A Sub-Fund of Morgan Stanley Investment Funds

Global Bond Fund

BROAD MARKETS FIXED INCOME TEAM

Performance Review

In the one month period ending 30 April 2025, the Fund's I shares returned 2.51% (net of fees)[1], while the benchmark returned 2.94%.

Both macro decisions and sector spreads detracted from performance in April.

Regarding macro decisions, the underweight duration position in Japan was the largest detractor from relative performance.

The overweight to Italian and Spanish spreads detracted from performance in April.

Both external and quasi spreads had a negative impact on performance.

Positioning in investment grade and high yield corporate bonds also detracted from performance.

Overall, exposure to securitised assets had a negligible impact on performance. The overweight to agency residential mortgage-backed securities (RMBS) and non-agency commercial mortgage-backed securities (CMBS) added to performance; however, this was offset by the overweight to non-agency RMBS and asset-backed securities (ABS).

Portfolio Activity

The Fund transitioned from underweight to overweight duration in April, closing at 0.18 years.

Regarding macro positioning, the Fund increased the underweight duration position to the U.S., reduced the underweight to Japan and closed the underweight to Australia. The Fund also closed the overweight to euro area duration and Mexico.

Within spread sectors, the Fund reduced the underweight to investment grade corporate bonds and securitised debt, primarily within agency RMBS.

Strategy and Outlook

T.S. Eliot's line "April is the cruellest month" seemed alarmingly true at the start of the month. President Trump's Liberation Day announcement of unexpectedly large tariff increases set off a chain reaction undermining equities, bonds and the U.S. dollar. Indeed, the shock to markets was on par with past emerging markets and G20 financial crises, in that equities fell, credit spreads widened, bond yields rose (including government bond yields), and the currency fell. There were also parallels to the U.K. market turmoil experienced during Brexit and former Prime Minster Liz Truss's unfortunate 2022 attempt to reflate the economy with large deficit spending.

In response to the extreme market volatility, the Trump administration subsequently postponed tariff implementation for 90 days and rescinded (for now) certain tariffs on autos and other critical imports. This helped stem the market meltdown and reinforced a belief that the market reaction to U.S. trade policy had reached its low point. Notably, the velocity of the recovery was as dramatic as the sell-off.

By the end of the month, April looked a bit unremarkable as measured by market movements. Ten-year U.S. Treasury yields fell by 4 basis points (bps), with non-U.S. government market bond yields down by more (Germany's 10-year yield fell 29 bps, U.K. 23 bps, Australia 22 bps, and Japan 17 bps), except in Canada and New Zealand. U.S. credit spreads were the relative big losers, with U.S. investment grade credit spreads widening 12 bps and U.S. high yield credit spreads widening 37 bps. Europe did not fare much better with euro investment grade spreads widening 14 bps and euro high yield spreads widening 25 bps. The S&P 500 Index was down less than 1% and even more surprisingly, the MSCI World ex-U.S. Index ended the month trading near record highs. These results give little indication of the remarkable intra-month volatility. The S&P 500 fell almost 11% between 2 April and 8 April; U.S. high yield spreads widened 110 basis points; U.S. Treasury 10-year yields rose 24 basis points from the end of March to 11 April; and the U.S. dollar fell almost 5% over the same period.[2]

By 5 May, most stock indexes and U.S. Treasury yields were close to where they started on 2 April. However, the dollar and credit spreads remain meaningfully weaker from where they were at the start of April and somewhat out of line relative to U.S. Treasury yields and equity prices. Whether or not that gap will close — via weaker equities or stronger credit — will likely depend on three factors: the ultimate path of tariffs, the strength of the U.S. economy, and level of inflation.

The recovery in markets was driven not only by the apparent backing down of the U.S. administration on tariff policy, but also by recent economic data, which has been much less dire than worst-case scenarios. There is no doubt that the outlook for growth and

[1] Source: Morgan Stanley Investment Management Limited. Data as of 30 April 2025.
[2] Source for yields, spreads, U.S. dollar and equity index performance data: Bloomberg L.P. Data as of 30 April 2025.

inflation has deteriorated since 2 April. But, so far, it is difficult to see in U.S. or global data. Both the manufacturing and service sectors continued to perform well, and despite the noise coming from the U.S. economy, global gross domestic product (GDP) grew at a trend-like rate of 2.4% in the first quarter. April data also appears relatively unalarming so far. However, expectations of future growth continue to slide globally. U.S. consumer confidence has fallen precipitously, and business sentiment indicators have been declining in most countries. This divergence between current conditions and expectations will eventually close, but by how much and when are open questions.

Given this backdrop, our view is that the U.S. and global economies will likely slow significantly in the second half of this year. It will take time for the still-elevated tariff levels to hit output, income and prices. Frontloading of imports into the U.S. flatters global production and at the same time portends a possibly significant slowdown outside the U.S. in the third and fourth quarters. The big question is what will happen when high prices hit the U.S. consumer and output is hit by slower demand and slower production post inventory build. While employment has been holding steady across the world despite this tariff shock, it is not clear whether it will remain resilient if sentiment and confidence remain at present levels (or slide further) as the year progresses.

The situation is compounded by the likely inability of U.S. fiscal and monetary policy to offset this coming shock. Policy flexibility in countries outside of the U.S. gives them more freedom to offset the probable aggregate demand shock of lower U.S. import demand in the second half of the year. Both monetary and fiscal policy are likely to be eased in response to weaker demand, cushioning the blow to their economies and potentially closing the growth gap to the U.S., thereby making the U.S. economy and potentially its asset markets seem less "exceptional".

In contrast, the U.S. Federal Reserve's (Fed) ability to ease policy is likely to be significantly constrained given the inflationary consequences of higher tariffs and the risk of embedded inflation expectations after the already bad experience of the pandemic inflation shock. Moreover, the negative growth implications are likely to take time to materialise, so any policy easing is unlikely before summer at the earliest. If, however, growth deteriorated faster than expected, the Fed will likely ease aggressively despite elevated inflation. U.S. fiscal policy remains constrained by existing high deficits and Republicans' difficulty with passing a budget reconciliation bill in Congress. As of now, any net fiscal stimulus seems unlikely this year, and it will be considered a success if Congress manages to preserve the tax cuts in the Tax Cuts and Jobs Act of 2017.

Recession risks are elevated everywhere — and probably the highest in North America given the nature of the tariff shock and the more limited policy flexibility there. Whether or not the U.S. and/or global economy tip into recession (and how deeply) will depend on: i) how high tariffs go; ii) whether or not incipient economic or asset price weakness causes the Trump administration to reverse course; and iii) how confident households and corporates are in absorbing the shock without radically cutting spending. Given that the U.S. private sector is still in good financial health, we currently expect only a shallow recession, with year-on-year growth remaining positive but below 2%.

What this means is that U.S. bond yields are stuck near current levels and are unlikely to move out of recent ranges unless there is surprisingly good or bad news on the trade front. The U.S. Treasury yield curve is likely to maintain its steepening bias given higher risk premiums on U.S. assets and the stagflationary nature of the current economic environment. Credit spreads are likely to remain in the ranges defined by movements in April. Spreads will not likely to return to early 2025 or late 2024 levels, nor are they likely to surpass the panicked highs seen in the first two weeks of April. Yields look reasonably attractive relative to history, but maybe not so high given the elevated levels of uncertainty about the next few months. Keeping interest rate risk close to neutral for now seems the best policy, in our view, and opportunistically reacting to sharp movements either way. While continued pressure is likely given the tariff situation, credit fundamentals remain reasonably strong. In addition, corporate behaviour tends to become more conservative during uncertain times, which usually benefits creditors. This suggests that spreads are unlikely to widen to the highs seen in previous recessionary periods. At some point, with some differentiation among sectors and wider spreads, we expect corporate bonds to be a more attractive buy. Euro investment grade exposure is preferred at the margin, given the European Union's greater flexibility on monetary and fiscal policy to respond to the tariff shock. The high yield market is more vulnerable, but we also do not anticipate a widening to usual recessionary levels. And, there is always the chance that, per most investors' expectations, the current proposed tariff rates will be negotiated down over the next few months.

Securitized credit and U.S. agency mortgage-backed securities (MBS) have also been affected by tariff risks and heightened market volatility. That said, this sector remains our favourite overweight. Agency MBS has been one of the best-performing sectors in 2025, while securitized credit has held its own. Returns over the next few months are likely to be dominated by carry and not capital gains. Any spread tightening is not likely to occur until either tariff risks diminish and/or the Fed cuts interest rates (a possibility in the second half of the year). We believe the most attractive opportunities remain in the residential mortgage segment, and we are more willing to go down the credit spectrum there. Consumer ABS and commercial real estate securities remain challenged by current financial levels. We believe agency MBS remain attractive relative to investment grade corporate credit.

The outlook for the U.S. dollar has also become problematic since the start of April. The Trump administration's tariff policies are undermining the exceptionality of the U.S. economy. The inability of U.S. Treasury yields to fall in the initial days following the Liberation Day tariff announcement points to the rising risk premiums attached to U.S. assets and diminishes their attractiveness. The fact that much of the world is likely overweight dollar assets also bodes poorly, given the large U.S. current account deficit that needs financing and the potential for non-U.S. investors to diversify out of the U.S. The combination of large twin deficits, high valuation, and eroding trust in the U.S. economy and policymaking make it likely the dollar will fall further over the course of 2025.

In addition, recent rallies in Asian currencies suggest that a grand bargain may be in the offing between the smaller, primarily export-oriented Asian countries and the U.S. over-allowing/encouraging currency depreciations in exchange for leniency on tariffs. This situation needs to be monitored as it may also apply to China. However, the dollar has fallen very quickly in recent weeks and a bit of consolidation is likely over the near term. We remain attentive to opportunities to sell the dollar versus other currencies in the weeks/months ahead.

For further information, please contact your Morgan Stanley Investment Management representative.

Fund Facts

Launch date	01 November 1989
Base currency	U.S. dollars
Benchmark	Custom- Blended Benchmark

Calendar Year Returns (%)

Past performance is not a reliable indicator of future results.

	YTD	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Class I Shares	5.37	-0.88	5.90	-16.73	-5.10	10.48	8.79	-2.63	9.57	2.37	-4.52
Blended Benchmark	5.65	-1.69	5.72	-16.25	-4.71	9.20	6.84	-1.20	7.39	2.09	-3.15

All performance data is calculated NAV to NAV, net of fees, and does not take account of commissions and costs incurred on the issue and redemption of shares. The sources for all performance and index data is Morgan Stanley Investment Management ('MSIM Ltd'). **Please visit our website www.morganstanley.com/im to see the latest performance returns for the fund's other share classes.**

Share Class I Risk and Reward Profile

- The fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments.
- The value of bonds are likely to decrease if interest rates rise and vice versa.
- The value of financial derivative instruments are highly sensitive and may result in losses in excess of the amount invested by the Sub-Fund.
- Issuers may not be able to repay their debts, if this happens the value of your investment will decrease. This risk is higher where the fund invests in a bond with a lower credit rating.
- The fund relies on other parties to fulfill certain services, investments or transactions. If these parties become insolvent, it may expose the fund to financial loss.
- Sustainability factors can pose risks to investments, for example: impact asset values, increased operational costs.
- There may be an insufficient number of buyers or sellers which may affect the funds ability to buy or sell securities.
- Investment in Fixed Income Securities via the China Interbank Bond Market may also entail additional risks, such as counterparty and liquidity risk.
- There are increased risks of investing in emerging markets as political, legal and operational systems may be less developed than in developed markets.
- Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. The value of investments and the income from them can go down as well as up and investors may lose all or a substantial portion of his or her investment.
- The value of the investments and the income from them will vary and there can be no assurance that the Fund will achieve its investment objectives.
- Investments may be in a variety of currencies and therefore changes in rates of exchange between currencies may cause the value of investments to decrease or increase. Furthermore, the value of investments may be adversely affected by fluctuations in exchange rates between the investor's reference currency and the base currency of the investments.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 30.04.2025 and subject to change daily.

Applications for shares in the Sub-Fund should not be made without first consulting the current Prospectus and the Key Information Document ("KID") or Key Investor Information Document ("KIID"), which are available in English and in the language of countries authorized for fund distribution and is available online at Morgan Stanley Investment Funds Webpages or free of charge from the Registered Office at European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxemburg B 29 192.

The summary of investor rights is available in the aforementioned languages and website location under the General Literature section.

Information in relation to sustainability aspects of the Fund is available in English online at: Sustainable Finance Disclosure Regulation.

If the management company of the relevant Fund decides to terminate its arrangement for marketing that Fund in any EEA country where it is registered for sale, it will do so in accordance with the UCITS rules.

IMPORTANT INFORMATION

This material has been prepared solely for informational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. Investors should be aware that a diversified strategy does not protect against a loss in a particular market.

All investments involve risks, including the possible loss of principal. The material contained herein has not been based on a consideration of any individual client circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

The use of leverage increases risks, such that a relatively small movement in the value of an investment may result in a disproportionately large movement, unfavourable as well as favourable, in the value of that investment and, in turn, the value of the Fund.

Investment in the Fund concerns the acquisition of units or shares in a fund, and not in a given underlying asset such as building or shares of a company, as these are only the underlying assets owned.

Morgan Stanley Investment Management 'MSIM', the asset management division of Morgan Stanley (NYSE: MS), has not authorised financial intermediaries to use and to distribute this material, unless such use and distribution is made in accordance with applicable law and regulation. MSIM shall not be liable for, and accepts no liability for, the use or misuse of this material by any such financial intermediary.

The whole or any part of this material may not be directly or indirectly reproduced, copied, modified, used to create a derivative work, performed, displayed, published, posted, licensed, framed, distributed or transmitted or any of its contents disclosed to third parties without the Firm's express written consent. This material may not be linked to unless such hyperlink is for personal and non-commercial use. All information contained herein is proprietary and is protected under copyright and other applicable law.

This material may be translated into other languages. Where such a translation is made, this English version remains definitive; any discrepancies with another language, the English version prevails.

This material has been prepared on the basis of publicly available information, internally developed data and other third-party sources believed to be reliable. However, no assurances are provided regarding the reliability of such information and MSIM, the Firm has not sought to independently verify information taken from public and third-party sources.

Forecasts and/or estimates provided herein are subject to change and may not actually come to pass. Information regarding expected market returns and market outlooks is based on the research, analysis and opinions of the authors or the investment team. These conclusions are speculative in nature, may not come to pass and are not intended to predict the future performance of any specific strategy or product the Firm offers. Future results may differ significantly depending on factors such as changes in securities or financial markets or general economic conditions.

Charts and graphs provided herein are for illustrative purposes only and subject to change.

INDEX INFORMATION

The **Blended Index** performance shown is calculated using the **JPM Global Traded Unhedged Index** from inception through 31 March 2004, the **FTSE WGBI Index** to 31 January 2010 and the **Bloomberg Global Aggregate Bond Index** thereafter.

The **Bloomberg Global Aggregate Index**: provides a broad-based measure of the global investment grade fixed-rate debt markets. Total Returns shown is unhedged USD.

The **JPM Global Traded Unhedged Index:** provides a broad-based measure of the global investment grade fixed-rate debt markets. Total Returns shown is unhedged USD.

The **FTSE WGBI Index:** measures the performance of fixed-rate, local currency, and investment grade sovereign bonds. The WGBI provides a broad benchmark for the global sovereign fixed income market.

"Bloomberg®" and the Bloomberg Index/Indices used are service marks of Bloomberg Finance L.P. and its affiliates, and have been licensed for use for certain purposes by Morgan Stanley Investment Management (MSIM). Bloomberg is not affiliated with MSIM, does not approve, endorse, review, or recommend any product, and. does not guarantee the timeliness, accurateness, or completeness of any data or information relating to any product.

The indexes are unmanaged and do not include any expenses, fees, or sales charges. It is not possible to invest directly in an index.

Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor. Any product based on an index is in no way sponsored, endorsed, sold or promoted by the applicable licensor and it shall not have any liability with respect thereto. The Sub-Fund is actively managed, and the management of the fund is not constrained by the composition of the Benchmark.

A blended benchmark has been used because there has been a change in benchmark during the reporting period shown.

The **Standard & Poor's 500® Index (S&P 500®)** measures the performance of the large cap segment of the U.S. equities market, covering approximately 80% of the U.S. equities market. The Index includes 500 leading companies in leading industries of the U.S. economy.

The **MSCI World ex U.S. Index** is a free float adjusted market capitalization weighted index that is designed to measure the global equity market performance of developed markets – excluding the U.S. The term "free float" represents the portion of shares outstanding that are deemed to be available for purchase in the public equity markets by investors. The performance of the Index is listed in U.S. dollars and assumes reinvestment of net dividends.

DISTRIBUTION

This material is only intended for and will be only distributed to persons resident in jurisdictions where such distribution or availability would not be contrary to local laws or regulations. It is the responsibility of any person in possession of this material and any persons wishing to make an application for Shares in pursuant to the Prospectus to inform themselves and observe all applicable laws and regulations of any relevant jurisdictions.

MSIM and its affiliates have arrangements in place to market each other's products and services. Each MSIM affiliate is regulated as appropriate in the jurisdiction it operates. MSIM's affiliates are: Eaton Vance Advisers International Ltd, Calvert Research and Management, Eaton Vance Management, Parametric Portfolio Associates LLC, Atlanta Capital Management LLC and FundLogic Alternatives plc.

In the EU, this material is issued by MSIM Fund Management (Ireland) Limited ('FMIL'). FMIL is regulated by the Central Bank of Ireland and is incorporated in Ireland as a private company limited by shares with company registration number 616661 and has its registered address at 24-26 City Quay, Dublin 2, DO2 NY19, Ireland.

Outside the EU, this material is issued by MSIM Ltd is authorized and regulated by the Financial Conduct Authority. Registered in England. Registered No. 1981121. Registered Office: 25 Cabot Square, Canary Wharf, London E14 4QA.

Switzerland: MSIM materials are available in German and are issued by Morgan Stanley & Co. International plc, London (Zurich Branch) Authorised and regulated by the Eidgenössische Finanzmarktaufsicht ("FINMA"). Registered Office: Beethovenstrasse 33, 8002 Zurich, Switzerland.

Saudi Arabia: This document may not be distributed in the Kingdom except to such persons as are permitted under the Investment Funds Regulations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective subscribers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities to be offered. If you do not understand the contents of this document, you should consult an authorised financial adviser.
This financial promotion was issued and approved for use in Saudi Arabia by Morgan Stanley Saudi Arabia, Al Rashid Tower, Kings Sand Street, Riyadh, Saudi Arabia, authorized and regulated by the Capital Market Authority license number 06044-37.

Hong Kong: This material is disseminated by Morgan Stanley Asia Limited for use in Hong Kong and shall only be made available to "professional investors" as defined under the Securities and Futures Ordinance of Hong Kong (Cap 571). The contents of this material have not been reviewed nor approved by any regulatory authority including the Securities and Futures Commission in Hong Kong. Accordingly, save where an exemption is available under the relevant law, this material shall not be issued, circulated, distributed, directed at, or made available to, the public in Hong Kong.

Singapore: This material should not be considered to be the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore other than (i) to an institutional investor under section 304 of the Securities and Futures Act, Chapter 289 of Singapore ("SFA"); or (ii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. In particular, for investment funds that are not authorized or recognized by the MAS, units in such funds are not allowed to be offered to the retail public; any written material issued to persons as aforementioned in connection with an offer is not a prospectus as defined in the SFA and, accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply, and investors should consider carefully whether the investment is suitable for them. In cases where you are dealing with a representative of Morgan Stanley Asia Limited, and where such representative is acting on behalf of Morgan Stanley Asia Limited, please note that such representative is not subject to regulatory requirements issued by the Monetary Authority of Singapore nor is under the supervision of the Monetary Authority of Singapore. For any issues which may arise in your dealing with such representative, please approach the Singapore-based contact person who has been established as your local contact person.

Australia: This material is provided by Morgan Stanley Investment Management (Australia) Pty Ltd ABN 22122040037, AFSL No. 314182 and its affiliates and does not constitute an offer of interests. Morgan Stanley Investment Management (Australia) Pty Limited arranges for MSIM affiliates to provide financial services to Australian wholesale clients. Interests will only be offered in circumstances under which no disclosure is required under the Corporations Act 2001 (Cth) (the "Corporations Act"). Any offer of interests will not purport to be an offer of interests in circumstances under which disclosure is required under the Corporations Act and will only be made to persons who qualify as a "wholesale client" (as defined in the Corporations Act). This material will not be lodged with the

Australian Securities and Investments Commission.

Chile: Potential investors are advised that this document refers to foreign securities that may be registered in the Foreign Securities Register ("FSR") from the Commission for Financial Markets (Comisión para el Mercado Financiero or "CMF") (the "Registered Securities") or that may not be registered in the FSR (the "Non-Registered Securities").

For Registered Securities, please be advised: The securities being offered are foreign. Shareholder rights and obligations are those of the issuer's home jurisdiction. Shareholders and potential investors should inform themselves on what those rights and obligations are and how to exercise them. CMF supervision of the securities is limited to information requirements in Rule 352, overall supervision is conducted by the foreign regulator in the issuer's home jurisdiction. Public information available for the securities is exclusively that required by the foreign regulator and accounting principles and auditing rules might differ to those applicable to Chilean issuers. The provisions on Article 196 of Law 18.045 are applicable to all parties involved in the registration, deposit, transaction and other acts associated with the foreign securities ruled by Title XXIV of Law 18.045.

For Non-Registered Securities, please be advised: THE SECURITIES INCLUDED IN THIS DOCUMENT ARE NOT REGISTERED IN THE FSR AND OFFERS REGARDING SUCH SECURITIES WILL BE CONDUCTED SUBJECT TO GENERAL RULE N°336 OF THE CMF, BEGINNING AT THE DATE OF THIS DOCUMENT. THESE ARE FOREIGN SECURITIES AND THEIR ISSUER IS UNDER NO OBLIGATION TO PROVIDE PUBLIC DOCUMENTS IN CHILE. THE SECURITIES ARE NOT SUBJECT TO THE SUPERVISION OF THE CMF AND CANNOT BE PUBLICLY OFFERED. THEREFORE, THIS DOCUMENT AND OTHER OFFERING MATERIALS RELATING TO THE OFFER OF THE INTERESTS IN THE FUND DO NOT CONSTITUTE A PUBLIC OFFER OF, OR AN INVITATION TO SUBSCRIBE FOR OR PURCHASE, THE FUND INTERESTS IN THE REPUBLIC OF CHILE.

Please contact your local Distributor or the person who provided this document for information on the registration status of specific securities.

Peru: The Fund is a sub Fund of the Morgan Stanley Investment Funds, a Luxembourg domiciled Société d'Investissement à Capital Variable (the "Company") is registered in the Grand Duchy of Luxembourg as an undertaking for collective investment pursuant to Part 1 of the Law of 17th December 2010, as amended. The Company is an Undertaking for Collective Investment in Transferable Securities ("UCITS"). If the Fund and the interests in the Fund have been registered in Peru under ***Decreto Legislativo 862: Ley de Fondos de Inversión y sus Sociedades Administradoras*** as amended; under ***Decreto Legislativo 861: Ley del Mercado de Valores*** (the "Securities Market Law") as amended, and under the ***Reglamento del Mercado de Inversionistas Institucionales*** approved by ***Resolución SMV N°021-2013-SMV/01*** as amended by the ***Resolución de Superintendente N°126-2020-SMV/02*** (the "***Reglamento 1***") and ***Resolución de Superintendente N°035-2021-SMV/02*** (the "***Reglamento 2***"), and are being offered to institutional investors only (as defined in article 8 of the Securities Market Law) under the special public offering directed exclusively to the institutional investors under the ***Reglamento 1 and Reglamento 2***, then the interests in the Fund will be registered in the Section ***"Del Mercado de Inversionistas Institucionales"*** of the Securities Market Public Registry (***Registro Público del Mercado de Valores***) maintained by the ***Superintendencia del Mercado de Valores (SMV),*** and the offering of the Fund interests in Peru only to institutional investors will be subject to the supervision of the SMV, as well as any transfers of the Fund interests shall be subject to the limitations contained in the Securities Market Law and the regulations issued thereunder mentioned before, under which the Fund interests may only be transferred between institutional investors under Article 27 of the ***Reglamento 1 and Reglamento 2***. If neither the Fund nor the interests in the Fund have been and will not be registered in Peru under ***Decreto Legislativo 862*** and under ***Decreto Legislativo 861 referenced above***, nor they will be subject to a public offering directed to institutional investors under the ***Reglamento 1***, and will be offered to institutional investors only (as defined in article 8 of the Securities Market Law) pursuant to a private placement, according to article 5 of the Securities Market Law, the interests in the Fund will not be registered in the Securities Market Public Registry maintained by the ***SMV,*** and the offering of the Fund interests in Peru to institutional investors nor the Fund will be subject to the supervision of the SMV, and any transfers of the Fund interests shall be subject to the limitations contained in the Securities Market Law and the regulations issued thereunder mentioned before, under which the Fund interests may only be transferred between institutional investors.