Morgan Stanley

Cboe Options Extended Trading Hours Disclosure

Cboe Exchange, Inc. (the "Exchange" or Cboe Options") has Extended Trading Hours ("ETH") for options on the CBOE Volatility Index (VIX) and S&P 500 Index (SPX/SPXW). The ETH is open from 3:00 a.m. to 9:15 a.m. Eastern Standard time Monday through Friday.

Trading during the ETH session contains material trading risks that the Exchange (Cboe Rule 6.1A(j)) requires Morgan Stanley to make you aware of, which include and may not be limited to:

- **Risk of Lower Liquidity**. Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders and quotes that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity during Extended Trading Hours as compared to Regular Trading Hours, including fewer Market-Makers quoting during Extended Trading Hours. As a result, your order may only be partially executed, or not at all.

- **Risk of Higher Volatility.** Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility during Extended Trading Hours as compared to Regular Trading Hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price during Extended Trading Hours as compared to Regular Trading Hours.

- **Risk of Changing Prices.** The prices of securities traded during Extended Trading Hours may not reflect the prices either at the end of Regular Trading Hours, or upon the opening of Regular Trading Hours the next business day. As a result, you may receive an inferior price during Extended Trading Hours as compared to Regular Trading Hours.

- **Risk of News Announcements.** Normally, issuers make news announcements that may affect the price of their securities after Regular Trading Hours. Similarly, important financial information is frequently announced outside of Regular Trading Hours. These announcements may occur during Extended Trading Hours, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

- **Risk of Wider Spreads.** The spread refers to the difference between the price for which you can buy a security and the price for which you can sell it. Lower liquidity and higher volatility during Extended Trading Hours may result in wider than normal spreads for a particular security.

- **Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value ("IIV") and Lack of Regular Trading in Securities Underlying Indexes.** For certain products, an updated underlying index or portfolio value or IIV will not be calculated or publicly disseminated during Extended Trading Hours. Since the underlying index or portfolio value and IIV are not calculated or widely disseminated during Extended Trading Hours, an investor who is unable to calculate implied values for certain products during Extended Trading Hours may be at a disadvantage to market professionals. Additionally, securities underlying the indexes or portfolios will not be regularly trading as they are during Regular Trading Hours, or may not be trading at all. This may cause prices during Extended Trading Hours to not reflect the prices of those securities when they open for trading.

Please contact your Morgan Stanley sales representative for additional information and questions.