

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT,
PLEASE SEEK PROFESSIONAL ADVICE**

MORGAN STANLEY LIQUIDITY FUNDS

Société d'Investissement à Capital Variable

Registered office: 6B, route de Trèves, L-2633 Senningerberg

R.C.S. Luxembourg: B174.137

(The "**Company**")

NOTICE TO SHAREHOLDERS

Luxembourg, 30 November 2018

Dear Shareholder,

We are writing to you as a holder of shares in one or more funds of the Company (each a "**Fund**" and collectively, the "**Funds**").

In view of the forthcoming departure of the United Kingdom from the European Union, the board of directors of the Company (the "**Board**") has decided to replace the current management company, **Morgan Stanley Investment Management (ACD) Limited**, and the global distributor of the Company, **Morgan Stanley Investment Management Limited**, respectively with a management company and a global distributor of the Morgan Stanley group and which are located in a European Union Member State.

Change of management company and global distributor

In view of the forthcoming departure of the United Kingdom from the European Union, the Board has decided to appoint **MSIM Fund Management (Ireland) Limited**, regulated in Ireland by the Central Bank of Ireland and having its registered office at The Observatory, 7-11 Sir John Rogerson's, Quay, Dublin 2 D02 VC42, Ireland, as management company to the Company (the "**Management Company**").

The Company will delegate to the Management Company, under the overall supervision and control of the Board, its investment management, administrative agency, registrar and transfer agency services as well as marketing, principal distribution and sales services, as detailed in the management company services agreement entered into with the Management Company and in the Prospectus.

The Management Company will in turn delegate the investment management functions to **Morgan Stanley Investment Management Inc.** which is the Company's current investment adviser.

The central administration and registrar and transfer agent functions will be delegated to the Company's current administrator, **The Bank of New York Mellon (International) Luxembourg Branch**, and the depositary and custodian functions will be delegated to the Company's current depositary and custodian, **The Bank of New York Mellon (International) Luxembourg Branch**.

The marketing and distribution functions will be delegated to **Morgan Stanley Investment Management (Ireland) Limited** which will act as global distributor with authority to appoint sub-distributors.

The above-mentioned appointments and delegations are not expected to impact the performance of the services or the fees payable thereunder, or on the management or composition of the underlying

portfolio.

The above-mentioned delegations will be effective as of 1 January 2019 and are included in the version of the Company's Prospectus dated **December** 2018.

Your options concerning the change of management company and global distributor:

1. If you agree to the changes, you do not need to take any action. The changes will automatically go into effect as of 1 January 2019.

2. If you disagree with the changes described above, you may either:

a) Convert your Shares into another Fund. Any applications for conversion must be received by 11 am CET on 31 December 2018 and be made in accordance with section "*Exchange of Shares*" of the Prospectus. Please ensure that you read the Key Investor Information Document (KIID) for any fund that you are considering converting into and seek advice from your financial adviser if you are unsure about the action you should take.

Or,

b) Redeem your investment. Any applications for redemption must be received by 11 am CET on 31 December 2018.

Conversions or redemptions will be processed free of charge, at the relevant net asset value per share on the Dealing Day on which the relevant shares are redeemed or converted, in accordance with the terms of the Prospectus.

A copy of this new Prospectus is available upon request at the registered office of the Company.

Capitalised terms used in this notice shall have the meaning ascribed to them in the current Prospectus, unless the context otherwise requires.

The Board accepts responsibility for the accuracy of the information contained in this notice. The Prospectus and the relevant Key Investor Information Document are available to investors, free of charge, at the registered office of the Company or at the offices of foreign representatives.

Should you have any questions or concerns about the foregoing, please contact the Company at its registered office in Luxembourg, the Investment Adviser of the Company or the representative of the Company in your jurisdiction. You should inform yourself of, and where appropriate take advice on, the tax consequences of the foregoing in your country of citizenship, residence or domicile.

Yours sincerely

THE BOARD OF MORGAN STANLEY INVESTMENT MANAGEMENT (ACD) LIMITED

Investors in Germany: A copy of the current Prospectus and the key Investor information document, the Articles and the latest annual and semi-annual financial statements is available for consultation and free of charge at the German office of the Information agent, Morgan Stanley Bank AG, Junghofstraße 13-15, 60311 Frankfurt am Main.

Investors in Switzerland: Qualified Investors in Switzerland can obtain the documents of the Company, such as the Prospectus, the KIIDs, the Articles of Incorporation and the semi-annual and annual reports, and further information free of charge from the Swiss representative: Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland. The Swiss paying agent is Banque Cantonale de Genève, 17, quai de l'Île, 1204 Geneva, Switzerland. In respect of the Shares distributed in Switzerland to qualified investors, the place of jurisdiction is at the registered office of the Swiss representative.