

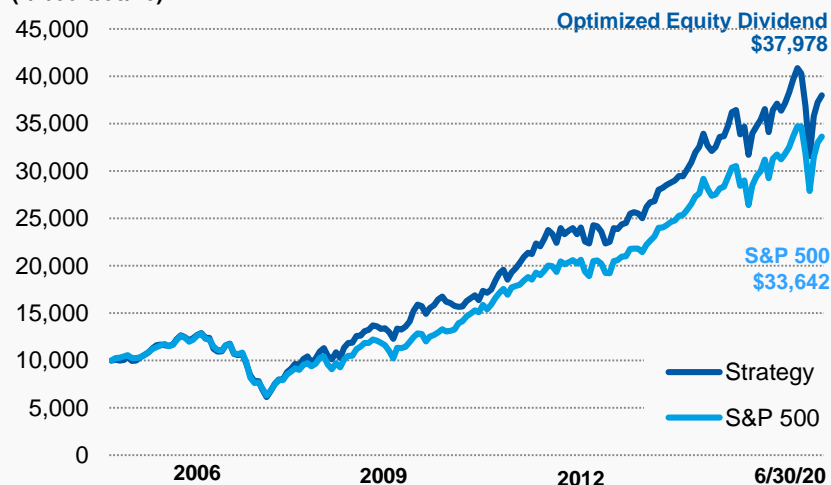
## MORGAN STANLEY PORTFOLIOS

# Optimized Equity Dividend Strategy, Series 11

## NEW PRODUCT ALIGNED TO STRONG FUNDAMENTALS

- An “optimized” portfolio that seeks to focus on stocks with high current dividend yield and strong fundamentals.
- The key driver of the Optimized Equity Dividend Strategy is a proprietary scoring system that seeks to determine each stock’s Fundamental Factor Score (FFS), which takes into account each company’s fundamental characteristics in the following four categories: Valuation, Quality, Growth, and Price.
- Stocks that score well in these categories are further evaluated to create an “optimized” portfolio of 75 stocks that are weighted to create the highest possible weighted average FFS for the entire portfolio and thus the potential to generate an attractive dividend yield along with strong, relative, total returns through varied market environments.

### HYPOTHETICAL BACK-TESTED TOTAL RETURN of \$10,000<sup>1</sup> (1/1/06-6/30/20)



## PORTFOLIO SELECTION CRITERIA

**Frank Nickel**, Head of Morgan Stanley’s Opportunistic Equity Advisors and portfolio manager for the Opportunistic U.S. Equity strategy, has spent over 20 years advising Financial Advisors and their clients on the markets, asset allocation, and manager selection. His experience helps him to evaluate various stock-selection approaches and ultimately develop his own philosophy and methodology. In his view, high-yielding stocks that score well across these four categories have the potential to outperform those that do not, and also, to generate above-average income. This unit investment trust captures his observations in a portfolio of stocks believed to have appreciation potential. The process is objective, quantitative, and can be evaluated with back-tested hypothetical performance.

1. The graph represents hypothetical back-tested past performance of the Strategy (not any actual trust) and the S&P 500 Index from 1/01/06 through 6/30/20. The hypothetical back-tested strategy performance reflects the trust sales charges and expenses but not brokerage commissions on stocks or taxes. The graph assumes the sum of the initial investment (\$10,000) at the beginning of a calendar year and all dividends (including those on stocks trading ex-dividend as of the last day of the year) and appreciation during a year are reinvested at the beginning of the following calendar year. Past performance is no guarantee of future results. Hypothetical back-tested performance represents the retroactive application of the Strategy designed with the benefit of hindsight. Please see the following pages for additional hypothetical back-tested performance of the Strategy and related disclosures, as well as performance information for prior series of the Trust.

2. Not available in CGA retirement accounts.

3. Based on a \$10.00 Unit price.

4. There is no initial sales charge if the Unit price is \$10.00 per Unit or less. If the Unit price exceeds \$10.00 per Unit an initial sales charge is paid at the time of purchase.

5. CGA accounts are charged an annual asset-based fee. See the disclosure page for more information.

## PORTFOLIO INFORMATION

**SPONSOR:** Morgan Stanley Smith Barney LLC

**ASSET CLASS:** U.S. Equities

**INITIAL DATE OF DEPOSIT:** July 31, 2020

**TERMINATION DATE:** November 3, 2021

**SECURITIES:** 75

### CUSIPs

**Cash accounts** 61771X106

**Fee accounts<sup>2</sup>** 61771X205

### MORGAN STANLEY SYMBOLS

**Cash accounts** GISOD11

**Fee accounts<sup>2</sup>** GISOD11F

**NASDAQ ticker** MSODHX

### STANDARD ACCOUNTS<sup>3</sup>

#### Retail/Brokerage Accounts

**Initial Sales Charge<sup>4</sup>** 0.00%

**Deferred Sales Charge** 1.35%

**Creation & Development Fee** 0.50%

**Maximum Sales Charge** 1.85%

### CGA ADVISORY ACCOUNT<sup>2,5</sup>

**Creation & Development Fee** 0.50%

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### INVESTMENT PROCESS

- **Filter the universe:** Identify the 1,200 largest common stocks trading in the U.S. based on market capitalization.
- **Assign each stock a Fundamental Factor Score (FFS)** by using an objective, quantitative and proprietary methodology intended to identify companies with strong fundamental characteristics.
- **“Optimize” the portfolio:** Construct a portfolio of 75 stocks weighted to maximize the overall portfolio’s average weighted FFS.
- The portfolio will also have a **weighted average dividend yield of no less than two times that of the S&P 500 Index** and there are limits on the portfolio’s predicted volatility, risk, dividend yield, sector and industry exposure, and individual position size.

### FFS CATEGORIES

- **Valuation:** Intended to help select attractively priced securities.
- **Quality:** Intended to help assess companies’ stability and sustainability of growth.
- **Growth:** Earnings and expected earnings growth are essential considerations.
- **Price:** Observing momentum and price volatility is intended to capture directional trends in the market.

The tables on this page, as well as the graph on the first page, include representations of hypothetical back-tested past performance of the Strategy. The tables on this page also include performance representing composite returns of prior series of the Strategy that were deposited through the most recent calendar year end, reflecting sales charges and actual costs and expenses (including portfolio brokerage commissions), but not taxes. All hypothetical back-tested performance illustrations assume an investment in a portfolio of the Strategy at the beginning of each year, redeeming after one year and reinvesting all the proceeds into a subsequent portfolio of the Strategy at the beginning of the following year. Hypothetical back-tested performance represents the retroactive application of the Strategy designed with the benefit of hindsight. Hypothetical back-tested results do not represent actual portfolio investments and there was no risk of loss associated with these results. In addition, these hypothetical back-tested results should not be considered indicative of future results of any series of the Optimized Equity Dividend Strategy. Actual returns will vary from hypothetical back-tested strategy returns due to timing differences and because the Trust may not be invested in all stocks or be fully invested at all times. The past composite performance shown for Prior Trust Series is not indicative of the performance your Trust series may have. In any given time period, the Strategy and/or actual future or prior series may lose money or underperform the S&P 500 Index.

The Hypothetical Back-Tested Annual Total Returns and Hypothetical Back-Tested Annualized Returns presented on this page reflect Trust sales charges and expenses, but not brokerage commissions on stocks or taxes, showing returns starting with the earliest full calendar year (2006) in which sufficient data was available to apply the Strategy. Total Return for a given year is calculated by taking year-end prices from the previous year, subtracting them from the prices at the end of the following year (adjusting for any stock splits that might have occurred during the year) and adding dividends received for the period (including those on stocks trading ex-dividend as of the last day of the year) divided by the starting price, and assumes reinvestment of all dividends and capital gains into a subsequent series. Hypothetical Back-Tested Annualized Return presents the average Hypothetical Back-Tested Annual Total Return for each of the time periods specified above. The Annual Total Return and Annualized Returns of the Prior Series reflect an overall period beginning on 1/21/2016 (deposit date of the first series) through the most recent calendar year-end. All presented Hypothetical Back-Tested and Prior Series performance assumes that any dividends received were not reinvested into additional units.

### PERFORMANCE INFORMATION

	Hypothetical Back-Tested Strategy Performance	S&P 500 Index	Prior Trust Series
ANNUAL TOTAL RETURNS			
2019	28.88	31.49	24.52
2018	-2.59	-4.38	-6.03
2017	21.92	21.83	16.43
2016	13.09	11.96	20.99
2015	1.10	1.38	-
2014	19.21	13.69	-
2013	24.24	32.39	-
2012	16.29	16.00	-
2011	7.68	2.11	-
2010	20.79	15.06	-
2009	33.33	26.46	-
2008	-36.87	-37.00	-
2007	5.97	5.49	-
2006	16.88	15.79	-

ANNUALIZED RETURNS AS OF 12/31/19			
1 YR.	28.88	31.49	24.52
3 YR.	15.25	15.27	11.64
5 YR.	11.84	11.70	-
10 YR.	14.64	13.56	-
SINCE INCEPTION	10.58	9.30	11.92

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TICKER	SECURITY	WEIGHT	TICKER	SECURITY	WEIGHT
<b>Communications Services</b>		<b>10.48%</b>	<b>Health Care</b>		<b>14.25%</b>
GOOGL	Alphabet Inc. Class A	2.68	ABT	Abbott Laboratories	0.84
T	AT&T Inc.	1.93	ABBV	AbbVie, Inc.	2.17
CMCSA	Comcast Corporation Class A	0.72	AMGN	Amgen Inc.	1.50
FB	Facebook, Inc. Class A	2.35	BMJ	Bristol-Myers Squibb Company	0.62
IPG	Interpublic Group of Companies, Inc.	0.84	LLY	Eli Lilly and Company	0.80
NFLX	Netflix, Inc.	1.06	GILD	Gilead Sciences, Inc.	0.79
VZ	Verizon Communications Inc.	0.90	JNJ	Johnson & Johnson	2.62
<b>Consumer Discretionary</b>		<b>8.33%</b>	MDT	Medtronic Plc	0.92
AMZN	Amazon.com, Inc.	3.98	MRK	Merck & Co., Inc.	0.72
EBAY	eBay Inc.	0.71	PFE	Pfizer Inc.	0.88
HD	Home Depot, Inc.	0.93	UNH	UnitedHealth Group Incorporated	2.39
LOW	Lowe's Companies, Inc.	1.17	<b>Industrials</b>		<b>7.11%</b>
MCD	McDonald's Corporation	0.94	MMM	3M Company	0.66
TGT	Target Corporation	0.60	ETN	Eaton Corp. Plc	0.86
<b>Consumer Staples</b>		<b>4.57%</b>	FAST	Fastenal Company	1.00
MO	Altria Group Inc	1.52	ITW	Illinois Tool Works Inc.	0.81
COST	Costco Wholesale Corporation	0.99	LMT	Lockheed Martin Corporation	0.66
KMB	Kimberly-Clark Corporation	0.92	MSM	MSC Industrial Direct Co., Inc.	0.71
PEP	PepsiCo, Inc.	1.14	UNP	Union Pacific Corporation	1.73
<b>Energy</b>		<b>4.24%</b>	UPS	United Parcel Service, Inc.	0.68
AM	Antero Midstream Corp.	0.75	<b>Information Technology</b>		<b>33.77%</b>
CVX	Chevron Corporation	0.87	ACN	Accenture Plc Class A	1.46
XOM	Exxon Mobil Corporation	1.55	ADBE	Adobe Inc.	2.29
OKE	ONEOK, Inc.	1.07	AAPL	Apple Inc.	4.02
<b>Financials</b>		<b>10.20%</b>	ADP	Automatic Data Processing, Inc.	0.58
AGNC	AGNC Investment Corp.	0.80	AVGO	Broadcom Inc.	1.49
AFG	American Financial Group, Inc.	1.03	CSCO	Cisco Systems, Inc.	2.97
AMP	Ameriprise Financial, Inc.	0.80	INTC	Intel Corporation	1.57
NLY	Annaly Capital Management, Inc.	0.79	IBM	International Business Machines Corp	1.12
BAC	Bank of America Corp	0.77	INTU	Intuit Inc.	0.66
BLK	BlackRock, Inc.	1.00	LRCX	Lam Research Corporation	0.99
BXMT	Blackstone Mortgage Trust, Inc.	0.70	MA	Mastercard Incorporated Class A	1.88
CNA	CNA Financial Corporation	1.58	MSFT	Microsoft Corporation	4.08
JPM	JPMorgan Chase & Co.	1.38	NVDA	NVIDIA Corporation	1.48
STWD	Starwood Property Trust, Inc.	1.35	ORCL	Oracle Corporation	1.13
<b>Materials</b>		<b>0.89%</b>	PAYX	Paychex, Inc.	1.20
NEM	Newmont Corporation	0.89	PYPL	PayPal Holdings Inc	1.26
<b>Real Estate</b>		<b>4.75%</b>	QCOM	QUALCOMM Incorporated	0.70
EQC	Equity Commonwealth	3.37	NOW	ServiceNow, Inc.	0.75
SPG	Simon Property Group, Inc.	1.38	TXN	Texas Instruments Incorporated	1.52
<b>Utilities</b>		<b>1.41%</b>	V	Visa Inc. Class A	2.62
D	Dominion Energy Inc	0.67			
FE	FirstEnergy Corp.	0.74			

Portfolio weights shown represent those at the time of deposit and are subject to change as market prices fluctuate. Sector weightings will likely vary thereafter due to market fluctuations in the underlying securities. Please refer to the prospectus for important disclosures regarding the Sponsor's and/or its affiliates' business relationships with, and other matters related to, the Trust's securities holdings

# Disclosures | Optimized Equity Dividend Strategy, Series 11

## ABOUT UITs

Morgan Stanley UITs offer numerous benefits for clients:

- **Disciplined approach:** Takes the emotion out of the investment process by eliminating the need for buy and sell decisions
- **Fully transparent:** Clients know what the UIT holds for the duration of the UIT's life
- **Defined life:** UITs have a defined maturity date
- **Convenience:** UITs offer one ticket exposure to various asset classes, market sectors, thought leadership and/or investment themes in transactional and non-discretionary fee-based advisory platforms
- **Exclusivity:** Offered only to Morgan Stanley clients

## Disclosures:

The portfolio is designed to remain fixed over its 15-month life. There is no guarantee it will achieve its objectives.

**These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This communication shall not constitute an offer to sell or a solicitation of an offer to buy; nor shall there be any sale of these securities in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state.**

**Investors should consider the investment objectives, risks, and charges and expenses carefully before investing. Contact your Financial Advisor or call Morgan Stanley Smith Barney LLC at 1-800-869-0690 to request a prospectus, which contains this and other information about the portfolio. Read it carefully before you invest.**

These materials are intended only for Morgan Stanley Smith Barney LLC clients in the United States and prospective clients in the United States.

## Risk Considerations:

Choosing a unit investment trust ("UIT") that is right depends on a client's tolerance for risk, among other things. As with any equity investment, unit prices will fluctuate and there is no assurance that prices will appreciate and not decline over the life of a UIT. Stock prices can be volatile and holders can lose money by investing in a UIT. In addition, the amount of dividends a client receives depends on each issuer's dividend policy, the financial condition of the securities and general economic conditions. Clients should understand the potential risks associated with common stocks. In addition, the Trust's portfolio may invest significantly in one or more sectors. Because of their narrow focus, sector investments tend to be more volatile than investments that diversify across many sectors and companies. Further, clients should note that the ongoing global coronavirus pandemic has led to increased levels of market distress and volatility, which has adversely impacted the common stocks selected for inclusion in the Trust, and may further adversely impact these common stocks during the life of the Trust.

The portfolio is a UIT, which uses a buy and hold strategy that is designed to remain fixed over its 15 month term. The Trust issues redeemable securities or "units" at prices based on net asset value. Units can be sold at any time, at a price that will reflect their net asset value less any remaining deferred sales charge and/or other charges as applicable. The proceeds may be more or less than the original value of a client's investment. Clients can opt for dividends to be reinvested in additional units or paid out in cash. The Trust is part of a long-term strategy and clients should consider their ability to invest in successive portfolios at the applicable sales charge, if one is available. Clients should consider the tax implications of investing in successive portfolios if one is available. Morgan Stanley Smith Barney LLC and its affiliates do not provide tax or legal advice. Clients should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

The **S&P 500** is an unmanaged, market value-weighted index of 500 stocks generally representative of the broad stock market. An investment cannot be made directly in a market index.

**Consulting Group Advisor Accounts** – Units of the portfolio may be purchased through a Consulting Group Advisor ("CGA") non-discretionary investment advisory account. Units that are eligible for purchase through CGA accounts are not assessed initial or deferred sales charges but are subject to the creation and development fee (\$0.05 per Unit). The creation and development fee is retained by the UIT sponsor (Morgan Stanley Smith Barney LLC). While units purchased through CGA accounts are not subject to initial or deferred sales charges, the CGA accounts may charge up to a maximum annual asset-based program fee of 2.00%. This UIT is not available in CGA retirement accounts. Clients should see the CGA program disclosure brochure (available online at [www.morganstanley.com/ADV](http://www.morganstanley.com/ADV)) for more information on the CGA program, including the conflicts of interest associated with offering a proprietary UIT in the CGA program.

Diversification does not guarantee a profit or protect against a loss.