BROKER SOLUTIONS

CAPITAL AT RISK

4 Year Kick Out Bond 2

FINANCIAL BROKER TRAINING GUIDE

This is marketing material.

- Investment in EuroStoxx Banks Index
- 4 Year Term
- Kick Out Feature
- Potential Maturity after 1 year with return of 6.9%
- Access to Capital During the Term
- Soft Capital Protection
- Summary Risk Indicator 6

Warning: This Bond is not Capital Protected. If you invest in this Bond you can lose some or all of the money you invest.

Warning: This document is a Training Guide for Financial Broker firms and should not be provided to any potential investors.

MARCH 2024

MMPI Limited trading as Broker Solutions
is regulated by the Central Bank of Ireland.

www.brokersolutions.ie

1. Summary of Key Features

- The 4 Year Kick Out Bond 2 (the Bond) is an innovative new Investment Solution designed for investors who wish to invest in a Structured Retail Product that offers **attractive potential investment returns** linked to the performance of a Bank Shares Index; and for investors seeking a **risk-reducing mechanism to provide a degree of protection from normal stock market risk**. The Bond is suitable as part of the process of constructing a genuinely diversified investment portfolio.
- The **Underlying Investment** of the Bond is the **EuroStoxx Banks Index** (the Index).
- Investors benefit from a **Soft Capital Protection** feature provided by **Morgan Stanley**. Capital is **Protected unless the Index has fallen by 60% or more at Maturity**. If the Index has fallen by 60% at Maturity, investors will receive the performance of the Index at Maturity, no matter how much it has fallen.
- Investors in the Bond have their **Capital at Risk**. This means that you may lose some or all of the capital invested in this Bond. Broker Solutions considers the Bond to have a **Summary Risk Indicator of 6** on its risk scale.

- **Kick Out Feature:** The **Potential Return is 6.9% after 1 year**. If the Index is **above its initial level**, investors will **receive back their initial capital and a return of 6.9%**. If not, but the Index is above its initial levels after 18 months, investors will receive back their initial capital and a return of 10.35%. This process continues every 6 months (with the return increasing by 3.45%) until the Index is above its initial level or until Maturity.
- The Term is **4 years.**
- The **Maximum Investment Return is 27.6%.**
- The Bond will be **listed on the Luxembourg Stock Exchange**.
- **Daily liquidity** will be provided to investors that wish to sell the Bond prior to maturity under normal market conditions and at the discretion of Morgan Stanley & Co International PLC.
- The **Minimum Investment** in the Bond is **€30,000.**
- The **Closing Date for applications is 30 April 2024** or earlier if fully subscribed).
- **Taxation:** We understand that the return will be subject to **Capital Gains Tax (CGT) in the case of Personal and Company Investors**. We understand that any returns are **exempt from taxation in the case of Pension and Post Retirement Investors**.

Warning: All of the terms outlined in this document are indicative and subject to change. The final terms will not be known until 10 May 2024. Your Financial Broker will confirm the final terms in the Confirmation Certificate issued shortly after the Issue Date on 17 May 2024. If the terms of the Bond have changed significantly on 10 May 2024, your Financial Broker will contact you again requesting a new instruction to proceed with the investment.

Warning: If you invest in this Bond you may lose some or all of the money you invest.

Warning: Deductions for costs and charges are not made uniformly throughout the life of the product, but are loaded disproportionately onto the early period. If an investor sells the Bond prior to the end of the 4 year term, the practice of front-end loading will impact on the amount of money that the investor receives. The investor may not get back the full amount they invested.

Disclaimer: This document has not been reviewed, approved or otherwise endorsed by Morgan Stanley or any of its affiliates and Morgan Stanley accepts no responsibility in relation to the accuracy, completeness or adequacy of the information included herein. Nothing in this document should be considered to be a representation or warranty by Morgan Stanley to any person, including without limitation, any potential investor and any member of the public, regarding whether investing in the Bond described herein is suitable or advisable for such person.

2. Description of the 4 Year Kick Out Bond 2

The investment rationale for investing in the Bond and in this Index can be summarised as follows:-

1. **Soft Capital Protection Feature:** Investors benefit from a Soft Capital Protection feature provided by Morgan Stanley. Capital is Protected unless the Index has fallen by 60% or more at Maturity.

2. **Kick Out Feature:** Potential Return of 6.9% after 1 year. If the Index is above its initial level, investors will receive back their initial capital and a return of 6.9%. If not, but the Index is above its initial levels after 18 months, investors will receive back their initial capital and a return of 10.35%. This process continues every 6 months (with the return increasing by 3.45%) until the Index is above its initial level or until Maturity.

Equity and Index Investing

Equities (shares) as a long term investment: Although investing in equities (shares) involves a degree of investment risk and there will be volatile periods along the way, in the long term, equities tend to outperform other assets like bonds, property, cash etc. By adopting a medium term approach, equity investors can mitigate the risks and short term volatility associated with stock market investment while benefiting from the long term capital growth potential that stock markets can provide.

Stock Market Indices provide a broad representative portfolio of investments in multiple companies or shares. Indexes are often used as benchmarks to gauge the movement and performance of market segments or geographic regions. Investors generally use Indexes as a basis for diverse or passive investing.

The EuroStoxx Banks Index comprises the largest banks in the Eurozone area.

Bank Equities/Shares

The outlook for bank shares is influenced by the following factors:

- Higher interest rates are expected to enable banks to become more profitable
- A "normalised" interest rate environment (prevailing interest rates consistent with longer term rates) is expected to normalise banking operations and functionality
- Banks are gradually being allowed to pay dividends to and return cash to shareholders following the debt crisis
- Banks are generally required to be conservatively capitalised following the debt crisis and therefore have buffers in place to dampen the effect of future shocks and downturns
- Many bank share prices remain considerably below previous highs (potential for catch up as profits recover and management teams prove their difference and advancement from the weakness since the debt crisis era)

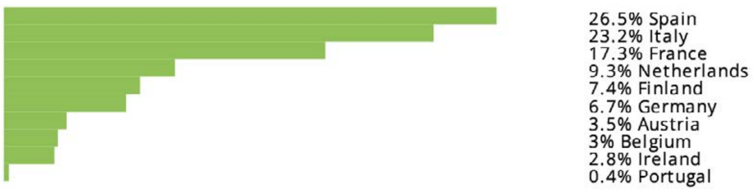
EuroStoxx Banks Index

The EuroStoxx Banks Index (the Index) comprises the largest banks in the Eurozone area. The market capitalisation of the Index is €622.9 billion.

Source: https://qontigo.com/index/sx7e/
Index Fact Sheet: https://qontigo.com/index/sx7e/?factsheet=true (29 February 2024)

Warning: This Index is a Price Return Index. Dividends or income distributed by the Index constituents will not be re-invested in these Indices nor distributed to investors.

Country Weighting



Source: https://qontigo.com/index/sx7e/?factsheet=true (29 February 2024)

Product Back Testing

We back tested 4,104 4 year periods solely between 8 March 2004 and 6 March 2024. A summary of the back testing results are as follows:

Worst Return	-79.79%
Best Return	+27.60%
Number of times investors received back Negative returns	449 (10.95%) of all 4 year periods tested
Number of times investors received back 0% returns	1,256 (30.60%) of all 4 year periods tested
Number of times investors received Positive returns	2,399 (58.45%) of all 4 year periods tested)

Source: Bloomberg, Morgan Stanley (March 2024)

Important Considerations

This back test data set includes numerous overlapping 4 year periods between 8 March 2004 and 6 March 2024.

The back testing of this product over all 4,104 4 year periods during the testing period illustrates only 449 negative periods or negative outcomes where investors lost some or all of their capital. Investors should not consider this product back test illustration or previous product performance results as an indication of the potential for, or likelihood of positive outcomes or investment gains in the future. Past Performance and Product Back Test are not reliable guides to future performance which depends solely on future events.

Warning: Investors should not consider this product back test illustration or previous product results as an indication of the potential for, or likelihood of, positive outcomes or investment gains in the future.

Limited Usefulness of Past Performance and Back Testing

Past Performance and Back Testing are useful for information purposes only. The analysis of the past performance of any investment asset(s) or the back testing of any investment product is purely academic and has no bearing on, or provides limited benefit in the assessment of the future performance potential of the investment asset(s) or the investment product in question. The future performance of any investment asset(s) or investment product depends solely on future events and circumstances that cannot be known in advance and that are not necessarily informed by or influenced by what has happened in the past, more recently or otherwise.

Warning: Past Performance and Simulated Past Performance are not a reliable guide to future performance.

Warning: Product Back Testing is not a reliable guide to future performance.

Warning: This document is a Training Guide for Financial Broker firms and should not be provided to any potential investors.

BROKER SOLUTIONS

101 Morehampton Road
Donnybrook Village
Dublin 4, D04 T0C2

www.brokersolutions.ie