

## Notice-cum-addendum

### Change in the Load Structure of Morgan Stanley Short Term Bond Fund and Morgan Stanley Active Bond Fund, open-ended debt schemes

**Notice** is hereby given that the load structure of Morgan Stanley Short Term Bond Fund and Morgan Stanley Active Bond Fund, open-ended debt schemes ["the Schemes"] of Morgan Stanley Mutual Fund has been revised as follows:

[a] Load Structure of Morgan Stanley Short Term Bond Fund: [applicable for applications received from May 28, 2009]

Existing Load Structure	Revised Load Structure
<i>For Regular Plan &amp; Institutional Plus Plan:</i> Entry Load: Nil Exit Load: 0.25% if redeemed within 15 days of allotment.	<i>For Regular Plan &amp; Institutional Plus Plan:</i> Entry Load: Nil Exit Load: Nil

[b] Load Structure of Morgan Stanley Active Bond Fund: [applicable for applications received on an ongoing basis post initial allotment]

Existing Load Structure	Revised Load Structure
<i>For Regular Plan:</i> Entry Load: Nil Exit Load: 0.25% if redeemed within 3 months of allotment.	<i>For Regular Plan:</i> Entry Load: Nil Exit Load: [i] For Purchases below Rs. 50 lacs: 1% if redeemed on or before the expiry of 1 year of allotment. [ii] For Purchases of Rs. 50 lacs and above: Nil
<i>For Institutional Plus Plan:</i> Entry Load: Nil Exit Load: Nil	<i>For Institutional Plus Plan:</i> No change

Please note that Explanatory Notes to the Load Structure as disclosed in the Scheme Information Documents of the respective schemes remain unchanged. The same are reproduced below for ready reference:

No entry and exit load shall be charged in case of:

[a] issue and redemption of bonus units, [b] dividend reinvested, [c] investments by Fund-of-Funds Scheme(s), [d] SWP and STP transactions, [e] switches made inter-se between different Plans/options within the scheme.

The revised load structure will be applicable on a prospective basis as mentioned above. The Board of Trustees reserves the right to modify the load structure at any time in future on a prospective basis. However, such revision would be subject to the limits prescribed under the Securities & Exchange Board of India [Mutual Funds] Regulations, 1996 as amended from time to time.

The relevant section in the respective Scheme Information Documents ["SIDs"] and Key Information Memorandums ["KIM"] on Load Structure stands replaced as above, and the above forms an integral part of the SIDs and KIM of the aforementioned schemes. All the other terms and conditions mentioned in the respective SIDs and KIM remain unchanged.

The above Notice-cum-Addendum is dated May 27, 2009.

For **Morgan Stanley Investment Management Pvt. Ltd.**  
(Investment Manager of Morgan Stanley Mutual Fund)

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Sd/-  
Sonali Bendke  
Vice President

**Statutory Details:** Morgan Stanley Mutual Fund has been set up as a Trust under Indian Trusts Act, 1882. **Sponsor:** Morgan Stanley. **Trustee:** Board of Trustees. **Investment Manager:** Morgan Stanley Investment Management Pvt. Ltd.

**Risk Factors:** All mutual funds and securities investments are subject to market risks and there can be no assurance that the objectives of the Scheme will be achieved. As with any securities investment, the NAV of the units issued under the Scheme may go up or down, depending upon the factors and forces affecting the capital markets. Past performance of the Sponsors/Investment Manager/Mutual Fund does not, in any manner, indicate the future performance of the Scheme, and may not necessarily provide a basis of comparison with other investments. There is no assurance or guarantee to the unit holders as to the rate of dividend distribution nor will that dividends be paid regularly. Investors in the Scheme are not being offered any guaranteed/assured returns. Morgan Stanley Short Term Bond Fund [Investment Objective: To generate income from a diversified portfolio of short to medium term debt and money market securities] and Morgan Stanley Active Bond Fund [Investment Objective: To generate optimal returns through active management of the portfolio consisting of debt and money market securities] are only the names of the schemes and do not in any manner indicate either the quality of the schemes, its future prospects or returns. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. The Sponsor is not responsible or liable for any loss resulting from the operations of the Scheme beyond their initial contribution of Rs. 5 lac towards setting up of the Mutual Fund and such other accretions and additions to the corpus. **Investors should read the Scheme Information Documents and Key Information Memorandums of the Schemes (available at Investor Service Centres, Distributors, and on the Mutual Fund website [www.morganstanley.com/indiamf](http://www.morganstanley.com/indiamf)), carefully before investing.**