

Notice of Business Continuity Preparedness

Morgan Stanley (the “firm”) is committed to providing the highest level of uninterrupted service to our clients. The firm has taken significant steps to mitigate the impact of business interruptions resulting from a wide variety of potential events, including the loss of key facilities and resources. However we understand that uncontrollable events could cause varying degrees of disruption to our normal business processes. The firm recognizes the responsibility to our customers to continue critical operations during such events. In addition, the firm is committed to maintaining effective communications with its clients during a business disruption. We intend to meet this obligation with as minimal an impact as possible, given the circumstances and scope of the disruptive event.

To that end, Morgan Stanley has developed and maintains business continuity plans that are designed to protect the firm, its staff, its assets and the interests of our customers. These plans are designed to be robust enough to cover a wide range of business disruptions that may range from the inability to operate from a single building to more widespread events that impact a city or region. To maintain effective and secure plans, we keep them confidential and do not provide specific details in this notice, but Morgan Stanley would like its clients to know that the firm’s business continuity plans provide for alternate account access and transaction support during a disruption, including back-up branch office locations for branch offices experiencing a disruption.

Key to this strategy is our ability to continue operations and activities from a number of alternate sites. Dedicated staff within Morgan Stanley and its parent companies’ corporate technology organizations ensure that mission-critical applications and data are backed-up as technology permits and are available from these facilities. In addition, business continuity plans are tested annually to ensure that they meet our intended objectives.

Another key element of our program is a command and control network designed to monitor internal and external activities, manage escalation procedures and provide a rapid response mechanism. The objective of the network is to enable firm management on both a global and regional basis to monitor and manage a business continuity incident and any material impact an event may have on the firm’s business activities.

Senior management is regularly briefed on the status of the firm’s business continuity, and there is a dedicated Business Continuity Management team that develops, implements and maintains the program. To ensure global compliance, individual business lines have designated Business Continuity coordinators who are responsible for the implementation and ongoing enhancement of business — specific business continuity plans and strategies.

Financial firms are extensively regulated by a number of federal agencies, including the Comptroller of the Currency, the Federal Reserve Board, the Financial Industry Regulatory Authority (FINRA) and the United States Securities and Exchange Commission. Morgan Stanley is subject to ongoing review by both our regulators and internal and external auditors. These reviews include in-depth examinations of our business continuity plans. We must comply with the Corporate Business Resumption and Contingency Planning regulations published by the Federal Financial Institutions Examination Council.

We believe the successful responses to the events of September 11th, the 2003 East Coast Blackout and Super Storm Sandy are reliable indicators of the effectiveness of the firm’s business Continuity Program approach. While our plans attempt to deal with the potential likely

impact of a wide variety of scenarios, any specific response will inevitably be highly dependent upon the nature and extent of the incident. Should material changes to the plans occur, this “Notice of Business Continuity Preparedness” will be updated as appropriate. We may modify this notice at any time with such modifications becoming effective upon posting to our website.