emergency cash needs.
- In normal market conditions, it is expected that the Counterparty will provide pricing of the Securities for investors who need access to their capital before the Maturity Date. However, there is no guarantee that you will be able to redeem any investment before the Maturity Date as the decision about whether market conditions are normal will be taken by the Counterparty. For this reason, you should consider the investment in this product as a medium term investment.
- The terms of the investment may permit the Counterparty to delay, reduce or withhold payments. These provisions are not intended to circumvent what is legally due to you but are intended to cover unforeseen events which affect your return from the product, for example, a suspension or delay in receiving prices.

Market risk

- External factors could affect national economies, regions or an asset class and cause a fall in value of the Securities held in your account or, in extreme cases, the collapse of the Counterparty.

Pricing risk

- The Counterparty may not be able to quote regular prices making it difficult to value your investment and delaying any early encashment request you may make.

Product risk

- The design of the product could produce a return that is lower than a direct investment in the shares or may produce no return at all.

Tax risks

- Before investing in this product you should conduct independent investigation and analysis regarding the tax treatment of the investment to evaluate the merits and risks of the product. Tax risks include, without limitation, a change in any applicable law, treaty, rule or regulation or the interpretation thereof by any relevant authority which may adversely affect payments in respect of the investment.
- The values of any tax reliefs will depend on your individual circumstances and could change at any time and be applied retrospectively. You should note that the levels and bases of taxation could change in the future and these changes may be applied retrospectively. You should also consider whether you should consult your own tax adviser and carefully review and consider the investment in light of your personal circumstances.
- Re-registration of this investment to a new holder may alter the tax implications indicated on page 10.

Capital-at-risk products

The following section explains a range of products that put your capital at risk. As such products could cause you to lose some or all of your money, it is important that you understand and accept these risks and the possible consequences when you choose any capital-at-risk product.

What are capital-at-risk products? They are investments from banking, insurance or investment management firms that can offer attractive returns. Capital-at-risk products usually invest in a variety of stockmarket investments, such as shares or debt securities. Products that put your capital at risk include:

- stockmarket based investments.
- investment bonds and funds that invest in debt securities.
- investments linked to the performance of a stockmarket or some other factor such as a collection of shares.

As an alternative, you could invest directly in:

- shares, and so benefit from any dividends paid;
- debt securities, for which you get fixed or variable interest.

The value of direct holdings in shares and other securities can change sharply, down as well as up. Depending on its particular terms and conditions, the value of an investment linked directly or indirectly to a stockmarket may have lesser, similar or greater risk.

Stockmarket-based investments

A wide range of such investments are available. These include investment trusts and collective investment schemes, such as open-ended investment companies (OEICs) and unit trusts. The performance of the investments depends on the investment strategy adopted and general stockmarket conditions. The value of stockmarket-based investments can alter sharply because they are linked to the performance of the underlying shares or bonds.

Investment bonds and funds that invest in debt securities

These vary widely and include distribution bonds, with-profits bonds, unit-linked bonds and corporate bond funds. The money you invest is usually put directly into a stockmarket or into fixed or variable interest funds.

Investments linked to an index or other factor

Repayment of the capital is linked to the performance of an index, a combination of indices or some other factor, such as the performance of a collection of shares. Such investments are called 'structured capital-at-risk products'. Some offer a specified level of income over a fixed period while others offer growth that depends on the performance of an index or other factor. These products, and the risks involved, can vary widely.

Capital-at-risk products - continued

What are the main risks involved with capital-at-risk products?

- Your capital can fall below the amount you put in
- The rate of return advertised might be achieved only after a set period; you may not know until that date how well your investment has performed
- The rate of return you get may depend on specific conditions being met. Even professionals may not be able to judge accurately how likely that will be
- If you take your money out early, you may get back less than you put in.

What is the difference between a capital-at-risk product and a savings account?

When you put your money in a Bank or Building Society savings account, its original value doesn't change and you get interest. The return will be comparatively low, because you haven't risked your capital. With capital-at-risk products you may get higher returns, but you are putting your capital at risk and may end up with less than you put in.

Will I get the advertised rate of return?

This depends on the terms and conditions under which you have invested. Often the advertised rate illustrates what is possible and is no more certain than that.

Frequently asked questions

What is my commitment?

To understand the potential benefits and risks associated with this product.

Should I see a financial adviser?

- We believe that it is important that you make sure that the product is appropriate for you. We do recommend that you talk to a financial adviser before deciding whether to invest in this particular product and to a specialist tax adviser if you require advice on tax.
- Please note that any agreed adviser fee for any investment made through an administration platform, a wrap company or a pension provider cannot be facilitated by Meteor Asset Management Limited.

Can I change my mind about investing?

Yes, you can. However, if you choose to withdraw your investment after the Securities have been purchased, you are likely to get back less than you invested. If you have an Omnium Account and we pay an adviser charge/fee amount to your financial adviser on your behalf and you subsequently change your mind about investing, you will be responsible for obtaining any refund which may be due to you from your adviser.

What happens if a product is oversubscribed or the product does not proceed?

If your money cannot be invested into the product for either of these reasons, your initial investment amount will be returned to you.

Can I encash a product before maturity?

In normal market conditions you can, although when your Securities are sold the price is likely to be less than the price you initially paid. You will also be charged an administration fee for early encashment.

What should I do if I have a complaint?

- In the event you should wish to complain at any time about this product, or the service you have received, you may do so by contacting The Compliance Officer, Meteor Asset Management Limited, 55 King William Street, London, EC4R 9AD or by telephoning 020 7904 1010.
- We will keep you informed during the investigation process and will notify you of our conclusions and explain how these have been reached.
- If you are not happy with our response you may wish to contact the Financial Ombudsman Service at South Quay Plaza II, 183 Marsh Wall, London E14 9SR, Telephone: 0800 023 4567. Making a complaint does not prejudice your right to take legal action.
- Full details of our complaint procedure are available upon request.
- We would draw your attention to the fact that the value of investments can shift unpredictably, and can fall as well as rise and that such a fall is not, in itself, usually a valid reason for complaint.

What are the compensation arrangements?

- If the Counterparty fails to meet its obligations to pay to us the amount due from the Securities and you lose the money you invest in the product or any investment return to which you would otherwise have become entitled you will not, for this reason alone, be entitled to compensation from the Financial Services Compensation Scheme (FSCS).
- Meteor Asset Management Limited and Meteor Investment Management Limited are covered by the FSCS and you may be entitled to compensation from the FSCS in the event that we are declared to be 'in default' and you have suffered a loss as a result of Meteor's actions or negligence. In this event, the compensation limit is currently £50,000 per person. If the level of your claim against us is greater than £50,000 you would not be covered for the excess.
- If you have any queries you may wish to contact the FSCS at 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU, Telephone: 0800 678 1100 or 020 7741 4100. The FSCS website suggests that calling FSCS is the quickest way to have your query resolved.

Frequently asked questions for Omnium Account holders

How can I access information on my Omnium Account?

You can access details of your investment, including transaction details and valuation, by logging on to the client section of our website www.meteoram.com using your individual username and password which we will provide once your Omnium Account is set up.

How are adviser charges managed?

- We will confirm to you all of the charges you ask us to deal with. If you ask us, we will make the payment of initial and/or ongoing charges due to your adviser.
- **Initial charges** will be paid by deducting the amount you have agreed with your adviser from the amount you have sent us for investment. You should note that this will reduce your investment amount and, in respect of ISAs, could result in you not using your full ISA allowance.
- Any **ongoing charges** will be payable half yearly in arrears and calculated on the last working day of March and September. The first payment will be proportionate and will be calculated to the end of the half year following commencement of an investment. We will make these payments to your adviser on your behalf only if you have sufficient cash in your Omnium Account for us to do so. Your adviser will be responsible for ensuring that any arrangement for ongoing charges are met.
- You can amend, switch or stop ongoing charges at any time by notifying us. Requested changes will be effective immediately.

Can I change my mind about investing?

Yes, you can. When we acknowledge your application we will send you a 'Notice of Your Right to Change your Mind'. You have 14 days from the day you receive this to send it back to us. If we receive this after we have bought the Securities you are likely to get back less than you invested. If you have an Omnium Account and we pay an adviser charge/fee amount to your financial adviser on your behalf and you subsequently change your mind about investing, you will be responsible for obtaining any refund which may be due to you from your adviser.

What happens to my money:

before you purchase the Securities?

- Depending whether you apply on paper, online or via a platform, wrap or discretionary fund manager, a 0.75%, 0.5% or 0.35% administration charge and any adviser charge you have asked us to pay to your adviser, will be deducted from the money you have paid to us.
- Cleared funds received during the offer period will be held until the purchase date in the client account of Meteor Investment Management Ltd and your money never forms part of our assets. Meteor Investment Management Limited was established and authorised specifically to administer our products and to provide safe keeping of client assets. No interest will be accrued to the Start Date of the product.

after you purchase the Securities?

- The money that you invest, plus any net interest, will be used to buy the Securities that are designed to provide the capital and investment returns explained in this Factsheet.
- The terms of the Securities are fixed at outset so there is no ongoing investment management.
- The Securities will be held in the name of 'Meteor Nominees Limited' and will be held by our Custodian, which is currently HSBC. You will remain the beneficial owner of the Securities purchased on your behalf.

when a product matures?

- Once we receive your maturity proceeds from the Issuer we will credit the funds into your Omnium Account; this will be held as Client Money. The value of the funds will not change and you will not get interest. We will hold your funds until we receive your written instructions.

Frequently asked questions for Omnium Account holders - cont.

Can I transfer a product before maturity?

In normal market conditions you can, although when we sell your Securities the price is likely to be less than the price you initially paid. You will also be charged an administration fee for transferring an ISA to another ISA Manager. The administration fee will be deducted from the sale proceeds before these are paid to you or transferred to the new ISA Manager.

What happens to my ISA transfer if a product is oversubscribed or the product does not proceed?

For ISA transfers, we will endeavour to return the cash to your previous ISA Manager. Alternatively, we will await your written instruction to either invest in a different Meteor product or transfer to another ISA Manager, if possible.

How will you keep me informed?

- We will write to you to acknowledge the product you have selected within five working days. With this letter we will send you a summary of your investment and a notice of cancellation.
- Shortly after the Start Date of the product we will send you details of your investment. We will send you a half yearly statement showing the current position of your product and any other products held in your Omnium Account.
- About three weeks before maturity we will write to you via your adviser to provide full details of the position so that your adviser can discuss this with you. We will also alert you to an impending maturity. If you do not have an adviser we will provide the information directly to you.
- You can access details of your investment, including transaction details and valuation, by logging on to the client section of the Meteor website www.meteoram.com using your individual username and password which we will provide once your Omnium Account is set up.

What happens to the product if I die?

- We will require a death certificate and any supporting documentation so that we can administer your investments, in accordance with instruction by your personal representatives. We will provide valuations of the product held as at the date of death and will outline the options available, which will include re-registering the product to a new owner so that it can be held until maturity.
- Where a product is held jointly by two or more holders, the investment will be the joint property of all the holders and, following proof of death of the relevant holder, all instructions must be authorised by all the remaining joint holders.
- If the product has been established as an ISA, it will cease to be tax exempt from the date of death.

What are the compensation arrangements?

- If the Counterparty fails to meet its obligations to pay to us the amount due from the Securities and you lose the money you invest in the product or any investment return to which you would otherwise have become entitled you will not, for this reason alone, be entitled to compensation from the Financial Services Compensation Scheme (FSCS).
- Meteor Asset Management Limited and Meteor Investment Management Limited are covered by the FSCS and you may be entitled to compensation from the FSCS in the event that we are declared to be 'in default' and you have suffered a loss as a result of Meteor's actions or negligence. In this event, the compensation limit is currently £50,000 per person. If the level of your claim against us is greater than £50,000 you would not be covered for the excess.
- We currently use HSBC and Coutts to hold client money. You may be eligible to make a claim if either bank becomes insolvent whilst holding your money prior to the purchase of the Securities, or pending payment to you of the amounts received at the maturity or earlier redemption of the Securities. In this event, the compensation limit is currently £85,000 per person and this applies to all deposits you hold with the insolvent bank and any other member of its group included in the same FCA registration. You would not be covered for any excess amount over the compensation limit.
- Many banking groups use several brands, which means the total deposits within a group will count towards one compensation limit. You can look up details of banking and savings groups on the FCA website: <http://www.fca.org.uk/consumers/complaints/how-to-claim-compensation/banking-and-saving/banking-and-savings-brands>

Is this product right for me?

Prospective investors are advised to read this Product Factsheet carefully and consider the following in order to decide if this investment product is appropriate for you. The descriptions below are not, and are not intended to be, a complete list of considerations and therefore should be read as a general guidance on helping you decide if this investment product is right for you. For more information, please contact your financial adviser.

This investment may be appropriate for me as:

- I have received financial advice
- I understand how this investment works
- I am willing and able to accept the investment risks associated with this product
- I accept that I won't know the Opening Levels of the five shares and the Index before the Start Date
- I can afford to leave my money in the investment for the full term and I have other savings or investments that are easily accessible
- I want the potential to benefit from the investment returns which are linked to the performance of the shares
- I want the return of the money I invest in the product to be linked to the performance of the Index and understand these may fall as well as rise
- I want my investment to provide potential capital growth rather than income
- I am comfortable with the fact that if the Final Level of the Index is below 50% of its Opening Level, I will lose some or all of my capital
- I am comfortable with the fact that should the shares either individually or collectively rise by more than the potential investment return, I will not receive any additional return
- I accept that in the event that the Counterparty and/or Guarantor default on payments due on this product, I may lose some or all of my capital plus any investment return payable to which I would have otherwise been entitled
- I understand that I will not have recourse to the FSCS in the event that the Counterparty and/or Guarantor default
- I am comfortable with the fact that the level and bases of taxation could change in the future, that such changes may be applied retrospectively and that the value of any reliefs will depend on my circumstances
- I understand that in redeeming my product early I may lose some or all of the money I invest in the product and any investment returns from the product to which I might otherwise have become entitled



This could be an appropriate investment for you. However, you should seek advice from your financial adviser.

This investment may not be appropriate for me as:

- I have not received financial advice
- I am unsure how this investment works
- I am not willing and able to accept the risks associated with this product
- I am not comfortable that I won't know the Opening Levels of the five shares and the Index before the Start Date
- I cannot afford to leave my money in the investment as I am likely to need access to my money during the investment term
- I want an investment where the returns are not linked to the performance of the shares which may fall as well as rise
- I do not want the return of the money I invest in the product to be linked to the performance of the Index
- I want my investment to provide income rather than potential capital growth
- I am not comfortable with the fact that if the Final Level of the Index is below 50% of its Opening Level, I will lose some or all of my capital
- I am not comfortable with the fact that should the shares either individually or collectively rise by more than the potential investment return, I will not receive any additional return
- I am not prepared to lose any of my capital plus any investment return payable, to which I would have otherwise been entitled, in the event that the Counterparty and/or Guarantor default on payments due on this product
- I cannot accept that I will not have recourse to the FSCS in the event that the Counterparty and/or Guarantor default
- I am not comfortable with the fact that the level and bases of taxation could change in the future, that such changes may be applied retrospectively and that the value of any reliefs will depend on my circumstances
- I am not comfortable with the fact that in redeeming my product early I may lose some or all of the money I invest in the product and any investment returns from the product to which I may otherwise have become entitled



This investment is probably not appropriate for you.

Investing via Omnium

- Please ensure that you have read this Factsheet, including the Omnium Terms and Conditions, making sure that you understand the nature of the investment.
- Complete the appropriate application form:
 - Application form for Direct/ISA/ISA Transfers
 - Application form for Pension Schemes
 - Application form for Companies and Trustees
- If you do not have an Omnium Account, you will also need to complete the Omnium Application Form.
- We will then open a Meteor Omnium Account on your behalf. This allows you to hold all the products you apply for under one Account and will reduce the amount of paperwork to complete with each new investment. You will also be able to access and review your investments online at any time. This is covered in more detail in the 'Managing your Account Online' section of the Omnium brochure.
- Please take care to complete the Adviser Charging section of your application form as we will use this information as the basis of any payments we make to your adviser on your behalf. You may amend or cancel this instruction **in writing** at any time (see page 16).
- Arrange for funds to reach our client account.
- ISA transfer applications must be received by Meteor at least two weeks before the Start Date to allow sufficient time to instruct the current ISA Manager and for them to complete the transfer of funds to Meteor.
- If you are sending funds via bank transfer (BACS or CHAPS) please check with your bank to confirm whether its payment system transfers funds instantly or whether there is a clearing period, which can be up to three working days, before cleared funds will be received in the Meteor client account.
- Application forms accompanied with a cheque must be received by Meteor at least one week before the Start Date, to allow sufficient time for the cheque to clear. Cheques should be for the full amount you want to invest and be made payable to '**Meteor Investment Management Limited Client Account**'. If you are sending in a building society, company or pension scheme cheque please make sure that it has your name in brackets after the wording above.
- Your completed application form and cheque should be sent to your financial adviser or directly to us at 55 King William Street, London, EC4R 9AD.
- We will acknowledge receipt of your instructions and of the investment monies.

Approved and issued by Meteor Asset Management Limited.
Meteor Asset Management is authorised and regulated
by the Financial Conduct Authority, Financial Services Register Number 459325.
Financial Conduct Authority: 25 The North Colonnade, Canary Wharf, London E14 5HS.

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