



# 401(k) Investment Guide and Fee Disclosure

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Regardless of your age, saving for retirement should be one of your most important financial goals. Participating in the Morgan Stanley 401(k) Plan (the Plan) can help you achieve that goal. The Plan lets you choose your own contribution rate to be deducted from your pay and, if eligible, you may receive a Company Match and other Company Contributions.

You have the right and responsibility to invest your account in the Plan's diversified menu of investment options (also referred to as Funds). Review this guide to learn about the Plan's Funds, fees and expenses, and how to take action or get more information.

The Plan's Summary Plan Description (SPD) provides more information about the Plan. Each Fund's fact sheet and/or prospectus and Fund detail pages, provided by Lipper Inc., have more information about the Funds.

All of these resources are on the Benefit Center website at [morganstanley.com/benefits](http://morganstanley.com/benefits). You may print them from the website or request free paper copies by calling HR Services at (toll-free in the US and Canada) 1-877-MSHR-411 (1-877-674-7411). From other countries, call (toll) +1 718-354-1343.

Representatives are available weekdays from 9 am to 7 pm ET, except certain US holidays. Written requests may be faxed to 1 847-554-1553 or mailed to PO Box 661113, Dallas, TX 75266-1113.

You can also research the Fund managers and their offerings by reviewing the Fund providers' websites. The Employee Benefit Security Administration (EBSA) website at [www.dol.gov/agencies/ebsa/laws-and-regulations/laws/pension-protection-act/investing-and-diversification](http://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/pension-protection-act/investing-and-diversification) has additional information about retirement savings plans.

Preparing for retirement is an important responsibility. We encourage you to discuss with your personal financial advisor how you can use the Plan to help meet your savings goals. Morgan Stanley Financial Advisors may not give investment advice to Morgan Stanley employees about the Plan – only general education and information about retirement plan matters.

Any inconsistency between this communication and the terms of an official plan document will be governed by the plan document. Morgan Stanley and its benefit plans are not responsible for any data errors or processing delays. The Plan Administrator may correct any errors at any time. Whenever you use the Benefit Center to initiate a transaction, whether online or with a Representative, you are authorizing the Plan Administrator to process each election as if you had given your signed authorization to do so.

The information contained in this document is general in nature, is not individual tax advice and may not be used to avoid any tax or tax penalty. Tax laws are complex and may change, and their application may vary based on the circumstances. Morgan Stanley and its benefit plans do not provide tax or legal advice. You are responsible for consulting your own advisors.

Check your confirmations and statements to ensure that your elections are correctly reflected. You are responsible for ensuring that your elections are correctly reflected on confirmations, statements and the Benefit Center website. Morgan Stanley's benefit plans may be amended or discontinued at any time, including to curtail benefits for some or all covered individuals. The Plan Administrator retains the right to correct any errors it discovers, subject to the terms of the Plan.

Before investing in any Fund, be sure to read carefully the Fund's prospectus and other materials available through the Fund managers or on the Benefit Center website. Past performance is no indication of future results. Investment Fund share prices will fluctuate with market conditions and interest rates so that shares, when redeemed, may be worth more or less than the original cost.

## Section 1: Investing Your Savings

The Plan offers two investment paths to address your needs:

- **PATH 1: DELEGATE** – For individuals who prefer to have an investment professional manage their account
- **PATH 2: CUSTOMIZE** – For those who prefer to customize their portfolio themselves

Both paths let you combine a mix of investment options with distinct risk and return profiles. Additionally, you may invest in a combination of Funds from both paths. As you decide which path is right for you, consider Fund fees and expenses, expected risk and return, and diversification. For a list of the Plan's Funds as of July 1, 2019, see page 4.

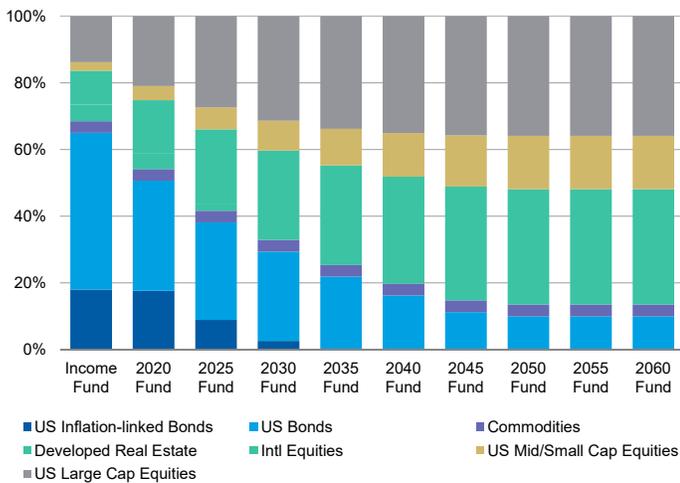
### PATH 1: DELEGATE

#### Target Retirement Date Funds (Premixed Portfolios)

If you don't want to choose specific Funds or monitor your 401(k) account, the professionally managed State Street Target Retirement Date Funds may be right for you. These "Target Date Funds" are diversified and shift their investment mix (and risk level) based on the amount of time remaining until your target retirement date (and for 5 years after the target retirement date as the fund transitions to the Target Retirement Income Fund). If that date falls between the dates listed in two Fund names, consider investing in the two Target Date Funds that are closest to your anticipated retirement date.

Each Target Date Fund's investment mix is gradually shifted over time from a greater concentration of investments with a higher-expected risk and return (such as equities) to a higher percentage of investments with a lower-expected risk and return (such as US inflation-linked bonds). That shift is designed to reduce the volatility of your account as your target retirement date approaches. However, all investments carry risk and Target Date Funds may go up or down in value, even after reaching their designated target dates. The Target Date Funds are also rebalanced back to their target allocations quarterly, so you don't have to monitor whether your asset allocation has drifted over time.

## Target Date Asset Allocations



Portfolios are constructed for the highest return at each level of risk.

Note: The portfolios are rebalanced quarterly to align with updated target asset allocations; Effective target weights for Q2 2019. Source: State Street Global Advisors

## Illustrative Target Date Asset Allocation

	Income Fund	2025 Fund	2040 Fund	2055 Fund
US Large Cap Equities	13.80	27.38	35.05	35.90
US Mid/Small Cap Equities	2.60	6.58	13.10	16.00
International Equities	10.10	22.29	32.10	34.60
Developed Real Estate	5.00	2.12	0.00	0.00
Commodities	3.50	3.50	3.50	3.50
US Bonds	47.00	29.25	16.25	10.00
US Inflation-linked Bonds	18.00	8.88	0.00	0.00

Note: Percentages may not total 100% due to rounding.

### PATH 2: CUSTOMIZE

If you prefer to choose your own investments, monitor performance and rebalance your portfolio, customization may be right for you. This path lets you construct your account to your personal specifications, giving you the option to invest in Funds from the Core and Extended Choice tiers. With customization, you can take into account your assets outside the Plan in designing your own asset allocation.

### Core Fund Features

Core Funds comprise major asset classes and include both actively and passively managed Funds. Core Funds offer US and international fixed income and equity options that cover a wide spectrum of investment approaches.

- Passively managed Funds tend to have lower fees and expenses since the Fund manager is trying to match the performance of a particular market or asset class.
- Actively managed Funds typically have higher fees and expenses because the Fund manager is trying to outperform a benchmark and is therefore more actively involved in selecting Fund holdings.

### Extended Choice Fund Features

Extended Choice Funds may be more suitable if you understand the investment categories offered and may require closer and more frequent monitoring and rebalancing. Extended Choice Funds cover additional asset classes beyond the Core Funds. Options in this tier may be more volatile or less diversified than those in the Core Funds. (Extended Choice Funds are so marked in the far-right column of the chart on page 4).

## Investment Fund Lineup Effective July 1, 2019

ASSET CLASS	FUND TYPE	FUND NAME	TICKER <sup>1</sup>	EXTENDED CHOICE
<b>Premixed Portfolios</b>	Target Retirement Date Portfolios	State Street Target Retirement Income Non-Lendable	NA	
		State Street Target Retirement Index 2020 Non-Lendable		
		State Street Target Retirement Index 2025 Non-Lendable		
		State Street Target Retirement Index 2030 Non-Lendable		
		State Street Target Retirement Index 2035 Non-Lendable		
		State Street Target Retirement Index 2040 Non-Lendable		
		State Street Target Retirement Index 2045 Non-Lendable		
		State Street Target Retirement Index 2050 Non-Lendable		
		State Street Target Retirement Index 2055 Non-Lendable		
		State Street Target Retirement Index 2060 Non-Lendable		
<b>U.S. Fixed Income</b>	Cash Equivalent	BlackRock Government Short-Term Investment	NA	
	Fixed Income Core	BlackRock Bond Index Non-Lendable	NA	
		PIMCO Core Fixed Income	NA	
		PIMCO Low Duration	NA	
		State Street High Yield Index	NA	<input type="checkbox"/>
	High Yield Fixed Inc. Core	Shenkman Capital High Yield Bond	NA	<input type="checkbox"/>
	High Yield Fixed Income	PIMCO Real Return	NA	<input type="checkbox"/>
TIPS				
<b>Non-US Fixed Income</b>	Int'l Fixed Income	PIMCO International Bond (Unhedged)	PFUIX	<input type="checkbox"/>
	Emerging Market Debt	Wellington Opportunistic Emerging Markets Debt	NA	<input type="checkbox"/>
	Absolute Return	Eaton Vance Global Macro Absolute Return	EIGMX	<input type="checkbox"/>
<b>U.S. Equity</b>	Large Cap Core	BlackRock S&P 500 Index Non-Lendable	NA	
	Large Cap Value	T. Rowe Price U.S. Large Cap Value	NA	
	Large Cap Growth	MSIF Inc. Growth	MGRPX	
	Mid Cap Core	BlackRock S&P 400 Mid Cap Index Non-Lendable	NA	
	Mid Cap Value	Thompson, Siegel & Walmsley (TS&W) Mid Cap Value	NA	
	Mid Cap Growth	Voya Mid Cap Growth	NA	
	Small Cap Core	BlackRock Russell 2000 Small Cap Index Non-Lendable	NA	
	Small Cap Value	William Blair Small Cap Value	NA	
	Small Cap Growth	Rice Hall James Small Cap Opportunities	NA	
<b>Non-U.S. Equity</b>	Int'l Large Cap Core	BlackRock MSCI ACWI ex U.S. IMI Index Non-Lendable	NA	
	Int'l Large Cap Value	AQR International Equity	NA	
	Int'l Large Cap Growth	Artisan International Growth	NA	
	Int'l Small Cap Core	FIAM Select International Small Cap	NA	
	Emerging Markets Core	BlackRock Emerging Markets Index	NA	<input type="checkbox"/>
	Emerging Markets Equity	AQR Emerging Markets	NA	<input type="checkbox"/>
<b>Global Equity</b>	Sustainable Investing	Northern Trust Global Sustainability Index	NSRIX	<input type="checkbox"/>
		Pax Global Environmental Markets	PGINX	<input type="checkbox"/>
<b>Other</b>	Global REIT Core	State Street Global Real Estate Index	NA	<input type="checkbox"/>
	Global REIT	MSIF Inc. Global Real Estate	NA	<input type="checkbox"/>
	Company Stock	Morgan Stanley Stock Fund	MS	<input type="checkbox"/>

1. Certain investment funds have no ticker symbol. These are either Commingled Collective Trusts or Separately Managed Accounts which are not publicly traded and, therefore, the Net Asset Value (NAV) is available only from the Plan and not from public sources. Review the Glossary of Terms on page 12 to learn about the different types of investments.

## SECTION 2: DEVELOPING YOUR CUSTOMIZED PORTFOLIO

### INVESTMENT CONSIDERATIONS

Maintaining a well-diversified portfolio and regularly rebalancing your account may help mitigate risk and increase the potential for long-term return. The State Street Target Retirement Date Funds can do this for you. Alternatively, whether you're a new or seasoned investor, we've outlined four steps to help you develop your personalized portfolio. You may also wish to review the investments in the State Street Target Retirement Date Funds that most closely match your anticipated retirement date for an example of how you might combine asset classes to develop a diversified portfolio. Don't forget to consider your investments held outside the Plan.

#### STEP 1: Set your financial goals

Determine your retirement outlook, including when you expect to stop working, how much money you need to save, how much money you can afford to save, the amount of risk you're willing to take and your tax status. Consider how the assets you own outside the Plan are invested to ensure your entire investment portfolio is diversified. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals and different levels of comfort with investment risk. There are many calculators and other resources on the Internet, as well as resources on the Benefit Center website, that can help you evaluate your financial needs in retirement, and whether you're on track to meet your savings goals. You should periodically review your financial goals to assess whether they have changed and whether you're on track to meet them.

#### STEP 2: Learn about the types of investments

Review the glossary on page 12 to learn about the Plan's different types of investments. Determine which asset classes match your financial goals. In particular, determine whether you prefer actively or passively managed Funds or a combination of both, and your time horizon until retirement. Research the Funds that interest you by reading their prospectuses and/or fact sheets on the Benefit Center website. Each Fund on the Benefit Center website also has a Lipper page with Fund data, including fees, performance and characteristics. In many cases, the Funds are Separately Managed Accounts or Collective Common Trusts similar to publicly available mutual funds. The information on the Fund manager websites or elsewhere for the similar mutual funds may be an accurate general guide, but keep in mind that it may not be wholly accurate for the versions of the Funds in the Plan.

#### STEP 3: Choose your investments

Decide how much to allocate to each of the asset classes you select. Determine the Funds to which you want to contribute. Also, consider the investments you hold outside the Plan and the fees you pay for each investment. For example, if you can purchase a Fund for a lower cost in the Plan than you can find for an equivalent fund outside the Plan, you might emphasize that Fund in your Plan account and different funds in your outside accounts. Consider expected cash flow needs in determining whether to invest in funds that are expected to be more volatile. Remember, all Funds can fluctuate in value, with both positive and negative returns over time. No Fund will have a constant rate of investment return and no Fund is guaranteed to increase in value.

#### STEP 4: Make changes as needed

Rebalance your portfolio regularly to ensure your asset allocation doesn't stray too far from what you would like it to be. If you invest in a Target Date Fund, your Fund is automatically rebalanced for you quarterly. Reevaluate your portfolio regularly to ensure it meets your needs, which may change.

In addition, Funds in the Plan and the fees payable for each Fund may change from time to time. Monitor your account to ensure you are comfortable with any replacement Funds and review new or different

Funds in which you might like to invest. You may also review online or printed financial publications or the Fund provider websites (listed on pages 7 to 11).

### IMPORTANCE OF DIVERSIFICATION

- To help achieve long-term retirement security, consider the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments may help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform poorly often cause another asset category, or another particular security, to perform well. Target Date Funds have diversification built into their makeup. The asset allocations change as the target retirement date approaches and as the fund transitions to the State Street Target Retirement Index Fund, but they are always diversified among several asset classes.
- If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

### HOW TO CHANGE YOUR CONTRIBUTION RATES OR INVESTMENTS

From the Benefit Center website:

- To change your contribution rates:** Click Savings & Retirement > 401(k) Savings Plan > Change Contributions and designate the rate of pay you want to contribute by pay type. You may also set the Annual Increase to automatically increase your contribution percentage each year.
- To change your investment mix or your investment elections for future contributions:** Click Savings & Retirement > 401(k) Savings Plan > Change Investments and follow the instructions. Your current investment mix and how your future contributions will be invested are separate choices and therefore require separate elections.

In general, you may change your investment choices as often as you like; however, you are required to hold most Funds a minimum of 30 days. Additionally, any trading restriction or window period that applies to you as a Morgan Stanley employee applies to your Plan investments in the same way it applies to your other accounts. For more information, see the Fund Transfer Restrictions, 30-Day Restriction and Other Restrictions sections of the 401(k) Plan SPD.

If you do not have a 401(k) investment direction on file, your Plan contributions, if any, will be directed to the Plan's qualified default investment alternative (the QDIA) – the State Street Target Retirement Date Fund with a target retirement date that is closest to your 65th birthday. If you do not want to be invested in the default Fund, you must make an investment election on the Benefit Center website or call HR Services at (toll free) 1 877-MSHR-411 (1-877-674-7411). From outside the US or Canada, call (toll) +1 718-354-1343. Representatives are available weekdays from 9 am to 7 pm ET, except certain US holidays.

### VOTING YOUR MORGAN STANLEY SHARES

If you invest in the Morgan Stanley Stock Fund, you are responsible for directing how the shares allocated to your account are voted (and, in the case of a tender offer, whether shares allocated to your account will be tendered). The Plan's trustee will vote your shares as you direct. If you do not vote your shares, they will be voted in proportion to the shares voted by other Plan participants who direct a vote. The vote you (and other participants) cast is important because it will determine how both your shares and a proportionate amount of unvoted shares will be voted. (Tender offers are different; only shares for which a tender direction is received will be tendered.) If you are eligible to vote your Morgan Stanley

Stock Fund shares, you will receive proxy voting materials with instructions. In the case of a tender offer, you will be notified.

### SECTION 3: FEES AND EXPENSES

This section of the guide describes Plan and Fund fees and expenses as of March 31, 2019. Many of these are paid by Morgan Stanley, but as with other investments, many are paid by you as a Fund investor. If circumstances change, Morgan Stanley could decide to stop paying some or all of the fees it now pays on the Plan's behalf. In that case, the Plan would charge those fees against your account. If that happens, you will be notified. Fees and expenses may change in the future.

#### ADMINISTRATIVE FEES

Currently, except as listed in "Individual Fees" below, Plan record keeping, trustee, legal and accounting fees are paid by Morgan Stanley or the Plan and are not charged to your account.

The Eaton Vance Global Macro Absolute Return and the Northern Trust Global Sustainability Index Funds pay administrative, recordkeeping, sub-transfer agent or other fees to the Plan's recordkeeper and these are credited toward the Plan's recordkeeping fees. This is sometimes called "revenue sharing," and it lowers the amount Morgan Stanley or the Plan pays to the recordkeeper. These amounts are included in the amounts shown in the Investment Fund Charts on pages 7 to 11.

#### INDIVIDUAL FEES<sup>1</sup>

- **Loan fee:** You will pay a \$75 loan administration fee whenever you take a loan from the Plan. This fee is taken out of your loan proceeds.
- **Domestic relations order fee:** You will pay a \$750 Qualified Domestic Relations Order (QDRO) administration fee once your domestic relations order is qualified. Unless the QDRO states otherwise, the fee will be split equally between you and the alternate payee's accounts.

These fees are used to offset administrative costs of the Plan.

#### ASSET-BASED FEES

Charged by each Fund, asset-based fees are investment management fees and related administrative fees paid to manage the Fund. You won't see these fees directly because they are charged to the Fund and reduce the investment returns credited to you by the Funds. Find an asset-based fee schedule in the Investment Fund Charts section that begins on page 7.

When you decide to invest in a Plan Fund, there is no upfront sales load or charge. The cumulative effect of fees and expenses can substantially reduce the growth of your Plan account over the long-term. You can find an example of this concept on the Employee Benefits Security Administration website by visiting [dol.gov/agencies/ebsa](http://dol.gov/agencies/ebsa).

Fees on passive funds tend to be lower on average than fees on actively managed funds in the same asset class. While fees are important, they are only one of several factors to consider when selecting Funds. You also should consider factors such as the asset classes and level of investment risk, investment objectives, principal investment strategies and performance of each Fund, as well as how the Funds you select fit with your investments outside of the Plan. For example, if you can obtain a Fund for lower fees inside the Plan than if you were to purchase the same Fund outside the Plan, you might consider whether to emphasize that Fund in your Plan account and deemphasize it in the remainder of your investment portfolio.

1. While the plan makes loans, hardship distributions and certain other distributions available to you, consider the effect on your long-term financial goals before borrowing or withdrawing money from your Plan account. Loans have to be repaid over time, or sooner, if you leave the Firm, and hardship distributions may decrease your retirement savings and restrict your ability to make future contributions.

Due to its large size, the Plan can often obtain pricing that is more favorable than you can obtain on your own from the same or similar Funds.

#### HOW ASSET-BASED FEES WORK

Let's assume your current account balance is \$30,000, and you've invested in three Funds as shown below. Here's an example of what you might pay annually in total asset-based fees.

INVESTMENTS	BALANCE	ASSET-BASED FEES	
		As % of Assets	Dollar Amount
Bond Fund	\$10,000	0.59%	\$59.00
Large Cap Value Fund	\$17,000	0.79%	\$134.30
International Equity Fund	\$3,000	0.98%	\$29.40
<b>Total</b>	<b>\$30,000</b>	<b>-</b>	<b>\$222.70</b>

#### TIERED FEES

As of March 31, 2019, fees for the Artisan International Growth portfolio, Shenkman Capital High Yield Bond portfolio, and the T. Rowe Price Large Cap Value portfolio were based on a blended rate of the first and second tiers of the fee schedule below, fees for the PIMCO Core Fixed come portfolio and Voya Mid Cap Growth portfolio were based on a blended rate of the first, second and third tiers of the fee schedule below and fees for the William Blair Small Cap Value portfolio were based on a blended rate of all five tiers of the fee schedule below. Fees for the TS&W Mid Cap Value portfolio were based on the first tier only.

#### Tiered Fees Chart

	First \$50M	Balance	
Artisan International Growth	0.800%	0.600%	
	First \$75M	Balance	
Shenkman Capital High Yield Bond	0.500%	0.450%	
	First \$500M	Balance	
T. Rowe Price Large Cap Value	0.300%	0.275%	
	First \$25M	Next \$25M	Balance
PIMCO Core Fixed Income	0.500%	0.375%	0.250%
	First \$100M	Next \$150M	Balance
Voya Mid Cap Growth	0.450%	.350%	0.300%
	First \$10M	Next \$20M	Next \$20M
William Blair Small Cap Value	1.000%	0.95%	0.900%
		Next \$50M	Balance
		0.850%	0.800%
	First \$200M	Balance	
TS&W Mid Cap Value	0.500%	0.450%	

Source: Investment Managers

## SECTION 4: INVESTMENT FUND INFORMATION

The following charts provide information on the Funds:

- **GENERAL INFORMATION** about the type of Fund.
- **FEE INFORMATION** (including asset-based fees often called the “expense ratio”) plus other shareholder-type fees or investment restrictions.  
To learn more about the fees that apply to the Funds, visit the Benefit Center website. Call HR Services for help in understanding the resources available on the Benefit Center website.
- **HISTORICAL PERFORMANCE** for each Fund and appropriate benchmark.

The performance information provided in this guide is based on the most recent information available to the Plan at the time the guide is prepared. You may find more current performance data on the Benefit Center website or, for some Funds, on the Fund provider’s website. Keep in mind that past performance does not guarantee how the Fund will perform in the future. Your investment in any Fund may lose value. Information about a Fund’s principal risks is available from the fact sheets and/or prospectuses on the Benefit Center website or, for some Funds, on the Fund provider’s website.

### Investment Fund Charts as of March 31, 2019

GENERAL INFORMATION	FEE INFORMATION			HISTORICAL PERFORMANCE			
	Total Asset-Based Fees	Annual Cost Per \$1,000 of Investment	Shareholder-Type Fees and Investment Restrictions	Average Annual Total Return as of 3/31/19 Net of Fees (Fund and Benchmark)			
TARGET DATE FUNDS <sup>1</sup>				1 yr.	5 yr.	10 yr.	Inception to date
<b>State Street Target Retirement Income Non-Lendable Class A</b>	0.055%	\$0.55	NA	4.1%	3.6%	NA	6.0%
Benchmark: S&P Target Date Retirement Index				3.7%	3.9%	6.4%	5.9%
<b>State Street Target Index 2020 Non-Lendable Class A</b>	0.055%	\$0.55	NA	4.2%	5.0%	NA	9.3%
Benchmark: S&P Target Date 2020 Index				3.9%	5.3%	9.5%	8.6%
<b>State Street Target Index 2025 Non-Lendable Class A</b>	0.055%	\$0.55	NA	3.9%	5.7%	NA	10.2%
Benchmark: S&P Target Date 2025 Index				3.9%	5.7%	10.3%	9.3%
<b>State Street Target Index 2030 Non-Lendable Class A</b>	0.055%	\$0.55	NA	3.7%	6.0%	NA	10.6%
Benchmark: S&P Target Date 2030 Index				3.8%	6.1%	11.0%	9.8%
<b>State Street Target Index 2035 Non-Lendable Class A</b>	0.055%	\$0.55	NA	3.4%	6.3%	NA	10.9%
Benchmark: S&P Target Date 2035 Index				3.7%	6.4%	11.6%	10.3%
<b>State Street Target Index 2040 Non-Lendable Class A</b>	0.055%	\$0.55	NA	3.2%	6.4%	NA	11.0%
Benchmark: S&P Target Date 2040 Index				3.6%	6.7%	12.1%	10.6%
<b>State Street Target Index 2045 Non-Lendable Class A</b>	0.055%	\$0.55	NA	3.0%	6.6%	NA	11.1%
Benchmark: S&P Target Date 2045 Index				3.5%	6.8%	12.3%	10.9%
<b>State Street Target Index 2050 Non-Lendable Class A</b>	0.055%	\$0.55	NA	3.0%	6.6%	NA	11.1%
Benchmark: S&P Target Date 2050 Index				3.4%	7.0%	12.5%	11.0%
<b>State Street Target Index 2055 Non-Lendable Class A</b>	0.055%	\$0.55	NA	3.0%	6.6%	NA	7.9%
Benchmark: S&P Target Date 2055 Index				3.4%	7.0%	12.6%	8.1%
<b>State Street Target Index 2060 Non-Lendable Class A</b>	0.055%	\$0.55	NA	3.0%	NA	NA	6.8%
Benchmark: S&P Target Date 2060 Index				3.5%	7.1%	NA	6.9%

For details on the Fund provider, visit [ssga.com](http://ssga.com)

Additional information about these investment Funds options (including more current performance information) is available on the Benefit Center website at [morganstanley.com/benefits](http://morganstanley.com/benefits) or the Fund provider’s website shown in this chart. You can request free paper copies of this information by calling HR Services at 1-877-MSHR-411.

## Investment Fund Charts as of March 31, 2019

GENERAL INFORMATION	FEE INFORMATION			HISTORICAL PERFORMANCE			
	Total Asset-Based Fees	Annual Cost Per \$1,000 of Investment	Shareholder-Type Fees and Investment Restrictions	Average Annual Total Return as of 3/31/19 Net of Fees (Fund and Benchmark)			
				1 yr.	5 yr.	10 yr.	Inception to date
<b>U.S. FIXED INCOME FUNDS</b>							
<b>BlackRock Govt. Short-Term Investment</b> Fund Inception Date: 2/29/16	0.060%	\$0.60	NA	2.1%	NA	NA	1.2%
Benchmark: ICE BofAML 91-Day T Bill Actual				2.1%	0.7%	0.4%	1.2%
<b>For details on the Fund provider, visit <a href="http://blackrock.com">blackrock.com</a></b>							
<b>BlackRock Bond Index Non-Lendable Class F</b> Fund Inception Date: 2/28/09	0.024%	\$0.24	30-day hold <sup>1</sup>	4.5%	2.8%	3.8%	3.9%
Benchmark Index: Bloomberg Barclays US Aggregate Bond Index				4.5%	2.7%	3.8%	3.9%
<b>For details on the Fund provider, visit <a href="http://blackrock.com">blackrock.com</a></b>							
<b>PIMCO Low Duration</b> Fund Inception Date: 2/29/16	0.250%	\$2.50	30-day hold <sup>1</sup>	2.2%	NA	NA	1.9%
Benchmark: ICE BofAML Treasury 1-3 Yr Index				2.7%	1.0%	1.0%	1.0%
<b>For details on the Fund provider, visit <a href="http://pimco.com/en-us">pimco.com/en-us</a></b>							
<b>PIMCO Core Fixed Income Portfolio<sup>2</sup></b> Fund Inception Date: 8/17/09	0.274%	\$2.74	30-day hold <sup>1</sup>	4.7%	2.8%	NA	3.6%
Benchmark: Bloomberg Barclays U.S. Aggregate Bond Index				4.5%	2.7%	3.8%	3.5%
<b>For details on the Fund provider, visit <a href="http://pimco.com/en-us">pimco.com/en-us</a></b>							
<b>State Street US High Yield Bond Index Class A</b> Fund Inception Date: 2/22/18	0.140%	\$1.40	30-day hold <sup>1</sup>	6.5%	4.2%	NA	6.8%
Benchmark: Bloomberg Barclays US High Yield Very Liquid Index				6.6%	4.3%	11.4%	7.2%
<b>For details on the Fund provider, visit <a href="http://ssga.com">ssga.com</a></b>							
<b>Shenkman Capital High Yield Bond<sup>2</sup></b> Fund Inception Date: 12/31/12	0.490%	\$4.90	30-day hold <sup>1</sup>	5.6%	4.0%	NA	4.5%
Benchmark: ICE BofAML US High Yield Index				5.9%	4.7%	11.2%	5.4%
<b>For details on the Fund provider, visit <a href="http://shenkmancapital.com">shenkmancapital.com</a></b>							
<b>PIMCO Real Return</b> Fund Inception Date: 4/30/10	0.250%	\$2.50	30-day hold <sup>1</sup>	2.5%	1.6%	NA	2.8%
Benchmark: Bloomberg Barclays US TIPS Index				2.7%	1.9%	3.4%	2.9%
<b>For details on the Fund provider, visit <a href="http://pimco.com/en-us">pimco.com/en-us</a></b>							

Additional information about these investment Funds options (including more current performance information) is available on the Benefit Center website at [morganstanley.com/benefits](http://morganstanley.com/benefits) or the Fund provider's website shown in this chart. You can request free paper copies of this information by calling HR Services at 1-877-MSHR-411.

## Investment Fund Charts as of March 31, 2019

GENERAL INFORMATION	FEE INFORMATION			HISTORICAL PERFORMANCE			
	Total Asset-Based Fees	Annual Cost Per \$1,000 of Investment	Shareholder-Type Fees and Investment Restrictions	Average Annual Total Return as of 3/31/19 Net of Fees (Fund and Benchmark)			
				1 yr.	5 yr.	10 yr.	Inception to date
<b>NON-U.S. FIXED INCOME FUNDS</b>							
<b>PIMCO International Bond (Unhedged) Institutional</b> Fund Inception Date: 1/3/12	0.590%	\$5.90	30-day hold <sup>1</sup>	-4.3%	0.7%	5.4%	4.3%
Benchmark: Bloomberg Barclays Global Aggregate ex-US Unhedged Index				-4.1%	-0.3%	2.5%	3.2%
<b>For details on the Fund provider, visit <a href="http://pimco.com/en-us">pimco.com/en-us</a></b>							
<b>Wellington Opportunistic Emerging Markets Debt</b> Fund Inception Date: 2/24/17	0.580%	\$5.80	30-day hold <sup>1</sup>	2.3%	5.0%	NA	5.9%
Benchmark: JP Morgan Emerging Markets Bond Index Global (USD)				3.5%	4.8%	8.1%	6.0%
<b>For details on the Fund provider, visit <a href="http://wellington.com">wellington.com</a></b>							
<b>Eaton Vance Global Macro Absolute Return I</b> Fund Inception Date: 1/3/11	0.780%	\$7.80	30-day hold <sup>1</sup>	-1.8%	2.5%	3.0%	3.4%
Benchmark: ICE BofAML 91-Day T-Bill Actual				2.1%	0.7%	0.4%	0.7%
<b>For details on the Fund provider, visit <a href="http://eatonvance.com">eatonvance.com</a></b>							
<b>U.S. EQUITY FUNDS</b>							
<b>BlackRock S&amp;P 500 Index Non-Lendable Class F</b> Fund Inception Date: 2/29/16	0.009%	\$0.09	30-day hold <sup>1</sup>	9.5%	10.9%	15.9%	16.6%
Benchmark: S&P 500 Index				9.5%	10.9%	15.9%	16.7%
<b>For details on the Fund provider, visit <a href="http://blackrock.com">blackrock.com</a></b>							
<b>T. Rowe Price Large Cap Value<sup>2</sup></b> Fund Inception Date: 12/3/12	0.316%	\$3.16	30-day hold <sup>1</sup>	3.9%	8.5%	NA	12.4%
Benchmark Index: Russell 1000 Value Index				5.7%	7.7%	14.5%	11.6%
<b>For details on the Fund provider, visit <a href="http://troweprice.com">troweprice.com</a></b>							
<b>MSIF Institutional Growth Portfolio IS</b> Fund Inception Date: 2/14/14	0.540%	\$5.40	30-day hold <sup>1</sup>	17.3%	16.9%	NA	17.7%
Benchmark: Russell 1000 Growth Index				12.7%	13.5%	17.5%	14.5%
<b>For details on the Fund provider, visit <a href="http://morganstanley.com/im">morganstanley.com/im</a></b>							
<b>BlackRock S&amp;P 400 Mid Cap Index Non-Lendable Class F</b> Fund Inception Date: 2/29/16	0.012%	\$0.12	30-day hold <sup>1</sup>	2.6%	8.2%	NA	12.8%
Benchmark: S&P 400 Mid Cap Index				2.6%	8.3%	16.3%	12.9%
<b>For details on the Fund provider, visit <a href="http://blackrock.com">blackrock.com</a></b>							
<b>TS&amp;W Mid Cap Value Portfolio<sup>2</sup></b> Fund Inception Date: 2/29/16	0.500%	\$5.00	30-day hold <sup>1</sup>	5.8%	NA	NA	8.5%
Benchmark: Russell Mid Cap Value Index				2.9%	7.2%	16.4%	9.5%
<b>For details on the Fund provider, visit <a href="http://tswinvest.com">tswinvest.com</a></b>							

Additional information about these investment Funds options (including more current performance information) is available on the Benefit Center website at [morganstanley.com/benefits](http://morganstanley.com/benefits) or the Fund provider's website shown in this chart. You can request free paper copies of this information by calling HR Services at 1-877-MSHR-411.

## Investment Fund Charts as of March 31, 2019

GENERAL INFORMATION	FEE INFORMATION			HISTORICAL PERFORMANCE			
	Total Asset-Based Fees	Annual Cost Per \$1,000 of Investment	Shareholder-Type Fees and Investment Restrictions	Average Annual Total Return as of 3/31/19 Net of Fees (Fund and Benchmark)			
				1 yr.	5 yr.	10 yr.	Inception to date
<b>U.S. EQUITY FUNDS (CONTINUED)</b>							
<b>Voya Mid Cap Growth<sup>2</sup></b> Fund Inception Date: 5/5/17	0.380%	\$3.80	30-day hold <sup>1</sup>	4.6%	NA	NA	9.5%
Benchmark: Russell Mid Cap Growth Index				11.5%	10.9%	17.6%	14.7%
<b>For details on the Fund provider, visit <a href="http://voyainvestments.com">voyainvestments.com</a></b>							
<b>BlackRock Russell 2000 Index Non-Lendable Class F</b> Fund Inception Date: 2/29/16	0.015%	\$0.15	30-day hold <sup>1</sup>	2.1%	7.0%	NA	12.3%
Benchmark: Russell 2000 Index				2.0%	7.1%	15.4%	12.4%
<b>For details on the Fund provider, visit <a href="http://blackrock.com">blackrock.com</a></b>							
<b>William Blair Small Cap Value Portfolio<sup>2</sup></b> Fund Inception Date: 2/29/16	0.765%	\$7.65	30-day hold <sup>1</sup>	0.3%	NA	NA	8.7%
Benchmark: Russell 2000 Value Index				0.2%	5.6%	14.1%	10.9%
<b>For details on the Fund provider, visit <a href="http://williamblair.com">williamblair.com</a></b>							
<b>Rice Hall James Small Cap Opportunities</b> Fund Inception Date: 5/5/17	0.700%	\$7.00	30-day hold <sup>1</sup>	-4.7%	NA	NA	9.6%
Benchmark: Russell 2000 Growth Index				3.9%	8.4%	16.5%	11.5%
<b>For details on the Fund provider, visit <a href="http://ricehalljames.com">ricehalljames.com</a></b>							
<b>NON-U.S. EQUITY FUNDS</b>							
<b>BlackRock MSCI ACWI ex US IMI Non-Lendable Class F</b> Fund Inception Date: 2/29/16	0.036%	\$0.36	30-day hold <sup>1</sup>	-5.1%	2.9%	NA	4.6%
Benchmark: MSCI ACWI ex US IMI Net Index				-5.0%	2.7%	9.2%	4.4%
<b>For details on the Fund provider, visit <a href="http://blackrock.com">blackrock.com</a></b>							
<b>AQR International Equity</b> Fund Inception Date: 5/5/18	0.500%	\$5.00	30-day hold <sup>1</sup>	NA	NA	NA	-7.1%
Benchmark: MSCI EAFE (Net) Index				-3.7%	2.3%	9.0%	-3.7%
<b>For details on the Fund provider, visit <a href="http://funds.aqr.com">funds.aqr.com</a></b>							
<b>Artisan International Growth Portfolio<sup>2</sup></b> Fund Inception Date: 7/15/14	0.656%	\$6.56	30-day hold <sup>1</sup>	-1.3%	NA	NA	2.5%
Benchmark: MSCI EAFE NET Index				-3.7%	2.3%	9.0%	2.1%
<b>For details on the Fund provider, visit <a href="http://artisanpartners.com">artisanpartners.com</a></b>							
<b>FIAM Select International Small Cap Portfolio</b> Fund Inception Date: 7/15/14	0.800%	\$8.00	30-day hold <sup>1</sup>	-11.0%	NA	NA	4.1%
Benchmark: S&P EPAC Small Cap (Net)				-10.2%	4.1%	12.1%	4.5%
<b>For details on the Fund provider, visit <a href="http://pyramis.fidelity.com">pyramis.fidelity.com</a></b>							

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## Investment Fund Charts as of March 31, 2019

GENERAL INFORMATION	FEE INFORMATION			HISTORICAL PERFORMANCE			
	Total Asset-Based Fees	Annual Cost Per \$1,000 of Investment	Shareholder-Type Fees and Investment Restrictions	Average Annual Total Return as of 3/31/19 Net of Fees (Fund and Benchmark)			
				1 yr.	5 yr.	10 yr.	Inception to date

### NON-U.S. EQUITY FUNDS (CONTINUED)

<b>BlackRock Emerging Markets Index Non-Lendable</b> Fund Inception Date: 2/22/18	0.080%	\$0.80	30-day hold <sup>1</sup>	-8.0%	3.6%	8.8%	8.6%
Benchmark: MSCI Emerging Markets Net Index				-7.4%	3.7%	8.9%	8.8%
<b>For details on the Fund provider, visit <a href="http://blackrock.com">blackrock.com</a></b>							
<b>AQR Emerging Markets Equities Class D<sup>3</sup></b> Fund Inception Date: 2/25/19	0.680%	\$6.80	30-day hold <sup>1</sup>	NA	NA	NA	0.3%
Benchmark: MSCI Emerging Markets (Net) Index				-7.4%	3.7%	8.9%	0.8%

**For details on the Fund provider, visit [funds.aqr.com](http://funds.aqr.com)**

### GLOBAL EQUITY – SUSTAINABLE INVESTING

<b>Northern Trust Global Sustainability Index</b> Fund Inception Date: 2/24/17	0.300%	\$3.00	30-day hold <sup>1</sup>	4.5%	6.6%	12.3%	5.6%
Benchmark: MSCI World ESG Index				4.5%	6.5%	12.3%	5.7%

**For details on the Fund provider, visit [northerntrust.com](http://northerntrust.com)**

<b>Pax Global Environmental Markets Institutional</b> Fund Inception Date: 2/24/17	0.98%	\$9.80	30-day hold <sup>1</sup>	1.2%	5.9%	12.5%	5.9%
Benchmark: MSCI ACWI Net Index				2.6%	6.5%	12.0%	5.3%

**For details on the Fund provider, visit [paxworld.com](http://paxworld.com)**

### OTHER

<b>State Street Global Real Estate Securities Index</b> Fund Inception Date: 2/22/18	0.120%	\$1.20	30-day hold <sup>1</sup>	14.4%	7.0%	NA	8.7%
Benchmark: FTSE EPRA/NAREIT Developed Liquid Index				13.4%	6.1%	13.5%	8.0%

**For details on the Fund provider, visit [ssga.com](http://ssga.com)**

<b>MSIM Global Real Estate Class O<sup>4</sup></b> Fund Inception Date: 12/7/18	0.100%	\$1.00	30-day hold <sup>1</sup>	NA	NA	NA	14.8%
Benchmark: FTSE EPRA/NAREIT Developed Net Index				13.3%	6.4%	14.0%	14.6%

**For details on the Fund provider, visit [morganstanley.com/im](http://morganstanley.com/im)**

<b>Morgan Stanley Stock Fund</b>	0.000%	\$0.00	30-day hold <sup>1</sup>	-19.8%	8.3%	7.9%	5.9%
Benchmark: Russell 1000 Value Index				5.7%	7.7%	14.5%	7.8%

**For details on the Fund provider, visit [morganstanley.com/im](http://morganstanley.com/im)**

Source: Investment Managers; Lipper; Thomson Reuters Datastream; Alight Solutions LLC.

- The Plan prohibits the sale of any Fund, other than the State Street Target Retirement Date Funds (the current qualified default investment alternative) and the BlackRock Government Short-Term Investment Fund, within 30 days of a purchase into the Fund, unless the sale is related to a plan loan, distribution of all or a portion of an account, or the purchase is related to a payroll contribution, Fixed Contribution or Transition Contribution less than \$2,500, a Company Match contribution, a dividend reinvestment, a loan repayment or a rollover contribution. Additionally, for Access Persons, the Firm prohibits the sale of the Morgan Stanley Stock Fund within six months of a purchase (unless related to one of the actions listed above). Additional restrictions may apply under the Firm's Code of Conduct and your business unit's trading policy, which are available through the Legal and Compliance Division, and to Section 16 insiders.
- This Fund has a tiered fee structure; see the Tiered Fees Chart on page 6 for more information.
- This fund replaced the MSIF Emerging Markets Portfolio fund on February 22, 2019.
- This fund transitioned from a separately managed account to a common collective/commingled trust on December 7, 2018.

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## SECTION 5: GLOSSARY

Below are definitions to help you understand certain investment terms.

**ABSOLUTE RETURN FUND:** An actively managed portfolio that aims to generate positive returns in both up and down markets, as well as returns that have a low correlation to traditional long-only strategies.

**ACTIVELY MANAGED OR ACTIVE:** A strategy in which the Fund manager makes specific investment decisions with the goal of outperforming a benchmark or index. Actively managed Funds offer the opportunity for higher returns than market indices but often at higher fees and at risk of underperformance.

**ASSET-BASED FEES:** Fees that are charged as a percent of holdings in a Fund to cover investment management fees plus any asset-based administrative service fees. Asset-based fees may also be referred to as the expense ratio or the Fund's total annual operating expenses.

**ASSET ALLOCATION:** The distribution of holdings in your account among different asset classes and investment styles. For example, you may choose an asset allocation that favors equities or fixed income. In a target date fund, the fund manager chooses the asset allocation and gradually changes it over time to become less risky.

**ASSET CLASS:** A group of investments or securities that are considered to have similar characteristics including expected risk and return. There are three core asset classes: stocks (or equity), bonds (or fixed income) and cash.

**BASIS POINT:** One basis point is 0.01% or one one-hundredth of a percentage point.

**BENCHMARK:** Benchmarks shown in this guide are broad-based market indices that track general market performance of similar types of investments, and which are not administered by an affiliate of the investment issuer, its investment adviser or its principal underwriter, unless the index is widely recognized and used. For instance, the S&P 500 Index is commonly used as a benchmark for large cap U.S. stocks.

**COMMINGLED COLLECTIVE TRUST:** Multiple investors pool their assets and the assets are invested together. Commingled Collective Trusts are not traded on the open market and, therefore, the performance and Net Asset Value (NAV) is not published by public sources.

**CORE FUNDS:** More common types of investment funds.

**DIVERSIFIED:** Containing a variety of different investments or investment types which can potentially reduce your overall risk.

**EMERGING MARKET DEBT:** Investments in non-U.S. debt instruments or bonds that are issued by a foreign government/agency or non-U.S. corporation of a developing country. Emerging markets may provide both higher potential return and higher risk of underperformance relative to developed markets.

**EMERGING MARKET EQUITY:** Investments in non-U.S. stocks of, or ownership interest of companies based in, developing countries. Emerging markets may provide both higher potential return and higher risk of underperformance relative to developed markets.

**EXPENSE RATIO:** A measure of a fund's operating cost which is determined by dividing the total operating expenses by the average dollar value of the fund's assets under management (AUM).

**EXTENDED CHOICE FUNDS:** Cover additional asset classes beyond the Core Funds and may be more volatile or less diversified than those in the Core Funds.

**FIXED INCOME:** Investments in interest-bearing or discounted debt instruments or bonds. Investors receive interest payments and eventual principal repayments for their investment. Bond issuance includes sovereign, government/agency and corporate debt.

**FUND MANAGER:** Responsible for implementing fund's investment strategy and managing the fund's holdings and trading activities.

**GLOBAL FIXED INCOME:** Investments in debt instruments or bonds of entities around the world, including US and non-US sovereign, government/agency and corporate debt.

**HIGH YIELD FIXED INCOME:** Investments in debt instruments or bonds that usually have a higher yield and lower credit rating and have greater default risk.

**INTERNATIONAL EQUITY:** Stock of, or ownership interest in, non-U.S. companies sometimes includes US companies with significant foreign operations or presence.

**INTERNATIONAL FIXED INCOME:** Investments in debt instruments or bonds of non-U.S. entities, including sovereign, government/agency and corporate debt sometimes includes fixed income instruments issued by U.S. companies with significant foreign operations or presence.

**LIPPER OR LIPPER PAGES:** Provides independent data about funds, including fees, performance and current holdings.

**NON-LENDABLE:** Non-lendable Funds do not engage in securities lending.

**PASSIVELY MANAGED OR PASSIVE:** Passively managed Funds usually have lower fees than actively managed Funds and are managed to closely track the performance and characteristics of specified market indices, foregoing the opportunity for outperformance, but reducing the risk of underperformance, relative to the applicable index.

**REBALANCING:** Buying and selling investments in order to maintain the desired asset allocation. Target date funds automatically rebalance for you.

**REIT (REAL ESTATE INVESTMENT TRUST):** A trust that holds investments in a portfolio of real estate or real estate companies and distributes net earnings to shareholders annually. Sometimes includes investments in companies that manage or hold real estate portfolios.

**RISK AND RETURN RATIO OR RISK:** Risk is the uncertainty of an investment's return. In general, more conservative funds may have lower returns, lower volatility and lower risk of loss as compared to more aggressive funds. There is no guarantee that more aggressive funds will yield higher returns or more conservative funds will not decrease in value.

**SECURITIES LENDING:** The process by which an investment fund may lend stock, derivatives or other securities in exchange for compensation from the borrower. A non-lending fund is an investment fund that does not engage in securities lending.

**SEPARATELY MANAGED ACCOUNTS:** The Fund manager purchases securities on behalf of a separately maintained portfolio within the Morgan Stanley 401(k) Plan only. This may allow the Fund manager to hold less cash than a mutual fund as daily redemptions are expected to be lower due to the smaller number of investors. Fees for Separately Managed Accounts are negotiable and are often lower than comparably invested mutual funds but the disclosures and legal protections are different. Additionally, the performance and NAV is available from the 401(k) Plan only and is not published by public sources.

**SMALL, MID, LARGE CAP:** "Cap" refers to the capitalization, or the size of a particular company. Also refers to the average expected capital gains of companies with stocks held in an investment fund. Large cap companies

typically have market capitalization greater than \$10 billion; mid caps between \$2 and \$10 billion; and small caps less than \$2 billion.

**TARGET DATE FUND:** Premixed portfolios that gradually shift their asset allocation from a greater concentration of investments with a higher expected risk and return (such as equities) to a higher percentage of investments with a lower expected risk and return (such as bonds) as an investor's expected year of retirement approaches (and for the State Street target date funds, for a 5 year transition period thereafter).

**(TIPS) TREASURY INFLATION PROTECTED SECURITIES:** Investments in fixed rate-of-interest U.S. Treasury securities that adjust principal based on changes in a consumer price index. TIPS are redeemable at the greater of their inflation-adjusted principal or their face value. TIPS generally have lower yield than other available debt securities but provide inflation protection.

**U.S. EQUITY:** Stocks of, or ownership interest in, U.S. companies.

**VOLATILITY:** The expected variability in the value of a financial instrument or portfolio.