This information is specific to mutual fund sales on our self-directed brokerage platform. Other available investment options feature different fees and charges, and may provide less compensation to Morgan Stanley.

Summarized below is some important information about mutual fund share classes and the types of fees and expenses you may be required to pay depending upon the share class you select. This summary also explains how Morgan Stanley is compensated when you invest in mutual funds on the self-directed platform. Information on available mutual fund share class options and compensation practices in our full service brokerage and advisory accounts is available at:


You can also visit the websites sponsored by the U.S. Securities and Exchange Commission (www.SEC.gov), the Financial Industry Regulatory Authority (www.FINRA.org), the Securities Industry and Financial Markets Association (www.sifma.org) and the Investment Company Institute (www.ICI.org) to obtain additional educational information about mutual funds.

Each Mutual Fund is Different
Mutual funds are securities that are offered for sale through a prospectus. Before investing in a mutual fund, you should read the fund’s prospectus and consider its investment objectives, risks, charges and expenses. The prospectus contains this and other information about the fund. You can also request a copy of the fund’s statement of additional information (“SAI”) for additional details.

All funds charge investment management fees and other ongoing expenses for operating the fund that you will pay while you are invested. A fund’s prospectus describes, among other things, the fund’s investment objective and principal strategy, risks, share classes and expenses. The prospectus and SAI also describe how sales charges and expenses vary by share class. Of course, in choosing a mutual fund investment, you should consider the fund’s investment objectives and policies, and its risks—not just the costs and expenses of investing in a particular fund and share class.

The Basics of Mutual Fund Share Classes
A single mutual fund usually offers different pricing arrangements or “classes” of its shares to meet investor preference and needs. Each share class represents an investment in the same mutual fund portfolio but offers investors a choice of how and when to pay for fund distribution costs. The key distinctions among share classes are the sales charges and ongoing fees and expenses you may pay in connection with your investment in the fund. The most common mutual fund share classes available in commission-based brokerage accounts are A shares (front-end sales charges), B shares (back-end sales charges) and C shares (ongoing sales charges). In addition, many funds offer “no-load” share classes—which feature no front-end or back-end sales charges.
12B-1 Fees and Other Fees
A mutual fund deducts certain ongoing fees from its assets to pay firms that provide various services to the fund, such as the fund’s investment adviser, transfer agent, custodian and administrator. Certain fund share classes also include 12b-1 fees, which take their name from the Securities and Exchange Commission rule that created them. If the fund carries a 12b-1 fee, it is charged as a percent of the mutual fund’s assets on a continuing basis to cover marketing, distribution and/or shareholder services costs. 12b-1 fees may also be used, in part, to offset the amounts payable by the fund’s principal distributor as compensation to selling firms where the fund share class does not have a front-end sales charge. The portion of the 12b-1 fee that is used for distribution expenses is effectively an asset-based sales charge paid over time instead of charged as a front-end sales load.

12b-1 fees, investment management fees and other ongoing expenses are described in the mutual fund’s prospectus Fee Table. These fees will vary from fund to fund and for different share classes of the same fund. You can use prospectus Fee Tables to help you compare the annual expenses of different funds.

Available Share Classes and Fees
We offer clients a large selection of either no-load or load-waived mutual funds (i.e., funds without sales charges or funds that waive such charges) through our self-directed brokerage platform. Although no sales charges are imposed on fund purchases, the amount of compensation we receive and the charges and expenses incurred by you will vary depending upon whether the fund you purchase is a no-load fund or a load-waived fund.

Please keep in mind that with respect to a given fund, only one option is available (i.e., no-load or load-waived).

If a fund offers both a load-waived and no-load share class option, we will typically select and offer only the load-waived option. Our preference for the load-waived fund offering represents a conflict of interest for Morgan Stanley since, depending upon your trading activity, we may earn more from load-waived funds than no-load funds. Consequently, it is important to understand the distinctions between the available funds so that you can determine your most economical purchase option. The timing and amount of compensation we receive for selling you shares of the fund will be directly affected by the share class you purchase. Additional information regarding load-waived and no-load mutual funds is included below.

LOAD-WAIVED FUNDS (12B-1 FEE FUNDS)
The load-waived funds offered on the self-directed platform are generally Class A shares where the applicable sales charge is waived at the time of purchase. However, Class A shares typically charge an annual 0.25% (25 basis point) 12b-1 fee ($25 per $10,000 investment) that is deducted from the fund’s assets and paid as compensation to Morgan Stanley during each year you hold the investment. Although no transaction fee is charged on the purchase, sale or exchange of the load-waived funds, the 12b-1 fee increases the fund’s internal expenses thereby reducing fund performance.

Choosing A Share Class
Because of the differences in payment structure between load-waived (12b-1 fee funds) and no-load (transaction fee) funds, the size of your investment and anticipated transaction frequency should be considered when investing. As a general guide, investors that anticipate buying and holding their fund investments over the long term may find transaction fee no-load funds more economical than load-waived funds due to the assessment of annual 12b-1 fees applicable to the latter. This effect is more pronounced at higher investment levels (e.g., Example 1 below). On the other hand, investors who anticipate making more frequent purchases and sales, particularly at lower investment levels, may find load-waived funds more economical since they are not subject to transaction fees (e.g., Example 2 below).

To illustrate these variances, below are hypothetical comparisons. Please keep in mind that it is impossible to include a hypothetical for every scenario. Your actual costs will depend upon your specific investment pattern as well as other expenses and fees that are specific to each fund (and not shown here). In addition, since we offer only one option for each available fund, your ability to control costs may be limited.

Other Compensation
REVENUE-SHARING
Morgan Stanley charges each fund family we offer a mutual fund support fee, also called a revenue-sharing payment, on client account holdings in fund families according to a tiered rate which increases along with the management fee of the fund so that lower management fee funds pay lower rates than those with higher management fees. The rate ranges from 0.01% per year ($1 per $10,000 of assets) up to a maximum of 0.10% per year ($10 per $10,000 of assets). A list of revenue-sharing fund families, organized by size of payment, is available on our website at the address noted in the “For More Information” section below.
Example 1: Less Frequent Trading, Higher Account Value
You make a $25,000 investment in a fund and then sell that fund after three years.

<table>
<thead>
<tr>
<th>FUND TYPE</th>
<th>Fee</th>
<th>1 Year</th>
<th>2 Year</th>
<th>3 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Transaction Fee Funds**</td>
<td>0.25% of invested amount per year (62.50 per $25,000 invested)</td>
<td>$62.50</td>
<td>$125.00</td>
<td>$187.50</td>
</tr>
<tr>
<td>Transaction Fee Funds</td>
<td>$19.95* per purchase or sale</td>
<td>$19.95</td>
<td>$19.95</td>
<td>$39.90</td>
</tr>
</tbody>
</table>

* Transaction fees are as of the date of this disclosure and are subject to change.
** No Transaction Fee Funds are subject to a 12b-1 fee.

Example 2: More Frequent Trading, Lower Account Value
You purchase two funds at the beginning of each year for a total investment of $5,000. At the end of each year, you sell those two funds.

<table>
<thead>
<tr>
<th>FUND TYPE</th>
<th>Fee</th>
<th>1 Year</th>
<th>2 Year</th>
<th>3 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Transaction Fee Funds**</td>
<td>0.25% of invested amount per year (12.50 per $5,000 invested)</td>
<td>$12.50</td>
<td>$25.00</td>
<td>$37.50</td>
</tr>
<tr>
<td>Transaction Fee Funds</td>
<td>$19.95* per purchase or sale</td>
<td>$79.80</td>
<td>$159.60</td>
<td>$239.40</td>
</tr>
</tbody>
</table>

* Transaction fees are as of the date of this disclosure and are subject to change.
** No Transaction Fee Funds are subject to a 12b-1 fee.

Revenue-sharing payments are in addition to the transaction fees and 12b-1 fees discussed above as well as any other applicable fees and expenses disclosed in the fund’s prospectus Fee Table. Revenue-sharing payments are generally paid out of the fund’s investment adviser, distributor or other fund affiliate’s revenues or profits and not from the fund’s assets. However, fund affiliate revenues or profits may in part be derived from fees earned for services provided to and paid for by the fund. Morgan Stanley does not receive any portion of these revenue-sharing payments through brokerage commissions generated by the fund.

Although we seek to charge all fund families the same revenue-sharing fee rate schedule, in aggregate Morgan Stanley receives significantly more revenue-sharing from the families with the largest client holdings at our firm. This fact presents a conflict of interest for Morgan Stanley to promote funds from families that in aggregate pay us less revenue-sharing. In addition, since our revenue-sharing rates are higher for funds with higher management fees, this fact presents a conflict of interest for us to select and promote funds that have higher management fees.

EXPENSE PAYMENTS, DATA ANALYTICS AND ADMINISTRATIVE SERVICE FEES
Morgan Stanley receives expense payments and fees for providing data analytics and performing record keeping and related services, which are more fully described below. Administrative fees may be viewed in part as a form of revenue-sharing if and to the extent the amounts paid by the fund exceed what the mutual fund would otherwise have paid for those services. However, they are not included in the revenue-sharing payments described above.

Expense Payments and Data Analytic Fees
Morgan Stanley provides fund families with opportunities to sponsor meetings and conferences and grants them access to our branch offices for educational, marketing and other promotional efforts. Fund families or their affiliates make payments to Morgan Stanley in connection with these promotional efforts to reimburse Morgan Stanley for expenses incurred for sales events and training programs as well as client seminars, conferences and meetings. Although fund families independently decide if and what they will spend on these activities, some fund families agree to make annual dollar amount expense reimbursement commitments of up to $300,000. Expense payments may include meeting or conference facility rental fees and hotel, meal and travel charges.

Morgan Stanley also provides fund families with the opportunity to purchase supplemental sales data analytics. The amount of the fees depends on the level of data and the number of products covered. The current range is $100,000 per year for the most basic mutual fund
sales data package up to $750,000 per year for the most comprehensive mutual fund sales data package. For an additional fee, fund families that sponsor products in addition to mutual funds (e.g., ETFs, UITs and SMAs) may purchase data analytics on other financial product sales at Morgan Stanley.

These facts present a conflict of interest for Morgan Stanley to the extent they lead us to focus on funds from those fund families that purchase sales data analytics and/or commit significant financial and staffing resources to promotional and educational activities instead of on funds from fund families that do not.

Administrative Service Fees Morgan Stanley and/or its affiliates receive compensation from funds or their affiliated service providers for providing recordkeeping and related services to the funds. For these services, funds pay 0.06% per year ($6 per $10,000) on fund assets held by our clients. We typically process transactions on an omnibus basis, which means we consolidate our clients' trades into one daily trade with the fund, and maintain all pertinent individual shareholder information for the fund. Trading in this manner requires that we maintain the transaction history details necessary for ongoing tax reporting and other position maintenance purposes.

While all fund families are charged the same administrative service fee, in aggregate Morgan Stanley receives significantly more administrative service fees from the fund families with the largest client holdings at our firm. This fact presents a conflict of interest for Morgan Stanley to promote funds from those fund families rather than funds from families that in aggregate pay us less administrative service fees.

FUND SERVICE COMPENSATION
Morgan Stanley or its affiliates receive, from certain funds, compensation in the form of commissions and other fees for providing traditional brokerage services, including related research and advisory support, and for purchases and sales of securities for fund portfolios. We also receive other compensation from certain funds for financial services performed for the benefit of such funds. Morgan Stanley prohibits linking the determination of the amount of brokerage commissions and service fees charged to a fund to the aggregate values of our overall fund sales, client holdings of the fund or to offset the revenue-sharing or expense reimbursement and administrative fees described above.

Availability of Affiliated Funds
Our affiliate, Morgan Stanley Investment Management, serves as the investment adviser to certain mutual funds that are offered through the self-directed platform. Morgan Stanley Investment Management (and its affiliated entities) receives additional investment management fees and other fees from these funds. Therefore, Morgan Stanley has a conflict to promote these affiliated funds. Morgan Stanley Investment Management and its affiliates make administrative services and revenue-sharing payments to Morgan Stanley as described above.

For More Information
For additional information on a particular fund's payment and compensation practices, please refer to the fund's Prospectus and Statement of Additional Information. Further information regarding revenue-sharing and administrative service fees is available at:

http://www.morganstanley.com/content/dam/msdotcom/en/assets/pdfs/wealth-management-disclosures/8962360-WM-Revenue-Sharing-Fund-

Information on available mutual fund share class options and compensation practices in our full service brokerage and advisory accounts is available at: