

Solium Capital, LLC, 401(k) Plan and Morgan Stanley 401(k) Plan Merger Frequently Asked Questions

The questions below can help you understand the differences between the Solium Capital, LLC, 401(k) Plan (the “Solium 401(k) Plan”) and the Morgan Stanley 401(k) Plan. You should read this document in its entirety; there may be items you will want to act on before the deadlines described below.

General

Q1. Must I take any action?

- A1. If you want to contribute to the Morgan Stanley 401(k) Plan, you may enroll in an account beginning December 2. If you want your contributions to be effective with your first paycheck in 2020, you must enroll by January 2. If you don't want to contribute to the Plan, no action is required. Any balance in your Solium 401(k) Plan will be automatically mapped to the Morgan Stanley 401(k) Plan after the merger is complete.

Q2. How does the merger of the Solium 401(k) Plan into the Morgan Stanley 401(k) Plan benefit me?

- A2. The plan merger will mean lower plan-related cost options and more investment choices for you. In addition, if your Eligible Pay is less than \$100,000 for the year, you will receive an extra non-matching contribution of 2% of your Eligible Pay.

Q3. How do I enroll in or access my Morgan Stanley 401(k) Plan account?

- A3. Starting December 2, you may enroll in or access your account on the Morgan Stanley Benefit Center website at www.morganstanley.com/benefits or by calling HR Services (toll-free) at 1-877-MSHR-411 (1-877-674-7411). Outside the US or Canada, call (toll) +1 718-354-1343.
- Beginning December 2, 2019: You may set up your Morgan Stanley 401(k) Plan deferral rates that will apply to your first paycheck in 2020.
 - Beginning January 6, 2020 at 9 am ET: You can change your investments in the Morgan Stanley 401(k) Plan.

Investment Fund Options

Q4. Will the Solium 401(k) Plan investment funds be available in the Morgan Stanley 401(k) Plan?

- A4. No. Assets in the Solium 401(k) Plan investment funds will be liquidated on December 31, 2019 and automatically reinvested in similar types of funds in the Morgan Stanley 401(k) Plan. Review the [Solium Capital, LLC, 401\(k\) Plan Investment Funds Mapping Notice](#) to learn how the Solium 401(k) Plan investment funds will be mapped to the Morgan Stanley 401(k) Plan investment funds. If you wish to change your investment options under the Solium 401(k) Plan before the transition, you must do so by **December 24, 2019, at 1 pm ET**.

Q5. What are my investment fund options in the Morgan Stanley 401(k) Plan?

- A5. The Morgan Stanley 401(k) Plan has 39 actively and passively managed investment funds that span many asset classes. Find information about each fund in the [Morgan Stanley 401\(k\) Plan Investment Guide and Fee Disclosure](#) on the My Benefits website by searching for “Summary Plan Descriptions.” Starting December 2, you may also review fund fact sheets and Lipper pages on the Morgan Stanley Benefit Center: Log on to www.morganstanley.com/benefits and click *Savings and Retirement > Fund Prospectuses*.

Employee Contributions

Q6. When will my contributions and loan repayments scheduled to be deducted from my December 31, 2019 paycheck be allocated to my Solium 401(k) Plan account?

A6. Due to a blackout period when your Solium account is transferred to the Morgan Stanley 401(k) Plan, these scheduled contributions and loan repayments will be posted to your Solium 401(k) Plan account after close of business on December 20. The deadline for making changes to the deferral rates that apply to both your December 13 and your December 31 paychecks is December 6, 2019 at 2 am ET.

Q7. Will the deferral rates I have set in my Solium 401(k) Plan apply to the Morgan Stanley 401(k) Plan after the merger?

A7. No. Beginning on December 2, you will be able to log on to the Morgan Stanley Benefit Center website and set up paycheck contributions to the Morgan Stanley 401(k) Plan. If you want your contributions to be effective with your first paycheck in 2020, you must do so by January 2 at 4 pm ET.

Q8. Are there any differences in the contribution types under the Solium 401(k) Plan and the Morgan Stanley 401(k) Plan?

A8. In general, both plans offer the same type of contribution rates: before-tax, Roth after-tax and catch-up contributions. Under the Morgan Stanley 401(k) Plan:

- You may contribute between 1% and 30% of your Eligible Pay (typically, that includes base salary, bonus, and commissions) up to the annual IRS contribution limits (\$19,500 in 2020).
- You may make separate elections for before-tax base, before-tax bonus and before-tax commission components.
- Roth after-tax or non-Roth after-tax elections (if eligible) apply to *all components* of your Eligible Pay.
- If eligible and at least age 50 during 2020, you may make additional “catch-up” before-tax and Roth after-tax catch-up elections up to the IRS contribution limits (\$6,500 in 2020). These elections will apply to *all components* of your Eligible Pay.

Note: You may change your Morgan Stanley 401(k) Plan contribution rates at any time. Elections apply prospectively, as soon as administratively practicable and continue until you make a subsequent change to your elections.

Company Contributions

Q9. Who is eligible to receive a Fixed Contribution in the Morgan Stanley 401(k) Plan?

A9. If your Annual Base Salary and Eligible Pay for the year are less than \$100,000 and you are not a Financial Advisor, you will be eligible for an additional non-matching contribution of 2% of your Eligible Pay. The Fixed Contribution will be deposited into your account at the same time and the same investments as the Company Match.

Q10. When will my fourth quarter 2019 Company Match be allocated to my Solium 401(k) Plan account?

A10. Your Solium Company Match, if any, will be posted to your Solium 401(k) Plan account after close of business on **December 20, 2019**. You will be fully vested in any Solium 401(k) Plan Company Match and amounts you accrue or receive through December 31, 2019.

Q11. Does a vesting schedule apply to Company Contributions in the Morgan Stanley 401(k) Plan?

A11. Yes. After you complete three years of service with Morgan Stanley, which includes your service with Solium, you become 100% vested in any Morgan Stanley Company Contributions and associated earnings allocated to your Morgan Stanley 401(k) Plan account. You will be fully vested in any Solium 401(k) Plan Company Match and amounts you accrued or received through December 31, 2019.

Q12. How will the Company Match be calculated under the Morgan Stanley 401(k) Plan for 2020?

A12. For 2020, if you are eligible and meet the Plan's requirements, the Morgan Stanley Company Match may provide up to 4% of your Eligible Pay, up to the IRS limit of \$285,000 for 2020. The Morgan Stanley Company Match is provided at the Firm's discretion.

Q13. When will the 2020 Company Match and Fixed Contribution be allocated to my Morgan Stanley 401(k) account?

A13. The Company Match and Fixed Contribution will be posted to your 401(k) account in late January 2021. Note: Unlike the Solium 401(k) Plan Company Match, which was paid quarterly, the Morgan Stanley Company Match is paid in one annual installment. In general, subject to certain exceptions described in the [401\(k\) Summary Plan Description](#), you must be employed through December 31, 2020, and meet the eligibility criteria described in the Morgan Stanley 401(k) Plan to receive the Company Match and Fixed Contribution.

Q14. How is the Morgan Stanley 401(k) Plan Company Match and Fixed Contribution initially invested?

A14. The Company Match and Fixed Contribution are deposited into your account according to your future investment direction on file.

Beneficiaries, Morgan Stanley Stock, Taxes, Loans, Etc.**Q15. Will my Solium 401(k) Plan beneficiaries automatically transfer to my Morgan Stanley 401(k) Plan?**

A15. No. You must designate your beneficiaries by logging in to www.morganstanley.com/benefits, click *Your Profile > Beneficiaries*. If you do not have a beneficiary designation for the Morgan Stanley 401(k) Plan, your spouse is automatically your beneficiary if you are married, and your estate is automatically your beneficiary if you are not married.

Q16. Are there rules or restrictions when investing in the Morgan Stanley Stock Fund?

A16. Yes. Before you request any Morgan Stanley 401(k) Plan transaction, it is your responsibility to review Morgan Stanley's 401(k) Plan trading restrictions (described in the [401\(k\) Summary Plan Description](#)).

Q17. Do any special rules apply to how distributions from the Morgan Stanley Stock Fund will be taxed?

A17. Yes. To learn more, read the [Special Tax Rule on NUA – Frequently Asked Questions](#).

Q18. If I have a loan in my Solium 401(k) Plan, what happens after the merger into the Morgan Stanley 401(k) Plan?

A18. If you have an outstanding loan from your Solium 401(k) Plan account, the loan balance will be transferred to the Morgan Stanley 401(k) Plan after 4 pm ET on December 31. Scheduled loan payments will automatically continue through paycheck deductions and be invested in the Morgan Stanley 401(k) Plan according to your investment direction on file. If you do not have an investment direction on file, loan payments will be invested in the State Street Target Retirement Fund closest to your 65th birthday until you make an investment election.

Q19.If I have questions about the Solium 401(k) Plan, whom should I contact?

A19. You may contact J.P. Morgan Retirement Link:

- Online: www.retirementlink.jpmorgan.com
- By phone: **1-855-576-7526**; Weekdays: 8 am to 10 pm ET; Saturdays: 9 am to 5:30 pm ET.

Q20.If I have questions about the Morgan Stanley 401(k) Plan, whom should I contact?

A20. Starting December 2, you may contact the Morgan Stanley Benefit Center:

- Online: www.morganstanley.com/benefits. Note: The first time you visit, click “New User?” to create your username and password.
- By phone: **1-877-MSHR-411** (1-877-674-7411); outside the US or Canada (toll): 1-718-354-1343; weekdays: 9 am to 7 pm, ET.

Other Important Information

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.

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. Morgan Stanley's benefit plans may be amended or discontinued at any time, including to curtail benefits for some or all covered individuals.