

Notice-cum-Addendum

Scheme Information Document [SID]/Statement of Additional Information [SAI]/Key Information Memoranda [KIM] of the Schemes of Morgan Stanley Mutual Fund

Notice is hereby given that the following changes will be effected to the Scheme Information Documents [SIDs], and Key Information Memorandum [KIM] of all the Schemes of Morgan Stanley Mutual Fund. The provisions of the addendum shall be applicable on a prospective basis, effective from Monday, August 24, 2009.

A. Load structure for Morgan Stanley Growth Fund [MSGF] and Morgan Stanley A.C.E. Fund [MSACE]:

The following revisions have been made in the load structure of MSGF and MSACE Fund, open-ended equity oriented schemes of Morgan Stanley Mutual Fund [MSMF]. The same will be applicable on a prospective basis for applications received from Monday, August 24, 2009:

Type of Load [For MSGF and MSACE]	Revised Load Structure [as % of NAV]
Entry Load	
For all purchase, additional purchase, switch-in, Systematic Investment Plan and Systematic Transfer Plan applications	Nil
Exit Load [including SIP, SWP and STP]	
If redeemed on or before the expiry of 1 year from the date of allotment	1%
If redeemed after the expiry of 1 year from the date of allotment	Nil

Load structure for Morgan Stanley Active Bond Fund [MSABF]:

The following revisions have been made in the load structure of MSABF, an open-ended debt oriented scheme of MSMF. The same will be applicable on a prospective basis for applications received from Monday, August 24, 2009:

Type of Load [For MSABF]	Revised Load Structure [as % of NAV]
Entry Load for Regular as well as Institutional Plus Plan	Nil
Exit Load [including SIP, SWP and STP] for Regular as well as Institutional Plus Plan	Nil

Please note that load structure of Morgan Stanley Short Term Bond Fund, an open-ended debt oriented scheme remains unchanged as follows- Entry Load for Regular as well as Institutional Plus Plan: Nil, Exit Load for Regular as well as Institutional Plus Plan: Nil.

Load exemptions and switch related provisions also remain unchanged as follows:

Load Exemptions: No entry and exit load shall be charged in case of: [i] issue and redemption of bonus units, [ii] units allotted on re-investment of dividend, and [iii] investment by Fund-of-Funds Schemes.

For the purposes of applicability of exit load in case of [a] switches made between different plans/options of the same Scheme, the original date of investment shall be considered for the purposes of calculating holding period, and [b] switches made into the Scheme from any other equity oriented scheme/s of MSMF, the date of switch shall be considered for the purposes of calculating holding period. Please note that in case of both point [a] and point [b] above, Exit Load, if any shall be applicable only at the time of final exit from the equity oriented schemes of MSMF.

The Board of Trustees of MSMF 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 and Exchange Board of India [Mutual Funds] Regulations, 1996 as amended from time to time.

B. Addition of "Quarterly Frequency" for SIP/STP transactions in case of debt oriented schemes:

In addition to "Monthly Frequency" which is currently available for registering SIP/STP transactions, with immediate effect, "Quarterly Frequency" is hereby added in case of debt oriented schemes. Accordingly, investors can commence SIP/STP on the specified dates i.e. 1st, 5th, 10th, 15th, 20th and 25th of every month/any month of calendar quarter.

This addendum dated August 20, 2009 forms an integral part of SID and KIM of the respective Schemes of the Fund. All the other terms and conditions mentioned in the SID and KIM of the respective Scheme/s remain unchanged.

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

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Sd/-
Sonal 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 that dividends will be paid regularly. Investors in the Scheme are not being offered any guaranteed/assured 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 [available at Investor Service Centres, Distributors, and on the Mutual Fund website www.morganstanley.com/indiamf], carefully before investing.**