

Morgan Stanley

INVESTMENT MANAGEMENT

10th January 2019

Announcement Concerning Important Changes to the Morgan Stanley Liquidity Funds

On 14th December 2018 we notified shareholders of changes that were happening to all of our Luxembourg domiciled Morgan Stanley Liquidity Funds due to new regulatory requirements, following CSSF approval of our prospectus. Subsequent to that client notification, there have been further discussions amongst European regulators focused on the continued use of the “Reverse Distribution Mechanism” (RDM), which is in use for our Euro Liquidity Fund.

We have been instructed at short notice by the CSSF that we should not proceed with the planned conversion as they will not permit money market funds that utilize RDM.

Accordingly, the changes will not be implemented on 14th January 2019 as intended. We are operationally ready to implement as planned, but based on this latest instruction from the CSSF we will delay the implementation of the notified changes.

The regulator has granted a time period of no later than 21st March 2019 to continue to operate our current fund structure including RDM. We will continue to work closely with the regulator on planned changes to fund structure, and will update shareholders on any modifications from previously communicated plans.

On 11th January 2019, relevant to the above announcement, the CSSF issued a press release regarding RDM (i.e. share cancellation). To read the full press release, please click [here](#) or visit the CSSF website at <http://www.cssf.lu/en/>.

For further information, please contact your MSIM Relationship Manager.