This document will help you understand unit investment trusts (UITs), their features and costs, and how Morgan Stanley and your Financial Advisor are compensated when you buy a UIT. Like mutual funds, UITs are securities that are offered through a disclosure document known as a prospectus. You should read the prospectus carefully before investing. You should also discuss your investment goals and objectives with your Financial Advisor. For additional information, you can visit the following websites: Securities and Exchange Commission (www.SEC.gov) and the Financial Industry Regulatory Authority (www.FINRA.org).

What Is a UIT?
A UIT is an SEC-registered investment company that issues redeemable securities and invests in a portfolio of bonds, equities and/or other funds according to a specific investment objective or strategy. Generally, a UIT’s portfolio is not actively traded and follows a “buy and hold” strategy, investing in a static portfolio of securities for a specified period of time. At the end of the specified period, UITs terminate and all remaining portfolio securities are sold. Redemption proceeds are then paid to the investors in accordance with the UIT’s prospectus.

UIT sponsors offer many different UITs, each of which seeks a particular investment objective or follows a predefined investment strategy. UIT sponsors often offer successive “series” of each UIT — the offering period for each new series coincides with the time that a prior series terminates. This allows an investor to purchase a new series of the UIT with the same objective or strategy but with a new and/or updated portfolio of securities. Investors can also reinvest the proceeds from one series in a different UIT or other investment product.
What Are the Costs Associated With Investing in UITs

All UITs have fees and expenses. These costs, like all investing costs, are important to understand because they decrease the return on your investment. UIT fees and expenses can be divided into sales charges and those that relate to the operation of the UIT.

SALES CHARGES: UITs assess sales charges on units you purchase in commission-based brokerage accounts. The sales charge for UITs may be composed of three components. First, an initial sales charge may be applied to your purchase amount. Second, most UITs assess a deferred sales charge. The deferred sales charge is generally deducted in periodic installments following the end of the initial offering period. Finally, most, but not all, UITs assess a creation and development (C&D) fee that compensates the UIT sponsor for creating and developing each UIT, including determining the UIT’s investment objectives and policies, selecting portfolio securities and other functions.

For UITs that have C&D fees, the C&D fee, which varies among UITs, is often paid in full at the end of the initial offering period regardless of how long an investor holds the UIT. Some UITs, however, charge C&D fees that are assessed as a percentage of the average daily net assets of the UIT (i.e., a “Daily Accrued” fee), which means that an investor will only pay C&D fees for the time they are invested. As a result, in addition to the size of a UIT’s C&D fee, investors should consider whether it is possible to invest in a UIT that has a Daily Accrued C&D fee. If you hold a UIT with a Daily Accrued C&D fee and another UIT without a Daily Accrued C&D fee, you should consider the impact of such C&D fees if you redeem your UIT investments.

UITs may be offered through fee-based investment advisory accounts. UIT units purchased through a fee-based investment advisory account are not assessed initial sales charges or deferred sales charges; however, any applicable C&D fees still apply. The advisory account’s fee will also be applied to the UIT asset value.

ORGANIZATION COSTS / OPERATING EXPENSES: In general, all UITs make a charge against the UIT portfolio’s assets for amounts expended to organize the trust itself. Please note that these organization costs, which vary among UITs, are generally paid in full at the end of a UIT’s initial offering period. As a result, you will pay the full amount of any such organization costs even if you redeem your position in the UIT prior to the UIT’s termination date.

Organization costs can be significant, representing one-third or more of the total expense of owning a UIT. UITs also often separately deduct for operating expenses, including portfolio supervision, bookkeeping, administrative costs and trading expenses. These amounts will vary with each UIT.

NOTE: Each UIT is different and specific fees and charges may be referred to by different names. Actual charges may differ based on the duration of the UIT and the terms of each UIT’s prospectus. Longer-duration UITs generally have higher sales charges. This summary is intended to be a general overview. You should review the terms of the prospectus for any UIT you intend to purchase.

How Morgan Stanley and Your Financial Advisor Are Compensated When You Buy UITs From an Unaffiliated Sponsor

Unaffiliated UIT sponsors compensate Morgan Stanley when we sell their UITs, except when purchased through a fee-based investment advisory account. Morgan Stanley receives a portion of the maximum sales charge, referred to as the dealer concession. For example, if the maximum sales charge is 1.85%, Morgan Stanley expects to receive as a dealer concession up to 1.25%. The difference between the maximum sales charge and dealer concession is retained by the UIT sponsor. Each UIT prospectus describes the applicable sales charge and dealer concession. We pay all or a portion of the dealer concession to our Financial Advisors based upon Morgan Stanley standard compensation formulas. However, as noted above, some UITs impose higher sales charges than others, which will increase the amount paid to your Financial Advisor.

Although clients do not pay initial and/or deferred sales charges on UITs purchased through a fee-based investment advisory account, the advisory account’s fee will be applied to the UIT asset value, a portion of which is shared with your Financial Advisor.

In addition to the dealer concession, UIT sponsors generally pay Morgan Stanley additional sales concessions based on the overall volume of UIT sales.
in a particular trust during the initial offering period. The sales volume required to be eligible to receive these additional amounts vary by UIT sponsor and by trust, and the additional amounts that Morgan Stanley receives for such sales may also differ. Amounts may be up to 0.225% in addition to the standard dealer concession. Because UIT sponsors pay varying amounts, we have an incentive to promote and recommend the UITs from sponsors that pay higher rates. In order to mitigate this conflict, Morgan Stanley retains the additional volume-based concessions it receives and does not pay any portion of such amounts to your Financial Advisor. Morgan Stanley does not receive an additional volume-based concession on units purchased through fee-based investment advisory accounts.

UIT sponsors make such payments out of the UIT sponsor or other affiliate's revenues or profits, and not from the UIT's assets. However, UIT affiliate revenues or profits may in part be derived from fees earned for services provided to, and paid for by, the UIT.

**How Morgan Stanley and Your Financial Advisor Are Compensated When You Buy UITs Sponsored by Morgan Stanley**

Morgan Stanley receives a gross underwriting commission on sales of its proprietary UITs in commission-based brokerage accounts. The gross underwriting commission is equal to the sum of any initial sales charge and the deferred sales charge. We pay a portion of these amounts to our Financial Advisors similar to the amounts that they receive when selling an unaffiliated UIT. UITs purchased through a fee-based investment advisory account are not assessed a gross underwriting commission; however, as noted, the advisory account's fee will be applied to the UIT asset value, a portion of which is shared with your Financial Advisor.

Morgan Stanley is also reimbursed for amounts expended to organize each UIT. Please see the above section entitled "Organization Costs / Operating Expenses" for more information regarding these types of fees.

These facts present a conflict of interest for Morgan Stanley and our Financial Advisors to the extent they lead us to focus on proprietary UITs instead of unaffiliated UITs. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive additional compensation for recommending any proprietary UITs.

**Access to Branches, Expense Payments and Data Analytics Fees**

Morgan Stanley provides UIT sponsors, many of which also sponsor other investment products such as mutual funds and exchange-traded funds, with opportunities to sponsor meetings and conferences, and grants them access to our branch offices and Financial Advisors for educational, marketing and other promotional efforts. Some UIT sponsors also work closely with our branch offices and Financial Advisors to develop business strategies and plan promotional events for clients and prospective clients, and educational activities. UIT sponsors or their affiliates, with regard to UITs or other investment products offered through Morgan Stanley, reimburse Morgan Stanley for certain expenses incurred in connection with these promotional efforts, client seminars and training programs. UIT sponsors independently decide if and what they will spend on these activities, with some sponsors agreeing to make annual dollar amount expense reimbursement commitments of up to $740,000, although actual reimbursements may be higher. UIT sponsors also invite our Financial Advisors to attend events. Expense payments may include meeting or conference facility rental fees and hotel, meal and travel charges.

In addition, Morgan Stanley provides UIT sponsors with the opportunity to purchase sales data analytics regarding UITs and other investment products. For UIT sponsors electing to purchase such data, the fee depends on the level of data and products included, and ranges up to $700,000 per year.

These facts present a conflict of interest for Morgan Stanley and our Financial Advisors to the extent they lead us to focus on UITs from those sponsors, including Morgan Stanley, that commit significant financial and staffing resources to promotional and educational activities and/or purchase sales data analytics instead of UITs from sponsors that do not. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive additional compensation for recommending UITs from
sponsors that provide significant sales and training support and/or purchase data analytics.

UIT sponsor representatives are allowed to provide funding for client/prospect seminars, employee education and training events, an occasional meal and entertainment and gifts. Morgan Stanley’s non-cash compensation policies set conditions for these types of payments, and do not permit any funding conditioned on achieving any sales target or awarded on the basis of a sales contest.

For more information

For a more detailed discussion regarding UITs and how Morgan Stanley and your Financial Advisor are compensated for investments and services, please speak with your Financial Advisor. Clients are encouraged to ask their Financial Advisor how he or she will be compensated for any UIT transaction.

Risk Considerations

There is no assurance a specific unit investment trust will achieve its investment objective. An investment in a unit investment trust is subject to market risk, which is the possibility that the market values of securities owned by a trust will decline and that the value of trust units may therefore be less than what you paid for them. Unit investment trusts are unmanaged and each trust’s portfolio or strategy is not intended to change during the trust’s life except in limited circumstances. You can lose money investing in a unit investment trust. You should consider a trust as part of a long-term investment strategy. You will encounter tax consequences associated with reinvesting from one trust to another.

Investors should carefully consider the investment objectives and risks as well as charges and expenses of a unit investment trust before investing. The prospectus contains this and other information about the unit investment trust. To obtain a prospectus, contact a member of your Morgan Stanley team. Read the prospectus carefully before investing. Clients should consult with their tax advisors before making any tax-related investment decisions, as Morgan Stanley does not provide tax advice.

The information in this disclosure document is as of August, 2023. For additional and the most current information, call a member of your Morgan Stanley team.