

MSLF Fund Changes Prompted by EU Money Market Fund Reform Are Now Complete

LIQUIDITY | GLOBAL LIQUIDITY TEAM | 2019

The Morgan Stanley Liquidity Funds (MSLF) successfully implemented the changes necessitated by European Union (EU) Money Market Fund (MMF) Reform. As of 18th March 2019, the funds are now operating under their new structures as follows:

| | US DOLLAR TREASURY LIQUIDITY FUND | US DOLLAR LIQUIDITY FUND | STERLING LIQUIDITY FUND | EURO LIQUIDITY FUND |
|----------------------------|--|---|---|---|
| Term | Short-Term | Short-Term | Short-Term | Short-Term |
| Fund Type | Public Debt Constant NAV | Low Volatility NAV | Low Volatility NAV | Low Volatility NAV |
| NAV | Seeks to maintain a stable NAV of USD 1.00 | Seeks to maintain a stable NAV of USD 1.00 so long as its market value NAV is within 20 basis points (0.0020) of that amount | Seeks to maintain a stable NAV of GBP 1.00 so long as its market value NAV is within 20 basis points (0.0020) of that amount | Only offers accumulation share classes in which the NAV is anticipated to fluctuate |
| Investment Universe | High-quality short-term money market instruments issued or guaranteed by sovereign entities; reverse repurchase agreements secured with government debt; ancillary liquid assets | High-quality short-term money market instruments (government, corporate, asset-backed); reverse repurchase agreements secured with government debt; ancillary liquid assets | High-quality short-term money market instruments (government, corporate, asset-backed); reverse repurchase agreements secured with government debt; ancillary liquid assets | High-quality short-term money market instruments (government, corporate, asset-backed); reverse repurchase agreements secured with government debt; ancillary liquid assets |
| Deal Cut-Off Times | 4 p.m. New York Time | 4 p.m. New York Time | 2 p.m. Luxembourg Time | 2 p.m. Luxembourg Time |

Note: The US Dollar Treasury Liquidity Fund, US Dollar Liquidity Fund, and Sterling Liquidity Fund will continue to offer accumulation and distributing share classes. The distributing share classes for the US Dollar Treasury Liquidity Fund and the US Dollar Liquidity Fund seek to maintain a stable NAV of USD 1.00. The distributing share classes for the Sterling Liquidity Fund seek to maintain a stable NAV of GBP 1.00. The Euro Liquidity Fund will only offer accumulation shares while fund net yield is negative. Deal cut-off times for all funds remain the same except for the US Dollar Treasury Liquidity Fund, which will move to 4 p.m. New York time.

The product section of this website has also now been expanded to display the enhanced transparency information required under EU MMF Reform.

For more information, please contact your MSIM Relationship Manager or visit www.morganstanley.com/liquidity.

Public Debt Constant Net Asset Value (PDCNAV) MMF—a MMF qualifying and authorised as a PDCNAV MMF in accordance with MMF Regulation which seeks to maintain a stable NAV and invests 99.5% of its assets in money market instruments issued or guaranteed by sovereign entities, reverse repurchase agreements secured with government debt and cash.

Low Volatility Net Asset Value (LVNAV) MMF—a MMF qualifying and authorised as a LVNAV MMF in accordance with MMF Regulation which seeks to maintain a stable NAV under the condition that the stable NAV does not deviate from the NAV per Share by more than 20 basis points. In case of a deviation of more than 20 basis points between the stable NAV and the NAV per Share, the following redemption or issue of Shares shall be undertaken at a price that is equal to the NAV per Share.

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The value of the investments and the income from them can go down as well as up, and an investor may not get back the amount invested.

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