

Morgan Stanley

Important Account Information

Please read this booklet carefully
and retain for your records

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General Information for all Accounts

In the event you are considering opening an account with Morgan Stanley or already have an account, this booklet, in conjunction with the Morgan Stanley Client Agreement and all other applicable agreements¹, will govern your relationship with Morgan Stanley and/or its direct or indirect subsidiaries, including all account(s) that you, in all capacities, open or maintain now or in the future. **It contains important information regarding your account(s) and/or recommendations regarding account types, securities or investment strategies involving securities you may receive. Certain disclosures and/or sections of this booklet may not apply to all of your accounts, depending on the type of account(s) that you have opened and/or the services that you have elected to receive. We request that you carefully read this and all other documents provided to you.**

Note for International Clients: This information is required by law and is not a promotion of Morgan Stanley's products and services. Further, not all products and services are available to all non-US residents.

References to "MSSB," "Morgan Stanley," "Morgan Stanley Wealth Management," "we," "us," or "our" refer to Morgan Stanley Smith Barney LLC.

The words "you," "your," "yours" and "client" refer to the account owner(s).

References in this booklet to "Financial Advisor" refer to either a Morgan Stanley Wealth Management Financial Advisor or a Morgan Stanley Private Wealth Management Private Wealth Advisor.

E*TRADE – Acquisition – a note for all clients

On October 2, 2020, Morgan Stanley's purchase of E*TRADE Financial Corporation ("E*TRADE"), a financial services firm that offers online brokerage and other wealth management services, was completed. E*TRADE and its subsidiaries, E*TRADE Securities LLC, a FINRA and SEC registered broker-dealer, and E*TRADE Capital Management, LLC, a Registered Investment Adviser, are now affiliates of Morgan Stanley Smith Barney LLC. For further information, please refer to <https://www.morganstanley.com/press-releases/morgan-stanley-closes-acquisition-of-e-trade>.

Eaton Vance – As Affiliate

Morgan Stanley completed its purchase of Eaton Vance, a leading provider of advanced investment strategies and wealth management solutions. Upon close of the transaction, Eaton Vance Corp. and its principal investment affiliates Eaton Vance Management, Parametric, Atlanta Capital and Calvert, became affiliates of Morgan Stanley Smith Barney LLC (MSSB), and the products of Eaton Vance and its principal investment affiliates, including the Eaton Vance Funds and Calvert Funds, became affiliated products of MSSB. For further information, please refer to <https://www.morganstanley.com/press-releases/morgan-stanley-to-acquire-eaton-vance>.

U.S. Consumer Privacy Notice

September 2021

FACTS	WHAT DOES MORGAN STANLEY DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none">• Social Security number and income• account balances and transaction history• credit history and assets

¹ Including but not limited to the International Client Agreement, CashPlus Account Agreement, Equity Plan Account Client Agreement and the DVP Client Agreement.

FACTS	WHAT DOES MORGAN STANLEY DO WITH YOUR PERSONAL INFORMATION?
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Morgan Stanley chooses to share; and whether you can limit this sharing.

Reasons we can share your personal Information	Does Morgan Stanley share?	Can you limit this sharing?
For our everyday business purposes — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes — to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes — information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness	Yes	Yes*
For our affiliates to market to you	Yes	Yes*
For nonaffiliates to market to you	No	We don't share
To limit our sharing	Call the applicable toll-free number(s) below. Morgan Stanley General Number: 1-866-227-2256 Morgan Stanley Home Loans Only: 1-855-646-6951 E*TRADE Customer Service: 1-800-387-2331 Solium Capital ULC, Solium Capital LLC and Solium Plan Managers LLC: Visit https://shareworks.solium.com/solium/servlet/ui/profile/settings Please note: If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.	

QUESTIONS?	Call toll-free (866) 227-2256 (Morgan Stanley customers), (855) 646-6951 (Home Loans), (800) 387-2331 (E*TRADE customers) or (877) 380-7793 (Shareworks by Morgan Stanley).
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WHO WE ARE	
Who is providing this notice?	Morgan Stanley Smith Barney LLC Morgan Stanley Private Bank, National Association Morgan Stanley Bank, N.A. Solium Capital ULC Solium Capital LLC Solium Plan Managers LLC

WHAT WE DO	
How does Morgan Stanley protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We have policies governing the proper handling of customer information by personnel and requiring third parties that provide support to adhere to appropriate security standards with respect to such information.
How does Morgan Stanley collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • seek advice about your investments or make deposits or withdrawals from your account • give us your income information or give us your contact information • provide account information <p>We also collect your personal information from others, such as credit bureaus, affiliates or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • sharing for affiliates' everyday business purposes—information about your creditworthiness • affiliates from using your information to market to you • sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account.

DEFINITIONS	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Our affiliates include companies with: a Morgan Stanley name and financial companies such as Morgan Stanley & Co. LLC and Morgan Stanley Investment Management; companies with a Solium name such as Solium Capital ULC and Solium Capital LLC; and companies with an E*TRADE name such as E*TRADE Financial Holdings, LLC or E*TRADE Savings Bank.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Morgan Stanley does not share with nonaffiliates so they can market to you.</i>
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • <i>Our joint marketing partners include credit card companies and other financial services companies.</i>

OTHER IMPORTANT INFORMATION

*Please note that if you choose to limit sharing “**For our affiliates’ everyday business purposes**—information about your creditworthiness” OR “**For our affiliates to market to you**” we will limit sharing for both categories.

Vermont: Except as permitted by law, we will not share personal information we collect about Vermont residents with Nonaffiliates or information about your creditworthiness with Affiliates, unless you provide us with your written consent to share such information. Please send written consent to Morgan Stanley, Client Correspondence Department, PO Box 95002, South Jordan, UT 84095 or vt-privacy-optin@morganstanley.com.

California: Except as permitted by law, we will not share personal information we collect about California residents with Nonaffiliates and we will limit sharing such personal information with our Affiliates to comply with California privacy laws that apply to us.

Brazilian Data Protection Notification

Consumers located in Brazil have been granted additional data privacy rights through a law titled Lei Geral de Proteção de Dados Pessoais, most commonly known by the Portuguese acronym “LGPD.” Brazilian consumers can review the Data Protection Notification, available at http://www.morganstanley.com.br/prospectos/Notifica_LGPD_Bicolunada_Site.pdf (“Notification”), to understand what personal data we process, the purposes of the processing, who has access to the personal data and the rights individuals may have in relation to their personal data. The Notification will form part of our terms of business and any other similar agreements between us that fall within the scope of the LGPD. The Notification will apply from the date the LGPD entered into force and will apply to any personal data that is processed by Morgan Stanley in relation to you and your affiliates, as applicable. Accordingly, please ensure that you share the Notification with your impacted affiliated companies, if any.

Summary of Account Types Offered at Morgan Stanley

Active Assets Accounts (AAA): The AAA is Morgan Stanley’s primary brokerage investment account available for individuals, trusts, businesses and government entities/municipalities. The AAA provides clients the ability to invest in available securities and a full range of financial products. The AAA also offers clients the option of margin lending, as well as various cash management services, including direct deposit, check-writing, ATM/debit cards, and electronic funds transfer.

CashPlus Accounts: The CashPlus Account is a brokerage account specifically designed for cash management and short-term investment needs. The CashPlus Account does not permit the use of margin lending, short selling, or option trading with the exception of the following option transactions: covered call writing, purchase of protective puts, writing cash-back puts and purchase options. Morgan Stanley offers two distinct types of CashPlus Accounts: the Premier CashPlus Account and the Platinum CashPlus Account, each with its own requirements and fee avoidance criteria. For more details, please refer to the CashPlus Account Disclosure Statement, available at <https://www.morganstanley.com/wealth-disclosures/cashplusaccountdisclosurestatement.pdf>.

Individual Retirement Accounts (IRA): Morgan Stanley offers several types of IRAs, including Traditional/Rollover/Roth/Inherited, Simplified Employee Pension (SEP), Salary Reduction Simplified Employee Pension Plan (SAR-SEP), Savings Investment Match Plan for Employees Individual Retirement Accounts (SIMPLE IRAs) and Coverdell Education Savings Account (CESA). Morgan Stanley’s most common retirement accounts are the traditional IRA and Roth IRA. Contributions made to a traditional IRA may be tax deductible and provide for tax-deferred growth. The Roth IRA is funded with after-tax contributions. IRAs offer clients the ability to invest in available securities and financial products.

Advisory Platform: Morgan Stanley offers a selection of discretionary and non-discretionary advisory accounts and programs. Please refer to the ADV, available at www.morganstanley.com/ADV, for more details on these accounts.

Equity Plan Accounts: The Equity Plan Account is a brokerage account available to plan participants for a certain limited set of equity plan transactions, including the exercise of stock options and the sale of the issuer's securities pursuant to an applicable company equity compensation plan as defined by the related plan documents.

Morgan Stanley Access Direct (MSAD): MSAD is a self-directed online brokerage account only available to employee participants of equity compensation plans serviced by Morgan Stanley. All trading and other account activities in this account are undertaken at the client's sole discretion without access to a Financial Advisor. MSAD also serves as the default destination for sales proceeds related to equity plan transactions.

Qualified Retirement Plan Accounts: Morgan Stanley offers various account options for qualified retirement plans, including:

- Versatile Investment Program Basic (VIP Basic)
- Versatile Investment Program Plus (VIP Plus)
- Retirement Plan Manager (RPM)
- Self-Directed Retirement (SDR)
- External Custodian Retirement Plan

For more information, please contact the Morgan Stanley team servicing your account.

Conflicts of Interest and Other Information

Similar to other global financial service providers, Morgan Stanley faces conflicts of interest in the normal course of business. While we recognize that certain conflicts of interests exist, we have taken a variety of steps through policies, procedures and/or oversight that are reasonably designed to manage them effectively. In addition, we expect all of our employees to maintain the highest standards of ethical behavior in dealing with our clients. This high level summary is not intended to be inclusive of all conflicts of interest that might exist with respect to a particular transaction. Additional information may be provided in the Client Relationship Summary, product prospectuses, trade confirmations and offering or marketing materials. Please see the product specific sections of this document or contact your Financial Advisor for more information.

I. MORGAN STANLEY INDIVIDUAL COMPENSATION STRUCTURE

The compensation structure for Financial Advisors and Branch Managers results in conflicts of interest between clients and Financial Advisors and Branch Managers. Morgan Stanley engages in strict oversight of Financial Advisors' and Branch Managers' activities to manage these conflicts. Financial Advisors and Branch Managers earn compensation and/or benefits based on the revenue Morgan Stanley earns from client transactions, including referral fees or other compensation earned from transactions with affiliates or third parties. As revenue increases, a Financial Advisor's and a Branch Manager's compensation and/or benefits will increase. This compensation structure means that Financial Advisors have a financial interest in charging more for transactions where they have the discretion to do so, or recommending those transactions that generate higher amounts of revenue for Morgan Stanley and compensation to the Financial Advisors and the Branch Manager, rather than those transactions that generate lower amounts of revenue. In a brokerage account, a Financial Advisor has an incentive to recommend more transactions or to break transactions into smaller increments that might generate higher and more frequent commissions or revenues. In an investment advisory account, a Financial Advisor has an incentive to recommend that you add more assets to your account, as it will generate a higher asset-based fee. For a client with retirement assets in a qualified retirement plan ("QRP") or individual retirement account ("IRA") held at another financial institution, a Financial Advisor has an incentive to recommend that the client roll over or transfer those retirement assets to a QRP or an IRA at Morgan Stanley, as the Financial Advisor can generally expect to earn compensation and/or benefits based on the transaction-based revenue or asset-based fee Morgan Stanley earns from the QRP or IRA at Morgan Stanley, but generally will not earn compensation and/or benefits if the assets remain in

the QRP or IRA at another financial institution. Certain employees (including Financial Advisors and their Branch Managers) may be paid compensation that varies depending on (i) the type of account (i.e. brokerage vs. investment advisory), (ii) the type of product (including share classes of products), service or strategy recommended to a client, and/or (iii) the size, timing, tenor, duration or frequency of the recommended transaction(s). As a result, Financial Advisors may receive more or less compensation if, for example, clients select certain products over others or if they purchase products in larger quantities. Similarly, there may be alternative ways to achieve the same or a similar investment objective which may carry different costs. Some product compensation structures may contain disincentives to discourage discounting. Recommending a sale soon after purchase of a new issue security or just prior to a security's maturity or announced call date, and selling securities that are likely to be called away by the issuer or otherwise result in the need for "rolling" transactions, may all result in increased trading and costs in your account. In addition, while there are limitations on the amount a Financial Advisor can charge as a percentage of your transaction size, some products may not have a maximum (or cap) on the dollar amount that may be charged. Financial Advisors may also have an incentive to recommend transactions where the benefit to the client is limited after taking into account the costs of the transaction.

For the Fully Paid Lending Program, Financial Advisors may be incentivized to recommend more transactions in "hot stocks" in order to generate additional compensation through the commission on the initial buy transaction followed by Fully Paid Lending compensation on the loan of such "hot stock."

Additionally, Morgan Stanley pays certain of its Financial Advisors recruiting and retention compensation based on certain milestones relating to the Financial Advisor's assets under management and/or the amount of revenue generated from client transactions. This compensation structure increases the Financial Advisor's and the Branch Manager's financial interest in maximizing revenue from client transactions and/or increasing the amount of client assets at Morgan Stanley, including in the situations described above.

See the section below titled "How Morgan Stanley Compensates your Financial Advisor" for more information.

II. MORGAN STANLEY REVENUE ARRANGEMENTS

The ways that Morgan Stanley and its affiliates generate revenue result in conflicts of interest between clients and Morgan Stanley in certain situations.

The revenue Morgan Stanley and its affiliates earn from a client's transactions or assets varies based on a number of factors, including Morgan Stanley's or its affiliates' role, the type of products or services selected, method of distribution, whether the transaction is in the primary or secondary market, where the order is routed for execution, whether Morgan Stanley or your Financial Advisor is eligible to receive a referral fee, revenue sharing or other compensation from an affiliate or a third party, whether a product or service is provided by Morgan Stanley or a third party and, in certain cases, which third party is providing the product or service to the investor as different third parties compensate Morgan Stanley at different rates for comparable products and services.

Morgan Stanley and its affiliates generally earn more revenue on the sale to a client of a proprietary product (a product that is managed, issued, underwritten, placed or sponsored by Morgan Stanley or any of its affiliates) or proprietary service as compared to a third-party product or service. For certain products and services offered or available to clients, Morgan Stanley or its affiliates are the primary or the only source or provider of such products, services or secondary market liquidity for such products and can control the price of, or rate charged on, such products or services. Similarly, Morgan Stanley generally earns more revenue when it or its employees act as a client's portfolio manager than when a third party is engaged as a manager in an investment advisory program. When acting as index sponsor or calculation agent, MS may engage in activities that may present conflicts of interest and that may affect the level of the index, including: transactions involving index components; providing banking, advisory or other services to issuers of index components; and issuing derivatives or engaging in hedging transactions in respect of index components.

As a result, Morgan Stanley has a financial interest in Financial Advisors recommending those types of products or services, or those suppliers of products and services (including Morgan Stanley itself), that generate more revenue for Morgan Stanley or its affiliates.

III. ADDITIONAL PAYMENTS FROM THIRD PARTIES AND AFFILIATES

Financial Advisors may recommend, and clients may purchase, products and services provided by Mutual Fund companies and other product providers (including Morgan Stanley and its affiliates). In addition to revenue sharing arrangements between these providers and Morgan Stanley (see Section II above), some suppliers pay additional compensation to Morgan Stanley in exchange for sales data analytics and provide reimbursement for education and training expenses for Morgan Stanley employees, (including Financial Advisors) and/or clients. This creates an incentive for Morgan Stanley and Financial Advisors to recommend products or services from the providers that make these additional payments to Morgan Stanley, rather than from providers that do not or that pay a lower amount.

IV. AFFILIATES' TRADING AND OTHER ACTIVITIES

Morgan Stanley is part of a global financial services firm and, together with our affiliates, Morgan Stanley is engaged in the investment banking, securities and investment management and lending businesses. As part of these businesses, we are engaged in a variety of services, such as securities underwriting, distribution, trading and brokerage activities, lending, foreign exchange, commodities and derivatives trading, prime brokerage, private placement as well as providing investment banking, financing and financial advisory services. In connection with these various activities, certain conflicts of interest arise in certain situations.

Trading Activities

Orders for certain transactions may be referred, introduced or routed through an affiliate of Morgan Stanley and could generate additional revenue for Morgan Stanley from third parties, through payment for order flow or other compensation arrangements. Trades can also be routed to facilities, exchanges or venues in which Morgan Stanley has a financial interest.

When executing a securities transaction at the request of a client, the timeliness or speed with which the trade is completed, and/or the price at which the trade is executed could negatively impact the investor while positively impacting Morgan Stanley, a Financial Advisor or another Morgan Stanley client.

Morgan Stanley's, its employees' and its affiliates' trading patterns, including (among other things) trading and hedging activities, and its and their facilitation of their clients' trading and hedging activities, may negatively impact the price, rate charged or payable on, or availability of securities or positions that a client holds, or would like to hold.

As part of its trading or Investment Management activities Morgan Stanley or its affiliates may hold a security that is also held by a client, but the two parties may have conflicting interests in the direction of price movements (e.g., Morgan Stanley is net short a stock, while the investor is net long). In addition, Morgan Stanley or its affiliates may take a position with respect to a corporate action, such as a bankruptcy, reorganization or other voting matter, serve on a creditor's committee or hold another position of influence that conflicts with the interests of investors. Morgan Stanley and its affiliates may also be involved in regulatory and industry initiatives that impact clients directly or indirectly. For example, affiliates of Morgan Stanley participate on central bank committees that are selecting alternative benchmark interest rates and developing transition plans for trading these new rates.

Certain products are subject to availability which may not meet client demand. In situations where a limited quantity of a product or security is available, for example initial public offerings and other syndicated transactions, Morgan Stanley and/or a Financial Advisor must decide to which investor a particular product is offered, resulting in conflicts between Morgan Stanley's clients. These decisions may be based on a number of factors including the amount of revenue generated by a particular client for Morgan Stanley and/or the Financial Advisor.

Financial Advisors may be incentivized to provide better terms, such as discounts, to clients that generate higher amounts of revenue or do more transactions with the Financial Advisors,

or may facilitate cross trades between customers. Such activity may create conflicts between Morgan Stanley's clients and between Morgan Stanley, Financial Advisors and clients.

Content generation and ideas for trades and other investment activities may in some cases be produced by areas within the Firm that hold positions or engage in other investment activities that are the subject of the content and trade or other investment ideas.

Investment Banking and Underwriting Activities

Morgan Stanley's affiliates provide investment banking and other services to a wide variety of clients. Investors may hold securities of these clients and Morgan Stanley may, from time to time, recommend the purchase or sale of these securities and Morgan Stanley may earn additional compensation as a result. These activities may occur while affiliates of Morgan Stanley are assisting the issuers of those securities in connection with transactions that may adversely impact investors' transactions in those securities.

Where Morgan Stanley or an affiliate is underwriting or distributing a particular offering, Morgan Stanley may be incentivized to approve securities for distribution to Wealth Management clients in support of its affiliate's client business or recommend securities transactions to assist its affiliate in selling an offering that is undersubscribed.

There may be periods during which Morgan Stanley is not permitted to recommend or initiate certain types of transactions in the securities of issuers for which Morgan Stanley or its affiliates are providing broker-dealer or investment banking services or where Morgan Stanley or its affiliates have material non-public information about such issuers.

Syndicate Offerings

Securities available in syndicate offerings, including shares in Initial Public Offerings (IPOs), are often limited. Given the limited availability of some offerings, many clients will not have an opportunity to invest in these syndicated offerings (or, if they do, they generally will receive smaller allocations than they requested). Accordingly, if a client submits an offer to purchase securities in a syndicate offering, Morgan Stanley is not obligated to accept the offer or allocate securities to the client.

Generally, syndicate shares are allocated to Financial Advisors via a formula that includes several factors, including, but not limited to, the Financial Advisor's previous participation in the firm's syndicate offerings and non-syndicate revenue, which may create an incentive for Financial Advisors to participate in more syndicate offerings. Financial Advisors make client allocations based on a number of factors including those which may favor clients who generate the most revenues for Morgan Stanley or most consistently participate in such syndicated offerings.

Investment Management Activities

In connection with its Investment Management business, affiliates of Morgan Stanley may hold positions in securities that are also held in client accounts. The investor and Morgan Stanley's affiliates may have different interests in the direction of price movements in these securities (e.g., Morgan Stanley is long a stock, but investor is short the same stock).

Research Activities

Morgan Stanley and its affiliates do and seek to do business with companies and funds covered by its Research Departments. As a result, clients should be aware that Morgan Stanley and/or its affiliates have a conflict of interest that could affect the objectivity of its research and other investment materials. In addition, research, content and ideas for trades and other investment activities are generated by Morgan Stanley's or its affiliates' Research Departments, sales and trading personnel, and WM Investment Resources. Morgan Stanley or its affiliates could hold positions or engage in other investment activities that are the subject of the content, resulting in Morgan Stanley disseminating to its clients research or trading ideas or strategies that, if acted upon by clients, may benefit Morgan Stanley's or its affiliates principal trading, investment banking or investment management activities, as applicable.

Cash Management and Lending Activities

Morgan Stanley and its affiliates offer cash management and lending products and services to its Wealth Management clients. Clients engaging with securities based lending products have the opportunity to preserve their investment portfolios pledged as collateral while obtaining competitive interest rates on funds borrowed (subject to risks of market fluctuation and maintenance calls). Financial Advisors may recommend use of securities based lending as a strategic tool for a client where appropriate because of the aforementioned advantages, but they may also have a conflict of interest in preserving assets under management and recommending use of leverage rather than liquidation of assets. Financial Advisors are also compensated when their clients borrow funds; for further details on compensation, see the section below titled "How Morgan Stanley Compensates your Financial Advisor" for more information. Morgan Stanley and its affiliates receive financial benefits in connection with the Bank Deposit Program that may be greater than the fees earned by Morgan Stanley and its affiliates from managing and distributing other options available to you as a sweep investment.

V. OUTSIDE BUSINESS ACTIVITIES & INVESTMENTS; GIFTS AND ENTERTAINMENT

Morgan Stanley employees, including Financial Advisors, could engage in outside business activities and investments or have outside or pre-existing relationships with product or service providers that conflict with their job responsibilities or that could influence recommendations they make to clients.

In addition, employees may receive (in amounts subject to Morgan Stanley policy), gifts, entertainment or reimbursement of certain training and education expenses from third-party product or service providers, creating an incentive to recommend the products or services of those providers. Employees may also receive gifts or entertainment from clients, creating a potential incentive to provide preferential treatment to the gifting client over others.

VI. INFORMATION ABOUT INVESTMENT ADVISORY PROGRAMS

For information related to conflicts of interest within Morgan Stanley's investment advisory programs, please refer to the ADV Brochure for your specific program. ADV Brochures can be found at <http://www.morganstanley.com/wealth-investmentsolutions/advbrochures.html>.

OTHER INFORMATION

Brokerage vs. Investment Advisory Capacity: All recommendations regarding your brokerage account will be made in a broker-dealer capacity, and all recommendations regarding your investment advisory account will be made in an advisory capacity. When we make a recommendation to you, we will expressly tell you orally which account we are discussing, in the event you have both a brokerage and investment advisory account.

Supplementing, clarifying and updating these written disclosures: The disclosures contained within this Important Account Information booklet may be supplemented or clarified with additional information from time to time. For example, additional information may be provided before or after a product purchase in a prospectus or trade confirmation. Or, product information may be contained in point of sale disclosure documents that will be provided you at the time you purchase a product. Your Financial Advisor can provide you information about where these important disclosures can be found for a particular product. The information contained within this Important Account Information booklet will generally be updated on a quarterly basis, or more frequently as required, in a booklet titled "FYI" that is delivered with your account statement, either in paper or electronic form depending on the election you have made.

Limitations on Product Availability: Financial Advisors may lack certain licensing or are otherwise limited in the products they can recommend. For example, some Financial Advisors may only be licensed to recommend and provide brokerage services, meaning that they cannot recommend or service investment advisory accounts. In the event your Financial Advisor is limited in the products they can offer as described above, we will provide you disclosure of this fact and/or may refer you to another Financial Advisor or area of Morgan Stanley that can provide the

desired product or service. Product availability may also be limited depending on whether your account is serviced by a branch based Financial Advisor or Morgan Stanley Virtual Advisor, which generally offers a more limited menu of products and services at a reduced cost. In both brokerage and investment advisory accounts, we offer a wide variety of products and services but may limit the products available to you based upon factors such as account limitations and client eligibility requirements. Only products approved by a Morgan Stanley product committee can be purchased through Morgan Stanley accounts. We generally do not offer products unless the product provider has entered into an agreement with us and in most cases agrees to make payments to us. Certain investment products, such as mutual funds, will only be available for purchase if the investment provider has agreed to pay us revenue share or sub-accounting fees. In brokerage accounts, we keep this revenue; in investment advisory accounts, we refund this revenue to clients.

Certain investment advisory account programs limit the types of investment products you will be able to purchase. In addition, products are available in certain investment advisory programs only if they have been approved by our Global Investment Manager Analysis group ("GIMA").

Generally, your investment advisory account will not be able to buy a security from or sell a security to us or an affiliate, absent your specific consent. This is called a principal trade.

The Morgan Stanley Bank Deposit Program ("BDP") will be your only sweep investment option for both brokerage and investment advisory accounts, except in very limited circumstances. We and our sweep bank affiliates derive financial benefits from those deposits. You can also instruct us to invest that cash in another non-sweep investment product. For more information on the BDP, please visit https://www.morganstanley.com/wealth-investmentstrategies/pdf/BDP_disclosure.pdf.

Our Investment Approach: To the extent we provide you with recommendations, the firm and its Financial Advisors will recommend products and services to you consistent with your risk tolerance, investment objectives and financial situation. In addition, if you have identified a goal to the firm and/or your Financial Advisor our recommendations will be consistent with assisting you in meeting that goal.

Account Linking Service

To minimize the number of separate mailings you receive, Morgan Stanley offers an automatic Account Linking Service. Our Account Linking Service allows you to receive multiple account statements and other important information together in a single envelope, in a consolidated format, with a summary page showing the value of each linked account. Accounts with the same mailing address, branch, Financial Advisor, and Social Security/Tax ID Numbers ("Account Link Group") will be subject to Morgan Stanley's automatic Account Linking Service. Morgan Stanley Employee/Employee Related accounts cannot be linked with non-Morgan Stanley Employee/Employee Related accounts. There is no charge for this service. After an account has been identified as eligible for automatic Account Linking, but before the account is added to an Account Link Group, you will see a message on your account statement advising you that the new account will be added during the following statement cycle. Upon receipt of your next account statement, all eligible linked account statements will be consolidated into a single envelope. ***If you do not wish to take advantage of the automatic Account Linking Service you may opt-out of this service by contacting the Morgan Stanley team servicing your account(s).***

You may request to add accounts to an Account Link Group that have different Social Security/Tax ID Numbers, provided all other eligibility rules are met. You understand that if you link your accounts with accounts owned by others, your personal and financial information will be provided to such other account owner(s) by virtue of being included in an Account Link Group. With Account Linking, your consolidated statement can be accessed online through a single Morgan Stanley Online sign-on if you are an owner, or are authorized to view or transact on an account. For information about our client website, and online services such as eDelivery of your statement, go to www.morganstanley.com/online.

CashPlus Accounts

The CashPlus Accounts within an Account Link Group (ALG) may impact eligibility for CashPlus Account benefits in other CashPlus Accounts within that ALG. CashPlus Accounts within an ALG affect the total deposit amount and the average daily cash balance amount across the ALG, which may result in fees, account benefit eligibility, as well as eligibility for monthly account fee avoidance.

Electronic Delivery (eDelivery)

(A) eDelivery of Certain Important Disclosures

If you sign an Account Application and Client Agreement that contains a section entitled "eDelivery of Certain Important Disclosures," you will be providing Morgan Stanley with your informed and positive consent to eDelivery of certain important disclosures, including, but not limited to, the Morgan Stanley Client Relationship Summary and this Important Account Information booklet, by accessing these documents at <http://www.morganstanley.com/disclosures/account-disclosures>. We recommend that you print and retain a copy of these important disclosures for your future reference. You may incur costs accessing or printing these documents (e.g., online provider fees and printing costs).

(B) eDelivery of all Other Eligible Documents

With eDelivery, you can review your account documents online instead of receiving paper documents in the mail. Documents are archived and available on our secure website for up to seven years.

When you enroll in eDelivery, and periodically thereafter, you will be required to consent to our eDelivery Terms and Conditions.

Enrolling in eDelivery enables you to give blanket authorization to discontinue hard-copy delivery of most documents relating to your Morgan Stanley account(s). Documents include but are not limited to your account statements, trade confirmations (including those accompanied by a prospectus), Corporate Action Credit Advices, account documentation (including your client agreements and amendments to such), and all documents that may be added to eDelivery in the future ("eDelivery Documents"). When you enroll in eDelivery, you consent to the electronic delivery of all eligible eDelivery Documents, however once enrolled you can customize the selection of documents you would like to receive via eDelivery.

Your agreement to eDelivery also includes electronic delivery of syndicate offerings materials, including preliminary prospectuses and other documents including pricing terms for equity initial public offerings (IPOs), secondary offerings, and follow-ons as well as new issue Structured Investments and new issue Fixed Income Securities ("Syndicate Offerings"). Participation in many Syndicate Offerings (e.g., equity and preferred security offerings) requires eDelivery enrollment. You should be aware that:

- You may change your eDelivery preferences at any time by updating your eDelivery settings through Morgan Stanley Online or contacting the Client Service Center at 888-454-3965.
- Your authorization will include accounts that you own as an account owner as well as accounts for which you are an authorized person. You can contact the Client Service Center if you need to make adjustments to your account access.
- Notwithstanding your eDelivery enrollment, you may receive certain documents in hard copy if materials are not available in electronic format, or at Morgan Stanley's sole discretion.

European Securities Subject to the Shareholder Rights Directive II

The Shareholder Rights Directive ("SRD II") is a European Union ("EU") directive that establishes requirements in relation to certain shareholder rights attached to securities of issuers that have their registered office in the EU and their shares listed on an EU regulated market, including

multi-listed securities and, in certain markets, ADRs/GDRs (“in-scope securities”). As such, you may invest in certain European in-scope securities which are, or will be, custodied with us. Morgan Stanley will therefore be subject to certain obligations under SRD II.

If you are enrolled in e-Delivery: When proxy material or corporate announcements are made by issuers of in-scope securities, you will receive notification through e-Delivery directing you to Morgan Stanley Online where you can review the information sent by the issuer of the in-scope security and take any desired action.

If you are not enrolled in e-Delivery: You will receive physical mail from Morgan Stanley with the proxy material or corporate announcements made by issuers of in-scope securities. Depending on your holdings of in-scope securities, you may receive a greater volume of physical mail and at a greater frequency than our standard communications with you. To reduce the volume and frequency of physical mail and to ensure timely delivery of the information from issuers of the in-scope securities, we encourage you to register for [Morgan Stanley Online](#) and enroll in [eDelivery](#) for all of your client correspondence.

Disclosure of Your Name to Issuers of Securities

Rule 14b-1(c) of the Securities and Exchange Commission governs whether your name and securities positions may be disclosed to issuers of securities held for you in “street name.” Securities held in “street name” do not reflect the beneficial owner on the records of the issuer and issuers will be unable to contact you directly without your consent. Unless you specifically indicate that you do not approve of this disclosure by contacting a member of your Morgan Stanley team, the information will be provided to the issuers of securities held in your account upon their request.

Certain foreign securities will be held in your account in book-entry form only. Certain foreign securities will not be registered in your individual name nor will they be delivered to you from your account. Foreign securities issued from certain countries may be subject to taxation by those countries or to disclosure requirements related to shareholder rights initiatives. Morgan Stanley may be required to provide purchaser identifying information in order to comply with local tax laws and achieve reduced tax withholding or to comply with disclosure requirements related to shareholder rights initiatives or other applicable laws. The provision of this information will take place where applicable and is not affected by your election to not disclose your name to issuers of securities. Therefore, even if you specifically advise that you do not approve of this disclosure, we will provide the requisite information to issuers of foreign securities held in your account if, and to the extent, we determine it is required by applicable law. In addition, the provision of this or other personally identifiable information is not affected by any other nondisclosure or non-use option that you might choose under applicable privacy notices sent to you.

Tax & Legal Disclosure

Morgan Stanley Smith Barney LLC, its affiliates, and its employees do not provide tax or legal advice. Any taxpayer should seek advice based on the taxpayer’s particular circumstances from an independent tax advisor.

The USA PATRIOT Act

Important Information About Procedures for Opening a New Account or Establishing a New Customer Relationship.

To help the U.S. government fight the funding of terrorism and money laundering activities, federal law requires all U.S. financial institutions to obtain, verify, and record information that identifies each individual or institution that opens an account or establishes a customer relationship with Morgan Stanley. Federal law requires all U.S. financial institutions to obtain, verify, and record information that identifies the Beneficial Owner(s) and Key Controller of a legal entity that opens an account or establishes a customer relationship with Morgan Stanley.

What this means for you: When you open a new account or enter into a new customer relationship with Morgan Stanley, the firm will ask for your name, legal address, date of birth (as applicable) and other identification information. We will also require the same information for the Beneficial Owner(s) and Key Controller of a legal entity. As appropriate, we may, in our discretion, ask for additional documentation or information. If all required documentation or information is not provided, Morgan Stanley may not be able to open an account or maintain a relationship with you.

Understanding Your Brokerage and Investment Advisory Relationships

Depending on your needs and your investment objectives, Morgan Stanley may assist you with brokerage services, investment advisory services or both. There are important differences highlighted below between brokerage and advisory accounts, including their costs, the services we provide and the rules that govern them. You should carefully consider these differences when deciding which type, or combination of types, of services and accounts are right for you.

Morgan Stanley is registered as both a broker-dealer and as an investment adviser under federal and state securities laws, and we provide services in both capacities. In accordance with the rules of the Financial Industry Regulatory Authority (FINRA), whether acting in a brokerage or advisory capacity, Morgan Stanley must observe high standards of commercial honor and just and equitable principles of trade.

WHAT ARE BROKERAGE ACCOUNTS AND SERVICES?

When we act as a broker-dealer in connection with your brokerage account, we will facilitate the execution of transactions based on your instructions. In addition, when we act as a broker, we also offer investor education, research, financial tools and personalized information about financial products and services, including recommendations about whether to buy, sell or hold securities. We do not charge a separate fee for these services because these services are part of, and should be considered incidental to, our brokerage services.

When we act as your broker-dealer, we will not have discretion to buy and sell securities for you (except in some very limited circumstances). This means that you will provide approval for each trade before it is executed and that you, not we, will make individual buy, sell and hold decisions.

WHAT IS MORGAN STANLEY'S ROLE WHEN HANDLING A BROKERAGE ACCOUNT?

When providing brokerage services to you, we have to act in your best interest¹ and not put our interest ahead of yours. However, we generally do not have a fiduciary obligation to you nor do we have an investment advisory relationship with you. Please note, the "best interest" obligation described immediately above applies only to Retail Customers, as defined in regulations issued by the SEC. A Retail Customer is a natural person, or the legal representative of such natural person, who (A) receives a recommendation of any securities transaction or investment strategy involving securities from a broker, dealer or a natural person who is an associated person of a broker or dealer, and (B) uses the recommendation primarily for personal, family or household purposes. In addition, our legal obligations and standard of conduct may vary under state law or regulations, the Employee Retirement Income Security Act of 1974, as amended, or "ERISA," and any professional conduct standards, as applicable.

WHAT ARE INVESTMENT ADVISORY ACCOUNTS AND SERVICES?

In addition to brokerage services, Morgan Stanley offers a variety of investment advisory programs and services to our clients, including comprehensive financial planning, non-discretionary

¹ A recommendation meeting the "Best Interest" standard is a recommendation that reflects the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on your investment objectives, risk tolerance, financial circumstances and needs, without regard to the financial or other interests of us or the Financial Advisor or any Affiliate, Related Entity, or other party.

and discretionary portfolio management, and advice on the selection of professional asset managers and securities.

We act as your investment adviser only when we have entered into a written agreement with you that describes our advisory relationship and our obligations to you. You also will receive a disclosure document about our advisory services, called a Form ADV Brochure, that describes, among other things, our business, the services we provide, our advisory fees, our personnel, and potential conflicts between our interests and yours. Investment Advisers are governed by the Investment Advisers Act of 1940 and applicable state securities laws. When acting as your investment adviser, we are considered to have a fiduciary relationship with you. In addition, for advisory retirement accounts,² we are acting as a fiduciary under the Employee Retirement Income Security Act of 1974 (“ERISA”) and/or under section 4975 of the Internal Revenue Code (“Code”).

WHAT IS YOUR FINANCIAL ADVISOR’S ROLE WHEN HANDLING AN INVESTMENT ADVISORY ACCOUNT?

Depending on the nature of the investment advisory account you choose, your Financial Advisor’s authority over the activity in your account will differ. For example, in our Portfolio Management program, your Financial Advisor will have the discretionary authority to execute investment decisions on your behalf. In our Consulting Group Advisor program, your Financial Advisor will work with you and make investment recommendations, but you will maintain discretion over all the investment decisions made in your account. In other account types your Financial Advisor will select or recommend investment products or third-party managers.

HOW YOU ARE CHARGED FOR BROKERAGE AND INVESTMENT ADVISORY ACCOUNTS?

Brokerage Accounts

In a brokerage account, you generally compensate Morgan Stanley and your Financial Advisor through a commission for each equity transaction, a mark-up/mark-down for bond transactions and a sales charge for mutual fund transactions. Therefore, in a brokerage account, your total costs will generally increase or decrease as a result of the frequency of transactions in the account and the type of securities you purchase. Other costs will also apply to your account.

Investment Advisory Accounts

In an investment advisory account, you generally compensate Morgan Stanley and your Financial Advisor through an annual fee, payable monthly, in advance based on the total value of the assets in your investment advisory account at the end of the previous month. This Morgan Stanley Advisory fee (“Advisory Fee”) typically covers our investment advisory services, trade execution through Morgan Stanley, custody of securities at Morgan Stanley, reporting, and compensation to your Financial Advisor. Depending upon the investment advisory program you select, you may also be charged a professional money manager’s (“Manager”) fee as well as additional fees for overlay services and platform maintenance. Morgan Stanley or the Manager may determine that best execution is more likely to be achieved by having a broker-dealer other than Morgan Stanley execute the transaction, even though such broker-dealer requires payment of a fee or other charges. This applies to certain transactions, including, without limitation, block trades in which Morgan Stanley or the Manager aggregates securities purchases or sales for the account with those of one or more of its other clients. In such instances, your account will be charged a commission or commission equivalent. These costs are in addition to the Advisory Fee you pay to Morgan Stanley, will be included in the net price of the security, and will not be reflected as a separate charge on your trade confirmations or account statements.

Certain Managers have historically directed most, if not all, their trades to external broker-dealers. The information provided by Managers concerning trade execution away from Morgan Stanley is

² Retirement accounts include Individual Retirement Account (“IRA”), Roth IRA, Health Savings Account, Coverdell Education Savings Account, Archer Medical Savings Account, a Plan covered by Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or a plan described in section 4975(e)(1)(A) of the Internal Revenue Code (“Code”).

summarized at: <http://www.morganstanley.com/wealth/investmentsolutions/pdfs/adv/sotresponse.pdf>. For more information on trading and costs, please refer to the ADV Brochure for your applicable program, available at <http://www.morganstanley.com/ADV>, or by contacting your FA/PWA.

In evaluating which broker or dealer will provide the best execution, Morgan Stanley or the Manager, in its sole discretion and in accordance with applicable law (including the obligation to seek best execution), will consider the full range and quality of a broker's or dealer's services, which may include, among other things, the value of research provided as well as execution capability, commission rate, financial responsibility and responsiveness. These entities may select broker-dealers that provide Morgan Stanley and/or the Manager research or other transaction-related services and may cause you to pay such broker-dealer commissions for effecting transactions in excess of the commission other broker-dealers may have charged. Such research and other services may be used for Morgan Stanley's or the Manager's own or other client accounts to the extent permitted by law.

Our services and responsibilities, as well as the applicable fees charged to your account, are described in the investment advisory agreement we enter into with you, the playback letter provided to you after account opening, and the Form ADV Brochure applicable to the program you have selected.

Both Brokerage and Advisory Accounts

In both brokerage and investment advisory accounts that include products such as mutual funds or exchange traded funds, you will incur additional expenses including investment management fees of the fund as well as operating expenses that are reflected in the funds' share price. These expenses are not included in Morgan Stanley's fees.

Other fees and expenses in addition to those outlined above, or different fee arrangements, may apply in both brokerage and investment advisory accounts as described in our agreements with you.

WHEN WE ACT AS BOTH YOUR BROKER-DEALER AND YOUR INVESTMENT ADVISER

We may act as investment adviser and as broker-dealer to you at the same time, and the fact that we do so does not mean that our brokerage relationships are advisory ones. For example, you may maintain multiple accounts (some of which are brokerage accounts and some of which are investment advisory accounts) with Morgan Stanley at the same time. Also, although we may consider your brokerage account assets in preparing guidelines or determining appropriate investments for your investment advisory accounts, our brokerage relationship continues with respect to your brokerage assets.

FOR MORE INFORMATION

We encourage you to carefully consider the differences between brokerage and investment advisory services, particularly in terms of our obligations to you, the services we provide and the costs of those services. You should consider your existing and anticipated level of trading activity, the types of investments you wish to hold and the level of discretion you wish to retain over security selection when determining which account type is right for you. The Form ADV Brochures provide additional information, including disclosure of conflicts, and are available at: www.morganstanley.com/adv.

If you have additional questions, please contact a member of your Morgan Stanley team.

Account Protection

As a Morgan Stanley client, the protection provided your account exceeds what the law requires. While most brokerage firm clients are entitled to the protection provided through Securities Investor Protection Corporation (SIPC), at Morgan Stanley, you also receive protection supplemental to SIPC, which is provided at no cost to you.

Please be aware of the following:

- Morgan Stanley is required to comply with the protection standards set forth by the Securities and Exchange Commission (SEC).
- We maintain capital well in excess of the levels required by the SEC.
- Fully paid for and excess margin securities held in Morgan Stanley client accounts are segregated from our assets in compliance with SEC Rule 15c3-3. The SEC and FINRA regularly audit the safeguards and controls set up to protect client assets held in accounts at Morgan Stanley.

- SIPC protects cash held as free credit balances (“uninvested cash”) in a brokerage account at the firm for customers in connection with the customers’ purchase or sale of securities whether the uninvested cash is in U.S. dollars or denominated in non-U.S. dollar currency. Uninvested cash held in connection with a commodities trade is not protected by SIPC. Money market mutual funds, often thought of as cash, are protected as securities by SIPC.
- In the event of a forced liquidation of our firm, your uninvested cash and securities will be made available to the trustee of these proceedings to transfer to you or to another broker-dealer.
- Morgan Stanley is a member of SIPC. SIPC protects client net claims up to \$500,000, of which up to \$250,000 may be uninvested cash. Note that SIPC coverage does not protect investors against securities fraud, as it only protects client assets in the event of broker-dealer insolvency.
- In addition to this SIPC protection, in the unlikely event that client assets that were not segregated are not fully recovered and SIPC protection limits have been paid, Morgan Stanley’s supplemental insurance policy would be available to provide protection above the SIPC limits. This coverage is subject to an aggregate firmwide cap of \$1 billion, with no per client limit for securities and a \$1.9 million per client limit for the uninvested cash balance portion of any remaining shortfall.
- If a client maintains more than one account at Morgan Stanley in separate capacities (individual, joint, trust) each account would be protected by SIPC and the supplementary protection up to the client and aggregate limits mentioned above.

SIPC and Excess of SIPC do not insure against losses due to market fluctuations or other losses that are not related to net-equity claims due to the insolvency of Morgan Stanley. SIPC and Excess of SIPC apply to net claims for the value of most securities and uninvested cash in the exclusive possession and control of Morgan Stanley. Commodity and futures contracts, currency and certain mutual funds, money market funds, annuities, life insurance and limited partnerships, which may be redeemed directly from the issuer, carrier or their agents, are generally not covered by SIPC or Excess of SIPC coverage. Please be advised that you may obtain information about SIPC, including the SIPC brochure, by contacting SIPC at 202-371-8300 or by visiting www.sipc.org.

FDIC Insurance

Certificates of Deposit (“CDs”) issued by FDIC member institutions that are purchased through Morgan Stanley and deposit accounts maintained through Morgan Stanley Bank, N.A and Morgan Stanley Private Bank, National Association (including but not limited to accounts in connection with the Bank Deposit Program, Savings and GlobalCurrency) are eligible for FDIC insurance up to applicable U.S. dollar limits (visit www.fdic.gov or review the applicable disclosure document for details)* Unless otherwise specifically disclosed to you in writing, other investments and services offered through Morgan Stanley are not insured by the FDIC, are not deposits or other obligations of, or guaranteed by, a bank, and involve investment risks, including possible loss of principal amount invested. Morgan Stanley is a registered broker-dealer, not a bank.

We understand that a primary concern of yours is the safety of your assets. Our goal is not only to help you achieve your financial objectives, but also to make every effort to ensure that your assets are protected. We encourage you to review the brochure **Your Assets Are Safeguarded at Morgan Stanley**, which is accessible via our website at: https://www.morganstanleyclientserv.com/publiccontent/msoc/pdf/protection_customer_assets.pdf.

The brochure provides an overview of the regulatory protections you enjoy as a client of Morgan Stanley, including the safekeeping and segregation of client assets, as well as the protections afforded through SIPC, Excess of SIPC and FDIC insurance. If you would like more information, please reach out to a member of the Morgan Stanley team servicing your account.

* CDs are insured by the FDIC, an independent agency of the U.S. Government, up to a maximum amount of \$250,000 (including principal and interest) for all deposits held in the same insurable capacity (e.g., individual account, joint account) per CD depository. For more information, visit the FDIC website at www.fdic.gov.

Business Continuity Management Program and Technology Disaster Recovery Program Overview**

PURPOSE AND GOVERNANCE

Morgan Stanley maintains global programs for business continuity management and technology disaster recovery that facilitate activities designed to protect the Firm during a business continuity event. A business continuity event is an interruption with potential impact to normal business activity of the Firm's people, operations, technology, suppliers and/or facilities.

The business continuity program's core functions are business continuity planning (with associated testing) and crisis management. The Firm has dedicated Business Continuity Management (BCM) staff responsible for coordination of the program governed by the Business Continuity Governance Committee and a Risk Oversight Committee. In addition, a Committee of the Board of Directors (the "Board Committee") and senior management oversee the program. BCM reports to the Board Committee at least annually on the status of program components such as business continuity events and business continuity testing results.

BUSINESS CONTINUITY PLANNING

Business Units within the Firm maintain business continuity plans, identifying processes and strategies to continue business critical processes during a business continuity event. Business Units also test the documented preparation, to provide a reasonable expectation that, during a business continuity event, the Business Unit will be able to recover and perform its critical business processes and limit the impact of the event to the Firm and its clients.

As part of business continuity planning, Business Units must identify and assess the potential impact of threats that may significantly disrupt their business or the business operations of the Firm. Business Units conduct a semiannual Business Impact Analysis to prioritize their business processes.

Business continuity plans document recovery strategies (e.g., transference or relocation) that identify and detail the options available to recover critical business processes during an event. The plans also identify roles and responsibilities and communication procedures when plans are invoked for an event. Business continuity plans are reviewed semiannually by business unit management, and disseminated to staff at least annually.

Business Units are responsible for periodic testing and documentation of test results in accordance with Firm testing requirements. Business continuity testing is the process by which Business Units verify the viability of their plans by performing their critical business processes using the recovery strategies documented in the plans.

BUSINESS CONTINUITY CRISIS MANAGEMENT

Crisis Management is the process of identifying and managing the Firm's operations during business continuity events. BCM monitors and assesses situations for the impact on business operations and to determine their potential to become business continuity events.

BCM staff are responsible for escalating business continuity events to Firm management and designated personnel, as appropriate. BCM coordinates and facilitates the exchange of information between those charged with resolving the situation, senior management and the Business Units that are impacted.

The Firm's crisis management process also includes coordination of internal and external communication to key stakeholders, including personnel, regulators, suppliers and customers. BCM oversees a mass notification system that can be utilized during an event, and ensures that the system is regularly tested.

** Notice: The information contained herein is for informational purposes only, and no warranty of any kind is intended with respect to the systems or business practices described. Provision of this information does not entitle the recipient to any contractual right that the practices described in the attached materials will continue to be maintained.

BUSINESS CONTINUITY TRAINING AND AWARENESS

The Firm has developed a program for providing business continuity training, at least annually, to all personnel. Training is designed to promote an understanding of business continuity, as well as the roles of BCM and personnel during a business continuity event and as the business recovers. Personnel are responsible for completing the training and familiarizing themselves with their Business Unit Coordinators and business continuity plans.

BUSINESS CONTINUITY SUPPLIER RISK

The Firm assesses and performs due diligence on third-party service providers' resiliency and ability to continue to provide services during an event. As part of that assessment and due diligence, BCM, in conjunction with the Technology Disaster Recovery group and the appropriate Business Unit, evaluates vendors and suppliers of services deemed to be in-scope for Appendix J by the Firmwide Supplier Risk Management Program. Assessments of critical vendors are repeated periodically, but no less than annually. Technology testing with these vendors is conducted periodically, as appropriate.

For specific vendor locations where vendor staff provide services on behalf of the Firm using Firm data and support a critical business process, the Business Unit and/or the central management group for these vendors must develop and maintain a business continuity plan for the vendor. The plan for the vendor must meet Firm standards for business continuity planning.

BUSINESS CONTINUITY PANDEMIC PREPAREDNESS

BCM, in conjunction with the Firm's Human Resources and Corporate Services Departments, maintains an Infectious Disease Preparedness Procedure to address planning for potential pandemics. The Procedure documents precautionary measures that the Firm can take to help reduce business impact should the Firm's operations be affected by an infectious disease outbreak, epidemic or pandemic event. BCM can invoke these procedures based on pandemic warnings from the World Health Organization, the Centers for Disease Control and Prevention, and/or other official local governance bodies.

TECHNOLOGY DISASTER RECOVERY

Morgan Stanley's primary data centers are built to be redundant, resilient and fault tolerant. Synchronous replication is used to provide high availability of critical applications.

Disaster recovery plans supporting business continuity are in place for critical facilities and resources across the Firm. These plans define recovery times that vary according to the criticality of businesses and functions.

Recovery capabilities are tested regularly to confirm that applications, components, systems, subsystems and facilities will operate as intended during a business continuity event.

Trusted Contact Authorization

Morgan Stanley requests, as part of its account opening and periodic account updating processes, the name and contact information for one or more trusted contact person(s) ("Trusted Contact") for all non-institutional accounts. A Trusted Contact must be an individual over the age of 18 years. If you choose to provide Morgan Stanley with one or more Trusted Contacts, you are authorizing Morgan Stanley, in its discretion, to contact your Trusted Contact(s) and disclose information about you and/or your account(s) in order to address possible financial exploitation, confirm the specifics of your current contact information, health status, and/or the identity of any legal guardian, executor, trustee or holder of a power of attorney or as otherwise permitted by the Rules of the Financial Industry Regulatory Authority ("FINRA"). You may add, remove and/or change any or all of your Trusted Contacts at any time by contacting the Morgan Stanley team servicing your account(s). Your Trusted Contact(s) will have no trading authority or power of attorney over your account(s) and will not be authorized to make any decisions on your behalf regarding your account(s). If you would like to add one or more Trusted Contacts to your account(s), please contact a member of your Morgan Stanley team.

Investing and Trading

THE NATURE OF INVESTMENT RECOMMENDATIONS

Exposure to certain risks is fundamental to investing, and the prices of securities may change based on a number of often unforeseeable factors. We cannot guarantee the performance of any investment recommended or executed by Morgan Stanley or its Financial Advisors. Past investment performance does not predict future investment returns.

Some of the types of risk that affect investments include inflation, interest rate changes and risks related to the underlying company or issuer, as well as economic changes, general market sentiment and the political climate. Conservative investments that are designed to preserve principal tend to provide lower returns over time, while investments that have the greatest potential for higher returns tend to be the most risky and volatile. Nevertheless, all investments carry risk and even relatively conservative and “safe” investments may expose your money to interest rate risk, inflation risk, risks related to the particular structure and features of your investment, as well as remote but potentially significant liquidity, credit or other risks in temporary or extended market dislocations which could lead to losses more commensurate with a traditionally higher risk investment.

Some investors have more tolerance for risk than others. When you consider any investment, be aware of the risks involved; only you can determine your tolerance for risk. **(See the Section on Risk and Return for more information.)**

Some investments, such as mutual funds, provide a prospectus containing detailed information, including details on items such as fees, charges, policies, expenses and risk factors. Always read a prospectus carefully before you invest. Before you make an investment decision, be sure you understand the costs, fees, risks and limitations, as well as the advantages of each investment and how it fits with your financial goals. In addition to offering investment recommendations, at your request, your Financial Advisor can execute transactions for securities you choose. Because these transactions are not based upon Morgan Stanley’s specific recommendations, they may be recorded as “unsolicited.” In some instances, you may have to sign an acknowledgment of this.

Your Financial Advisor cannot exercise investment discretion — that is, independently make investment decisions for your account — without your prior written authorization and Morgan Stanley’s prior approval. With the exception of some of our advisory programs, your Financial Advisor may be authorized to exercise investment discretion only in very limited circumstances.

Morgan Stanley and its Financial Advisors do not offer tax or legal advice. You should consult your personal tax and legal advisors before making any tax- or legal-related decisions.

BUYING AND SELLING SECURITIES

Give your Financial Advisor complete instructions for every transaction. Whenever you place an order, make sure you have the correct:

- Account number
- Account type
- Transaction type (buy or sell)
- Quantity
- Security description
- Price (if the order is price-specific)
- Dividend reinvestment instructions

HOW YOUR BROKERAGE TRADES ARE SETTLED

Generally, the settlement date is when you must pay for the security you purchased or deliver the security you sold in negotiable form.

- United States securities exchange rules require that most securities transactions settle on or before the second business day following the trade date. There are few exceptions to this requirement.
- For certain classes of fixed income securities (including Treasury securities) and exchange-traded options, settlement is required on the following business day.
- Cash-basis transactions settle on the same business day as the trade.

TRADE CONFIRMATIONS

A confirmation is a written record of your transaction. It provides important information about your security transactions and should be maintained for your records.

Morgan Stanley sends confirmations for every securities transaction the firm effects, except where regulatory exceptions apply.

HOW YOUR TRADES ARE EXECUTED

When processing trades, Morgan Stanley acts as either agent or principal, or in some instances as both agent and principal. Your trade confirmation tells you in what capacity we acted:

- As an agent, Morgan Stanley works to find you the best execution for your order. If you elect to have an investment advisory account, generally all trades are executed as agent.
- As a principal or riskless principal, Morgan Stanley buys securities from you and sells securities to you, subject to its best execution and fair pricing obligations, as applicable. Morgan Stanley and its affiliates generally earn revenue when they execute trades on a principal or riskless principal basis. Certain products are primarily, or exclusively, traded on a principal or riskless principal basis in brokerage accounts and Morgan Stanley or its affiliates may be the only source of liquidity and/or pricing for these transactions. While Morgan Stanley generally does not maintain an inventory of securities, it enters principal transactions with its affiliates in order to fill its clients' buy or sell orders. Such affiliate may sell the securities from its own inventory or buy securities based on the current market price or may source such positions from, or sell to, other market participants. In other cases, MSSB may act as agent but may route your order for execution to an affiliate acting as principal or riskless principal. On these MSSB agent trades, the affiliate relationship will be disclosed to you on the trade confirmation. When trading as principal or riskless principal, neither Morgan Stanley nor its affiliates are obligated to or committed to make a market to support trading in the relevant securities.

EXTREME MARKET CONDITIONS

Clients should be aware of the risks and considerations of transacting in extreme market conditions. During times of extreme market volatility, the fixed income markets may experience wider spreads between bid and offer prices as well as a shortage of liquidity. If this occurs, Morgan Stanley may implement modifications to its policies and procedures governing trade execution and surveillance in order to preserve the continued execution of clients' orders in a manner that is consistent with the firm's best execution obligations. Morgan Stanley's handling of orders may take longer and may reflect greater price volatility, and executions may be at wider price variances than in normal market conditions. An execution price during extreme market conditions may not be indicative of the true market value of the securities and/or price in normal market conditions. In addition, extreme market conditions make it more difficult to determine a security's prevailing market price.

Summary of Procedures for Certain Syndicate Offerings

PROCEDURES FOR IPOS AND OTHER PUBLIC OFFERINGS ISSUED ON S-1

The following provides a summary of Morgan Stanley's system for receiving client offers to buy securities in most Initial Public Offerings ("IPOS") and other public offerings issued on an S-1 registration statement ("S-1 Follow-Ons," together with an IPO, a "Public Offering") for which Morgan Stanley is an underwriter. This system is not utilized for certain IPOs or S-1 Follow-Ons, such as closed-end funds or business development companies, offerings issued pursuant to a shelf registration statement, or any other non-public offerings.

If you are interested in purchasing Public Offering securities after reviewing a preliminary prospectus, you can provide your Financial Advisor with a Conditional Offer to Buy ("COB") before the pricing of the Public Offering, and, subject to the conditions described below, you will not be required to reconfirm your COB after the pricing of the Public Offering. In addition, you can withdraw your COB at any time up to and including the Withdrawal Time for the Public

Offering, as described below. Each time you provide Morgan Stanley with a COB, we will send you an email confirming receipt of the COB (the “COB Confirmation”).

If you provide your Financial Advisor with a COB:

- In the case of an equity Public Offering, the price at which you are offering to buy such securities will be a range that is 20% below the bottom end and 20% above the top end of the price range set forth in the preliminary prospectus, such 20% calculated by using the top end of such price range (the “Conditional Offer Price Range”).
 - For example: if the price range in the preliminary prospectus for an equity Public Offering is \$18 to \$20 per share, your Conditional Offer Price Range includes an equity Public Offering price at \$14 to \$24 per share (calculated as 20% of \$20, being \$4, and adding this amount to the top end of the price range and subtracting such amount from the bottom end of the price range).
- Your COB will no longer be valid, and your Financial Advisor may contact you to obtain a new COB, if:
 - there is a material change to the preliminary prospectus; or
 - in the case of an equity Public Offering, the equity Public Offering prices above or below the Conditional Offer Price Range; or
 - your COB has been outstanding and not accepted for more than 20 days.
- Once the registration statement has been declared effective (usually just before pricing of the securities), Morgan Stanley will email you a Notice of Effectiveness, which will include the “Withdrawal Time.” This is the period of time (which will be at least one hour) during which you may withdraw your COB by contacting your Financial Advisor. **At any time up to and including the Withdrawal Time, you are not bound in any way and may withdraw your COB without any penalty.**
- After the Withdrawal Time, your COB can be accepted by Morgan Stanley without any further action by you. **Morgan Stanley will not reconfirm your COB after pricing.**
- There is no guarantee that you will be allocated shares in a Public Offering. Morgan Stanley will not be obligated to accept your COB or to allocate shares to you.
- To determine whether you have been allocated shares in the Public Offering, contact your FA/PWA or wait to receive a confirmation of sale.

Please note that Morgan Stanley retains the right, at any time, to require reconfirmation of your COB.

Participating in a new issue/syndicate is subject to availability and suitability. IPOs are highly speculative and may not be suitable for all investors because they lack a stock-trading history and usually involve smaller and newer companies that tend to have limited operating histories, less-experienced management teams, and fewer products or customers. Also, the offering price of an IPO reflects a negotiated estimate as to the value of the company, which may bear little relationship to the trading price of the securities, and it is not uncommon for the closing price of the shares shortly after the IPO to be well above or below the offering price.

PROCEDURES FOR FOLLOW-ON OFFERINGS

Effective on or about June 7, 2021, Morgan Stanley will implement a new system for receiving client offers to buy securities in most follow-on offerings offered pursuant to a shelf registration statement (“Follow-On”) for which Morgan Stanley is an underwriter. If you are interested in purchasing Follow-On securities after reviewing a preliminary prospectus, you can provide your FA/PWA with an Offer to Buy (“OTB”) before the pricing of the Follow-On. If you provide your FA/PWA with an OTB:

- **You will not be bound in any way and may withdraw your OTB without any penalty prior to pricing of the Follow-On.** Any OTB made by you after pricing cannot be withdrawn as it would be a binding order to buy.
- Your OTB will no longer be valid, and your FA/PWA may contact you to obtain a new OTB, if there is a material change to the preliminary prospectus; or your OTB may be cancelled if it has been outstanding and not accepted for more than 20 days.
- After pricing, your OTB can be accepted by Morgan Stanley without any further action by you. **Morgan Stanley will not reconfirm your OTB after pricing** (although Morgan Stanley retains the right, at any time in its discretion, to require reconfirmation).

- Participation in a Follow-On is subject to availability and appropriateness. There is no guarantee that you will be allocated shares in a Follow-On. Morgan Stanley will not be obligated to accept your OTB or to allocate shares to you.
- To determine whether you have been allocated shares in the Follow-On, contact your FA/PWA or wait to receive a confirmation of sale.

If you have any questions about the COB or OTB systems described above, please contact your Morgan Stanley FA/PWA for more information.

Market Transition Away from LIBOR

The following discussion applies to holders of products directly or indirectly linked to the London Interbank Offered Rate (LIBOR) or the Secured Overnight Financing Rate (SOFR) and investors that are considering purchasing such products. Depending on your current holdings and investment plans, this information may or may not be applicable to you.

LIBOR has been a widely used interest rate benchmark that is intended to represent the rates at which LIBOR panel banks could obtain wholesale, unsecured funding for set periods in particular currencies. LIBOR has been used as a reference rate in bond, loan and derivative contracts, as well as consumer lending instruments such as mortgages.

For several years, LIBOR has been the subject of regulatory scrutiny. Among other things, there is concern with the integrity of LIBOR due in part to the limited number of transactions in the interbank lending market that LIBOR is intended to represent. Regulators around the world have stated that LIBOR in all its currencies (USD, GBP, EUR, JPY and CHF), as well as certain other interest rate benchmarks (such as EONIA in Europe), will cease to be published and be replaced by alternative reference rates or will be subject to significant reform.

In particular, all settings for GBP, EUR, JPY and CHF LIBOR, and one-week and two-month settings for USD LIBOR, will no longer be published after December 31, 2021, although synthetic versions of certain GBP and JPY LIBOR settings may be published after this date for a period of time. The remaining USD LIBOR settings (overnight and one-, three-, six- and 12-month USD LIBOR) will no longer be published after June 30, 2023. However, regulators have indicated that this additional time is to be used only in the context of managing existing LIBOR-based products.

The committee convened by the U.S. Federal Reserve Board and the Federal Reserve Bank of New York, the Alternative Reference Rates Committee (ARRC), has selected SOFR, a reference rate based on overnight repurchase agreement (repo) transactions secured by U.S. Treasury securities, as the recommended alternative benchmark rate to USD LIBOR. Certain other USD LIBOR alternatives exist in the market but have not been recommended by the ARRC. Other alternative rates selected by central bank committees for their currency's LIBOR include SONIA in the United Kingdom, ESTR in the European Union and TONA in Japan, each of which is an overnight rate published daily by the applicable central bank.

In addition, recent legislation enacted in New York provides for a benchmark replacement (a SOFR-based rate plus a spread) to replace LIBOR for those contracts governed by New York law without effective "fallback provisions," which provide for how the applicable interest rate will be calculated if LIBOR ceases to be published or is otherwise unavailable.

The market transition away from LIBOR to alternative rates is complex and could have a range of impacts on financial products and transactions directly or indirectly linked to LIBOR. This transition, as well as the impact of future regulatory and market developments, could cause LIBOR-based products to perform differently than in the past and may have an adverse effect on your investment strategy and the pricing, liquidity, return and trading of LIBOR-based products. There may also be other consequences that cannot be predicted.

The "fallback provisions" in your LIBOR-based products, or the absence thereof, could have an adverse effect on the value of such products as well as your investment strategy. Bond indentures and other documentation governing existing LIBOR-based products may contain LIBOR "fallback provisions." Fallback provisions can materially differ across products and even within a given

asset class. Furthermore, such provisions may not contemplate alternative reference rates such as SOFR (in particular in older documentation) and/or may result in increased uncertainty and change the economics of the product in the event of a permanent cessation of LIBOR. For example, the interest rate for a security may revert to the LIBOR rate of the prior interest period, which would have the effect of converting the security from a floating to a fixed rate instrument if LIBOR is no longer available. In addition, there may be a population of LIBOR-based products that cannot be amended due to an inability to obtain sufficient investor consent, such as bonds with high noteholder consent requirements, and even if consent is obtained, your interests may not be aligned with those of other holders. Clients utilizing hedging strategies may also face basis risk due to inconsistent fallback provisions in their various investments. While legislation has been enacted in New York that will address New York law-governed contracts without effective “fallback” provisions, it is uncertain whether federal, other state, or other jurisdictional legislation will also be enacted.

With respect to an investment in SOFR-linked products, you should understand SOFR, the terms of the particular offering and the related risks. The composition and characteristics of SOFR are not the same as LIBOR and, as a result, SOFR may not perform in the same way as LIBOR would have. Further, the SOFR-linked products that have been issued to date each apply different market conventions to calculate interest since the market for SOFR products is in its early stages. SOFR may also fail to gain market acceptance and there may be a limited secondary trading market for SOFR-linked products. Similar risks also apply to other alternative rates.

Affiliates of Morgan Stanley Smith Barney LLC (MSSB) participate on central bank committees that are selecting alternative rates and developing transition plans for trading these new rates. In addition, MSSB and its affiliates may have interests with respect to LIBOR- and SOFR-linked products that conflict with yours as an investor. As with any investment, make sure you understand the terms of any LIBOR- and alternative rate-based products you hold and the terms of those that you are considering purchasing. Other products and services offered by or through MSSB or its affiliates, such as loans and mortgage products, may have different terms and conditions and may be affected by the potential replacement of LIBOR differently than LIBOR-based securities. This is a developing situation, so the above information is subject to change.

For more information on the replacement of LIBOR, the recommended alternative rate, SOFR, and certain considerations relating to LIBOR- and SOFR-linked products, please see www.morganstanley.com/wm/LIBOR. Please also contact a member of your Morgan Stanley team for information, including if you have questions about whether you hold LIBOR-based products.

Important Information Regarding the Sales and Offers of Sales of Investment Products to U.S. Military Personnel* and Their Dependents**

Investment products that may be offered or sold by Morgan Stanley Smith Barney LLC or its personnel in person on the premises of a military installation to a member of the United States Armed Forces or his or her dependents are:

- (1) not offered or provided on behalf of the federal government, and
- (2) are not sanctioned, recommended or encouraged by the federal government.

* A member of the U.S. Armed Forces includes any active, retired, discharged or separated member of the Army, Navy, Air Force, Marine Corps and Coast Guard.

** A military installation includes any federally owned, leased or operated base, reservation, post, camp, building or other facility to which members of the U.S. Armed Forces are assigned for duty, including barracks, transient housing and family quarters.

Important Information for Clients Effecting Short Sales and/or Holding Short Stock Positions

When you sell a security short, Morgan Stanley will deliver the security on your behalf and will charge you for the duration of time your short position remains open. Morgan Stanley & Co. LLC sets the rate for each short sale transaction and such cost to you will vary based on a number of factors, including interest rates, the demand for the security and general market conditions, and will also include compensation for Morgan Stanley's services. In general, as the demand to borrow the security increases, the costs will increase. These costs may be substantial for certain securities, and also may fluctuate significantly over the duration of the period of time your short position is held, thus impacting the return on your short transaction. Accordingly, we urge you to discuss with your Financial Advisor the potential costs of short selling prior to entering any short sale as well as the ongoing borrowing costs when determining whether to maintain any short position.

Shorting securities involves risk to investors, including (without limitation) the risk of unlimited loss if the shorted security appreciates in value, the risk that your short position may be bought-in with little or no notice, and the risk that charges for borrowing may change materially without notice. As a result, shorting may not be appropriate for everyone. Investors should make sure they understand these risks prior to shorting securities.

Short sales are not permitted in CashPlus Accounts or in any other accounts that have opted out of, or are not eligible for, margin privileges.

Summary of the Bank Deposit Program

Through the Bank Deposit Program ("BDP" or the "Program"), free credit balances are automatically deposited, or "swept" into interest-bearing FDIC-insured deposit accounts ("Deposit Accounts") established for you by, and in the name of, Morgan Stanley Smith Barney LLC as agent and custodian, at one or more Sweep Banks: Morgan Stanley Bank, N.A. ("MSBNA") and Morgan Stanley Private Bank, National Association ("MSPBNA" and, together with MSBNA, the "Sweep Banks"). Free credit balances above \$20,000,000 (the "Deposit Maximum") are automatically swept into a money market mutual fund (the "Sweep Fund"). The Deposit Accounts at each Sweep Bank consist of a demand deposit account ("DDA") and money market deposit account ("MMDA"). Your monthly Account statement will reflect your balances in each Sweep Bank, and if applicable, the Sweep Fund.

Each Sweep Bank has a Deposit Limit of \$490,000 for joint accounts and \$245,000 for all other accounts. Effective November 1, 2020, the Deposit Limit will be computed on a daily basis to be the lesser of \$245,000 or the difference of \$245,000 and the total of any other deposits held in the same insurable capacity at the respective Sweep Bank for all accounts except jointly held accounts. Any deposits include positions in the savings programs, GlobalCurrency and CDs. The Deposit Limit will continue to be \$490,000 for Accounts held jointly by two or more persons or entities. Deposit Limits are set slightly below the FDIC insurance thresholds to allow for accrued interest on the Deposit Accounts.

The Primary Sweep Bank is the Sweep Bank where your deposits will first be made. Either MSBNA or MSPBNA will be your Primary Sweep Bank, and you will receive notice of the then-current order of the Sweep Bank upon the first deposit into the Program.

Deposits will first be made to your Deposit Accounts at the Primary Sweep Bank up to the Deposit Limit, then to the other Sweep Bank ("Secondary Sweep Bank") up to the Deposit Limit. If your funds exceed the Deposit Limit at both the Primary and Secondary Sweep Banks, such excess funds will be deposited into the Deposit Accounts at the Primary Sweep Bank up to the Deposit Maximum, even if the amounts in the Deposit Accounts at the Primary Sweep Bank exceed the maximum FDIC insurance limit. Once the deposited funds reach the Deposit Maximum, any additional free credit balances will be swept into the Sweep Fund. The Sweep Fund available for your Account is the Morgan Stanley Institutional Liquidity Funds Government Securities

Portfolio (symbol MGPXX). The Deposit Maximum and the Sweep Fund are subject to change with 30 days, prior written notice to you from Morgan Stanley.

Withdrawals from your Deposit Accounts will be made on a “last in, first out” basis, which means that funds will be withdrawn first from your Sweep Fund and then from the Sweep Banks in the reverse order from which the funds were deposited.

Morgan Stanley may notify you with 30 days’ notice by letter, an entry on your Account statement or other written means that your Sweep Bank is changing. Morgan Stanley may notify you of a change to your Primary and Secondary Sweep Banks within 30 days of such change with written notice to you. If a change is made, we may transfer funds between the Sweep Banks in order to reallocate your deposits. However, you may contact your Financial Advisor to block deposits to MSBNA or MSPBNA.

To review current interest rates and the BDP Disclosure Statement, please visit www.morganstanley.com/wealth-investmentstrategies/pdf/BDP_disclosure.pdf.

INTEREST RATES GENERALLY

The DDAs and MMDAs will earn the same rate of interest. Interest rates on the DDAs and MMDAs are variable. Morgan Stanley and the Sweep Banks reserve the right to change the methodology used to determine the interest rates in their sole discretion and without prior notice to you. The Sweep Banks generally set the rates on a weekly basis, but may set the rates more or less frequently. The rate is generally based on a variety of factors including, but not limited to, prevailing economic and market conditions. Our ability to influence the rate on your Deposit Accounts presents a conflict of interest, as described below.

INTEREST RATES AND TIERS

For all eligible accounts, the interest rates on Deposit Accounts will be tiered (“Tiered Rates”) based upon the value of Total Deposit Balances in your BDP Pricing Group. Total Deposit Balances is the value of all deposits (including deposits in the Bank Deposit Program and in the Savings Program) across all accounts in your BDP Pricing Group. A BDP Pricing Group is a group of accounts that have the same address. In addition, accounts utilizing the same Social Security Number or Tax Identification Number in a household may be included in a BDP Pricing Group even if the account address is different from the other accounts.

Currently, there are six interest rate tiers:

- \$2,000,000 or greater
- \$1,000,000 to \$1,999,999.99
- \$500,000 to \$999,999.99
- \$250,000 to \$499,999.99
- \$100,000 to \$249,999.99
- Less than \$100,000

The current rate paid by the Sweep Fund will be among the factors used to determine the rate for the highest interest rate tier.

FEE TO MORGAN STANLEY

The Sweep Banks will pay Morgan Stanley an annual account-based flat fee for the services performed by Morgan Stanley with respect to the Program. The amount of the fee received by Morgan Stanley may affect the interest rate paid by the Sweep Banks on your Deposit Accounts. Affiliates of Morgan Stanley may also receive a financial benefit in the form of credit allocations made for financial reporting purposes. No other charges, fees or commissions will be imposed on your account as a result of or otherwise in connection with the Program.

Our affiliate, Morgan Stanley Investment Management, serves as the investment adviser to the Sweep Fund. Morgan Stanley receives revenue-sharing compensation from Morgan Stanley Investment Management based on the amount of Sweep Fund assets held by clients in Brokerage Accounts of up to 0.25% per year (\$25 per \$10,000 of assets). This fee is not assessed on positions held by clients in Advisory Accounts.

CONFLICTS OF INTEREST AND OTHER BENEFITS

Morgan Stanley, the Sweep Banks and their affiliates may receive other financial benefits in connection with the BDP. The Sweep Banks may use the cash balances in their Deposit Accounts to fund certain lending activity. As with other depository institutions, the profitability of the Sweep Banks is determined in large part by the difference between the interest paid and other costs incurred by them on the Deposit Accounts, and the interest or other income earned on their loans, investments and other assets. Deposits in Deposit Accounts provide the Sweep Banks with a stable, cost-effective source of lendable funds.

FDIC COVERAGE

Funds in the Deposit Accounts (principal and accrued interest) at each Sweep Bank are eligible for FDIC insurance up to a specified amount per depositor (the "Maximum Applicable Insurance Limit") in each insurable capacity (e.g., individual or joint). The Maximum Applicable Insurance Limit is \$250,000. Please keep in mind, however, that the Maximum Applicable Insurance Limit is established per depositor.

Any deposits that you maintain in the same capacity directly with a Sweep Bank (including CDs), or through an intermediary (such as Morgan Stanley or another broker), will be aggregated with deposits in your Deposit Accounts at that Sweep Bank for purposes of the Maximum Applicable Insurance Limit. You are responsible for monitoring the total amount of deposits that you have with each Sweep Bank, in order to determine the extent of FDIC deposit insurance coverage available to you. We are not responsible for any insured or uninsured portion of a Deposit Account at a Sweep Bank. Please visit www.fdic.gov for more information. Balances maintained in the Deposit Accounts at each Sweep Bank are not protected by SIPC or any excess coverage purchased by Morgan Stanley.

SIPC INSURANCE

Money market mutual funds and free credit balances are covered by the Securities Investor Protection Corporation (SIPC). SIPC is a federal mandated U.S. nonprofit corporation that protects customer assets from financial loss in the event a broker-dealer becomes insolvent.

SIPC covers securities that we hold in custody (stocks, bonds, notes) up to \$500,000 per client capacity (e.g., individual, joint) of which \$250,000 may be free credit balance. Money market mutual funds receive SIPC coverage as securities, not as cash. Funds in the BDP are covered by FDIC insurance, not SIPC. Additional information about SIPC is available at www.sipc.org.

In addition to this SIPC protection, Morgan Stanley has purchased, at no cost to clients, a supplemental insurance policy through certain underwriters at Lloyd's of London and various insurance companies. In the unlikely event that client assets are not fully recovered and SIPC protection limits have been paid, this additional coverage would be available to provide protection above the SIPC limits. This coverage is subject to an aggregate firmwide cap of \$1 billion, with no per-client limit for securities and a \$1.9 million per client limit for the cash portion of any remaining shortfall. SIPC and excess of SIPC protection do not insure against losses due to market fluctuations or other losses that are not related to claims due to the insolvency of Morgan Stanley. SIPC and excess of SIPC protection are applied per customer for all Accounts designated in the same capacity. Clients may obtain a more complete and definitive description of SIPC protection by visiting www.sipc.org.

You could lose money by investing in a money market fund. Depending upon the type of money market fund in which you invest, a fee may be imposed upon the sale of your shares or the Fund may temporarily suspend your ability to sell shares if the Fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time. You may also obtain a prospectus from us or from Morgan Stanley Investment Management at <https://www.morganstanley.com/im/en-us/financial-share-advisor/product-and-performance/liquidity-funds/liquidity/government-securities.shareClass.PT.html>. Please read the prospectus carefully before investing or sending money.

AUTOMATIC CASH SWEEP

The Bank Deposit Program will be your default sweep investment unless you are ineligible to participate in the Bank Deposit Program (e.g., certain entity types or persons residing outside the U.S.). The Bank Deposit Program is described in your account opening materials, as well as in the Bank Deposit Program Disclosure Statement that can be found at https://www.morganstanley.com/wealth-investmentstrategies/pdf/BDP_disclosure.pdf. If you are ineligible to participate in the Bank Deposit Program, any free credit balances in all of your accounts will automatically sweep into one of the following based upon eligibility:

- Institutional Liquidity Funds Government Securities Portfolio (available only if you are a U.S. Person and are not eligible for the Bank Deposit Program, or if you exceed the Deposit Maximum as defined in the Bank Deposit Program Disclosure)
- Treasury Liquidity Fund – Cayman Islands Exempted Company that invests substantially all its assets in Institutional Class of Morgan Stanley Institutional Liquidity Funds Treasury Portfolio, a U.S. money market fund (Cayman Company is not governed by the U.S. Investment Company Act and is available only if you reside outside the U.S.)
- U.S. Government Money Market Trust (available only for individual retirement accounts that are not eligible for the Bank Deposit Program)

For the purpose of this section, each of the above funds shall be referred to as a “money market mutual fund.”³

How Morgan Stanley and Your Financial Advisor Are Compensated

HOW MORGAN STANLEY IS COMPENSATED BY YOU

Depending on the types of relationships you establish and the ways you choose to do business with us, Morgan Stanley may be compensated for the services we provide through transaction commissions and markups, asset-based fees and other fees and charges.

BROKERAGE

For brokerage activity, we offer transaction-based pricing in which you pay commissions, sales loads, markups/markdowns or other fees for each transaction you and your Financial Advisor execute. You can conduct transaction-based business in virtually all financial products and services within an Active Assets Account or in retirement, education savings, or other accounts we offer.

INVESTMENT ADVISORY

In our investment advisory programs, you generally pay an asset-based fee, payable monthly in advance based on the total value of the assets in your investment advisory account at the end of the previous month. Unless otherwise noted, the asset-based fee generally covers investment consulting and certain brokerage services provided by Morgan Stanley, as well as the external or internal investment management fees. However, the asset-based fee does not cover expenses paid within any exchange-traded funds or mutual funds you may own.

You may select from our comprehensive suite of managed account programs, which are designed for various levels of investment experience and sophistication, with asset minimums that start as low as \$1,000. Depending upon the program, your investment advisory account may include stocks, bonds, money market funds, mutual funds, exchange-traded funds and cash. You can establish investment advisory relationships for your retirement or trust accounts in addition to your personal investment accounts. If you select one of our nondiscretionary advisory programs, your Financial Advisor will provide investment advice, but you will retain decision-making authority over your account.

Morgan Stanley offers financial planning services through Morgan Stanley approved financial planning tools. Using these tools, your Financial Advisor can assist you with the evaluation of

³ Our affiliate, Morgan Stanley Investment Management, serves as the investment adviser to the listed money market mutual funds. Morgan Stanley receives revenue-sharing compensation from Morgan Stanley Investment Management based upon the amount of assets held by clients in these money market mutual funds.

your financial goals and help you develop an investment strategy to meet goals such as planning for retirement, funding an education and insurance planning.

The maximum fee for delivery and review of a financial plan is generally \$5,000. However, Financial Advisors who hold one of the following qualifying designations: CERTIFIED FINANCIAL PLANNER™ (CFP®), CHARTERED FINANCIAL ANALYST® (CFA®), CHARTERED PERSONAL WEALTH ADVISOR® (CPWA®), Chartered Financial Consultant (ChFC), Certified Trust and Financial Advisor (CTFA) or Family Wealth Director (FWD), may charge up to a maximum of \$10,000 if assets in a financial plan are over \$5,000,000. Financial Advisors have the discretion to discount up to 100% of the fee for a financial plan.

LENDING SERVICES

Morgan Stanley offers a variety of lending products to individuals and businesses. We are compensated for these services in primarily two ways: through fees when the loan or line of credit is initially established and/or through ongoing interest charges. These fees and payments depend on the type, structure and duration of the advance.

For margin and Express CreditLine, you are not charged upfront fees. Normally, ongoing interest charges are calculated and paid based on a variable interest rate. Unless otherwise instructed, interest charges are capitalized on a monthly basis. Principal is usually repaid at your discretion, although we may exercise our rights under our agreement with you at any time, including but not limited to, if there is a collateral shortfall.

For a Liquidity Access Line, which is a securities-based loan/line of credit product, the lender of which is either Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable, each, an affiliate of Morgan Stanley Smith Barney LLC, clients are typically not charged upfront fees to set up the line of credit.⁴ Various loan structures can be established in one loan account, including a variable rate advance and fixed-rate advance. Unless otherwise instructed, interest charges are capitalized on a monthly basis. Fixed-rate advances may carry prepayment fees, which can be substantial based on prevailing interest rates, and we can provide additional details upon request. The ongoing principal and interest payments depend on the type, structure and duration of the loan. Principal is usually repaid at the client's discretion, although Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable, may exercise its rights under its agreement with you at any time, including, but not limited to, if there is a collateral shortfall. You can also request that Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable, establish a standby letter of credit on your behalf, which would be backed by your Liquidity Access Line. Fees on standby letters of credit are based on the issuance amount of the letter of credit. Fees, interest and principal payments are paid to Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable. The proceeds from a non-purpose Liquidity Access Line loan/line of credit (including draws and other advances) may not be used to purchase, trade, or carry margin stock; repay margin debt that was used to purchase, trade or carry margin stock; and cannot be deposited into a Morgan Stanley Smith Barney LLC or other brokerage account.

Morgan Stanley Private Bank, National Association, an affiliate of Morgan Stanley, offers a variety of Tailored Lending loan solutions; some may require upfront fees in addition to interest payments based on the type, structure and duration of the loan. The proceeds from a Tailored Lending loan/line of credit (including draws and other advances) generally may not be used to purchase, trade or carry margin stock; repay margin debt that was used to purchase, trade or carry margin stock; and cannot be deposited into a Morgan Stanley Smith Barney LLC or other brokerage account.

Residential mortgage loans are made by Morgan Stanley Private Bank, National Association, an Equal Housing Lender, an affiliate of Morgan Stanley Smith Barney LLC. Some loans may involve an origination fee, which is typically up to one percent of the principal amount of the loan, and/or an

⁴ Clients may be responsible for fees of a third-party law firm engaged by Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A. to review complex Liquidity Access Line transactions (e.g., review of trust agreements). Clients will also be charged a fee for the issuance of a letter of credit, prepayment of principal on fixed-rate advances and upon a client's request for certain cash management services (e.g., duplicate statement and check reorderers).

application fee and closing costs. The proceeds from a residential mortgage loan (including draws and advances from a home equity line of credit) are not permitted to be used to purchase, trade or carry eligible margin stock; repay margin debt that was used to purchase, trade or carry margin stock; or to make payments on any amounts owed under the note, loan agreement, or loan security agreement; and cannot be deposited into a Morgan Stanley Smith Barney LLC or other brokerage account.

OTHER COMPENSATION

Morgan Stanley and its affiliates may earn compensation in other, more indirect ways with regard to certain of the products you purchase or services you receive. For example, Morgan Stanley may earn compensation in connection with the provision of investment banking, prime brokerage, institutional brokerage or placement agent services, as well as stock loan or other lending, money-management or trading-desk activities. Certain investment vehicles may include securities of Morgan Stanley's parent or other affiliates and companies in which Morgan Stanley or its affiliates make a market or the officers or employees of Morgan Stanley or Morgan Stanley's affiliates own securities.

If your account was referred to us by one of our affiliates, including but not limited to Morgan Stanley and Co. LLC or Morgan Stanley Investment Management Inc., we may compensate our affiliate for referring your account to us. If your account was so referred to us, we may pay our affiliate a fixed fee, a percentage of the transaction-based compensation or a percentage of the management fees paid to us by you. You will pay us an advisory fee or transaction compensation, depending on the account type you open, that clients ordinarily pay to us for our services. You will not pay us or our affiliate that referred you to us any additional compensation for this referral.

HOW MORGAN STANLEY COMPENSATES YOUR FINANCIAL ADVISOR

Your Financial Advisor's compensation is based primarily on the fees and commission that you pay us. In general, your Financial Advisor receives a portion of Morgan Stanley's fees and commissions as gross revenue credits, and we pay our Financial Advisors a percentage of their gross revenue credits as incentive compensation. Different products have different gross revenue credit structures and, accordingly, our Financial Advisors get paid more or less depending on the product or service you choose. The more overall gross revenue a Financial Advisor generates, the higher his or her percentage of gross revenue or incentive compensation credit rate. The incentive compensation credit rate varies and is subject to change. The incentive compensation credit rate has varying thresholds which range from 20% to 55.5%, with a portion of total credits awarded to the Financial Advisor as deferred compensation, and the remainder of the total credits awarded as cash compensation. In addition, Financial Advisors can qualify for club memberships, which are attained through meeting certain revenue thresholds. These club memberships provide additional financial benefits, such as enhanced payments in retirement. In certain instances, Financial Advisors may be reimbursed for a portion of certain training costs they incur upon achieving a specified level of new assets.

On certain lending products like Margin, Liquidity Access Line and Express Credit Line Financial Advisors are credited with gross revenue for up to 65 basis points of the balance of the loan depending on the spread of the individual loan. For Tailored Lending, Financial Advisors are credited with gross revenue for up to 12% of the spread of the loan's average monthly balance depending on the spread of the individual loan; Financial Advisors may also be credited with gross revenue for up to 12% of upfront fees paid on a Tailored Lending credit facility. Morgan Stanley also has partnerships with third-party lenders. Your Financial Advisor may receive a gross revenue credit for placing certain non-mortgage loans with third-party lenders. The gross revenue credit varies according to the specific third-party program. Financial Advisors may also receive ongoing gross revenue credit (called residuals) on some investment products.

In addition to the incentive compensation credit rate schedule outlined above, your Financial Advisor may be eligible for bonuses based on the total gross revenue he or she generates during the year, net inflow and outflow of assets, his or her clients' Margin, Liquidity Access Line/Express Credit Line and Tailored Lending balances, and Mortgages closed. Your Financial Advisor may also be eligible for incentives based on his or her clients' establishing a new recurring deposit to their Morgan Stanley account. Your Financial Advisor may be eligible to receive financial

incentives in connection with the transition of his or her employment to Morgan Stanley. Such incentives may include sign-on bonuses and/or loan-bonus arrangements, equity awards, buyout of forfeited deferred compensation or retention arrangements, special commission arrangements, supplemental bonuses or loan-bonus arrangements, and may be contingent upon your Financial Advisor satisfying certain performance-based criteria that may depend on total client assets serviced by the Financial Advisor at Morgan Stanley and/or the gross revenue they generate.

Your Financial Advisor will receive reduced or no incentive compensation for transactions below certain commission levels, as well as for households that do not meet certain asset or liability minimums. Under a legacy program that is no longer available to new hires after January 1, 2020, Financial Advisors under Morgan Stanley's Financial Advisor Associate ("FAA") Program may receive a bonus for achieving certain gross revenue thresholds within the first 5 years of working as a FAA.

If your account is serviced through our Morgan Stanley Virtual Advisor ("MSVA"), your MSVA is paid a base salary plus a discretionary bonus and does not retain any portion of any commission, investment advisory fee or other amount you might pay to Morgan Stanley. For more information on MSVAs, please visit <https://www.morganstanley.com/pub/content/mscampaign/en/wealthmanagement/morgan-stanley-virtual-advisor>.

FLOAT

Morgan Stanley may retain, as compensation for its provision of services, your Account's proportionate share of any interest earned on aggregate cash balances held by Morgan Stanley or an affiliate with respect to assets awaiting investment. Such interest retained by the Custodian shall generally be at the prevailing Federal Funds interest rate.

Your Account and Service Fees

HOUSEHOLDING

A household is comprised of one or more accounts formally grouped under one individual designated as the head of household. Individuals can be included in the household if they have an eligible familial relationship to the head of household. Eligible family relationships include spouse (or domestic partner¹), children, parents and grandparents of the head of household.

There are restrictions on what account types may be grouped in the same household. Consent may be required for accounts to be included in a household. If you want to include IRAs and/or other retirement accounts in your household, you may need to contact your legal or tax advisor to understand any possible unanticipated tax consequences of householding such accounts. You should speak with a member of your Morgan Stanley team to learn more about account eligibility for householding, and to learn more about the advantages of maintaining or increasing your Household Tier.

ACCOUNT FEES^{2,3}

Your account may be subject to several fees which are charged to your account and which may be modified by Morgan Stanley from time to time upon prior written notice. Some fees may be waived at certain asset levels or for Reserved Clients. You should speak with a member of your Morgan Stanley team if you have any questions regarding our account or service fees.

¹ Although legal marriages (including same-sex marriages) are recognized for federal tax purposes, IRS Regulation section 301.7701-18 indicates that registered domestic partnerships, civil unions, and other similar formal relationships under state law are not treated as marriage for federal tax purposes. To avoid potential adverse tax consequences, there are restrictions on including accounts for domestic partners (or members of civil unions or other formal relationships under state law) in the same household as IRAs and/or other tax-qualified accounts. You may need to contact your own legal or tax advisor for more information.

² You understand that whenever it is necessary, for our protection or to satisfy a debit balance or other obligations owed to us, we may—but are not required to—sell, assign or deliver all or any part of the securities and other property held in your account. We may attempt to contact you before taking such action, but we reserve the right to take any such action without prior notice or demand for additional collateral and to do so free of any right of redemption. Morgan Stanley may choose which securities or other property to buy or sell as well as the sequence and timing of liquidation. Our choices may have adverse tax consequences or investment implications for you.

³ Not all fees are listed and fees are subject to change. Morgan Stanley Smith Barney LLC reserves the right, in its sole discretion, to elect to discount or waive any fees.

Active Assets Accounts

The annual account fee for Active Assets Accounts (AAA) will be charged on a go-forward basis and will be charged on the following dates: (a) when you open and fund your AAA; (b) for subsequent years, annual account fees will be charged on or about the 10th business day of the month after your account anniversary date. Your annual account fee will be automatically debited from the AAA. Newly opened, unfunded AAA accounts will receive a 90 day grace period before being assessed an annual account fee. If funded during this grace period, the annual account fee will be assessed on the 10th business day following funding. If the account is not funded after the 90 day grace period, it will remain open and assessed the annual account fee on the next 10th business day of the month. In subsequent years, the AAA will only be charged if the account is funded.

Individual Retirement Accounts

The annual account fee for Individual Retirement Accounts (IRAs) will be charged for any calendar year or portion of any calendar year during which you have an IRA with us. Annual account fees are due and payable on the following dates: (a) when you open your IRA; (b) for subsequent years, annual account fees will be due on or after the 10th business day of the quarter-ending month on or after your account's anniversary month (if your account remains open on that date); and (c) the day you terminate or transfer your IRA. Your annual account fee will be automatically debited from the IRA. Contact a member of your Morgan Stanley team for other payment options.

A 90-day grace period will delay the fee assessment on newly opened IRA accounts that have not been funded. The fee will be applied to these accounts on or after the 10th business day of the month following the funding of the account or the expiration of the grace period.

Account termination or transfer fees are charged when your IRA is closed. Termination fees are not charged if the account is distributed in any year following your disability or death or at age 75 or older. The Account Transfer Fee will be imposed for any or all account assets transferred from your Morgan Stanley IRA to another financial institution. In the event that both the termination and transfer fees would apply to the same transaction, only the transfer fee will be assessed.

Business Retirement Accounts

The annual account fee for the Versatile Investment Program (VIP) Basic, VIP Plus and Retirement Plan Manager (RPM) accounts will be charged for any calendar year or portion of any calendar year during which you have a subaccount with us (and is charged once for each such account). The fee is due each September or, in the event of transfer or termination, upon account closure. For accounts that are opened between September and December and therefore miss the scheduled billing cycle, the fee is due in January of the following calendar year. A reduced fee will be assessed to those who enroll in eDelivery — for all documents pertaining to every account within the Account Linked Group (ALG). The annual fee for Business Retirement VIP and RPM accounts is assessed for the entire plan and is either paid by the plan sponsor or equalized across all fee eligible subaccounts of the plan. If the fee is charged to subaccounts, the reduced fee for all eDelivery may not be fully realized by the particular subaccount that is enrolled. A per account termination fee is due upon account closure for VIP Basic, VIP Plus and RPM accounts.

CashPlus Accounts

CashPlus Accounts may be charged a monthly account fee, which will be charged on or about the 10th business day of the month after the fee is incurred. For the monthly account fee avoidance criteria, please refer to the CashPlus Account Disclosure Statement or available at <https://www.morganstanley.com/wealth-disclosures/cashplusaccountdisclosurestatement.pdf>.

MORGAN STANLEY WEALTH MANAGEMENT SCHEDULE OF MISCELLANEOUS ACCOUNT AND SERVICE FEES

Your Morgan Stanley relationship enables you to select from a variety of account types, to help meet both everyday needs and long-term objectives. The information on the following pages will help you understand the account and service fees that may be applied to your accounts.¹ Fees may vary by account type or other factors, and are subject to change. Some fees may be waived at certain asset levels or for various programs and accounts, such as, but not limited

to, Reserved,² and CashPlus Accounts. Fees listed here exclude advisory fees, commissions, commission equivalents or markups. Please speak with a member of your Morgan Stanley team if you have any questions regarding our account or service fees.

ACCOUNT AND SERVICE FEES

ACCOUNT OR SERVICE	STANDARD FEE AMOUNT	ALL eDELIVERY FEE AMOUNT**	FREQUENCY
Account Maintenance Fees			
Account Fees			
Individual Active Assets Account (AAA)–Account Fee ³	\$175	\$150	Annual
Business Active Assets Account (BAAA)–Account Fee ³	\$175	\$150	Annual
Custodial Active Assets Account –Account Fee ³	\$125	\$100	Annual
Individual Basic Securities Account (BSA)–Account Fee ⁴	\$120 (\$70 for accounts in the MSVA)*	\$95 (\$50 for accounts in the MSVA)*	Annual
Business Basic Securities Account (BBSA)–Account Fee ⁴	\$120 (\$70 for accounts in the MSVA)*	\$95 (\$50 for accounts in the MSVA)*	Annual
Individual Retirement Account (IRA) (Traditional, Roth, Roll-over, Inherited, SEP, SIMPLE and SAR-SEP)–Account Fee ⁵	\$100 (\$70 for accounts in the MSVA)*	\$75 (\$50 for accounts in the MSVA)*	Annual
Business Retirement VIP Basic–Account Fee ⁶	\$80 per account	\$60 per account	Annual
Business Retirement VIP Basic–Plan Document Fee	\$150 per plan	\$150 per plan	Annual
Business Retirement VIP Plus–Account Fee ⁶	\$70 per account	\$50 per account	Annual
Business Retirement VIP Plus–Plan Document Fee	\$150 per plan	\$150 per plan	Annual
Business Retirement RPM–Account Fee ⁶	\$70 per account	\$50 per account	Annual
529 Education Savings Plan–Account Fee	Some plans impose an Account Fee; (typically \$10–\$30) Please see the 529 Plan Program Description for your plan's details	Some plans impose an Account Fee; (typically \$10–\$30) Please see the 529 Plan Program Description for your plan's details	Varies Per Plan
Coverdell Education Savings Account (ESA)–Account Fee	\$70	\$50	Annual

*All references to the Morgan Stanley Virtual Advisor (MSVA) apply only to domestic clients.

**All accounts enrolled in eDelivery of all eligible account documents for every account within their Account Link Group.

ACCOUNT OR SERVICE	FEE AMOUNT	FREQUENCY
Morgan Stanley Premier CashPlus Account ⁷	\$15	Monthly
Morgan Stanley Platinum CashPlus Account ⁸	\$45 Note: \$55 per month effective 02/01/2022	Monthly
Duplicate Statements and Duplicate Confirmations	\$5	Per Statement/ Confirmation
Low-Balance Household Fee ⁹	\$50 per quarter for households with less than \$25,000 (Waived for MSVA households)*	Per Quarter

Account Transfer (including ACATS) and Termination Fees

Individual Retirement Account (IRA) (Traditional, Roth, Rollover, Inherited, SEP, SIMPLE and SAR-SEP) – Termination Fee ^{10,11,12}	\$125	Per Account Termination
Business Retirement VIP Basic – Termination Fee ^{11,12}	\$50	Per Account Termination
Business Retirement VIP Plus – Termination Fee ¹²	\$50	Per Account Termination
Business Retirement RPM – Termination Fee ¹²	\$50	Per Account Termination
529 Education Savings Plan – Termination Fee	Some plans impose a Termination Fee; Please see the 529 Plan Program Description for your plan's details	Varies Per Plan
Coverdell Education Savings Account (ESA) – Termination Fee ^{10,12,13}	\$95 Note: \$125 per termination effective 02/01/2022	Per Account Termination
Account Transfer Fee (including ACATS) ¹⁴	\$125	Per Account Transfer

Cash Management Services¹⁵

Check (Overnight) – Client Requested/Branch Initiated Disbursement AAA, BAAA, BSA, BBSA	\$10	Per Check
Checks – Checkbook Orders, AAA/Retirement Accounts	<ul style="list-style-type: none"> • Wallet Check Orders/ Reorders – Waived • Non-Wallet Orders/ Reorders – \$20 and up, depending on style and quantity 	Per Checkbook Order
Debit Card	No annual fee. A 2% foreign transaction fee is charged on transactions made with the Debit Card outside of the United States (includes ATM withdrawals)	Per Transaction

ACCOUNT OR SERVICE	FEE AMOUNT	FREQUENCY
Debit Card – Automated Teller Machine (“ATM”) Withdrawal	Up to \$200 per calendar year in ATM fee rebates at ATMs around the world where Mastercard®, Maestro® or Star® are accepted	Per Transaction
Expedited Payment Fee for Morgan Stanley Online Bill Pay (Same Day/Next Business Day, Receipt of Payment)	\$15	Per Transaction
Express Orders for Checks and/or Debit Card (Via Overnight Delivery – U.S. addresses only)	\$25 for Checks/\$25 for Debit Card	Per Delivery
Insufficient Funds (Over Limit) Paid Item: Includes Check/ACH, Automatic Debits, Online Bill Payments	\$25	Per Transaction
Insufficient Funds, Returned Items: Includes Check/ACH, Automatic Debits, Online Bill Payments	\$25	Per Transaction
Insufficient Funds, Rejected Transfer	\$25	Per Transaction
Morgan Stanley Credit Card from American Express	\$0	Annual
Platinum Card® from American Express Exclusively for Morgan Stanley – Annual Fee paid to American Express	\$695 ¹⁶	Annual
Returned Check Deposit	\$25	Per Transaction
Stop Payment	\$25	Per Transaction
Wire Transfer (Non-USD) – Outgoing ¹⁷	\$50	Per Wire Transfer
Wire Transfer (USD) – Outgoing ¹⁷	\$25	Per Wire Transfer

Investment Specific

Morgan Stanley Fees

Cash Account Prepayment	\$25 or highest margin interest rate on payment amount beginning the day of prepayment	Per Event
Dividend Reinvestment for Basic Securities Accounts. Waived for Active Assets Accounts, IRAs and Investment Advisory Accounts	<ul style="list-style-type: none"> • Dividends \$10 – \$100 = 5.3% • Dividends \$100.01 – \$500 = \$5.30 or 2.7%, whichever is greater • Dividends greater than \$500 = \$13.50 or 2%, whichever is greater 	Per Dividend Reinvestment

ACCOUNT OR SERVICE	FEE AMOUNT	FREQUENCY
Foreign Ordinary Shares. Fee is waived when the trade is valued over \$15,000 and when purchasing foreign American Depository Receipts ("ADRs")	\$50 fee for principal purchases less than \$15,000	Per Transaction
Late Payment ¹⁸	\$25 or highest rate on margin schedule, whichever is greater	Per Event
Legal Transfer – Estate Processing	\$25 Additional fees charged by transfer agents may apply	Per Event
Processing Fee ¹⁹	\$6.50 (\$6.00 if enrolled in eDelivery of Confirms)	Per Transaction
Returned Stock Certificate (Reorg)	Waived	n/a
Stock Certificates – Private Name Change/Transfer Request	Waived	n/a
Third-Party Fees		
ADR Custody Fee/Depository Service Fee ²⁰	Varies	Per Event
ADR Dividend Payment Fee	Varies	Per Dividend Payment
ADR Termination Fee	Varies	Per Termination
GlobalCurrency Negative Rate Maintenance Fee ²¹	Varies	Monthly
Limited Partnerships – Reregistration Fee	Pass-through of registration agent fee	Per Event
Physical Certificate	\$60	Per Transaction
Physical Certificate Collection (Reorg) Fee	\$25	Per Transaction
Physical Security Restricted Legend Removal ²²	\$300	Per Event
Short-Term Mutual Fund Redemption Fee	Varies	Per Event
Subscription Refund Fee	Varies	Per Event
Supplemental Transaction Fee (may be applied to the sale of certain securities)	Variable, minimum \$0.01	Per Transaction
Voluntary Reorganization Fee	\$25	Per Event
529 Education Savings Plan – Program Management Fee	Some plans impose a Program Management Fee (typically 0.10–0.50% on assets); Please see the 529 Plan Program Description for your plan's details	Per Plan

ACCOUNT OR SERVICE	FEE AMOUNT	FREQUENCY
529 Education Savings Plan—Other Fees	Some plans impose other fees, such as underlying fund operating expenses, Administrative and/or State Fees, Distribution Fees; Please see the 529 Plan Program Description for your plan's details	Per Event

¹ Some of the fees described are charged by Morgan Stanley Smith Barney LLC ("Morgan Stanley"), while others are charged by third parties. Fees are subject to change. Morgan Stanley reserves the right, in its sole discretion, to discount or waive any fees. If you have any questions regarding these fees, please contact a member of your Morgan Stanley team or call the number on your account statement.

² To qualify for Reserved, a client's household must have and maintain a minimum of \$1,000,000 in eligible assets and liabilities or paid at least \$10,000 in managed fees/commissions. Annual managed fees/commissions paid is generally defined as revenue generated in fee-based accounts and commissions generated in non-fee based accounts, and is calculated on a rolling 12-month basis. Not all revenue is included; Morgan Stanley reserves the right to exclude certain items of revenue in its sole discretion. There is no cost to be enrolled in Reserved. Morgan Stanley Smith Barney LLC reserves the right to change or terminate the Reserved program at any time and without notice. Reserved program participants' accounts and activity are reviewed periodically to confirm that they continue to qualify for Reserved.

³ The annual account fee for Active Assets Accounts (AAA) will be charged on a go-forward basis and will be charged on the following dates: (a) when you open and fund your AAA; (b) for subsequent years, annual account fees will be charged on or about the 10th business day of the month after your account anniversary date. Your annual account fee will be automatically debited from the AAA. Newly opened, unfunded AAA accounts will receive a 90 day grace period before being assessed an annual account fee. If funded during this grace period, the annual account fee will be assessed on the 10th business day following funding. If the account is not funded after the 90 day grace period, it will remain open and assessed the annual account fee on the next 10th business day of the month. In subsequent years, the AAA will only be charged if the account is funded. A reduced fee will be assessed to those who enroll in eDelivery—for all documents pertaining to every account within the Account Linked Group (ALG).

⁴ A prorated annual account fee will be charged to all converted Smith Barney Basic Securities Accounts if transferred to another Firm. A reduced fee will be assessed to those who enroll in eDelivery—for all documents pertaining to every account within the Account Linked Group (ALG).

⁵ The annual account fee for Individual Retirement Accounts (IRAs) will be charged for any calendar year or portion of any calendar year during which you have an IRA with us. Annual account fees are due and payable on the following dates: (a) when you open your IRA; (b) for subsequent years, annual account fees will be due on or after the 10th business day of the quarter-ending month on or after your account's anniversary month (if your account remains open on that date); and (c) the day you terminate or transfer your IRA. A 90 day grace period will delay the fee assessment on newly opened IRA accounts that have not been funded. The fee will be applied to these accounts on or after the 10th business day of the month following the funding of the account or the expiration of the grace period. Your annual account fee will be automatically debited from the IRA. A reduced fee will be assessed to those who enroll in eDelivery—for all documents pertaining to every account within the Account Linked Group (ALG).

⁶ The annual account fee for the Versatile Investment Program (VIP) Basic, VIP Plus and Retirement Plan Manager (RPM) accounts will be charged for any calendar year or portion of any calendar year during which you have a subaccount with us (and is charged once for each such account). The fee is due each September or, in the event of transfer or termination, upon account closure. For accounts that are opened between September and December and therefore miss the scheduled billing cycle, the fee is due in January of the following calendar year. A reduced fee will be assessed to those who enroll in eDelivery—for all documents pertaining to every account within the Account Linked Group (ALG). The annual fee for Business Retirement VIP and RPM accounts is assessed for the entire plan and is either paid by the plan sponsor or equalized across all fee eligible subaccounts of the plan. If the fee is charged to subaccounts, the reduced fee for all eDelivery may not be fully realized by the particular subaccount that is enrolled.

⁷ CashPlus Accounts may be charged a monthly account fee, which will be charged on or about the 10th business day of the month after the fee is incurred. To avoid the monthly fee, the Premier CashPlus Accounts in your Account Link Group, collectively, must satisfy the following criteria: (a) \$2,500 in total monthly recurring deposits or (b) \$25,000 in average daily Bank Deposit Program (BDP) balances. Additionally, at least one other eligible non-CashPlus Morgan Stanley account (excluding all types of retirement accounts) and one Morgan Stanley Online enrollment are required per Account Link Group.

⁸ CashPlus Accounts may be charged a monthly account fee, which will be charged on or about the 10th business day of the month after the fee is incurred. To avoid the monthly fee, the Platinum CashPlus Accounts in your Account Link Group, collectively, must satisfy the following criteria: (a) \$5,000 in total monthly recurring deposits; and (b) \$25,000 in average daily Bank Deposit Program (BDP) balances. Additionally, at least one other eligible non-CashPlus Morgan Stanley account (excluding all types of retirement accounts) and one Morgan Stanley Online enrollment are required per Account Link Group.

⁹ A Low-Balance Household fee will be charged quarterly, in addition to any applicable annual account fee, to Morgan Stanley households with less than \$25,000 in eligible assets and liabilities. Eligible assets and liabilities are based upon the higher of the average month-end assets and liabilities over the previous three months or the month-end assets on the last day of the previous month. All accounts within a household will be included in determining

the total eligible assets and liabilities. The fee will be charged to only one account in the household. If there is more than one eligible account in the household, the household will be assessed the fee in ascending market value in the following order: Active Assets Accounts (including Business Accounts), Basic Security Accounts, IRAs. Only Active Assets Accounts, Basic Securities Accounts and certain IRAs (Traditional, Rollover, Inherited or Roth) can be charged the Low-Balance Household fee. The Low-Balance Household fee is waived for Morgan Stanley Virtual Advisor (MSVA) households, but accounts under \$25,000 may be subject to closure. The following account types may be waived: Advisory, CashPlus, certain IRAs (SEP, SIMPLE, SAR-SEP), VIP, RPM, CSX, Delivery Versus Payment ("DVP")/Receive Versus Payment ("RVP"), Direct Share Business ("DSB"), Self-Directed, Morgan Stanley Access Investing ("MSAI") and employee accounts. Accounts that only hold Annuities/Insurance, zero balance accounts and closed accounts may be waived. Other product-specific exemptions and other exclusions may apply. Clients new to Morgan Stanley have one year from the date the new household has been established before the quarterly Low-Balance Household fee is assessed.

¹⁰ The IRA/CESA Termination fee for Morgan Stanley Virtual Advisor and Self-Directed Accounts is \$95 per account termination.

¹¹ Except as a result of death, disability or after attainment of age 75.

¹² In the event that both the account termination fee and the account transfer fee apply, only the account transfer fee will be assessed.

¹³ Fee is waived if the account termination is a result of a transfer or rollover to other Coverdell Education Savings Accounts ("ESAs") or to a qualified tuition program (529 Education Savings Plan).

¹⁴ The Account Transfer fee for Morgan Stanley Virtual Advisor and Self-Directed Accounts is \$95 per account transfer. Outgoing Transfer charges (including outgoing Automated Customer Account Transfer Service ("ACATS") and non-ACATS) are not charged on partial transfers (only full transfers may be assessed the fee).

¹⁵ Cash Management service fees are waived or reimbursed for Morgan Stanley Premier CashPlus Accounts and Morgan Stanley Platinum CashPlus Accounts. These service fees, include, but are not limited to, the following: Debit Card – ATM Withdrawal fees, Foreign Transaction fees on transactions made with the Debit Card outside of the United States (includes ATM withdrawals), Insufficient Funds (Over Limit, Returned items, Rejected transfer), Returned Check Deposit, Stop Payment, USD and Non-USD Wires via eAuthorizations and expedited delivery for Checks and/or Debit Cards for Platinum CashPlus Accounts.

¹⁶ The annual fee for the Platinum Card® from American Express Exclusively for Morgan Stanley is \$695. Foreign Transaction Fee: None. The Morgan Stanley Cards from American Express are issued by American Express National Bank, not Morgan Stanley Smith Barney LLC. Services and rewards for the Cards are provided by either Morgan Stanley, American Express or other third parties.

¹⁷ External institution(s) may charge additional fee(s) for a wire recall or wire trace.

¹⁸ If a trade payment is late, you will be charged the higher of either \$25 or the highest margin interest rate on the amount owed, beginning the day after the settlement date. All deposits to client accounts, including trade payments, will be used first to satisfy existing debits. You may therefore be charged a late fee on a trade if the payment is insufficient to cover both the trade and any existing debits.

¹⁹ The processing fee will be applied to certain executed orders including, but not limited to, equities, fixed-income products, mutual funds (excluding exchanges, Systematic Investment Plans/Withdrawals, and AutoVest/529Vest), unit-investment trust (UIT), exchange-traded funds and transactional futures transactions. This fee applies to all account types, except advisory accounts, TRAK Fund Solution accounts, DVP/RVP, Choice Select eligible trades, select small-business retirement and ERISA accounts (SEP IRAs, SIMPLE IRAs, SAR-SEP IRAs, VIP accounts and RPM accounts), AutoVest/529Vest, money market funds, and principal trades less than \$25. With the exception of block trade allocations, the fee is charged to one trade per security, per day, for trades done on the same side of the market (multiple buy trades, or multiple sell trades of the same security, on the same day). If multiple trades are the result of block trade allocations, the fee will be charged on each trade.

²⁰ Pursuant to the provision of the ADR deposit agreements, the ADR sponsoring banks may charge a custody fee to all record date holders. In turn, Morgan Stanley charges all clients with ADR positions for such a fee. Due to margin lending, Morgan Stanley may have fewer record date positions at the depository than customers holding ADR positions. Any excess fees collected will be used to defray other Morgan Stanley custody and clearing costs.

²¹ If a Foreign Currency is yielding a negative interest rate, Morgan Stanley in its discretion may charge your account(s) a monthly negative interest rate fee for servicing your GlobalCurrency account. Please review the GlobalCurrency Disclosure Statement at <http://www.morganstanley.com/wealth-disclosures/disclosures.html> for more information.

²² Clients who request the removal of a restricted legend from their physical security will be charged a processing fee. This fee represents the processing expense incurred by the transfer agent and custodian.

Morgan Stanley Wealth Management is a business of Morgan Stanley Smith Barney LLC.

All AAA and BSA accounts are brokerage accounts offered through Morgan Stanley Smith Barney LLC.

The CashPlus Account is a brokerage account offered through Morgan Stanley Smith Barney LLC. Conditions and restrictions apply. Please refer to the CashPlus Account Disclosure Statement for further details at <https://www.morganstanley.com/wealth-disclosures/cashplusaccountdisclosurestatement.pdf>.

The Morgan Stanley Debit Card is issued by Morgan Stanley Private Bank, National Association, pursuant to a license from Mastercard International Incorporated. Mastercard® and Maestro® are registered trademarks of Mastercard International Incorporated. The third-party trademarks and service marks contained herein are the property of their respective owners. Investments and services offered through Morgan Stanley Smith Barney LLC, Member SIPC. The Morgan Stanley Credit Card from American Express or the Platinum Card® from American Express Exclusively for Morgan Stanley is only available for clients who have an eligible Morgan Stanley Smith Barney LLC brokerage

account ("eligible account"). Eligible account means a Morgan Stanley Smith Barney LLC brokerage account held in your name or in the name of a revocable trust where the client is the grantor and trustee, except for the following accounts: Charitable Remainder Annuity Trusts, Charitable Remainder Unitrusts, irrevocable trusts and employer-sponsored accounts. Eligibility is subject to change. American Express may cancel your Card Account and participation in this program, if you do not maintain an eligible account.

The Morgan Stanley Cards from American Express are issued by American Express National Bank, not Morgan Stanley Smith Barney LLC. Services and rewards for the Cards are provided by Morgan Stanley Smith Barney LLC, American Express or other third parties. Restrictions and other limitations apply. See the terms and conditions for the Cards for details. Clients are urged to review fully before applying.

Morgan Stanley Smith Barney LLC is a registered Broker/Dealer, Member SIPC, and not a bank. Where appropriate, Morgan Stanley Smith Barney LLC has entered into arrangements with banks and other third parties to assist in offering certain banking related products and services.

Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Quarterly Automatic Liquidation of Securities for Outstanding Account and Service Fee Debits

Your Morgan Stanley account(s) may be subject to certain account and/or service fees. Any fees charged to your account(s) can be found on your account statement.

When there is insufficient cash in any of your accounts, our practice for payment includes, but is not limited to, the option to sell, assign or deliver all or any part of the securities held in any of your accounts to satisfy a debit balance or other obligations owed to us in any of your accounts.

In order to cover any outstanding account and service fees a sufficient cash balance is required to be maintained in your account(s). You may make alternate payment arrangements such as a separate payment by check or electronic funds transfer to prevent automatic liquidation of securities in your account(s).

Fee debits include but are not limited to annual account fees, low balance household fees and other service related fees. On a quarterly basis, we may automatically liquidate Money Market Funds, Mutual Funds and/or Equities in any of your accounts to cover outstanding fee debits in any of your accounts unless alternative payment arrangements have been made.

We are not recommending the sale of any of these securities as compared to others or to alternate payment arrangements when liquidating funds or securities.

Liquidation of assets to cover account and service fees does not prevent Morgan Stanley from exercising other rights it may have to collect such outstanding fees. Please note that an automatic liquidation of assets may result in a taxable event. Please consult your tax advisor for more information.

Please contact a member of your Morgan Stanley team if your statement indicates outstanding fees due and you wish to discuss your options for payment.

Important Information About Certain Investment Product Fees and Other Costs

Please visit the below link for important additional information about fees and other costs relating to the following products:

- American Depository Record (ADRs)
- Auction Rate Securities
- Equities and Fixed Income – Primary
- Equities and Fixed Income – Secondary
- Foreign Exchange (FX) – Spot and Deliverable Forwards
- Fully Paid Lending
- Global Currency
- Options
- OTC Derivatives

- Precious Metals
- Preferreds
- Structured Investments – Primary
- Structured Investments – Secondary
- Transactional Futures

<https://www.morganstanley.com/disclosures/fiduciary>

GlobalCurrencySM Accounts

NEGATIVE INTEREST RATE FEES IN GLOBALCURRENCY ACCOUNTS

If a Foreign Currency is yielding a negative interest rate, Morgan Stanley in its discretion may charge your account(s) a monthly negative interest rate fee for servicing your GlobalCurrency account. This fee would be posted on the fifth business day of the month against actual balances held in the account during the preceding month. This fee may vary each month and will appear as a “GlobalCurrency Maintenance Fee” entry on your monthly statement. The fee will be calculated by applying a daily negative rate to the daily balances in each affected currency. The resulting amount will then be converted to USD, using the spot exchange rate on the fifth business day of the following month. Your position in currency will not be affected. You should consider these fees when determining whether maintaining a deposit in foreign currency meets your investment objectives.

Morgan Stanley Reserved Living & Giving

RESERVED LIVING & GIVING

Clients who qualify for Morgan Stanley Reserved are also eligible to enroll in Morgan Stanley’s complimentary loyalty program, Reserved Living & Giving, designed to enhance their lifestyle and go beyond traditional wealth management services. The program provides access to exclusive offers and discounts from premium brands, timely articles from our partners and Morgan Stanley thought leaders, and philanthropic inspiration.

Enrolled clients can take advantage of a wide range of offers and unique access to travel, retail, wellness and cultural experiences from our network of brand partners. In addition to our suite of premium partners, Reserved Living & Giving introduces clients to select emerging brands that we think they will find compelling. Exciting benefits include preferred pricing on a selection of luxury vehicles, best-in-class providers of travel planning, boutique wine sourcing, and health and wellness services. The site also contains exclusive insights from Morgan Stanley thought leaders and our distinguished partners on topics such as family finances, healthy aging, travel, and philanthropic ideas to help clients and their families engage in giving.

Please note: While Reserved Living & Giving benefits are complimentary, they are not automatic. When logged on to Morgan Stanley Online, Reserved clients can enroll by clicking on the Reserved Living & Giving banner on the home screen. If they do not use Morgan Stanley Online, a member of their Morgan Stanley team can help them enroll, or they can call the Reserved Client Service Center at 1-877-799-6772. Again, there is no cost to enroll.

Morgan Stanley may amend, supplement, modify or rescind any or all aspects of Reserved Living & Giving at any time. Such changes will be binding on you and will take effect when we specify.

Incoming Foreign Currency Wires

Unless you instruct your Financial Advisor otherwise, incoming foreign currency wires will automatically be deposited in a savings deposit at Morgan Stanley Private Bank, National Association if the currency is eligible for GlobalCurrency and your account is eligible for GlobalCurrency. If the currency is ineligible or an appropriate account cannot be opened to facilitate the currency, the funds will be returned to the remitter. The following currencies are eligible for GlobalCurrency:

Australian Dollar	Japanese Yen
British Pound Sterling	Mexican Peso
Canadian Dollar	New Zealand Dollar
Chinese Renminbi (Offshore)	Norwegian Krone
Czech Koruna	Singapore Dollar
Danish Krone	South African Rand
Euro	Swedish Krona
Hong Kong Dollar	Swiss Franc
Israeli New Shekel	

GlobalCurrency allows clients to buy, hold and sell currency deposits at Morgan Stanley Private Bank, National Association through their Morgan Stanley brokerage account. Eligible accounts include BSA,* AAA, CashPlus, Business BSA and Business AAA accounts. GlobalCurrency savings deposits may earn interest, and rates are variable. These savings deposits are also eligible for FDIC insurance up to their U.S. dollar equivalent limits, but that insurance does not protect against losses due to exchange rate movements.

Withdrawals from GlobalCurrency savings deposits are subject to a markup of 3-150 basis points if you convert the funds to another currency, including U.S. dollars. If you do not wish to convert the funds, you may wire them for a \$50 fee. For current offerings and interest rates, please visit <https://www.morganstanley.com/globalcurrency>.

Morgan Stanley's Legacy Reinvestment Program

TERMS AND CONDITIONS

Morgan Stanley's Legacy Reinvestment Program ("Reinvestment Program"), formerly known as the Morgan Stanley Dean Witter Dividend Reinvestment Program, provides you with an opportunity to enhance your long-term investment growth plans through the automated reinvestment of cash dividends, capital gains distributions, partnership distributions, royalties and return of capital distributions credited to your account. Our legacy companies are an important part of Morgan Stanley's heritage, and this program will continue under this new name going forward.

ELIGIBLE ACCOUNTS

The Reinvestment Program, more commonly known as "DRIP," is available at no cost to clients with Active Asset Accounts, Self-Directed Brokerage Accounts, and Retirement Accounts. The Reinvestment Program is also available, for whole share reinvestments only, to Consulting Group Advisor ("CGA") and Portfolio Management ("PM") Accounts at no additional fee. Please note that the Reinvestment Program is not currently available for other types of Consulting Group investment advisory accounts (such as Fiduciary Services or Select UMA Accounts).

Clients with Basic Securities Accounts who choose to participate in the Reinvestment Program will be charged a transaction fee for each reinvestment. Please see the Morgan Stanley Wealth Management Schedule of Miscellaneous Account and Fees available at https://www.morganstanley.com/wealth-relationshipwithms/pdfs/account_and_service_fees.pdf?v=1.

ENROLLMENT

You may add the Reinvestment Program to all eligible securities or selected eligible individual securities in your account by directing a member of your Morgan Stanley team or, if available for such account, by self-enrolling through Morgan Stanley Online. Your enrollment authorizes Morgan Stanley ("us" or "we") to automatically reinvest cash dividends, capital gains distributions, partnership distributions, royalties and return of capital distributions (collectively, "Distributions")

* BSA and Business BSA accounts are no longer offered; however, existing BSA and Business BSA accounts remain eligible for GlobalCurrency.

paid on such eligible securities held in your account in additional shares of the respective security. You understand that this authorization will remain in effect, notwithstanding your disability or death, until we are notified to discontinue this authorization by your authorized representative.

Please be aware that once enrolled in the Morgan Stanley Legacy Reinvestment Program, reinvestment for certain securities may occur through the Depository Trust Company's ("DTC") Dividend Reinvestment program. DTC and the issuer determine which securities participate in the DTC program. DTC will allocate reinvestment shares to us upon receipt from the issuer and in most cases the allocation of shares will be delayed for multiple business days. Only certain eligible DTC program securities will participate in the Morgan Stanley Legacy Reinvestment Program and such eligibility is determined by us. For securities participating in the DTC program, the cash dividend (less any amounts required by law or agreement to be withheld or debited) will be credited to your account on the same day as the reinvestment shares are allocated.

Upon receipt of Dividend Reinvestment shares through the DTC program, we will credit your account the amount of the cash Distributions (less any amounts required by law or agreement to be withheld or debited). For enrolled securities that are not handled through the DTC program, we will aggregate such Distributions from your account with those of other clients requesting Dividend Reinvestment in the same security and use these funds to purchase additional shares of the relevant security for you and the other clients on a best efforts basis. We will credit your account the number of whole and partial shares equal to the amount of your funds to be reinvested in a particular security divided by the purchase price per share.

For CGA and PM investment advisory accounts, we will credit your account with the applicable number of whole shares, and any cash Distributions attributable to partial shares will remain as a cash equivalent balance in your account.

We will acquire such additional shares through such execution facilities and exchanges and at such times deemed appropriate by us. In order for your enrollment to be in effect for a given security, your position in that security must be settled on or before the Distribution record date.

Please note that if you are or become a "reporting person" under Section 16 of the Securities Exchange Act with respect to any security held in your account, the reinvestment of Distributions paid on such security may trigger reporting obligations under the Securities Exchange Act and the regulations promulgated thereunder. In addition, if you are an employee or "affiliate" of the issuer of a security, the reinvestment of Distributions paid on such security may be governed by the issuer's insider trading policy. It is your responsibility to ensure compliance with such reporting obligations and policies and to seek the advice of your own counsel with respect to such obligations and policies.

PARTICIPATING SECURITIES

We seek to provide the Reinvestment Program for a broad range of U.S. equities, exchange traded funds and closed end funds. In general, equity securities, exchange traded funds and closed end funds listed on the New York Stock Exchange or traded on the Nasdaq Stock Market will be considered for the Reinvestment Program. Securities that do not meet certain levels of liquidity and minimum or maximum share prices generally will not be eligible. We reserve the right to amend the eligibility criteria and suspend or remove securities from the program without notice.

Automatic reinvestment of your eligible cash Distributions in Basic Securities Accounts, Active Asset Accounts, self-directed Brokerage Accounts, and Retirement Accounts may give you interests in partial shares of securities, which will be calculated to three decimal places. You will be entitled to receive future Distribution payments proportionate to your partial share holdings. CGA and PM investment advisory accounts are credited only with whole shares. If your account is transferred to another firm, a stock undergoes reorganization, or if stock certificates are ordered out of your account, any partial share positions, which cannot be transferred, reorganized or issued in certificate form, will be liquidated and your account credited with the proceeds of any such liquidation. If you enter an order to sell your entire whole share position, any remaining partial share position will be liquidated at the same execution price and will be posted to your

account on the settlement day. If you perform any other non-market activity that results in only a partial share position remaining in your account, such partial share position will be liquidated at the most appropriate time in our sole judgment, following such activity at the then-prevailing market price for the relevant security. No commission will be charged for the liquidation of the partial share position.

For U.S. federal income tax purposes, your holding period in shares received through the Reinvestment Program will begin on the date following the day on which the shares are credited to your account.

In lieu of separate trade confirmations, all transactions made through the Reinvestment Program will be reported on your monthly account statement. Please note that securities transactions outside the program will continue to be confirmed as they are today.

Reinvestment does not ensure profits on your investments and does not protect against loss in declining markets. By offering the Reinvestment Program, Morgan Stanley is not recommending that you participate. The eligibility of any specific security for the program is not a recommendation by us that you should purchase shares in that security.

Morgan Stanley reserves the right to terminate or amend the Reinvestment Program at any time, including charging commissions or transaction fees. If you wish to terminate your enrollment in the Reinvestment Program, you may do the following: (1) For an account you have enrolled by instructing a member of your Morgan Stanley team, please contact him/her to request unenrollment; (2) For an account you have enrolled via Morgan Stanley Online, you may unenroll by going to www.morganstanley.com/online and navigating to Dividend Reinvestment and turning the election setting to "off." Please note your termination must be received by the record date in order to be effective for a given Distribution payment on an enrolled security.

Please contact a member of your Morgan Stanley team if you have additional questions or concerns regarding the Dividend Reinvestment Program.

Automatic Enrollment in the Morgan Stanley Class Action Service

Morgan Stanley has launched the new Morgan Stanley Class Action Service ("Class Action Service"). The Class Action Service automatically processes all proof of claim forms each time a security within your Morgan Stanley account(s) is impacted by a class action lawsuit. Any proceeds recovered from the Class Action Service will be subsequently deposited into your Morgan Stanley account(s). **An administration fee of 6% will be deducted from any class action settlement funds retrieved on your behalf.** Morgan Stanley will notify you prior to processing any proof of claim form in order to give you the opportunity to opt out of a specific class action lawsuit.

All eligible Morgan Stanley non-retirement accounts were automatically enrolled in the Class Action Service on or after September 1, 2020. All eligible Morgan Stanley retirement accounts¹ were enrolled in the Class Action Service on or after November 2, 2020. If, at any time, you do not wish to participate in the Class Action Service, you may choose to un-enroll by notifying a member of your Morgan Stanley team.

The Class Action Service Terms and Conditions are accessible at:

https://www.morganstanley.com/content/dam/msdotcom/en/assets/pdfs/Class_Action_Service.pdf.

Certain Electronic Fund Transfers

Your Account may be eligible for a variety of electronic fund transfers ("EFTs") that are subject to separate service agreements. These may include our Online Payments (Bill Pay) service or our

¹ Retirement accounts include Individual Retirement Accounts (IRA), Roth IRAs, Simplified Employee Pension (SEP) IRAs, Savings Incentive Match Plan for Employees (SIMPLE) IRAs, Inherited IRAs, Coverdell Education Savings Accounts, Retirement Plan Manager (RPM) accounts, and Versatile Investment Program (VIP) accounts.

Funds Transfer Service (“FTS”). Please contact your Financial Advisor for further information about these services.

In addition, if you use EFTs to receive or transfer funds to or from your Account (for example, if you use a direct deposit service or a bill payment service through a third party or if you authorize a merchant or payee to make an electronic payment from your Account using information from your check to pay for purchases or bills) (collectively, “Covered EFTs”), you agree that you are subject to the following terms and conditions.

REJECTED COVERED EFTs

Covered EFTs to or from your Account may be rejected for reasons including, but not limited to, insufficient funds. Partial fund transfers are not permitted. If a Covered EFT is rejected for insufficient funds, you will be charged a \$25.00 fee.

RECORD OF COVERED EFTs

Your monthly Account statement will list the Covered EFTs in your Account.

If you have arranged to have direct deposits made into your Account, you can call us at 800-869-3326 to find out whether or not the deposit has been made.

BUSINESS DAYS

For purposes of these disclosures, our business days are Monday through Friday. Holidays are not included.

CONTACT IN THE EVENT OF UNAUTHORIZED TRANSFERS

If you believe that a PIN, card or code that can be used to access your Account has been lost or stolen, or that someone has transferred or may transfer money from your Account without your permission, call us at 800-869-3326 (if you are calling from outside the United States, call us collect at 801-902-6997) or write us at Morgan Stanley, Client Correspondence Department, PO Box 95002, South Jordan, UT 84095. You should also call this number or write to this address if you believe a transfer has been made using the information from your check without your permission.

YOUR LIABILITY FOR UNAUTHORIZED EFTs

Tell us AT ONCE if you believe that a PIN, card or code that can be used to access your Account has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your Account. If you tell us within two Business Days after you learn of the loss or theft, you can lose no more than \$50 if someone used your PIN, card or code, or information from your check without your permission.

If you do NOT tell us within two Business Days after you learn of the loss or theft and we can prove we could have stopped someone from using your PIN, card or code, or information from your check without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by PIN, card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

OUR LIABILITY

If we do not complete an electronic funds transfer to or from your Account on time or in the correct amount according to our Agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

1. If, through no fault of ours, you do not have enough money in your Morgan Stanley Account or external account to make the transfer;
2. If an automated teller machine where you are making the transfer does not have enough cash;
3. If a terminal, operating system or software used to make the transfer was not functioning properly and it was evident to you at the time when you started the transfer;

4. If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken;
5. If the failure to complete a transaction on time or in the correct amount was caused by a third party;
6. If the failure to complete a transaction on time or in the correct amount was caused by actions we have taken to address the security of our systems or your information;
7. If the transaction or related funds are subject to legal or regulatory encumbrance or other process preventing or restricting the transfer;
8. If we revoked or suspended your Account for inactivity or other reason in our discretion;
9. If you provided inaccurate or incomplete information regarding the transfer;
10. If the transfer appears suspicious, fraudulent or unauthorized, and we cannot confirm that it is a legitimate transfer, or if the transfer is (or appears to be) prohibited by law, the National Automated Clearing House Association ("NACHA") rules or any payment system rules; or
11. In the event of any other exceptions stated herein, or permitted by applicable law.

Notwithstanding the foregoing, Morgan Stanley will not be responsible or liable for any consequential, incidental, exemplary, special, punitive or indirect damages you may suffer as a result of (i) our failure to complete a transfer to or from your Account on time or in the correct amount, or (ii) funds that are otherwise improperly transferred.

IN CASE OF FTS TRANSFER ERRORS

Call us toll-free at 800-869-3326 (or, if calling from outside the United States, call us collect at 801-902-6997), or write us at Morgan Stanley, Client Correspondence Department, PO Box 95002, South Jordan, UT 84095, as soon as you can, if you think that your statement or receipt is wrong or if you need more information about a transfer listed on a statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

1. Tell us your name and account number.
2. Describe the error or the transfer in question and explain, as clearly as you can, why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you also notify us in writing within 10 Business Days.

We will determine whether an error occurred within 10 Business Days after we hear from you and will correct any error promptly. If we need more time, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your Account within 10 Business Days with the amount you think is in error so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 Business Days, we may not credit your Account.

For errors involving new Accounts, bank cash terminals or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new Accounts, we may take up to 20 Business Days to credit your Account for the amount you think is in error.

We will tell you the results within three Business Days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

If you are a natural person and have established your Account primarily for personal, family or household purposes, the following sections also apply to you.

PREAUTHORIZED PAYMENTS

- *Right to stop payment and procedure for doing so.* If you have authorized us in advance to make regular payments out of your Account, you can stop any of these payments. Here's how:

Call us at 800-869-3326, or write us at Morgan Stanley, Attn: Client Correspondence Department, PO Box 95002, South Jordan, UT 84095, in time for us to receive your request three Business Days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. (We will charge you \$25.00 for each stop-payment order you give.)

- *Notice of varying amounts.* If these regular payments may vary in amount, the person you are going to pay should tell you, 10 days before each payment, when it will be made and how much it will be.
- *Liability or failure to stop payment of preauthorized transfer.* If you order us to stop one of these payments three Business Days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

TRANSFER TYPES AND LIMITATIONS

Account Access: You may use EFTs to (1) withdraw cash from your Account; (2) make deposits to your Account; (3) transfer funds between your Account and other accounts you hold; (4) pay for purchases from merchants; or (5) pay bills directly from your Account.

Limitations on Dollar Amounts of Transfers: Online Bill Pay cannot exceed \$250,000. Each FTS must be greater than \$1 and may be made for up to \$999,999.99 to your Account, provided that there are sufficient funds to cover the transfer.

CONFIDENTIALITY

We will disclose information to third parties about your Account or the Covered EFTs you make:

- Where it is necessary for completing or correcting transfers; or
- In order to verify the existence and condition of your Account for a third party such as a credit bureau or merchant; or
- In order to comply with government agency or court order; or
- If you give us your written permission; or
- As otherwise disclosed in our U.S. Privacy Policy.

Important Disclosures Regarding Your Precious Metals Transactions

This notice contains important disclosures regarding your precious metal transactions, including information about risks. The term “precious metals” is used in this notice to mean gold, silver, platinum and palladium in coin, bar, ingot or other marketable forms. Your precious metals transactions are subject to all the terms and conditions of this notice and your existing brokerage account agreement with Morgan Stanley. Any questions you have regarding this document or your precious metals transactions should be discussed with your Morgan Stanley Financial Advisor. Your trading or storage of precious metals with or through Morgan Stanley confirms that you agree to be bound by the terms and conditions of this notice and any other agreements you may have with Morgan Stanley or its affiliates.

RESPONSIBILITY FOR PRECIOUS METAL TRANSACTIONS

Morgan Stanley will not act as your investment fiduciary or investment adviser with respect to your precious metal transactions. This means that you, and not Morgan Stanley, will direct and be responsible for all precious metal investment decisions. Always consult your own professional advisors regarding the tax, legal and accounting implications of your investment decisions.

MORGAN STANLEY’S DEALER PROFIT, COMMISSIONS AND FEES

In providing precious metal services, Morgan Stanley may act in a principal or agency capacity, and may charge a markup or commission on purchases and sales. Additional fees may be charged for the purchase, sale, storage or shipment of your precious metals. Morgan Stanley may buy and sell for its own account the physical precious metals that back “unallocated” holdings and may profit by such use in addition to the markups or commissions it charges on purchases and sales.

MARKET RISK

Precious metals are speculative investments, which may experience short-term and long-term price volatility. The value of precious metals investments may fluctuate and may appreciate or decline, depending on market conditions.

EXECUTION OF YOUR ORDER

Bid and offer prices for precious metals may change from minute to minute based upon supply and demand, interest rates, foreign exchange rates and other factors. The price charged or paid to you by Morgan Stanley will be affected by the prices that are available to us from other buyers and sellers in the market. At times, dealers may be unwilling or unable to quote prices due to erratic market conditions or other reasons. Under these circumstances, we will try to execute your order as expeditiously as possible. We may also match orders from customers to buy and sell, and we may sell precious metals to or purchase precious metals from, customers for our own inventory. Actual bid and offer prices are dependent on many factors including the size, purity and time of a particular transaction, and the form and availability of the precious metal requested. Actual bid and offer prices may therefore vary considerably from the prices that are reported in newspapers or online quotation services, and they may not be the best price available in the market at any particular time. Since precious metals are not traded on any exchange there may be little or no secondary market for any given precious metal. Although we currently buy precious metals from, and sell precious metals to customers, we are not required to do so. If we were to stop doing so, you could be required to make your own arrangements for the storage, shipment or sale of your precious metals.

“ALLOCATED,” “UNALLOCATED” AND “SPECIFICALLY IDENTIFIED” OWNERSHIP

Morgan Stanley's Precious Metals Trading Desk offers “unallocated” bullion (in some cases, for liquidation only) (gold, silver, platinum and palladium), “allocated” physical precious metals (bars and coins), and “specifically identified” physical precious metals (bars). “Unallocated” ownership means that your investment is held in book-entry form in your Morgan Stanley account. Holders of unallocated positions are subject to either the credit risk of Morgan Stanley or the London Bullion Market Association (“LBMA”), and therefore are dependent on Morgan Stanley's or the LBMA's ability to pay you an amount equal to your investment in Unallocated precious metals. This means that you are an unsecured creditor of Morgan Stanley or the LBMA, and if we, or the LBMA, were to default on our obligations to you, your investment would be at risk, and you could lose some or all of your investment.

“Allocated” ownership means that the physical precious metals (bars and coins) you order from Morgan Stanley's Precious Metals Trading Desk are purchased and stored on your behalf, but no specific metal bar or coin is identified as belonging to you. Your precious metals will be stored together with precious metals that are owned by and stored for other customers.

“Specifically identified” ownership means that the actual precious metals that you own will be specifically identified by serial number or other unique marker. If you request Morgan Stanley to arrange storage for your specifically identified metal, the serial number(s) of your metal bar(s) will be identified and recorded as belonging to you.

“Specifically identified” and “allocated” precious metals are subject to higher costs and storage fees than “unallocated” metal. Unless you specifically request otherwise, precious metals will generally be purchased and stored on an “unallocated” basis.

Please note, as mentioned below, SIPC insurance does not apply to, and provides no coverage for, your precious metals investments.

STORAGE

We will provide storage for your precious metals upon your request. You will not be subject to an assay fee upon resale if you have purchased and stored your precious metals with Morgan Stanley. Customers buying precious metals through Morgan Stanley or delivering precious metals into their Morgan Stanley accounts for storage or otherwise will be charged a service fee. Service fees are subject to change without notice. We have arrangements for the storage of metals in warehouses and vaults in the United States and overseas; the specific location where your metal is stored is within our discretion.

MINIMUM TRANSACTION SIZE; SETTLEMENT

Our minimum transaction size is \$5,000 per metal per transaction. Purchases and sales of precious metals normally settle in two business days but may settle sooner or later depending on the precious metals involved or due to holidays or special circumstances.

DELIVERIES

You will be charged an insured shipping fee and applicable sales tax if you take physical possession of precious metals. When taking delivery of bullion bars, there may be a small adjustment to reflect differences in bar sizes or the fineness of the precious metal in that bar. Any such adjustments will be charged or credited to your Morgan Stanley account. Some states charge a sales tax on delivered precious metals. Upon request, your Financial Advisor will provide you with the cost of shipping and information on applicable sales taxes.

TRANSFERRING PRECIOUS METALS INTO YOUR MORGAN STANLEY ACCOUNT

Contact your Financial Advisor for full instructions if you want to deliver previously purchased precious metal for credit into your Morgan Stanley account. Morgan Stanley and our custodian depositories may, at their discretion, refuse to accept precious metals or parcels containing precious metals, and you may not send precious metals to a Morgan Stanley custodian depository without preauthorization. All such shipments are at your risk and expense. Please note that if you have been preauthorized to send precious metals to a Morgan Stanley custodian depository, Morgan Stanley will generally charge an assay fee for verifying the weight and purity of precious metals.

SIPC INSURANCE NOT APPLICABLE

The Securities Investor Protection Corporation (“SIPC”) provides certain protection for customers’ cash and securities in the event of a brokerage firm’s bankruptcy, other financial difficulties, or if customers’ assets are missing. SIPC insurance does not apply to precious metals or other commodities.

COINS

Coins purchased through Morgan Stanley have no numismatic value. Morgan Stanley cannot guarantee the year when coins were minted, either when executing your orders or when delivering coins from your Morgan Stanley accounts. Mints may change standards (including size and metal purity) for their coins. Morgan Stanley is not responsible for notifying you of any such changes.

OUR RIGHTS

For our protection against credit risks and other conditions, we may, without notice, decline, cancel or reverse your orders or instructions or place trading, disbursement and other restrictions on your Morgan Stanley accounts. As security for the payment of any amounts owed to us or our affiliates by you or otherwise, you grant to us a continuing first priority security interest in and lien on, and a right of setoff with respect to, all precious metals, securities and other property that are, now or in the future, held, carried or maintained for any purpose in or through your accounts at Morgan Stanley and, to the extent of your interest in or through them, any present or future account with us or our affiliates in which you have an interest and agree that all precious metals in your accounts are for this purpose to be treated as “financial assets” for purposes of the Uniform Commercial Code.

You are responsible for payment of all obligations related to your transactions in and storage of precious metals. We may elect at any time, with or without notice, to make any debit balance or other obligation related to your transactions in and storage of precious metals immediately due and payable. We also may report any past due amount to a consumer or securities credit reporting agency and refer your accounts to a collection agency.

Whenever it is necessary for our protection (including, without limitation, the filing by, on behalf of, or against you of a petition or other proceeding under any applicable bankruptcy or insolvency laws) or to satisfy any amounts owed to us by you, we may but are not required to sell, assign and deliver all or any part of the precious metals, securities and other property held in your Morgan Stanley accounts, or close any or all transactions in your Morgan Stanley

accounts. You are responsible for all debts, costs, commissions and losses arising from any actions we must take to liquidate or close your precious metal transactions. In addition, you agree that we shall be entitled to apply any dividends, capital gains payments, interest payments or other incoming funds to cover fees or other indebtedness to us.

We may transfer precious metals, securities and other property from any brokerage account in which you have an interest to any other brokerage account, regardless of whether there are other owners of either account, in order to satisfy deficiencies in any such account or if we think your obligations in any such account are not adequately secured.

It is our policy to attempt to contact you, when practicable, before taking any action described in this section; however, we reserve the right to take any such action without prior notice or demand for additional collateral and free of any right of redemption. Any prior demand, call or notice will not be considered a waiver of our right to sell or buy without demand, call or notice.

We may choose which precious metals, securities or other property to buy or sell, which transactions to close and the sequence and timing of liquidation. Our choices may have adverse tax consequences or investment implications for you. We may take such actions on whatever exchange or market and in whatever manner (including public auction or private sale) that we choose in the exercise of our business judgment. You agree not to hold us liable for the choice of which precious metals, securities or other property to buy or sell or of which transactions to close or for the timing or manner of the liquidation.

LOSSES DUE TO EXTRAORDINARY EVENTS

We are not responsible for, and you agree not to hold us liable for, losses caused directly or indirectly by conditions beyond our control, including, but not limited to, war, terrorism, natural disasters, government restrictions, exchange or market rulings, strikes, interruptions of communications or data processing services, news or analysts' reports, market volatility or disruptions in orderly trading on any exchange or market.

Lending Services

Morgan Stanley offers you a comprehensive approach to financing and liquidity to help you choose a solution that complements your overall investment strategy and encompasses your personal and business needs.

Whether you want to purchase a vacation home, explore a business opportunity, finance a tax obligation or explore sophisticated wealth planning strategies, we can work with you to determine which liquidity strategies might be appropriate to help meet your goals. Following are four programs that can accommodate a full range of borrowing needs. You should consider the structure, cost, and features of each to determine what is most appropriate for your needs.

Liquidity Access Line

A Liquidity Access Line ("LAL"),¹ the lender of which is either Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable, if you qualify, can help you meet your financing needs while helping to keep your overall investment strategy on track. LAL provides you with credit, through a variable rate advance, fixed-rate advance or standby letter of credit, based in large part, on the value of the eligible securities pledged as collateral. You can finance real estate purchases, fund tax obligations, cover business expenses or many other financing needs – without liquidating assets. LAL can also offer "overdraft" protection to cover eligible transactions within eligible pledged collateral accounts, and also provide insufficient funds coverage for other eligible accounts. There are risks associated with using your assets as collateral in a securities-based loan, including possible maintenance calls on short notice, and that market conditions can magnify any potential loss. See below for details.

¹ Disbursements are subject to available credit and are at the sole discretion of Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable.

INTEREST RATES

The minimum facility amount is \$65,000 at the time of loan booking. The interest rate is based on a SOFR (Secured Overnight Financing Rate) index plus an incremental percentage — also known as a spread — which is determined by your initial approved total advance limit at the time your LAL is opened.

Variable rate advances will utilize 30-day average SOFR compounded in advance. An industry standard spread adjustment will be included in the new LAL variable rate to minimize any rate differences between LIBOR and SOFR. The LAL variable rate will reset on a daily basis. Fixed Rate Advances will use the applicable SOFR Swap Rate as the new interest rate benchmark and will also include a tenor premium determined by Morgan Stanley Bank, N.A. or Morgan Stanley Private Bank, National Association. To confirm the interest rate you would receive for a fixed-rate advance, contact your Financial Advisor. If you make any early repayment of principal on a fixed rate advance, including as a result of demand, you will incur a prepayment fee. That fee will be calculated using the difference in the swap rates for your initial fixed period and the remaining period, as well as the number of days remaining on your advance. On request, Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable, will provide additional details relating to this calculation.

Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable, offers the flexibility to increase your total advance limit automatically if you elect that option and you either deposit additional eligible collateral or the value of your existing eligible collateral increases. At the sole discretion of Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable, and without further notice to you, your total advance limit may increase based on the value of your eligible collateral, but such increases will not exceed \$3,000,000.

If you choose this option, the interest spread will be determined by using a different methodology: the interest spread will be based on the peak value of eligible collateral within the first 35 days after the LAL is available, which results in the lowest possible interest spread for you. After the first 35 days, the total advance limit will fluctuate based on the value of eligible collateral, but the interest spread will remain the same.

QUICK ACCESS TO YOUR FUNDS

LAL has competitive variable or fixed interest rates with typically no fees.²

In addition, LAL can be managed online. You can access funds on demand with flexible repayment options. To access funds, you can either log in to Morgan Stanley Online, use your LAL checkbook or work with your branch for other withdrawal options. The proceeds from a non-purpose LAL loan/line of credit (including draws and other advances) may not be used to purchase, trade or carry margin stock; repay margin debt that was used to purchase, trade or carry margin stock; and cannot be deposited into a Morgan Stanley Smith Barney LLC or other brokerage account.

ADVANCES

Use your LAL as a line of credit or to maintain cash flow while making large purchases such as real estate and using your eligible collateral, including restricted or concentrated stock. If qualified, you can lock in an LAL fixed-rate advance for up to seven years with various payment options. If any portion of a fixed rate advance is prepaid prior to the applicable scheduled payment date, including upon demand, prepayment fees will apply, which can be substantial depending on the then prevailing interest rates.

² Clients may be responsible for the fees of a third-party law firm engaged by Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable, to review complex LAL transactions (e.g., review of trust agreements). Clients will also be charged a fee for the issuance of a letter of credit, for prepayment of principal on fixed-rate advances, and upon a client's request for certain cash management services (e.g., duplicate statement or check reorder).

STANDBY LETTERS OF CREDIT

If you have a need for a standby letter of credit,³ it can be issued on your behalf and supported by your LAL, subject to the other terms and conditions of your LAL.

Express CreditLine

An Express CreditLine (“ECL”),⁴ offered by Morgan Stanley Smith Barney LLC, can help you unlock the value of your assets and gain quick and efficient access to funds by allowing you to borrow money against the value of qualifying securities in your brokerage account – with the securities in your brokerage account serving as collateral for the loan. ECL is a variable rate revolving line of credit tied to your brokerage account with no minimum draw or facility amount. Pricing is tiered and the interest spread is based on your outstanding balance.

There are risks associated with using your assets as collateral in a securities-based loan, including possible maintenance calls on short notice, and that market conditions can magnify any potential loss. See below for details.

INTEREST RATES

Unless a Preferred Interest Rate (described below) applies, interest rate is based on a Base Lending Rate (BLR) plus or minus a percentage – also known as a spread or margin – which is determined by the debit balance amount. For additional information on the BLR, review the Margin section below.

ACCESS FUNDS VIA BROKERAGE ACCOUNT

An ECL allows you to access funds via the checkbook and debit card tied to your brokerage account. You can also access funds from your ECL by logging into Morgan Stanley Online or working with your branch for other withdrawal options.

Your ECL can be used to purchase real estate, pay tax obligations and purchase luxury items, while avoiding the need to liquidate your securities. Loan proceeds can be used for any appropriate purpose except to purchase, trade or carry securities or repay debt that was used to purchase, trade or carry securities and cannot be deposited into a Morgan Stanley Smith Barney LLC or other brokerage account.

Tailored Lending

Tailored Lending, offered by Morgan Stanley Private Bank, National Association, provides customized borrowing solutions designed to meet distinct needs of qualified individuals or their various ownership entities (e.g., personal investment company, trusts, partnerships, and LLCs).

Committed and demand credit facilities are available. Loan types include revolving lines of credit and term loans. Standby letters of credit can also be established. Eligible collateral for a Tailored Lending credit facility may include certain commercial real estate, marketable securities, life insurance, REIT operating partnership units, alternative investments, privately held stock⁵, fine art and aircraft.

Important Risk Information for Tailored Lending, Liquidity Access Line and Express CreditLine

Liquidity Access Line, Express CreditLine and certain Tailored Lending facilities are securities-based loans, which can be risky and are not appropriate for all investors. Before applying for a securities-based loan, you should be aware that securities-based loans involve a high degree of risk and that market conditions can magnify any potential for loss. Most importantly, you need to

³ Annual fees will apply for standby letters of credit, if issued, and may be charged on other credit facilities.

⁴ Disbursements are subject to available credit and are the sole discretion of Morgan Stanley Smith Barney LLC.

⁵ Equity interests in a private company with a minimum target market valuation of \$2B.

understand that: (1) Sufficient collateral must be maintained to support your loan(s) and to take future advances; (2) You may have to deposit additional cash or eligible securities on short notice; (3) Some or all of your securities may be sold without prior notice in order to maintain account equity at required maintenance levels. You will not be entitled to choose the securities that will be sold. These actions may interrupt your long-term investment strategy and may result in adverse tax consequences or in additional fees being assessed; (4) Morgan Stanley Bank, N.A., Morgan Stanley Private Bank, National Association or Morgan Stanley Smith Barney LLC (collectively referred to as “Morgan Stanley”) reserves the right not to fund any advance request due to insufficient collateral or for any other reason except for any portion of a securities-based loan that is identified as a committed facility; (5) Morgan Stanley reserves the right to increase your collateral maintenance requirements at any time without notice unless otherwise specified in your loan agreement with Morgan Stanley; and (6) Morgan Stanley reserves the right to call securities-based loans at any time and for any reason unless otherwise specified in your loan agreement with Morgan Stanley.

Liquidity Access Line (“LAL”) is a securities-based loan/line of credit product, the lender of which is either Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable, each an affiliate of Morgan Stanley Smith Barney LLC. An LAL credit facility is a demand line of credit; however, the LAL credit facility may include a committed amount equal to \$65,000. The LAL documentation includes details and more information about the committed amount. All LAL loans/lines of credit are subject to the underwriting standards and independent approval of Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable. LAL loans/lines of credit may not be available in all locations. Rates, terms and conditions are subject to change without notice. To be eligible for an LAL loan/line of credit, a client must have a brokerage account at Morgan Stanley Smith Barney LLC that contains eligible securities, which shall serve as collateral for the LAL. In conjunction with establishing an LAL loan/line of credit, an LAL facilitation account will also be opened in the client’s name at Morgan Stanley Smith Barney LLC at no charge. Other restrictions may apply. The information contained herein should not be construed as a commitment to lend. Morgan Stanley Private Bank, National Association and Morgan Stanley Bank, N.A. are Members FDIC that are primarily regulated by the Office of the Comptroller of the Currency. **The proceeds from a non-purpose LAL loan/line of credit (including draws and other advances) may not be used to purchase, trade or carry margin stock; repay debt that was used to purchase, trade or carry margin stock; and cannot be deposited into a Morgan Stanley Smith Barney LLC or other brokerage account.**

Tailored Lending offers loan/line of credit products, including securities-based loans, the lender of which is Morgan Stanley Private Bank, National Association, an affiliate of Morgan Stanley Smith Barney LLC. A Tailored Lending credit facility may be a demand or committed loan/line of credit. All Tailored Lending loans/lines of credit are subject to the underwriting standards and independent approval of Morgan Stanley Private Bank, National Association. Tailored Lending loans/lines of credit may not be available in all locations. Rates, terms and programs are subject to change without notice. Other restrictions may apply. The information contained herein should not be construed as a commitment to lend. Morgan Stanley Private Bank, National Association is a member FDIC that is primarily regulated by the Office of the Comptroller of the Currency.

Express CreditLine (“ECL”) is a securities-based loan/line of credit product offered by Morgan Stanley Smith Barney LLC. An ECL credit facility is a demand loan/line of credit. All ECL loans/lines of credit are subject to the underwriting standards and independent approval of Morgan Stanley Smith Barney LLC. ECL loans/lines of credit may not be available in all locations. Other restrictions may apply. Rates, terms and programs are subject to change without notice. The information contained herein should not be construed as a commitment to lend. To be eligible for an ECL loan/line of credit, you must have a brokerage account at Morgan Stanley Smith Barney LLC that contains eligible securities at Morgan Stanley Smith Barney LLC, which shall serve as collateral for the ECL. The ongoing availability of the ECL is contingent on you maintaining sufficient eligible collateral. **The proceeds from an ECL loan/line of credit (including draws and other advances) may not be used to purchase, trade or carry securities; repay margin**

debt that was used to purchase, trade or carry securities; and cannot be deposited into a Morgan Stanley Smith Barney LLC or other brokerage account.

Margin

Margin, offered by Morgan Stanley Smith Barney LLC, allows you to borrow money against the value of qualifying securities in your brokerage account while providing an opportunity to maintain your overall wealth management strategy intact.

Margin privileges may not be available in certain jurisdictions and are not available for all account types! Further Morgan Stanley Smith Barney LLC reserves the right to approve or deny the use of margin privileges at its discretion. Margin proceeds can be used for various purposes including the purchase of additional marginable securities or to repay margin debt, employing sophisticated investing strategies, purchasing luxury items or to act as “overdraft” capability for your brokerage account.

Please contact your Financial Advisor to discuss whether Margin or another lending product or service, such as Liquidity Access Line, may be appropriate to help meet your goals. Margin privileges are set up automatically when you open an Active Assets Account or Business Active Assets Account, unless you opt-out, and supports various options strategies, allowing for hedging or liquidity against concentrated and restricted stock positions.

For other eligible account types, you must complete a separate Margin Account Agreement in order to obtain Margin privileges. Margin is integrated with your brokerage statement so the amount you borrow will appear on your statement. You will be charged a competitive interest rate based on your outstanding debit balance, as described below and in the agreement governing your Margin privileges.

It is important that you understand fully the risks involved in trading securities on Margin or using Margin for other borrowing needs, which include, but are not limited to, those discussed in this booklet.

INTEREST RATES

Your interest rate is determined by the size of your Margin loan (or debit) in your Margin account on a daily basis. Unless a Preferred Interest Rate (described below) applies, interest is based on a Base Lending Rate (BLR) plus or minus a percentage that varies based on your daily close of business net settled debit balance. The current rate is posted on our website at www.morganstanley.com/online.

If the total interest rate charged to you pursuant to the schedule below changes for any reason other than an increase to the BLR, we will give you at least 30 days’ advance written notice.

The current percentage that is added to the BLR is as follows:

AVERAGE DAILY DEBIT BALANCE	PERCENTAGE ADDED TO BLR
\$0–\$99,999	+0.750%
\$100,000–\$499,999	+0.250%
\$500,000–\$999,999	-0.750%
\$1,000,000–\$4,999,999	-1.125%
\$5,000,000–\$9,999,999	-1.375%
\$10,000,000–\$19,999,999	-2.625%
\$20,000,000–\$49,999,999	-3.125%
\$50,000,000+	-3.625%

¹ Generally, not available for Qualified Retirement Accounts (including IRAs), Education Savings Accounts, Investment Advisory Accounts or CashPlus Accounts.

We reserve the right to charge a different (i.e., higher or lower) interest rate based on factors determined by us in our sole discretion including, but not limited to, a high concentration of a security or a business sector, low-priced or speculative securities, account activity or your reason for borrowing.

DETERMINING YOUR DEBIT BALANCE

You are charged interest on the net settled debit balance in your account at the end of each day. Your daily close of business net settled debit balance is calculated by combining your Free Credit Balance, Designated Sweep Investment Balance (if applicable), and Margin Debit Balance. This calculation excludes credit balances in your short sale account.

Periodically, we may “mark to market” any securities you sell short (or “short against the box”) and adjust your debit balance accordingly. If a security you sold short appreciates in market value over the selling price, your net debit balance will increase. If the security you sold short depreciates in value, your debit balance will decrease.

Your debit balance decreases when you deposit funds, receive dividend payments or sell securities, since we automatically use those funds to pay down your loan from us. Your net settled debit balance increases when you buy securities on margin, withdraw funds or are charged interest or other charges.

INTEREST CHARGES

The interest rate on debit balances is calculated as follows:

$$\text{Daily Close of Business Net Settled Debit Balance} \times \frac{\text{Applicable Interest Rate}}{360}$$

Margin interest accrues daily throughout the month and is added to your debit balance at month-end. The month-end interest charge is the sum of the daily accrued interest calculations for the month. No interest is calculated on days when the Account has a zero balance or a credit balance. If you do not pay your interest charges on a periodic basis, you are more likely to receive a Margin Call because your debit balance will continue to increase.

Before opening a Margin account, carefully read the Margin Disclosure Statement below and any agreement governing your brokerage account for complete information. Please contact your Financial Advisor for more details or visit <https://www.morganstanley.com/wealth-disclosures/disclosures.html>.

Margin Disclosure Statement

Morgan Stanley Smith Barney LLC (“Morgan Stanley”), as applicable (“we,” “us” or “our”) is furnishing this margin disclosure statement to provide some basic facts about purchasing securities on margin and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review this margin disclosure statement, the margin provisions in the client agreement, and the margin account agreement (where applicable) that we provided to you. In the event of a conflict between this document and any other agreements you may have with Morgan Stanley and/or its affiliates, the other agreements will govern. If you have any questions or concerns, please contact your Financial Advisor.

Margin is not appropriate for everyone. You should examine your investment objectives, financial resources and risk tolerance to determine whether borrowing against securities, and trading on Margin in particular, is appropriate for you. The increased leverage that Margin provides may heighten both the risks and rewards of investing. Margin privileges are subject to the firm’s review and approval, and are granted at the sole discretion of the firm. Morgan Stanley reserves the right to change the maintenance requirements at any time, without notice to you, due to the volatility and liquidity of your securities and the overall market conditions.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from us. If you choose to borrow funds from us, you will open a margin account with us. The securities purchased are our collateral for the loan to you. If the securities

in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, we can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts held with us, in order to maintain the required equity in the account. Please note, however, that we do not take into account any Traditional, Roth, Rollover, Inherited, SEP, SAR-SEP, or SIMPLE IRA; VIP, RPM, or EBT account; Coverdell Education Savings Account; or other account holding assets of “a plan” as defined in Section 4975 of the Internal Revenue Code (collectively, “Retirement and Education Savings Accounts”) in determining available margin credit or in connection with exercising our margin requirement rights under any account of a different type (i.e., accounts which are not “tax qualified”), or vice versa, as set forth in this disclosure statement or otherwise.

It is important that you understand fully the risks involved in trading securities on margin, which include, but are not limited to, the following:

You can lose more funds than you deposit in the margin account.

A decline in the value of securities purchased on margin may require you to provide additional funds to Morgan Stanley to avoid the forced sale of those or other securities or assets in your Account.

We can force the sale of securities or other assets in your accounts.

If the equity in your account falls below the NYSE and/or FINRA margin maintenance requirements or Morgan Stanley’s higher “house” requirements, we can sell the securities or other assets in any of your Accounts held at Morgan Stanley to cover the margin deficiency. You also will be responsible for any shortfall in the account after such a sale.

We can sell your securities or other assets without contacting you.

Some investors mistakenly believe that their brokerage firm must contact them for a margin call to be valid and that their firm cannot liquidate securities or other assets in their accounts to meet the call unless the firm has contacted them first. This is not the case. Although, we may attempt to notify you of margin calls, we are not required to do so. Furthermore, even if we contacted you and provided a specific date by which to meet a margin call, we can still take the steps necessary to protect our financial interests, including selling the securities immediately without notice to you.

You are not entitled to choose which securities or other assets in your account are to be liquidated or sold to meet a margin call.

Because the securities are collateral for the margin loan, we have the right to decide which security to sell in order to protect our interests.

We can increase our “house” margin maintenance requirements at any time and are not required to provide you advance written notice.

These changes in policy often take effect immediately and may result in the issuance of a margin maintenance call. Your failure to satisfy the call may require us to liquidate or sell securities in your Accounts.

You are not entitled to an extension of time on a margin call.

While an extension of time to meet margin requirements may be available to you under certain conditions, you do not have a right to the extension.

We may rehypothecate the securities in your account.

We may borrow money to lend to you or other margin clients and pledge your securities as collateral for such loans. You authorize us to lend any security in the margin credit portion of your Account, together with all attendant rights of ownership, either separately or together with the assets of other margin clients, to us or to others without notice to you. In connection with such loans, and securities loans made to you to facilitate short sales, we are authorized to receive and retain certain benefits, including interest on your collateral posted for such loans, to which you may not be entitled. In addition, we may receive compensation in connection with such loans. In some circumstances, such loans may limit your ability to exercise voting rights of the securities lent, either in whole or in part.

The American Taxpayer Relief Act of 2012 (the “Act”) retained the reduced U.S. federal income tax rates on qualifying dividends of 15% (or 20% in the case of certain high-income taxpayers). However, receipt of payment in lieu of dividends (i.e., substitute dividends) will not be eligible for the reduced qualified dividend tax rates. Since assets held in margin accounts with us are generally subject to rehypothecation, substitute (rather than actual) dividends may be received by margin account customers. Under the Act, such dividends will not qualify for the lower rates on dividends.

Lending Preferred Interest Rate for Express CreditLine and Margin

The interest rate charged to you may be an individually negotiated Preferred Interest Rate instead of, with respect to Margin, an interest rate based on the above referenced Interest Rate Schedule, and with respect to Express CreditLine, an interest rate based on the Interest Rate Schedule provided in the account documentation. At the time any Preferred Interest Rate is established for your Margin loan or Express CreditLine, your Financial Advisor will notify you of the expiration date for your Preferred Interest Rate. If at any time the Preferred Interest Rate is less than zero, such Preferred Interest Rate shall be deemed to be zero for purposes of calculating your interest. If, prior to its expiration date, your Preferred Interest Rate changes for any reason (other than a change to the base lending rate or a change in your average daily debit balance), we will give you at least 30 days’ advance written notice of the change. After its expiration date, we may change your Preferred Interest Rate without giving you any prior notice of the change.

Municipal Securities Rulemaking Board Client Education and Protection Brochure

MSSB is registered with the Municipal Securities Rulemaking Board (MSRB) and the SEC. The MSRB website address is <https://www.msrb.org>. An investor brochure that describes the protections available under MSRB rules and how to file a complaint with an appropriate regulatory authority may be obtained on the MSRB website.

Municipal Advisor Rule; Disclosures for Municipal Entities and Obligated Persons

Morgan Stanley Wealth Management is not acting as a municipal advisor to any municipal entity or obligated person within the meaning of Section 15B of the Securities Exchange Act (the “Municipal Advisor Rule”). If you have a Brokerage Account, please note that: 1) Morgan Stanley Wealth Management does not owe you a fiduciary duty pursuant to the Municipal Advisor Rule when Morgan Stanley Wealth Management makes statements or provides you with information regarding your Brokerage Account; 2) Morgan Stanley Wealth Management may be acting for its own interests; and 3) before acting on any statements made or information provided by Morgan Stanley Wealth Management, you should consult any and all advisors as you deem appropriate.

Qualified Retirement Plan Distributions

SHOULD I LEAVE IT, MOVE IT, CASH IT OUT OR ROLL IT OVER?

After participating in your employer’s qualified retirement plan, you likely have earned a vested interest in all or part of your benefits – including the contributions you’ve made, your

employer's contributions and any growth in value of the account. Now you are anticipating a distribution from the plan. What should you do? Your assets in the plan may represent a substantial source of your future retirement income. We can help you explore the options now available to you, including how exercising each of those options could affect the taxation of your retirement assets.

WHAT ARE THE OPTIONS FOR DISTRIBUTION IN A QUALIFIED RETIREMENT PLAN? FOUR COMMON CHOICES

Typically, a plan participant leaving an employer has the following four options with respect to their vested qualified retirement plan benefits which constitute an “eligible rollover distribution” (and may engage in a combination of these options depending on their employment status, age and the availability of the particular option):

1. Cash out the benefits and take a lump sum distribution from the current plan subject to mandatory 20% federal income tax withholding as well as income taxes and the 10% early withdrawal penalty tax,

OR continue tax-deferred growth potential by doing one of the following:

2. Leave the assets in the former employer’s plan (if permitted),

3. Roll over the retirement assets into a new employer’s qualified plan, if one is available and rollovers are permitted, or

4. Roll over the retirement assets into a traditional IRA.

A plan participant receiving an eligible rollover distribution from a qualified retirement plan also has the option of rolling his or her retirement assets to a Roth IRA. However, the taxable portion of such rollover is includable in the participant’s income for the year of the qualified plan distribution. The tax rules that apply to a Roth IRA (e.g., required minimum distribution rules, taxation of distributions, etc.) differ from the rules that apply to a traditional IRA and are beyond the scope of this brochure.

You should consider the various factors listed below in your decision-making process. Please note, however, that they are just examples of the factors that may be relevant when analyzing your available options; other considerations may apply to your specific situation, and the importance of any particular factor will depend upon your needs and circumstances.

FACTORS IN THE DECISION-MAKING PROCESS

	REINVEST ELIGIBLE ROLLOVER DISTRIBUTION INTO A TAXABLE ACCOUNT	LEAVE IN OLD EMPLOYER’S PLAN	ROLL OVER TO NEW EMPLOYER’S PLAN	ROLL OVER TO AN IRA
What Are the Investment Options?	Generally unlimited	Limited to old plan options	Limited to new plan options	Limited to IRA options ¹
Are There Fees and Expenses?	Yes, depends on taxable account type/investments	Yes, depends on plan/investments	Yes, depends on plan/investments	Yes, depends on IRA/investments, likely to be higher ²
Do Tax Deferrals Continue?	No	Yes	Yes	Yes

REINVEST ELIGIBLE ROLLOVER DISTRIBUTION INTO A TAXABLE ACCOUNT**LEAVE IN OLD EMPLOYER'S PLAN****ROLL OVER TO NEW EMPLOYER'S PLAN****ROLL OVER TO AN IRA**

Do Taxes Apply?	Qualified plan eligible rollover distributions are generally taxed as ordinary income, (subject to certain exceptions) and are subject to mandatory 20% federal income tax withholding and may be subject to state income tax withholding as well ³	Not subject to taxation until distributed ³	Not subject to taxation until distributed ³	Not subject to taxation until distributed ³
When Are Penalty Tax Free Withdrawals Available?	From qualified plans; after separation from service in or after the year you reach age 55 and for certain life event distribution reasons. Tax penalties do not apply in taxable accounts ³	From qualified plans; after separation from service in or after the year you reach age 55 and for certain life event distribution reasons ³	From qualified plans; (a) after separation from service in or after the year you reach age 55, (b) at age 59½ and (c) for certain life event distribution reasons (if distribution is otherwise permitted by the terms of the plan)	At age 59½ and for certain life event distribution reasons ³
Is Employer Stock Net Unrealized Appreciation (NUA) Tax Treatment Available?	A qualified plan distribution of "employer securities" may be eligible for favorable tax treatment if certain conditions apply. Contact your legal or tax advisor for more information ³	A qualified plan distribution of "employer securities" may be eligible for favorable tax treatment if certain conditions apply. Contact your legal or tax advisor for more information ³	No (with respect to any "employer securities" rolled over from your former employer's plan) ³	No ³

	REINVEST ELIGIBLE ROLLOVER DISTRIBUTION INTO A TAXABLE ACCOUNT	LEAVE IN OLD EMPLOYER'S PLAN	ROLL OVER TO NEW EMPLOYER'S PLAN	ROLL OVER TO AN IRA
Are There Special Services Available? (such as investment advice, full brokerage service, tools for financial planning or retirement income, web or smart device app access, 800 number access)	Yes, depends on taxable account type/ investments	Yes, depends on plan/ investments	Yes, depends on plan/ investments	Yes, depends on IRA/ investments
Is There Creditor Protection in Bankruptcy and From Legal Judgments?	Governed by federal and/or state law; contact your legal advisor ⁴	Generally governed by federal law; contact your legal advisor ⁴	Generally governed by federal law; contact your legal advisor ⁴	Governed by federal and/or state law; contact your legal advisor ⁴
Are Required Minimum Distributions (RMDs) Mandatory?	No	Yes ⁵	Yes ⁵	Yes, for traditional IRAs at age 70½ (for individuals born before July 1, 1949) or 72 (for individuals born after June 30, 1949) ⁶ . Does not apply to Roth IRAs during the owner's lifetime
Investment Allocations	New allocation	Stays the same	New allocation	New allocation
Is Additional Paperwork Required?	Yes	No	Yes	Yes
Are Plan Loans Available?	Not Applicable	Generally not available after separation from service	Depends on the terms of the plan	No

¹ However, generally speaking there are usually more investment options in a self-directed IRA as compared to an Employer's Plan.

² Please note that establishing and maintaining an IRA (either at Morgan Stanley or elsewhere) almost always entails a higher level of fees/expenses than leaving your assets in, or rolling them over to, an

employer-sponsored qualified retirement plan. Among other things, such plans may offer lower cost institutional funds and in some cases may pay for some or all of the plan's administrative expenses. While the differences in fees/expenses will vary based on the particular plan and IRA service provider, the increased level of fees/expenses for an IRA can be significant and can substantially impact your retirement savings. Please contact the Plan Administrator for more information about the fees and expenses which apply under an employer-sponsored qualified retirement plan, and your Financial Advisor (or the representative of another IRA provider) about the fees and expenses which apply under a particular IRA.

³ The rules which apply to the taxation of distributions from employer-sponsored qualified retirement plans and IRAs are complicated, subject to variation depending on age, the timing and form of the distribution, the existence of after-tax contributions, and other factors. We strongly recommend that you consult your tax and legal advisors before taking a distribution from any tax-qualified retirement account.

⁴ Generally speaking, employer-sponsored qualified retirement plan assets are protected from creditors under federal law. IRA assets can be protected in bankruptcy under federal law (subject to certain exceptions, including a cap), and some state laws may also afford creditor protection to IRA assets. The protection of assets held in a non-qualified account depends upon the application of federal and/or state law. Please reach out to your legal advisors to discuss any concerns that you may have about the protection of your retirement assets and the application of federal or state law.

⁵ Generally not required if still working and less than 5% owner.

⁶ The Setting Every Community Up for Retirement Enhancement Act of 2019, commonly referred to as the SECURE Act, increased the RMD beginning age to 72 for individuals born after June 30, 1949; the RMD beginning age remains 70½ for individuals born before July 1, 1949.

How well you put these assets to work may significantly affect the quality of your retirement years.

The decision of whether to leave the assets in your former employer's plan, roll them to a new employer's plan or an IRA, or pay taxes on a distribution is a complicated one and must take into account your total financial and tax picture. To reach an informed decision, carefully consider your choices and their tax implications, and discuss the matter with your tax and legal advisors.

FINRA has issued some relevant investor information, such as "The IRA Rollover: 10 Tips to Making a Sound Decision." For more information, please go to www.finra.org.

Tax laws are complex and subject to change. Morgan Stanley Smith Barney LLC ("Morgan Stanley"), its affiliates and Morgan Stanley Financial Advisors do not provide tax or legal advice and are not "fiduciaries" (under the Investment Advisers Act of 1940, ERISA, the Internal Revenue Code or otherwise) with respect to the services or activities described herein except as otherwise provided in writing by Morgan Stanley and/or as described at www.morganstanley.com/disclosures/dol. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a retirement plan or account, and (b) regarding any potential tax, ERISA and related consequences of any investments made under such plan or account.

This does not address state and local income taxes. The state and local income tax treatment of your retirement account, as well as the contribution to it and the distributions from it, may vary based on your state of residence. You should consult with and rely on your own independent tax advisor with respect to such.

Important Rollover Reminder

Based on a 2014 U.S. Tax Court decision, the Internal Revenue Service changed its position on indirect IRA-to-IRA rollovers subject to the 60-day rule. If an individual makes a tax-free rollover of any part of a distribution ("first distribution") from an IRA to the same or another IRA, the individual cannot make another tax-free rollover to an IRA of any subsequent IRA distribution the individual receives during the 12 month period beginning on the date the individual received the first distribution, no matter how many IRAs or the types of IRAs (i.e., Traditional, Roth, SIMPLE or SEP IRAs) the individual owns. Roth IRA conversions, trustee-to-trustee transfers between IRAs, IRA recharacterizations, and rollovers to or from eligible retirement plans (other than IRA-based plans) are not subject to this limitation.

For more information, visit the Internal Revenue Service website: <https://www.irs.gov/retirement-plans/plan-participant-employee/rollovers-of-retirement-plan-and-ira-distributions>.

Guidance on After-Tax Distributions From Retirement Plans

The Internal Revenue Service (IRS) issued Notice 2014-54 on September 18, 2014, which eased the ability of participants in qualified retirement plans who have contributed after-tax money to the plans to move the after-tax money directly to a Roth IRA without incurring a tax liability. The effective date of this guidance was January 1, 2015, but the guidance was applicable to distributions made before the effective date, subject to certain limitations. These rules also apply to distributions from 403(b) and governmental 457(b) plans.

There are very specific allocation rules that apply under this IRS guidance, so if you have after-tax contributions in a qualified retirement plan and are considering a distribution, you should discuss the topic with the administrator of the qualified retirement plan, as well as your own independent legal and/or tax advisor. In order to take advantage of this IRS guidance, you must inform the plan administrator of your requested allocation prior to the time of the direct rollover, requesting the plan administrator to make two (or more) separate payments. For instance, if you want to roll over your pre-tax funds to your Morgan Stanley Traditional IRA and your after-tax funds to your Morgan Stanley Roth IRA, you must ask for two separate payments (e.g., two separate checks): one payable to Morgan Stanley FBO your Traditional IRA (for the pre-tax amount); and one payable to Morgan Stanley FBO your Roth IRA (for the after-tax amount).

Important Disclosures for Structured Investments

An investment in structured investments involves a variety of risks and potential conflicts of interest. Morgan Stanley Wealth Management has created a disclosure document, "Important Information Regarding Structured Investments – Risk Considerations and Conflicts of Interest" which explains some of the significant risks and potential conflicts related to structured investments, and is available on Morgan Stanley Online at www.morganstanley.com/structuredproductsrisksandconflicts (login required) or by contacting your Financial Advisor. The risks and potential conflicts described in the disclosure document are not intended to be an exhaustive list of the risks and potential conflicts associated with a particular structured investment offering. Before you invest in any structured investment, you should thoroughly review the particular investment's prospectus and related offering materials for a comprehensive description of the risks, potential conflicts and considerations associated with the offering.

Morgan Stanley distributes structured investments issued by its affiliates as well as third party issuers. The issuer of a structured investment and its affiliates (including the guarantor, if applicable) may play a variety of roles in connection with the structured investment, including acting as calculation agent (which is responsible for determining the values of the underlier and calculating the amount you receive upon early redemption, if applicable, or at maturity, if any) and hedging the issuer's obligations under the structured investment. Certain determinations made by such affiliates may require them to exercise discretion and make subjective judgments (for example, with respect to the occurrence or non-occurrence of market disruption events or the selection of a successor underlier in the event of a discontinuance of the underlier and determining the value of the underlier following such events), and may cause the economic interests of the issuer (and the guarantor, if applicable) to diverge from your economic interests.

In addition, the issuer, the guarantor (if applicable), its or their affiliates, Morgan Stanley Wealth Management and/or its affiliates may be market participants and may, currently or in the future, publish research reports with respect to movements in the underlier. Such research

may be modified from time to time without notice to you and may express opinions or provide recommendations that are inconsistent with purchasing or holding a specific structured investment or structured investments generally.

Where the underlier is a proprietary index of the issuer or an affiliate and the issuer or its affiliates act as the index sponsor, index calculation agent and/or in any similar capacity, there will be additional potential conflicts of interest. For example, an affiliate of the issuer may be permitted to change the methodology of the index or discontinue the publication of the index.

In acting in any of these capacities, the issuer, the guarantor (if applicable) and its or their affiliates are not obliged to take your interests into account.

The rate the issuer of a structured investment is willing to pay is likely to be lower than the rate implied by its (or the guarantor's, if applicable) secondary market credit spreads and advantageous to it. Both the lower rate and the inclusion of certain costs in the original issue price reduce the economic terms of structured investments, cause the estimated value to be less than the original issue price and will adversely affect secondary market prices. Generally, the prices, if any, at which dealers may be willing to purchase structured investments in secondary market transactions will likely be significantly lower than the original issue price, because secondary market prices will exclude the issuing, selling, structuring and hedging-related costs that are included in the original issue price and borne by you and because such prices will reflect the issuer's (or the guarantor's, if applicable) secondary market credit spreads and the bid-offer spread that any dealer would charge, as well as other factors. The costs included in the original issue price of the securities may include those that will be paid to an entity providing certain electronic platform services in which an affiliate of Morgan Stanley has an ownership interest. The cost of hedging includes the projected profit that the calculation agent and its affiliates may realize in consideration for assuming the risks inherent in managing the hedging transactions. In addition, the inclusion of such costs in the original issue price and the lower rate the issuer is willing to pay make the economic terms of structured investments less favorable to you than they otherwise would be and result in an estimated value that is less than the original issue price. The estimated value of a structured investment is determined by reference to the issuer's or an affiliate's pricing and valuation models, which may differ from those of other dealers and is not a maximum or minimum secondary market price. Any secondary market prices may differ from values determined by pricing models used by the market-maker as a result of dealer discounts, mark-ups or other transaction costs.

Hedging and trading activity by the issuer and its subsidiaries and affiliates could potentially adversely affect the value of the structured investments. We expect that the calculation agent and its affiliates and/or third-party dealers for a particular structured investment will carry out hedging activities related to that structured investment, including trading in the underlying asset, as well as in other instruments related to the underlying asset. The issuer's subsidiaries and affiliates may also trade in the underlying asset and other instruments related to the underlying asset on a regular basis as part of their general broker-dealer and other businesses. Any of these hedging or trading activities on or prior to the trade date and during the term of the structured investment could adversely affect the value of the underlying asset, and, accordingly, the payout to investors.

Mutual Fund Features, Share Classes and Compensation

It's important to understand how mutual fund fees and expenses, and your choice of share class, affect your investment and return. Of course, you also need to consider the fund's investment objectives and policies, and its risks.

Summarized below is some important information about mutual fund share classes and the types of fees and expenses you may be required to pay depending upon the share class you select. This summary also explains how Morgan Stanley and your Financial Advisor are

compensated when you invest in mutual funds. In general, the fees, expenses and payments described below are specific to mutual fund investments. Other available investment options feature different fees and charges, and may provide less compensation to Morgan Stanley and your Financial Advisor. You should speak with your Financial Advisor if you have any questions regarding the relative costs and compensation for available investment product alternatives.

You can also visit the websites sponsored by the U.S. Securities and Exchange Commission (www.SEC.gov), the Financial Industry Regulatory Authority (www.FINRA.org), the Securities Industry and Financial Markets Association (www.sifma.org) and the Investment Company Institute (www.ICI.org) to obtain additional educational information about mutual funds.

The following information principally pertains to mutual fund sales transacted through commission-based brokerage accounts. For more information on fees and expenses in our fee-based advisory account programs, please refer to the applicable Morgan Stanley ADV Brochure. You should consider all of the available methods for purchasing and holding mutual fund shares discussed in this booklet and in your program documents.

NOTE: Before buying any mutual fund, request a prospectus from your Financial Advisor and read it carefully. The prospectus contains important information on fees, charges and investment objectives which should be considered carefully before investing.

EACH MUTUAL FUND IS DIFFERENT

Mutual funds are securities that are offered for sale through a prospectus. Before investing in a mutual fund, you should read the fund's prospectus carefully. You can also request a copy of the fund's Statement of Additional Information (SAI), for additional details.

All funds charge investment management fees and ongoing expenses for operating the fund that you will pay while you are invested. A fund's prospectus describes, among other things, the fund's investment objective and principal strategy, risks, share classes and expenses. The prospectus and SAI also describe how sales charges and expenses vary by share class, and how investors can qualify for sales charge waivers or reductions based upon the amount of their investments or other circumstances. Of course, in choosing a mutual fund investment, you should consider the fund's investment objectives and policies, and its risks – in addition to the costs and expenses of investing in a particular fund and share class. Determine if they match your own goals. Your Financial Advisor can provide assistance if you have questions.

THE BASICS OF MUTUAL FUND SHARE CLASSES

A single mutual fund usually offers different pricing arrangements or “classes” of its shares to meet investor preference and needs. Each share class represents an investment in the same mutual fund portfolio, but offers investors a choice of how and when to pay for fund distribution costs. Many funds also utilize “advisory” share classes – typically offered with no front-end or back-end sales charges – but Morgan Stanley generally makes these share classes available only in our fee-based advisory account programs. Please refer to the applicable Morgan Stanley ADV Brochure for more information on fees and expenses for these accounts.

The most common mutual fund share classes available in commission-based brokerage accounts – A and C – are described below. Class A shares typically assess a front-end sales charge while Class C shares utilize a level sales charge structure. Some mutual funds also offer Class B shares, a deferred sales charge structure. In addition to the advisory share classes offered in our advisory programs, funds may also offer specialized share classes, such as those for eligible retirement plan accounts, share classes that do not compensate financial intermediaries for providing administrative services, and share classes that have no distribution-related expenses, but are subject to “transaction fees” charged by the financial intermediary that sells them. However, Morgan Stanley generally offers only Class A and Class C shares in its commission-based brokerage accounts. If you wish to purchase other types of shares, which may carry lower overall costs, you will need to do so directly with the fund or through an account at another financial intermediary.

The key distinctions among share classes are the sales charges and ongoing fees and expenses you will pay in connection with your investment in the fund. The timing and amount

of compensation received by your Financial Advisor for selling you shares of the fund also will be directly affected by the share class you purchase.

Morgan Stanley employs an order entry share class selection calculator designed to assist clients with selecting the least costly share class available in its commission-based brokerage accounts over the anticipated holding period of the investment. Your Financial Advisor is also available to help you with share class questions. The principal considerations are the size of your investment and the anticipated holding period. Investors generally should consider Class A shares (the front-end sales charge alternative) if they qualify for breakpoint discounts. Class C shares (the level sales charge alternative) are generally appropriate for shorter-term holding periods.

Investors anticipating large purchases should consider Class A shares since Class A shares typically offer sales-charge discounts (“breakpoints”) beginning at \$25,000 that increase as the size of your investment increases. Shorter-term investors anticipating large purchases should also consider Class A rather than Class C shares due to the significant breakpoint discounts available at high investment levels.

When deciding which fund and which share class within a fund makes the most economic sense for you, you should ask your Financial Advisor about the effect of a number of factors on your costs, including:

- How long you plan to hold the fund;
- The size of your investment;
- Whether you will be adding to the investment in the future;
- The expenses you’ll pay for each class;
- Whether the amount of your initial or intended investment, together with other eligible fund investments, qualifies you for any sales-charge discounts (that is, whether you should execute a Letter of Intent, whether you are entitled to a Right of Accumulation, or whether you are entitled to a breakpoint discount); and
- Whether you qualify for any front-end sales charge waivers with respect to Class A shares, which are discussed in more detail herein.

12B-1 FEES AND OTHER FEES

12b-1 fees take their name from the Securities and Exchange Commission rule under which they were created. They are fees charged against your mutual fund assets on a continuing basis that cover marketing, distribution and/or shareholder services costs. 12b-1 fees may also be used, in part, to offset the amounts payable by the fund’s principal distributor as compensation to selling firms where the fund share class does not have a front-end sales charge. The portion of the 12b-1 fee that is used for distribution expenses is effectively an asset-based sales charge paid over time instead of charged as a front-end sales charge.

The amount of the 12b-1 fee is charged as a percentage of the fund’s total assets attributable to the share class. A fund also deducts certain other ongoing fees from its assets to pay firms that provide various services to the fund, such as the fund’s investment adviser, transfer agent, custodian and administrator. 12b-1 fees, investment management fees and other ongoing expenses are described in the mutual fund’s prospectus Fee Table. These fees will vary from fund to fund and for different share classes of the same fund. You can use prospectus Fee Tables to help you compare the annual expenses of different funds.

CLASS A SHARES

Purchasers of Class A shares are typically charged a front-end sales charge or commission (sales charges on mutual funds are also referred to as “loads”) that is included in the price of the fund shares. When you buy shares with a front-end sales charge, a portion of the money you invest is used to pay the sales charge. For example, if you invest \$10,000 in a fund and the front-end load is 5 percent, you would be charged \$500, and the remaining \$9,500 would be invested in the chosen fund. Class A share 12b-1 fees (generally 0.25% or \$25 per \$10,000 of fund assets per year) typically are lower than those of Class C shares.

Class A Share Sales Charge Discounts (Breakpoints)

As noted above, funds may offer purchasers of Class A shares volume discounts — also called breakpoint discounts — on the front-end sales charge if the investor:

- Makes a large purchase; or
- Commits to purchase additional shares of the fund (Letters of Intent); or
- Holds other mutual funds offered by the same fund family and/or has family members (or others with whom they may link purchases according to the prospectus) who hold funds in the same fund family (Rights of Accumulation).

Large Purchases

When you purchase Class A shares at or above a “breakpoint,” you are entitled to pay a reduced front-end sales charge. For example, suppose the prospectus says that a breakpoint occurs when you purchase \$25,000 or more of Class A shares. If you buy less than \$25,000 worth of shares, the sales charge is 5.75%. If you buy \$25,000 or more worth of shares, the sales charge is 5.00%. Now, suppose you buy \$24,500 worth of Class A shares. You would pay \$1,408.75 in sales charges.

If you buy \$25,000 of shares, you would pay only \$1,250. In this example, by choosing to invest an additional \$500 you would actually pay \$158.75 less in the front-end sales charge, and those savings would increase your net investment in the fund.

Mutual funds typically offer multiple breakpoints, each at increasingly higher investment levels. Increasing your investment size, if you are able and willing to do so, can allow you to take advantage of higher breakpoints and further reduce the sales charges you pay. It is important that you understand how breakpoints work so that, consistent with your investment objectives, you can take advantage of the lowest possible front-end sales charge.

Below is a typical breakpoint discount schedule showing the front-end sales load applicable to a purchase of Class A shares at different levels of investment. Different funds and fund families have different breakpoint schedules. Please ask your Financial Advisor how a fund’s breakpoint schedule compares with those of other funds on our platform. For more information on sales charges, please see the section herein titled “How We Are Compensated for Mutual Funds Sales — Brokerage Accounts — Sales Charges.”

SAMPLE BREAKPOINT SCHEDULE

Class A Shares (Front-End Sales Load)

INVESTMENT AMOUNT	SALES LOAD
Less than \$25,000	5.75%
\$25,000 or more but less than \$50,000	5.00%
\$50,000 or more but less than \$100,000	4.50%
\$100,000 or more but less than \$250,000	3.50%
\$250,000 or more but less than \$500,000	2.50%
\$500,000 or more but less than \$750,000	2.00%
\$750,000 or more but less than \$1 million	1.50%
\$1 million or more	0.00%

Letters of Intent

A letter of intent (LOI) is an agreement that expresses your intention to invest an amount equal to or greater than a breakpoint within a given period of time, generally 13 months after the LOI period begins. Many fund companies permit you to include purchases completed within 90 days before the LOI is initiated for the purpose of obtaining a breakpoint discount. If you expect to make additional investments during the next 13 months in a fund with a front-end sales load, it is worth finding out if an LOI can help you qualify for a breakpoint discount to reduce your front-end sales charge.

Important Note: If you do not invest the amount stated in your LOI during the 13-month period, the fund can redeem a portion of the shares that you hold to retroactively collect the higher sales charge that would have applied to your purchase without the LOI.

Rights of Accumulation

A right of accumulation (ROA) generally permits you to accumulate or combine your existing fund family holdings with new Class A purchases of the same fund family's funds for the purpose of qualifying for breakpoints and associated discounts. For example, if you are investing \$10,000 in Class A shares of a fund today, and you already own \$40,000 in Class A shares of that fund family, the fund may allow you to combine those investments to reach a \$50,000 breakpoint, entitling you to a lower sales load on your \$10,000 purchase today. Please refer to the fund prospectus for details as rules vary from fund family to fund family.

Rights of Accumulation – Family and Related Accounts

Fund families typically permit you to aggregate fund family holdings in other accounts that you and your family may own, including fund assets held at other brokerage firms, for the purpose of achieving a breakpoint discount. For example, a fund may allow you to qualify for a breakpoint discount by combining your fund purchases with those of your spouse or minor children. You also may be able to aggregate mutual fund transactions in certain retirement accounts, educational savings accounts or any accounts you maintain at other brokerage firms. In some instances, employer-sponsored retirement or savings-plan accounts may be aggregated. These features vary among fund families.

More Information on Ways to Eliminate Sales Charges

In addition to qualifying for front-end sales charge discounts through any of the above options, you may also qualify for a waiver, which would eliminate the front-end sales charge. Two common options available to investors are intra-fund family exchange privileges and sales charge waiver programs.

Exchanges Between Funds Within the Same Fund Family

Exchanges between the same share classes of funds within the same fund family typically may be made without sales charges. Funds often limit the number and frequency of transfers that can be made during a certain period of time. Certain funds may impose short-term exchange or redemption fees based on your holding period. Because these time parameters and the amount of any fees vary among mutual fund companies, please check the mutual fund prospectus for more information.

Sales Charge Waivers

Many mutual funds offer waivers that eliminate front-end sales charges on Class A shares to clients who meet various qualifying conditions. Because these waivers and conditions vary between fund families, we adopted a customized front-end sales charge waiver program. Since this program standardizes waivers across all fund families available for purchase at Morgan Stanley, these waivers will differ from and in some instances may be more limited than waivers available for purchases made directly with the fund family or through other financial intermediaries. Note, you should refer to the fund prospectus to see if by processing the transaction directly with the fund family or elsewhere you may benefit from such features not available at Morgan Stanley.

Under our program, Class A share purchases through a Morgan Stanley commission-based brokerage account will not be subject to a front-end sales charge if you:

- Purchase shares for an employer-sponsored retirement plan account, as described below;
- Sell Class A shares of a fund, and subject to certain requirements described below, use the proceeds from that sale to purchase Class A shares of a fund that is part of the same fund family; and
- Receive additional Class A shares through the reinvestment of dividends and capital gains distributions.

In addition, Morgan Stanley maintains a Class C Share Conversion Program (described below) under which we exchange eligible Class C shares for Class A shares of the same fund with the Class A sales charge waived.

CLASS C SHARES AND CLASS C SHARE CONVERSIONS

Investments in Class C shares usually are not subject to front-end sales charges. However, purchasers of Class C shares are typically required to pay a contingent deferred sales charge (CDSC) if the shares are sold within a short time of purchase, usually one year. The 12b-1 fees associated with Class C shares (generally up to 1.00% or \$100 per \$10,000 of fund assets per year) are typically higher than those of Class A shares. The portion of the 12b-1 fee that is used for distribution expenses, up to 0.75% per year of the fund's assets, is effectively an asset-based sales charge paid over time rather than a front-end sales charge applicable to Class A share purchases. These charges allow the fund's distributor to recover its costs of distributing the fund (including compensation payable to Financial Advisor). Please ask your Financial Advisor how a fund's 12b-1 fees compare with those of other funds, as a portion of those fees will be paid to your Financial Advisor. It is important to bear in mind that Class C shares typically are preferable for investors who have a shorter-term investment horizon, especially those who do not qualify for any breakpoints, because during those first years they will generally be cheaper to buy and sell than Class A shares. However, owning Class C shares over longer holding periods will typically be more expensive than owning Class A shares. Remember that higher ongoing expenses associated with Class C shares will mean reduced investment performance over time versus Class A shares.

To reduce the potential for investors to hold Class C shares beyond the point where the ongoing costs of ownership exceed those of Class A shares, Morgan Stanley has adopted a Class C Share Conversion Program. Under this program, eligible Class C shares held in Morgan Stanley accounts for six or more years are automatically converted into Class A shares of the same fund at net asset value without the imposition of the sales charge that typically applies to Class A shares. The share class conversion will not be treated as a taxable event. This feature allows investors holding eligible aged-Class C shares to benefit from the lower ongoing costs of Class A shares.

Note, if you participate in any systematic investment sales/withdrawal programs, Morgan Stanley may modify the share class attached to your instructions following a conversion to ensure you receive uninterrupted service.

RETIREMENT ACCOUNT SHARES AND SALES CHARGE WAIVERS

Many mutual fund families offer one or more share class pricing options specifically for use by employer-sponsored retirement plans ("Retirement Shares"). Some fund companies offer Class A shares with the front-end sales load waived, while others offer a share class that is dedicated solely to employer-sponsored retirement plans and does not charge a front-end or back-end sales load (e.g., "R shares"). Class R shares, however, generally have higher 12b-1 fees than Class A shares. Not all fund families offer retirement plan account special pricing options, and where they are available, they are often accompanied by fund family specific eligibility criteria and/or plan asset size or participant number requirements.

As noted above, Morgan Stanley has adopted its own Class A share load waiver feature for eligible employer-sponsored retirement plan accounts. For purposes of this waiver, an employer-sponsored retirement plan includes 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit sharing and money purchase pension plans and defined benefit plans. Morgan Stanley's program does not apply the waiver to SEP IRAs, Simple IRAs, SAR-SEPs or Keogh plan accounts, which is allowed by certain fund families. Such clients who previously received a waiver will cease to receive it for purchase transactions through Morgan Stanley accounts. In order to continue to receive the waiver, affected clients will need to purchase the fund directly from the fund family or through an account at another financial intermediary.

With the adoption of a standardized Class A share load waiver program for all fund families available at Morgan Stanley, we also closed all Class R share fund offerings on our platform. As noted above, the Class R shares previously available for sale on our platform typically have higher ongoing 12b-1 fees than Class A shares making the latter the more economical choice for eligible retirement plan client accounts. Clients who wish to purchase Class R shares will need to do so directly from the fund family or through an account at another financial intermediary.

FUND REPURCHASES

Many funds allow investors who have redeemed Class A shares from a fund within the same family to purchase Class A shares of another fund within the same fund family without a sales load. As noted above, Morgan Stanley adopted a standardized fund repurchase waiver. Under this program, which may be more limited than otherwise available, you will receive load-waived Class A shares when you purchase Class A shares of a mutual fund with the proceeds of a sale of Class A shares from the same fund family, as long as the purchase was made within 90 days of the redemption, the redeemed shares were subject to a front-end or deferred sales charge, and all of the transactions occurred in the same account.

ADVISORY ACCOUNT SHARES

Advisory shares do not have front-end or back-end sales charges, and their expenses may be the lowest of any share class. Morgan Stanley does not generally offer advisory shares in its brokerage client accounts where typically the only available share classes have a sales charge component. Morgan Stanley does offer advisory shares in many of its fee-based advisory programs. These accounts charge fees for the advice and services provided to clients based upon a percentage of billable assets held in the account. Please refer to the applicable Morgan Stanley ADV Brochure for more information on advisory shares, and the fees and expenses for these accounts.

SINGLE SHARE CLASS FUNDS

Certain fund families may offer only one share class for investors who purchase the funds through commission-based brokerage accounts. These single share class funds are generally similar to the Class C shares offered by other fund families. Typically, the 12b-1 fees associated with these shares are higher than those of Class A shares and they continue indefinitely. In addition, these single share class funds do not typically offer sales-charge discounts on large individual or cumulative purchases. Because these discounts can be significant, investors should consider all factors when making such an investment, including the impact that the share class fees can have on performance and the fact that other fund families offer breakpoints. Speak with your Financial Advisor for more information, including whether other funds should be considered.

MULTIPLE FUND FAMILIES

Sometimes investors may choose to invest in multiple fund families. These investors perceive benefits that may include diversification, the ability to select those funds that they believe will have the best opportunity to outperform other funds in specific fund categories, or the ability to invest in unique funds that may not be available in a single fund family. However, it is important to bear in mind this investment strategy reduces the opportunities to qualify for breakpoint discounts and can, as a result, increase the cost of investing in the funds selected. Also, there is no guarantee that a multifamily investment strategy will provide significant diversification or outperform a single-family strategy.

UNDERSTAND THE FACTS ABOUT YOUR FEE STRUCTURE

When it comes to front-end sales charges, sales charge waivers, breakpoint discounts, CDSCs (including whether, and over what time period, they decline), 12b-1 fees and other share-class and pricing terms, each mutual fund follows its own policies, which are described in the fund's prospectus or SAI. Here are some things to keep in mind when making a mutual fund investment.

UNDERSTAND HOW BREAKPOINTS WORK

Read the mutual fund prospectus. Consult the fund's SAI, check the fund's website or ask your Financial Advisor for additional information about the sales charges and other costs of owning the fund's different share classes.

REVIEW YOUR MUTUAL FUND HOLDINGS

Before making a mutual fund purchase, review your account statements and those of your family to identify opportunities to achieve a breakpoint discount. Don't limit your review to accounts at a single brokerage firm. You may have related mutual fund holdings in multiple

accounts at different brokerage firms, or with the mutual fund company itself, that can be aggregated for the purpose of achieving a breakpoint discount.

KEEP YOUR FINANCIAL ADVISOR INFORMED

Be sure to tell your Financial Advisor about your mutual fund holdings and those of your family, including holdings at other brokerage firms or with the mutual fund company itself. Also, discuss any plans you may have for making any additional purchases in the future. Discuss your expected investment horizons with your Financial Advisor. With this information, your Financial Advisor can help you select a share class that may help minimize the fees that you will pay over the life of your investment.

FUND TRANSFER RESTRICTIONS

Certain mutual funds may not be transferable from an account at one brokerage firm to an account at other brokerage firms. A common factor limiting transferability is when a fund or its principal distributor does not have a selling or other agreement in place with the other brokerage firm. If a particular fund family's funds are not transferable to another brokerage firm, you may have the following options: leave the position in an account at the original brokerage firm; or have the position re-registered in your name on the books and records of the fund company or its transfer agent. As an alternative, you may liquidate the position and transfer the proceeds. This option may have tax implications and/or other costs. For further information regarding the transferability of a particular fund's shares, please refer to the fund's prospectus and SAI, or call your Financial Advisor.

OUR RELATIONSHIP WITH MUTUAL FUND FAMILIES

Morgan Stanley offers clients a large selection of mutual funds. We review and evaluate each fund family whose mutual funds we offer based upon various factors, including but not limited to:

- Investment opportunity;
- Number and variety of funds offered;
- Level of interest and demand;
- Length of track record and historical appeal to our clients and Financial Advisors;
- Short- and long-term performance of the funds offered;
- Size of assets under management;
- Agreement to uniform, leveled economic terms in relation to revenue-sharing and administrative service payments in support of our mutual fund business platform, which limit the availability of certain fund families on our platform; and
- Ability to support our Financial Advisors and clients through training, education and sales and marketing assistance.

Our Financial Advisors are not permitted to execute investments in funds that we have not reviewed and evaluated.

HOW WE ARE COMPENSATED FOR MUTUAL FUND SALES

Brokerage Accounts — Sales Charges

Each time you purchase a mutual fund in a commission-based brokerage account, the fund family pays an amount to us as compensation based upon the amount of your investment and the share class you have selected. A portion of these payments is allocated to your Financial Advisor.

A fund's dealer compensation practices are described in its prospectus and SAI. For front-end sales charge share classes, the fund families pay Morgan Stanley all or most of the initial sales charge you pay. For very large Class A share purchases that qualify for a complete waiver of their front-end sales charge, the fund's distributor pays Morgan Stanley a selling fee at a rate set by the fund family.

Morgan Stanley also receives shareholder-servicing payments (sometimes called "trails") as long as you continue to hold the shares in your Morgan Stanley account or directly at the fund if we act as your "broker of record." These payments are generally made by the fund's distributor from 12b-1 fee revenues charged against fund assets. Your Financial Advisor receives a portion of each of these payments.

The portion of these payments that we pay to your Financial Advisor is based upon Morgan Stanley standard compensation formulas, which are the same regardless of which mutual fund you purchase. Some funds, however, impose higher upfront sales charges and ongoing trails than others, which generally would increase the amount paid to your Financial Advisor. In order to mitigate this conflict of interest, Morgan Stanley has implemented caps on upfront sales charges and ongoing trails to limit and compress the range of payments your Financial Advisor may receive on these transactions. In addition, because funds' sales charges are different for their different share classes, the choice of share class can significantly affect the compensation your Financial Advisor receives. These inherent mutual fund product pricing discrepancies present a conflict of interest for Morgan Stanley and our Financial Advisors when recommending purchases of funds and fund share classes. To mitigate this conflict Morgan Stanley employs an order entry share class selection calculator designed to provide clients with the least costly share class available in its commission-based brokerage accounts over the anticipated holding period of the investment. Feel free to ask your Financial Advisor how he or she will be compensated for any mutual fund transaction.

Advisory Accounts — Program Fees

Mutual funds offered in our advisory account programs are not subject to front-end or ongoing transactional sales charges. Rather, these accounts charge fees for the advice and services provided to clients along with an advisory account platform fee based upon a percentage of billable assets held in the account. Please refer to the applicable Morgan Stanley ADV Brochure for more information on the fees and expenses for these accounts.

Revenue-Sharing

Morgan Stanley charges each fund family we offer a mutual fund support fee, also called a revenue-sharing payment, on client account holdings in fund families according to a tiered rate which increases along with the management fee of the fund so that lower management fee funds pay lower rates than those with higher management fees. The rate ranges from 0.01% per year (\$1 per \$10,000 of assets) up to a maximum of 0.10% per year (\$10 per \$10,000 of assets).

The tiered rates are the same for commission-based brokerage and fee-based advisory client account holdings. However, for advisory accounts there are account type and program exceptions and the fees are rebated to clients. Please see the applicable Morgan Stanley ADV brochure for additional information.

Revenue-sharing payments are generally paid out of the fund's investment adviser, distributor or other fund affiliate's revenues or profits and not from the fund's assets. However, fund affiliate revenues or profits may in part be derived from fees earned for services provided to and paid for by the fund. Morgan Stanley does not receive any portion of these revenue-sharing payments through brokerage commissions generated by the fund.

A list of revenue-sharing fund families, organized by size of payment, is available on our website at the address noted in the "For More Information" section below.

Although we seek to charge all fund families the same revenue-sharing fee rate schedule, in aggregate Morgan Stanley receives significantly more revenue-sharing from the families with the largest client fund share holdings at our firm. This fact presents a conflict of interest for Morgan Stanley to promote and recommend funds from those fund families rather than funds from families that in aggregate pay us less revenue-sharing. In addition, since our revenue-sharing rates are higher for funds with higher management fees, this fact presents a conflict of interest for us to promote and recommend funds that have higher management fees. In order to mitigate these conflicts, Financial Advisors and their Branch Managers do not receive additional compensation as a result of revenue-sharing payments received by Morgan Stanley. Moreover, for advisory account clients the fees are rebated.

Administrative Service Fees

Morgan Stanley and/or its affiliates receive compensation from funds or their affiliated service providers for providing record keeping and related services to the funds. These charges are based upon the aggregate value of client positions. Administrative fees may be viewed in part

as a form of revenue-sharing if and to the extent the amounts paid by the fund exceed what the mutual fund would otherwise have paid for those services. However, they are not included in the revenue-sharing payments described above.

We typically process transactions with fund families on an omnibus basis, which means we consolidate our clients' trades into one daily trade with the fund, and therefore maintain all pertinent individual shareholder information for the fund. Trading in this manner requires that we maintain the transaction history necessary to track and process sales charges, annual service fees, and applicable redemption fees and deferred sales charges for each position, as well as other transaction details required for ongoing position maintenance purposes.

For these services, funds pay 0.06% per year (\$6 per \$10,000) on fund assets held by our clients in commission-based brokerage accounts and fee-based advisory account programs. However, for advisory accounts there are account type and program exceptions and the fees are rebated to clients. Please see the applicable Morgan Stanley ADV brochure for additional information.

While all fund families are charged the same administrative service fee rates, in aggregate, Morgan Stanley receives significantly more administrative service fees from the fund families with the largest client fund share holdings at our firm. This fact presents a conflict of interest for Morgan Stanley to promote and recommend funds from those fund families rather than funds from families that in aggregate pay us less administrative service fees. In order to mitigate this conflict, Financial Advisors and their Branch Managers do not receive additional compensation as a result of these administrative service fee payments received by Morgan Stanley. Moreover, for advisory account clients the fees are rebated.

Expense Payments and Data Analytics Fees

Morgan Stanley provides fund families with opportunities to sponsor meetings and conferences and grants them access to our branch offices and Financial Advisors for educational, marketing and other promotional efforts. Some fund representatives also work closely with our branch offices and Financial Advisors to develop business strategies and plan promotional events for clients, prospective clients and educational activities. Some fund families or their affiliates reimburse Morgan Stanley for certain expenses incurred in connection with these promotional efforts, as well as training programs. Fund families independently decide if and what they will spend on these activities, with some fund families agreeing to make annual dollar amount expense reimbursement commitments of up to \$600,000, although actual reimbursements may be higher. In addition, some fund families provide support of up to \$125,000 per year for the development and maintenance of our internal Financial Advisor training and education e-learning platform. Some fund families also invite our Financial Advisors to attend fund family-sponsored events. Expense payments may include meeting or conference facility rental fees and hotel, meal and travel charges.

Morgan Stanley also provides fund families with the opportunity to purchase sales data analytics. The amount of the fees depends on the level of data and ranges up to \$600,000 per year. For an additional fee, fund families may purchase supplemental data analytics on other financial product sales at Morgan Stanley.

These facts present a conflict of interest for Morgan Stanley and our Financial Advisors to the extent they lead us to focus on funds from those fund families that commit significant financial and staffing resources to promotional and educational activities and/or purchase data analytics instead of on funds from fund families that do not. In order to mitigate this conflict, Financial Advisors and their Branch Managers do not receive additional compensation for recommending funds sponsored by fund families that purchase data analytics.

Fund family representatives are allowed to provide funding for client/prospect seminars, employee education and training events, occasional meals and entertainment and gifts. Morgan Stanley's non-cash compensation policies set conditions for these types of payments, and do not permit any funding conditioned on achieving any sales target or awarded on the basis of a sales contest.

OTHER COMPENSATION RECEIVED FROM FUNDS

Morgan Stanley or its affiliates receive, from certain funds, compensation in the form of commissions and other fees for providing traditional brokerage services, including related research and advisory support, and for purchases and sales of securities for fund portfolios. Our affiliate E*Trade also receives revenue sharing and other payments from some of the same fund families open on our platform. We also receive other compensation from certain funds for financial services performed for the benefit of such funds, including but not limited to providing stand-by liquidity facilities. Providing these services may give rise to a conflict of interest for Morgan Stanley or its affiliates to place their interests ahead of those of the funds by, for example, increasing fees or curtailing services, particularly in times of market stress.

Morgan Stanley prohibits linking the determination of the amount of brokerage commissions and service fees charged to a fund to the aggregate values of our overall fund-share sales, client holdings of the fund or to offset the revenue-sharing or expense reimbursement and administrative fees described above. Financial Advisors and their Branch Managers receive no additional compensation as a result of these payments received by Morgan Stanley.

AVAILABILITY OF AFFILIATED FUNDS

Our affiliate, Morgan Stanley Investment Management, serves as the investment adviser to certain mutual funds that our Financial Advisors may offer. Morgan Stanley Investment Management (and its affiliated entities) receives additional investment management fees and other fees, including administrative service fees, from these funds. Therefore, Morgan Stanley has a conflict to recommend these affiliated funds. In order to mitigate this conflict, Financial Advisors and their Branch Managers do not receive additional compensation for recommending affiliated funds. Morgan Stanley Investment Management and its affiliates have entered into administrative services and revenue-sharing agreements with Morgan Stanley as described herein.

MONEY MARKET AND MONEY MARKET SWEEP FUNDS

Money market funds are subject to different compensation arrangements than the revenue-sharing and administrative service fees outlined above for mutual funds.

Non-Sweep Money Market Funds

We receive revenue-sharing fees of up to 0.10% per year (\$10 per \$10,000 of assets) on money market funds available for direct purchase. However, unlike the compensation arrangements outlined above for non-money market mutual funds where Financial Advisors do not receive any portion of this compensation, under certain circumstances, all or a portion of these payments is allocated to your Morgan Stanley Financial Advisor based upon Morgan Stanley's standard compensation formulas. Note, for advisory accounts, the fees are rebated to clients.

In addition, for those money market funds that are available for direct purchase we seek or may have been reimbursed for the associated operational and/or technology costs of adding such funds to our platform. These one-time flat-fees are paid by fund sponsors or other affiliates (and not the funds) in connection with the onboarding process. Financial Advisors and their Branch Managers do not receive additional compensation for recommending funds that have reimbursed Morgan Stanley for our onboarding costs.

Sweep Money Market Funds

Our affiliate, Morgan Stanley Investment Management, serves and receives compensation as the investment adviser to the money market funds that are available as cash management sweep options for eligible client accounts. Morgan Stanley receives compensation from the funds based on the amount of money market sweep fund assets held by our clients in brokerage accounts of up to 0.25% per year (\$25 per \$10,000 of assets). Under certain circumstances, a portion of such compensation is paid to your Financial Advisor based upon Morgan Stanley's standard compensation formulas. Morgan Stanley either rebates to clients or does not receive compensation on sweep money market fund positions held by clients in our fee-based advisory account programs. Please ask your Financial Advisor if you have additional questions regarding your eligible sweep option.

MONEY MARKET FUND REFORM

In 2016, the Securities and Exchange Commission adopted amendments to the rules that govern domestic money market funds. The changes are designed to provide investors with additional protection during times of market stress while preserving the benefits of the funds.

The rules classify money market funds into three basic types:

Government Money Market Funds— Defined as a money market fund that invests 99.5 percent (formerly 80 percent) or more of its total assets in cash, government securities and/or repurchase agreements that are collateralized solely by government securities or cash.

Retail Money Market Funds— Defined as a money market fund that has policies and procedures reasonably designed to limit all beneficial owners of the money market fund to natural persons.

Institutional Prime Money Market Funds— Defined as all other money market funds, including nonretail municipal (or tax-exempt) funds.

The rules require a floating net asset value (NAV) for institutional prime money market funds. As a result, the daily share prices of these funds are no longer fixed at \$1.00 per share. Rather, since October 2016 the prices for these funds fluctuate along with changes in the market-based value of the fund's assets. Retail funds and government money market funds are permitted to continue utilizing a stable NAV of \$1.00 per share. However, retail funds along with institutional prime funds are, and government money market funds may be, subject to liquidity fees and redemption gates to address potential runs on the funds in times of market stress. In general, the rules allow money market fund boards to impose liquidity fees (of up to 2 percent of the redemption amount) and redemption gates (for up to 10 days) in certain circumstances. Please see your applicable money market fund prospectus for more information, as well as the money market fund's website, which is required to contain important information regarding fund liquidity and daily net asset value, among other items.

OFFSHORE MUTUAL FUNDS AND OFFSHORE EXCHANGE-TRADED FUNDS

Key Investor Information Documents (KIIDS)

Please be advised that there is a Key Investor Information Document (KIID) available for each offshore mutual fund, exchange-traded fund and money market fund offered by offshore (non-U.S. domiciled) investment companies regulated as Undertaking for Collective Investments in Transferable Securities (UCITS). The KIID contains essential information and key facts about a UCITS fund aimed at helping investors make informed investment decisions about whether the particular fund meets their needs. Please read the KIID carefully before you invest.

In respect of any transactions with respect to UCITS mutual funds and UCITS exchange-traded funds, we have provided investors with the KIID by means of a website, portal or any other durable medium other than paper. Investors have the right to request a paper copy of the KIID free of charge.

Any KIID provided to investors by means of a website/portal, including any updates, will be made available at the following web location: <https://www.morganstanley.com/OffshoreMutualFunds/KIIDrepository> for UCITS mutual funds and at the following web location: <https://www.morganstanley.com/disclaimers/etfkiidrepository> for UCITS exchange-traded funds.

You agree to review the KIID, including any updates, in good time before being bound by any contract or offer relating to any UCITS mutual fund or UCITS exchange-traded fund transactions, on a trade-by-trade basis.

Offshore Mutual Fund Share Classes

Offshore mutual funds, similar to their domestic counterparts, may offer different share classes to meet investor preferences and needs. There are, however, differences in how share classes work in offshore mutual funds. For example, a typical offshore fund Class A share does not offer sales charge discounts or breakpoints based on asset or trade amounts as do their domestic counterparts. Instead, your Financial Advisor has discretion on setting and negotiating sales charges, thereby impacting your overall costs as well as the compensation he or she will receive on the transaction.

On the other hand, offshore Class C shares generally have no sales charge at the time of purchase, but may have one assessed upon redemption if sold within a certain timeframe. Additionally, offshore Class C shares typically have higher annual expenses than offshore Class A shares, primarily due to higher ongoing “trail fees,” a portion of which is paid to your Financial Advisor.

These facts present a conflict of interest as the share class selected and the negotiable sales charge associated with offshore Class A shares could result in a purchase of a more expensive share class that compensates your Financial Advisor at a higher level. In order to mitigate this conflict, Morgan Stanley has implemented caps on upfront sales charges and ongoing trails to limit and compress the range of payments your Financial Advisor may receive on these transactions. Regardless, you should discuss your upfront sales charge with your Financial Advisor.

In addition, effective July 1, 2020, Morgan Stanley will also suspend sales of offshore Class C shares and only offer Class A shares on brokerage account sales of offshore mutual funds. Because Morgan Stanley will only offer Class A shares of offshore mutual funds, if an offshore investor wishes to purchase other types of share classes, they will need to do so directly with the fund or through an account at another financial intermediary.

FOR MORE INFORMATION

For additional information on a particular fund’s payment and compensation practices, please refer to the fund’s prospectus and SAI. Further information regarding revenue-sharing and administrative service fees is available at: <https://www.morganstanley.com/wealth/investmentsolutions/mutualfunds.asp> or by calling your Financial Advisor.

IMPORTANT NOTE

Some of the information in this disclosure has been adapted in part from information available on FINRA’s website. We invite you to examine the wealth of information provided on FINRA’s website (www.FINRA.org) and the SEC’s website (www.SEC.gov). In particular, FINRA’s website also contains a fund calculator to assist you in determining which fund share class offers the least expensive fee structure. FINRA’s “Fund Analyzer” is located at: <https://apps.finra.org/fundanalyzer/1/fa.aspx>.

Mutual funds are sold by prospectus only. You should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. The prospectus contains this and other information about the fund. You can obtain a prospectus from your Financial Advisor or the fund company’s website. Please read the prospectus carefully before investing.

Equity funds are subject generally to market, market sector, market liquidity, issuer and investment style risks, among other factors, to varying degrees. Bond mutual funds are subject generally to interest rate, credit liquidity and market risks to varying degrees. These risks are more fully described in the fund’s prospectus.

ETF Revenue-Sharing, Expense Payments and Data Analytics Fees

The following information pertains to exchange-traded fund (“ETF”) revenue-sharing, expense payments and fees for data analytics.

Revenue-Sharing Fees

Please note, ETFs may be actively-managed or passively-managed. In general, actively-managed ETFs seek to outperform a market index or target return whereas passively-managed ETFs seek to track the performance of a market index.

Morgan Stanley intends to charge sponsors of actively-managed ETFs a support fee, also called a revenue-sharing payment, on client account holdings in such ETFs based on a tiered rate that increases along with the management fee of the ETF. This means that sponsors of actively-managed ETFs pay lower rates on ETFs with lower management fees than on those with higher

management fees. The rate ranges up to a maximum of 0.10% per year (i.e., \$10 per \$10,000 of assets). Revenue-sharing fees are not assessed against passively-managed ETFs.

The tiered rates are the same for commission-based brokerage and fee-based advisory client account holdings. However, for advisory accounts there are account type and program exceptions and the fees are rebated to clients. Please see the applicable Morgan Stanley ADV brochure for additional information.

Revenue-sharing payments are generally paid out of the ETF's sponsor or other affiliate's revenues or profits and not from the ETF's assets. However, sponsor or affiliate revenues or profits may, in part, be derived from fees earned for services provided to and paid for by the ETF. Morgan Stanley does not receive any portion of these revenue-sharing payments through brokerage commissions generated by the ETF.

Although we seek to charge all actively-managed ETF sponsors the same revenue-sharing fee rate schedule, we are still in the process of implementing our program. Until implementation is complete, we have an incentive to promote and recommend those funds whose sponsors have already started making these payments. Our program may also result in fewer actively-managed ETFs from being included on our platform. Moreover, since Morgan Stanley intends to receive revenue-sharing fees from actively-managed ETFs, but not passively-managed ETFs, we also have a conflict of interest to promote and recommend actively-managed ETFs as opposed to passively-managed ETFs. In addition, since our revenue-sharing rates are higher for actively-managed ETFs with higher management fees, this fact presents a conflict of interest for us to promote and recommend ETFs that have higher management fees. In order to mitigate these conflicts, Financial Advisors and their Branch Managers do not receive additional compensation as a result of revenue-sharing payments received by Morgan Stanley. Moreover, for advisory account clients the revenue-sharing payments we receive are rebated back to clients.

Expense Payments and Data Analytics Fees

Morgan Stanley provides sponsors of all ETFs sold through Morgan Stanley with opportunities to sponsor meetings and conferences, and grants them access to our Branch Offices and Financial Advisors for educational, marketing and other promotional efforts. Representatives for such ETFs may also work closely with our Branch Offices and Financial Advisors to develop business strategies and support promotional events for clients and prospective clients, and educational activities. Some ETF sponsors or their affiliates reimburse Morgan Stanley for certain expenses incurred in connection with these promotional efforts and training programs. ETF sponsors independently decide if and what they will spend on these activities, with some ETF sponsors agreeing to make annual dollar amount expense reimbursement commitments of up to \$600,000, although actual reimbursements may be higher. In addition, some ETF sponsors provide support of up to \$125,000 per year for the development and maintenance of our internal Financial Advisor training and education e-learning platform. Some sponsors of ETFs also invite our Financial Advisors to attend events. Expense payments may include meeting or conference facility rental fees and hotel, meal and travel charges.

Morgan Stanley also provides all ETF sponsors with the opportunity to purchase data analytics regarding ETF sales. For ETF sponsors electing to purchase such data, the fee depends on the level of data and ranges up to \$600,000 per year. We generally charge sponsors of passive ETFs a separate transactional data fee ranging up to \$550,000 per year for those sponsors with more than one hundred passively-managed ETFs on our platform. For an additional fee, all ETF sponsors may purchase supplemental data analytics regarding financial product sales at Morgan Stanley.

These facts present a conflict of interest for Morgan Stanley and our Financial Advisors to the extent they lead us to focus on ETFs from those sponsors that commit significant financial and staffing resources to promotional and educational activities and/or purchase data analytics instead of ETFs from sponsors that do not. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive additional compensation for recommending ETFs from sponsors that purchase data analytics.

ETF representatives are allowed to provide funding for client/prospect seminars, employee education and training events, an occasional meal and entertainment and gifts. Morgan Stanley's non-cash compensation policies set conditions for these types of payments, and do not permit any funding conditioned on achieving any sales target or awarded on the basis of a sales contest.

Other Compensation Received From ETFs

Morgan Stanley or its affiliates receive, from certain ETFs, compensation in the form of commissions and other fees for providing traditional brokerage services, including related research and advisory support, and for purchases and sales of securities for ETF portfolios. Our affiliate E*Trade also receives revenue sharing and other payments from some of the same fund families open on our platform. We also receive other compensation from certain ETFs for financial services performed for the benefit of such ETFs. Morgan Stanley prohibits linking the determination of the amount of brokerage commissions and service fees charged to an ETF to the aggregate values of our overall ETF-share sales, client holdings of the ETF or to offset the revenue-sharing, expense reimbursement and data analytics fees described above. Financial Advisors and their Branch Office Managers receive no additional compensation as a result of these payments received by Morgan Stanley.

Clients with brokerage accounts will generally pay commissions to Morgan Stanley on the purchase and sale of ETF shares. For more information on equity commission pricing, please speak with your Financial Advisor. Clients with advisory accounts do not pay such commissions, but the advisory account fee will be applied to the ETF asset value.

For More Information

For additional information on a particular ETF's payment and compensation practices, please refer to the ETF's Prospectus and Statement of Additional Information. You may also contact your Financial Advisor.

Fund Liquidity Risk

Many investors rely on mutual funds, exchange-traded funds ("ETFs") and money market funds to meet their financial goals. It is important for investors to understand the liquidity risks involved with each product.

Mutual Funds

Shareholders in domestic mutual funds may redeem (i.e., sell) their investments on any business day. Although many mutual funds pay out redemptions within a few business days, investors should be aware that mutual funds may have up to seven days to fulfill redemption requests.

It is important to keep in mind that a number of factors play a role in a mutual fund's ability to provide liquidity to shareholders, including a fund's investment strategy. For example, mutual funds that invest in less liquid securities, such as bank loans and below-investment grade securities, among others, may be more susceptible to liquidity concerns, particularly during times of market stress.

If a domestic mutual fund cannot fulfill its redemption requests, it must seek permission from the Securities and Exchange Commission (the "SEC") to suspend redemptions, which would likely lead to the liquidation of the fund. Although this has rarely occurred, it underscores that mutual funds are not guaranteed investments and may lose money.

ETFs

ETFs offer liquidity to investors in a different manner than mutual funds. Notably, investors buy and sell shares of ETFs on stock exchanges (hence their name), as opposed to directly transacting with the funds at prices based on their net asset values ("NAV"). As a result, the price of an ETF share is determined by the market as opposed to the value of the assets held by the ETF.

This impacts the liquidity of an ETF's shares. If few market participants want to buy or sell a particular ETF — i.e., it is “thinly traded” — an investor may have to accept a lower price if they desire to sell their ETF shares in the short-term. This risk may be exacerbated during times of market stress if the trading volume for an ETF decreases or more participants desire to sell rather than buy an ETF's shares. Either case may lead to an investor selling their shares at a “discount” to what the ETF's underlying holdings are actually worth.

ETFs rely on large institutions to make a market in their shares, which tends to increase trading volume and keep the market price of ETF shares close to the NAV of the fund. Although this process has been generally successful, market disruptions can make it difficult or impossible for such institutions to continue their market making activities. As a result, market disruptions may lead to ETFs trading at substantial discounts to their NAVs, which will negatively impact ETF shareholders, particularly those that need to sell their shares at such times.

Money Market Funds

Similar to domestic mutual funds, shareholders in domestic money market funds may redeem their investments on any business day. While money market funds may have up to seven days to fulfill redemption requests, most do so the next business day. Even though money market funds are sometimes used for cash management purposes, they are not guaranteed investments.

Domestic money market funds are subject to specialized rules that seek to mitigate the risk that a fund will be unable to meet redemption requests. For instance, money market funds may use liquidity fees (up to 2%) and redemption gates (up to 10 days in a 90-day period) during times of market stress. These tools are intended to help money market funds manage redemptions without negatively impacting shareholders who remain invested in the funds.

Liquidity fees and redemption gates are optional for “government money market funds,” which invest 99.5% of their assets in government securities and other qualifying assets. All other domestic money market funds are subject to them. Please review a money market fund's prospectus for more information on the fund's potential use of liquidity fees and redemption gates.

It is also important to note that while domestic money market funds have been known for maintaining a stable \$1.00 price per share, certain money market funds now maintain “floating” NAVs, which means their share price fluctuates along with the value of the fund's assets. Government money market funds, as well as “retail” money market funds that limit their investors to natural persons (as opposed to institutions and/or businesses), may continue to utilize stable share prices.

If despite these tools, a domestic money market fund cannot meet its redemption obligations or maintain a stable NAV, the fund may seek permission from the SEC to permanently suspend redemptions or do so without SEC approval if the fund promptly liquidates its assets afterwards.

In addition to money market funds, many investors utilize ultra-short bond funds for cash management purposes. Please note that ultra-short bond funds are not money market funds, and as such, may not make use of liquidity fees or redemption gates in times of market stress. Ultra-short bond funds have floating NAVs and are subject to market risk and the risks associated with debt securities. Please refer to an ultra-short bond fund's prospectus for more information regarding the fund.

Conclusion

Please discuss your liquidity needs with your Financial Advisor before investing in a mutual fund, ETF and/or money market fund. Investors should carefully review a fund's prospectus, which describes the principal risks of investing in a fund, as well as a fund's shareholder reports for additional information regarding fund liquidity. Please ask your Financial Advisor if you need assistance obtaining these documents.

Unit Investment Trusts — Features, Costs and Compensation

This document will help you understand unit investment trusts (UITs), their features and costs, and how Morgan Stanley and your Financial Advisor are compensated when you buy a UIT. Like mutual funds, UITs are securities that are offered through a disclosure document known as a prospectus. You should read the prospectus carefully before investing. You should also discuss your investment goals and objectives with your Financial Advisor. For additional information, you can visit the following websites: Securities and Exchange Commission (www.SEC.gov), Financial Industry Regulatory Authority (www.FINRA.org), the Securities Industry and Financial Markets Association (www.SIFMA.org) and the Investment Company Institute (www.ICI.org).

WHAT IS A UIT?

A UIT is a SEC-registered investment company that issues redeemable securities and invests in a portfolio of bonds, equities and/or other funds according to a specific investment objective or strategy. Generally, a UIT's portfolio is not actively traded and follows a "buy and hold" strategy, investing in a static portfolio of securities for a specified period of time. Certain UITs may hold a portfolio that reflects an index. At the end of the specified period, UITs terminate and all remaining portfolio securities are sold. Redemption proceeds are then paid to the investors in accordance with the UIT's prospectus.

UIT sponsors offer many different UITs, each of which seeks a particular investment objective or follows a predefined investment strategy. In general, UIT sponsors offer successive "series" of each UIT — the offering period for each new series coincides with the time that a prior series terminates. This allows an investor to purchase a new series of the UIT with the same objective or strategy but with a new and/or updated portfolio of securities. Investors can also reinvest the proceeds from one series and invest in a different UIT.

WHAT ARE THE COSTS ASSOCIATED WITH INVESTING IN UITs

All UITs have fees and expenses. These costs, like all investing costs, are important to understand because they decrease the return on your investment. UIT fees and expenses can be divided into sales charges and those that relate to the operation of the UIT.

SALES CHARGES: UITs assess sales charges on units you purchase in commission-based brokerage accounts. The sales charge for UITs may be composed of three components. First, an initial sales charge may be applied to your purchase amount. Second, most UITs assess a deferred sales charge. The deferred sales charge is generally deducted in periodic installments following the end of the initial offering period. Finally, most, but not all, UITs assess a creation and development (C&D) fee that compensates the UIT sponsor for creating and developing each UIT, including determining the UIT's investment objectives and policies, selecting portfolio securities and other functions.

For UITs that have C&D fees, the C&D fee, which varies among UITs, is generally paid in full at the end of the initial offering period regardless of how long an investor holds the UIT. Some UITs, however, charge C&D fees that are assessed as a percentage of the average daily net assets of the UIT (i.e., a "Daily Accrued" fee), which means that an investor will only pay C&D fees for the time they are invested. As a result, in addition to the size of a UIT's C&D fees, investors should consider whether it is possible to invest in a UIT that has a Daily Accrued C&D fee. If you hold a UIT with a Daily Accrued C&D fee and another UIT without a Daily Accrued C&D fee, you should consider the impact of such C&D fees if you redeem your UIT investments.

UITs may be offered through fee-based investment advisory accounts. UIT units purchased through a fee-based investment advisory account are not assessed initial sales charges or deferred sales charges; however, any applicable C&D fees still apply. The advisory account's fee will also be applied to the UIT asset value.

ORGANIZATION COSTS/OPERATING EXPENSES: In general, all UITs make a charge against the UIT portfolio's assets for amounts expended to organize the trust itself. Please note that these organization costs, which vary among UITs, are generally paid in full at the end of a

UIT's initial offering period. As a result, you will pay the full amount of any such organization costs even if you redeem your position in the UIT prior to the UIT's termination date. Organization costs can be significant, representing one-third or more of the total expense of owning a UIT. UITs also often separately deduct for operating expenses, including portfolio supervision, bookkeeping, administrative costs and trading expenses. These amounts will vary with each UIT.

NOTE: Each UIT is different and specific fees and charges may be referred to by different names. Actual charges may differ based on the duration of the UIT and the terms of each UIT's prospectus. Longer-duration UITs generally have higher sales charges. This summary is intended to be a general overview. You should review the terms of the prospectus for any UIT you intend to purchase.

HOW MORGAN STANLEY AND YOUR FINANCIAL ADVISOR ARE COMPENSATED WHEN YOU BUY UITs FROM AN UNAFFILIATED SPONSOR

Unaffiliated UIT sponsors compensate Morgan Stanley when we sell their UITs, except when purchased through a fee-based investment advisory account. Morgan Stanley receives a portion of the maximum sales charge, referred to as the dealer concession. For example, if the maximum sales charge is 1.85%, Morgan Stanley expects to receive as a dealer concession up to 1.25%. The difference between the maximum sales charge and dealer concession is retained by the UIT sponsor. Each UIT prospectus describes the applicable sales charge and dealer concession. We pay all or a portion of the dealer concession to our Financial Advisors based upon Morgan Stanley standard compensation formulas, which are the same regardless of which UIT you purchase. However, as noted above, some UITs impose higher sales charges than others, which can increase the amount paid to your Financial Advisor.

Although clients do not pay initial and/or deferred sales charges on UITs purchased through a fee-based investment advisory account, the advisory account's fee will be applied to the UIT asset value, a portion of which is shared with your Financial Advisor.

In addition to the dealer concession, UIT sponsors generally pay Morgan Stanley additional sales concessions based on the overall volume of UIT sales in a particular trust during the initial offering period. The sales volume required to be eligible to receive these additional amounts vary by UIT sponsor and by trust, and the additional amounts that Morgan Stanley receives for such sales may also differ. Amounts may be up to 0.175% in addition to the standard dealer concession. Morgan Stanley generally retains the additional volume-based concessions it receives and does not pay any portion of such amounts to your Financial Advisor. Morgan Stanley does not receive an additional volume-based concession on units purchased through fee-based investment advisory accounts.

UIT sponsors make such payments out of the UIT sponsor or other affiliate's revenues or profits, and not from the UIT's assets. However, UIT affiliate revenues or profits may in part be derived from fees earned for services provided to, and paid for by, the UIT.

HOW MORGAN STANLEY AND YOUR FINANCIAL ADVISOR ARE COMPENSATED WHEN YOU BUY UITs SPONSORED BY MORGAN STANLEY

Morgan Stanley receives a gross underwriting commission on sales of its proprietary UITs in commission-based brokerage accounts. The gross underwriting commission is equal to the sum of any initial sales charge and the deferred sales charge. We pay a portion of these amounts to our Financial Advisors similar to the amounts that they receive when selling an unaffiliated UIT. UITs purchased through a fee-based investment advisory account are not assessed a gross underwriting commission; however, as noted, the advisory account's fee will be applied to the UIT asset value, a portion of which is shared with your Financial Advisor.

In general, in addition to the gross underwriting commissions described above, for proprietary UITs deposited prior to March 30, 2021, Morgan Stanley receives the above-described C&D fee, which compensates Morgan Stanley for the creation and development of each UIT, including the determination of the investment objectives and policies, selecting portfolio securities and other functions, and an annual fee for the administrative and other services which it provides during

the life of each UIT. Morgan Stanley is also reimbursed for amounts expended to organize each UIT. Please see the above section entitled “Organization Costs / Operating Expenses” for more information regarding these types of fees.

For proprietary UITs deposited on or after March 30, 2021, Morgan Stanley receives any applicable gross underwriting commissions in addition to being reimbursed for amounts expended to organize each UIT.

These facts present a conflict of interest for Morgan Stanley and our Financial Advisors to the extent they lead us to focus on proprietary UITs instead of unaffiliated UITs, and in particular, proprietary UITs that pay Morgan Stanley C&D fees and other ongoing expenses. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive additional compensation for recommending any proprietary UITs.

ACCESS TO BRANCHES, EXPENSE PAYMENTS AND DATA ANALYTICS FEES

Morgan Stanley provides UIT sponsors, many of which also sponsor other investment products such as mutual funds and exchange-traded funds, with opportunities to sponsor meetings and conferences, and grants them access to our branch offices and Financial Advisors for educational, marketing and other promotional efforts. Some UIT sponsors also work closely with our branch offices and Financial Advisors to develop business strategies and plan promotional events for clients and prospective clients and educational activities. UIT sponsors or their affiliates, with regard to UITs or other investment products offered through Morgan Stanley, make payments to Morgan Stanley in connection with these promotional efforts to reimburse Morgan Stanley for expenses incurred for sales events and training programs as well as client seminars, conferences and meetings. UIT sponsors also invite our Financial Advisors to attend events. Expense payments may include meeting or conference facility rental fees and hotel, meal and travel charges.

In addition, Morgan Stanley provides UIT sponsors with the opportunity to purchase sales data analytics regarding UITs and other investment products.

These facts present a conflict of interest for Morgan Stanley and our Financial Advisors to the extent they lead us to focus on UITs from those sponsors, including Morgan Stanley, that commit significant financial and staffing resources to promotional and educational activities and/or purchase sales data analytics instead of UITs from sponsors that do not. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive additional compensation for recommending UITs from sponsors that provide significant sales and training support and/or purchase data analytics.

UIT sponsor representatives are allowed to provide funding for client/prospect seminars, employee education and training events, an occasional meal and entertainment and gifts. Morgan Stanley's non-cash compensation policies set conditions for these types of payments, and do not permit any funding conditioned on achieving any sales target or awarded on the basis of a sales contest.

FOR MORE INFORMATION

For a more detailed discussion regarding UITs and how Morgan Stanley and your Financial Advisor are compensated for investments and services, please speak with your Financial Advisor. Clients are encouraged to ask their Financial Advisor how he or she will be compensated for any UIT transaction.

RISK CONSIDERATIONS

There is no assurance a specific unit investment trust will achieve its investment objective. An investment in a unit investment trust is subject to market risk, which is the possibility that the market values of securities owned by a trust will decline and that the value of trust units may therefore be less than what you paid for them. Unit investment trusts are unmanaged and each trust's portfolio or strategy is not intended to change during the trust's life except in limited circumstances. You can lose money investing in a unit investment trust. You should consider a trust as part of a long-term investment strategy. You will encounter tax consequences associated with reinvesting from one trust to another.

Investors should carefully consider the investment objectives and risks as well as charges and expenses of a unit investment trust before investing. To obtain a prospectus, contact a member of your Morgan Stanley team. The prospectus contains this and other information about the unit investment trust. Read the prospectus carefully before investing. Clients should consult with their tax advisors before making any tax-related investment decisions, as Morgan Stanley does not provide tax advice.

Closed-End Funds

Summarized below is some important information that will help you understand various costs and considerations when investing in closed-end funds (“CEF”), as well as how Morgan Stanley is compensated when we sell CEFs to you.

CEFS PURCHASED IN AN INITIAL PUBLIC OFFERING

Management and Underwriting Fee

Management and Underwriting fees are fees are paid to our affiliate, Morgan Stanley & Co. LLC, for managing the syndicate and underwriting the transaction. Management and Underwriting fees are determined as a percentage of total sales by Morgan Stanley of a particular closed-end fund. This revenue is earned by our affiliate; the fees generally fall within the range of 0.25%-1.00%.

Structuring Fee

Structuring Fee is a fee paid to Morgan Stanley from our affiliate, Morgan Stanley & Co. LLC, for Morgan Stanley’s assistance in the marketing and structuring of new closed-end funds.

Structuring Fee(s) are determined by fund managers as a percentage of the total sales of a particular closed-end fund by Morgan Stanley Financial Advisors and Private Wealth Advisors and generally ranges from 0.5% to 1.35%. Morgan Stanley & Co. LLC generally pays Morgan Stanley 75% of the total Structuring Fee that it receives.

Syndication Selling Fee

Syndicate Selling Fee is a percentage paid to Morgan Stanley from our affiliate, Morgan Stanley & Co. LLC, for Morgan Stanley’s assistance in the underwriting of new closed-end fund initial public offerings where Morgan Stanley & Co. LLC is the lead underwriter.

Syndicate Selling Fees are determined by fund managers as a percentage of total sales by the selling syndicate of a particular closed-end fund (excluding sales by Morgan Stanley Financial Advisors) and generally ranges from 0.5% to 1%. Morgan Stanley & Co. LLC generally pays Morgan Stanley 25% of the Syndicate Selling Fee that it receives.

Success Fee

For certain initial public offerings, the fund manager does not pay a Syndication Selling Fee and instead pays a Success Fee. The fee is determined by the fund manager and generally varies between 0.05% to 5% of total sales during the initial public offering. The total amount of the Success Fee is shared by select members of the closed-end fund’s selling syndicate. Revenue that Morgan Stanley & Co. LLC receives is evenly split with Morgan Stanley.

Sales Credit

Although closed-end funds may charge a sales load, recent closed-end funds have not charged clients an upfront fee in primary offerings. Rather, fund managers have paid selling concessions directly to Morgan Stanley and Financial Advisors. The selling concession generally ranges from 1.50% to 2.50%. The above information regarding selling concessions is subject to change.

CEFS PURCHASED IN THE SECONDARY MARKET

Trading Commission

Clients with brokerage accounts will generally pay commissions on the purchase and sale of CEF shares. Effective May 1, 2017 the maximum equity commission amount charged to clients for equity trades, including CEFs, is a percentage of Principal Value (PV) ranging from 0.50% to 2.50%, depending on the Principal Value of the trade. The commission for a given equity trade is determined

on a marginal basis, meaning clients will be charged progressively lower percentage rates at higher Principal Value amounts. Therefore, the higher the Principal Value of the equity trade, the lower the effective percentage rate that will be applied. Clients with advisory accounts do not pay such commissions, but the advisory account fee will be applied to the CEF asset value.

Training and Education Payments

Morgan Stanley provides fund families with opportunities to sponsor meetings and conferences for educational, marketing and other promotional efforts. Some fund representatives also work closely with our branch offices and Financial Advisors to develop business strategies and plan promotional events for clients, prospective clients and educational activities. Some fund families or their affiliates reimburse Morgan Stanley for certain expenses incurred in connection with these promotional efforts, as well as training programs. Fund families independently decide if and what they will spend on these activities, with some fund families agreeing to make annual dollar amount expense reimbursement commitments of up to \$600,000, although actual reimbursements may be higher. In addition, some fund families provide support of up to \$125,000 per year for the development and maintenance of our internal Financial Advisor/Private Wealth Advisor training and education e-learning platform. Some fund families also invite our Financial Advisors/Private Wealth Advisor to attend fund family-sponsored events. Expense payments may include meeting or conference facility rental fees and hotel, meal and travel charges. In addition, Morgan Stanley provides fund families with the opportunity to purchase sales data analytics regarding closed-end funds and other investment products.

These facts present a conflict of interest for Morgan Stanley to the extent they lead us to focus on products offered by those fund families that commit significant financial and staffing resources to promotional and educational activities and/or purchase data analytics instead of products offered by fund families that do not. In order to mitigate this conflict, Financial Advisors/Private Wealth Advisors and their Branch Office Managers do not receive additional cash compensation for recommending products offered by fund families that provide sponsorship support for training and education and/or purchase sales data analytics.

Fund family representatives are allowed to provide funding for client/prospect seminars, employee education and training events, an occasional meal and entertainment and gifts. Morgan Stanley's non-cash compensation policies set conditions for these types of payments, and do not permit any funding conditioned on achieving any sales target or awarded on the basis of a sales contest.

Understanding Variable Annuities

A variable annuity is a contract between you and an insurance company, in which the insurance company agrees to make periodic payments to you in the future. You can purchase a variable annuity contract by making either a single purchase payment or a series of purchase payments. Please note that certain benefit options (e.g., death benefit or living benefit protection options) may limit additional purchase payments.

Variable annuities offer features not generally found in other types of investment products, including:

- Tax-deferred earnings,
- Tax-free transfers among a variety of investment options (or “subaccounts”),
- Access to the research and due diligence of the annuity’s professionally managed, unique investment options and investment allocation strategies,
- Death benefit protection options,
- Living benefit protection options, and
- Lifetime income options.

If you are looking to supplement other sources of retirement income—such as Social Security and pension plans—you may want to consider a variable annuity. To sum up, a variable annuity is a long-term investment primarily designed for retirement or another long-range goal that offers the advantage of tax-deferred asset accumulation.

Access the *Understanding Variable Annuities* brochure at <https://www.morganstanley.com/assets/pdfs/wealth-management-disclosures/understandingvariableannuities.pdf> to learn more about variable annuities.

Variable annuities are sold by prospectus only. The prospectus contains the investment objectives, risks, fees, charges, and expenses and other information regarding the variable annuity contract and the underlying investments, which should be considered carefully before investing. Prospectuses for both the variable annuity contract and the underlying investments are available from your Financial Advisors. Please read the prospectus carefully before you invest.

Variable annuities are long-term investments designed for retirement. There are risks involved when investing in a variable annuity, including possible loss of principal. Withdrawals and distributions of taxable amounts are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty. Early withdrawals will reduce the death benefit and cash surrender value.

Optional benefits, such as living benefits and enhanced death benefits, are available for an additional fee.

If you are investing in a variable annuity through a tax-advantaged retirement plan, such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection.

Payment obligations of the issuing insurance company are backed by the financial strength and claims-paying ability of the issuing insurance company.

Variable annuities are offered in conjunction with Morgan Stanley Smith Barney LLC's licensed insurance agency affiliates. A variable annuity is not a deposit of, or other obligation of, or guaranteed by, the Depository Institution, or an affiliate of the Depository Institution, and involves investment risk, including the possible loss of value.

Tax laws are complex and subject to change. Morgan Stanley Smith Barney LLC ("Morgan Stanley"), its affiliates and its employees do not provide tax or legal advice and are not "fiduciaries" (under ERISA, the Internal Revenue Code or otherwise) with respect to the services or activities described herein except as otherwise provided in writing by Morgan Stanley. Clients should seek advice based on their own particular circumstances from an independent tax or legal advisor.

Understanding 529 Education Savings Plans and Compensation

Summarized below is some important information that will help you understand 529 savings plans, including the various cost and tax considerations of investing in a 529 plan. This summary also explains how Morgan Stanley and your Financial Advisor are compensated when you make a contribution to a 529 plan. You can also visit the websites sponsored by the U.S. Securities and Exchange Commission (www.SEC.gov) and the Financial Industry Regulatory Authority (www.FINRA.org) to obtain additional educational information about 529 savings plans.

UNDERSTANDING 529 PLANS

Before making a contribution to a 529 plan, we believe there are several things you should know.

WHAT ARE MY OPTIONS FOR FUNDING EDUCATION EXPENSES?

There are many investment vehicles available to help you save for education expenses — including 529 savings plans, prepaid tuition plans, Coverdell Education Savings Accounts, UGMA/UTMA custodial accounts, U.S. savings bonds, mutual funds, stocks, bonds and traditional savings accounts. Each vehicle has different tax implications, risk factors, investment options and cost considerations. This document addresses only 529 savings plans. Your Financial Advisor can

provide you with information about the other options and can help you decide which vehicle(s) are most appropriate for you and your family.

WHAT IS A 529 PLAN?

529 plans take their name from the section of the Internal Revenue Code that was enacted by Congress when the plans were created in 1996. 529 plans are officially known as Qualified Tuition Plans, a tax-advantaged investment vehicle designed to help families pay for future education expenses. There are two types of 529 plans: savings plans and prepaid tuition plans. Both are generally sponsored by states or state agencies. Forty-nine states and the District of Columbia sponsor one or more 529 plans. Morgan Stanley does not offer prepaid tuition plans. The information that follows relates to savings plans only.

Prior to the adoption of the Federal Tax Cuts and Jobs Act of 2017, 529 plans were principally designed to fund college and other higher education expenses. With the adoption of the new law, 529 plan assets are now available to fund elementary or secondary public, private or religious school expenses. However, federal tax free qualified withdrawals from 529 plans for these expenses are capped at \$10,000 per year per student. While such withdrawals will have no federal tax impact; individual state tax treatment of K-12 withdrawals varies.

Additionally, the Setting Every Community Up for Retirement Enhancement Act of 2019 expanded the benefits of 529 education savings plans by including certain student loan repayments, up to \$10,000 per beneficiary, and the cost of certain apprenticeship programs as qualified higher education expenses.

We encourage account owners to consult with a qualified tax advisor about their personal situation prior to making such withdrawals as they may be subject to adverse state tax consequences.

In general, most U.S. citizens or permanent residents are eligible to set up a 529 plan for any beneficiary, including themselves. Each plan has its own eligibility requirements, so please consult your Financial Advisor or the plan offering documents for more information.

The tax advantages, investment options, restrictions and fees can vary a great deal. Understanding the differences between plan types and state-specific state tax benefits is important. Morgan Stanley Financial Advisors do not provide tax or legal advice and so we encourage you to consult your individual tax or legal advisor.

HOW CAN I PURCHASE A 529 PLAN?

Typically, 529 plans are managed by investment management firms. They may be offered through your Financial Advisor (“advisor-sold”) or directly to investors (“direct-sold”) through a toll-free number and website. Most states offer more than one 529 plan. Some states offer both advisor-sold and direct-sold savings plans while other states only offer direct-sold savings plans. 529 plans can be effective within a comprehensive financial plan. With that potential, however, comes a significant amount of complexity that looks across an investor’s finances and investment holdings. For those investors who need help navigating the associated complexity, advisor-sold options may be an appropriate option. Others not so inclined, and more comfortable making their own investment elections or using the default options, may find the lesser fees of direct sold plans to be more attractive. The cost of investing in an advisor- sold savings plan is generally higher than a direct- sold savings plan because of the compensation component payable to the Financial Advisor for the advice they provide. Morgan Stanley does not offer every state’s 529 plan and only offers a single plan on its advisory platform. It is important for you to investigate what your home state has to offer in addition to speaking with your Financial Advisor or tax professional.

WHAT TYPES OF 529 PLANS ARE AVAILABLE?

529 plans are generally managed by investment management firms, (e.g., mutual fund companies) and your contributions are generally invested in underlying investment options such as mutual funds that support the plan. Your investment will fluctuate in value, so there is no guarantee that the amount contributed to the plan will equal the amount necessary for future education expenses. Savings plans may offer greater flexibility than prepaid tuition plans because they offer

multiple investment options and you are not restricted to using the account balances for a specific educational institution (or group of institutions) or within the sponsoring state. You may also be able to apply the proceeds from a savings plan to other expenses (e.g., room and board, textbooks, supplies and equipment) in addition to tuition and fees. Many states offer more than one savings plan, providing residents with a choice of investment management firms.

WHAT ARE THE FEDERAL TAX CONSIDERATIONS?

529 plans offer significant tax advantages for education saving investors. Earnings grow tax-deferred and withdrawals from a 529 savings plan are not subject to federal income tax if utilized for qualified education expenses at an eligible educational institution. The term “qualified education expenses” generally includes tuition, required fees, books, supplies, certain required equipment, and the cost of room and board (subject to certain limits). An “eligible educational institution” generally includes most community colleges, public and private four-year colleges, universities, graduate and postgraduate programs, certain vocational schools that are eligible to participate in federal student financial aid programs, and the elementary and secondary schools described above.

If you make a withdrawal for purposes other than to pay your beneficiary’s qualified education expenses, then the earnings portion of the withdrawal is subject to federal and possibly state income tax and an additional 10% federal tax penalty.

WHAT STATE AND LOCAL TAX BENEFITS APPLY?

You and/or your beneficiary’s state of residence may affect your ability to qualify for any applicable state and local tax benefits granted to 529 plan investments. Many states provide tax incentives and other benefits for state residents who invest in a plan sponsored by their home state, which may include:

- State tax deductions for contributions
- Deferral of state income taxes on earnings maintained in the plan
- State income tax-free qualified withdrawals
- Matching grants or scholarships

Additionally, so-called “in-state plans” often waive or rebate certain fees and expenses for state residents.

The benefits of purchasing an in-state plan generally apply only if you or your beneficiary live or pay state income taxes in the 529 plan sponsor’s state. If you invest in a 529 plan sponsored by a different state than where you live or pay state income taxes, typically, you will not receive any state tax or other benefits provided to residents. In addition, your state or locality may seek to recover the value of any previously taken state or local tax benefits if you roll over or transfer account assets from an in-state plan to another state’s 529 plan.

Before investing in a 529 plan, you should consider whether the state(s) where you or your beneficiary reside or pay state income taxes sponsors an in-state plan and whether the tax and other benefits afforded state residents are significant to you based on your particular circumstances. Depending on the state where you live or pay state income tax, your contribution amount and tax status, the tax savings from the state income tax credit or deduction may be up to \$1,000 or more per year. In certain states, these benefits may be the most significant factor for you in choosing a plan. Your Morgan Stanley Financial Advisor can direct you to information about in-state plans and select out-of-state 529 plans and the availability of state or local income tax or other benefits offered. Other factors to consider include the variety of investment options available, including the range of investment objectives and strategies offered, risk factors related to the variety of investment options or the lack of variety, relative performance, fees and services.

WHERE IS MY MONEY INVESTED?

Your contribution to a 529 savings plan is invested in a portfolio(s), generally consisting of underlying mutual funds. Although very similar to mutual funds in design and structure, a 529 savings plan’s portfolios are issued by state governments, and in most cases, are not directly

regulated under the federal securities laws applicable to mutual funds, but rather the Municipal Securities Rulemaking Board.

Most savings plans offer the following types of investment options:

- **Static Investment Portfolios** – Your contributions will be invested in a portfolio that does not change, remaining “static” over time in a specific combination of underlying mutual funds. The specific underlying mutual funds are combined to achieve a specific risk/reward relationship. You should speak with your Financial Advisor to determine if a static portfolio is appropriate for you.
- **“Age-Based” or “Years-to-Enrollment” Investment Options** – Your contributions will be invested in a portfolio that will automatically change over time depending on the age of your beneficiary or the number of years left before your beneficiary enrolls in an educational institution (also known as the date of matriculation). The investment manager adjusts the allocation of specific underlying mutual funds and their relative weighting within the portfolio over time, generally growing more conservative over time.
- **Individual-Fund Investment Options** – Your contributions will be invested entirely in one or more portfolio(s) each consisting of a single underlying mutual fund and, like static (multifund) portfolios discussed above, will not change unless directed by you.

WHAT FEES AND CHARGES APPLY WITH 529 PLANS?

529 savings plans’ fees and charges are used by the 529 plan sponsor to support the plan and compensate firms for selling interests in the plan. Some of the fees are based on the amount of assets in your plan account. Other fees are assessed on a transactional or periodic basis. Please see the applicable 529 Plan Program Disclosure for more information on fees and expenses.

Total fees, expenses and compensation vary by plan and by plan portfolio. Typical fees and expenses are described below and may include such items as underlying fund expenses, an administration fee, and annual distribution and servicing fees. For the commission-based plans available at Morgan Stanley, the overall cost associated with maintaining a 529 Plan ranges up to approximately 2.56 percent of the account value annually. In addition, initial sales charges range up to 5.75 percent. For our advisory account plan, the account advisory fee ranges up to 2% per year.

- **Program Management Fees** – The Program Manager of each 529 savings plan generally receives a program management fee. The program management fee compensates the manager for providing investment advisory, distribution, marketing, accounting and other services to the plan. The fee is generally assessed as a percentage of portfolio assets.
- **State Administration Fees** – To help pay for the operation of the plan, some state sponsors of 529 savings plans charge a state administration fee assessed as a percentage of portfolio assets.
- **Annual Maintenance Fees/Enrollment Fees/Termination Fees** – These fees are generally imposed as a specific dollar amount, and apply at specified times or upon certain events (e.g., initial purchase, termination or on the account anniversary).
- **Underlying Mutual Fund Expenses** – Each investment portfolio indirectly bears a proportional share of the fees and expenses incurred by the underlying mutual fund(s) (e.g., investment management fees and other expenses).
- **Sales Charges, Distribution and/or Service Fees** (applicable to our brokerage account commission-based 529 plans) – Depending upon the Share/Unit Class selected (see discussion below), a front-end sales charge may be assessed on your purchase. In addition, annual distribution and/or service fees typically apply. These fees, similar to the “12b-1” fees charged by some mutual funds, generally range between 0.25% and 1.25% of your investment annually. Your Financial Advisor receives a portion of these sales charges and distribution fees as ongoing compensation for selling and servicing the 529 plan.
- **Advisory Account Fees** (applicable to our fee-based advisory account 529 plan) – Unlike brokerage-based 529 plans, in which you may pay brokerage charges, or ongoing commissions (trails) on your investment options, an advisory fee leveraging household pricing is charged.

This advisory fee may range up to 2.00% as determined by you and your Financial Advisor. For more information surrounding advisory products, see the applicable Morgan Stanley ADV brochure at www.morganstanley.com/adv.

529 PLAN SHARE/UNIT CLASS DIFFERENCES

The following information principally pertains to 529 plan sales transacted through commission-based brokerage accounts. For more information on fees and expenses of our fee based advisory 529 plan program, please refer to the applicable Morgan Stanley ADV Brochure. You should consider all of the available methods for purchasing and holding 529 plans discussed in this booklet and in your program documents.

Most 529 plans offer different “unit” class pricing options similar to the share class pricing arrangements offered by open-end mutual funds. For these purposes, the terms “unit class” and “share class” are interchangeable. Each unit or share class of a particular investment option within a plan has an expense and sales charge structure based on the various types of asset-based fees, other fees and expenses, and sales charges assessed.

The most common unit classes available in commission-based brokerage accounts — A and C — are described below. Class A units typically assess a front-end sales charge while Class C units utilize a level sales charge structure. Some plans also offer other share-class unit structures. However, Morgan Stanley generally offers only Class A and Class C units in its commission-based brokerage accounts. If you wish to purchase other types of units, which may carry lower overall costs, you will need to do so directly with the plan or through an account at another financial intermediary.

The key distinctions among unit classes are the sales charges and ongoing fees and expenses you may pay in connection with your investment in the fund. The timing and amount of compensation received by your Financial Advisor for selling you units of the plan will also be directly affected by the unit class you purchase.

Class A Units — Class A units are subject to a sales charge or front-end load that is deducted as a percentage of the amount of your initial contribution. The net amount of the contribution (after the deduction of the initial sales charge) is invested in units of the Plan’s portfolio(s). For example, if you invest \$10,000 in a plan and the front-end load is 5 percent, you would be charged \$500, and the remaining \$9,500 would be invested in the chosen fund. Typically Class A units have lower ongoing expenses (generally 0.25 percent or \$25 per \$10,000.00 of fund assets per year) than Class C units (typically 1 percent of \$100 of fund assets per year).

You may be eligible for sales charge reductions or “breakpoints” based on the size of your investment in the 529 savings plan. In addition, you may qualify for “rights of accumulation.” These are further discounts when the amount of your 529 plan investment is combined with other assets which you and your immediate family members already have invested in the plan and/or in certain mutual funds managed by the manager for that plan. Specific rules for achieving breakpoints vary from plan to plan. When making any new 529 plan purchase, please inform your Financial Advisor of any 529 plan purchases, holdings in the same 529 plan or holdings in mutual funds managed by the manager of the 529 plan. If you have any questions about the availability of sales charge discounts on any 529 plan purchases, please ask your Financial Advisor.

Class C Units — Class C units do not have a front-end sales charge. However, Class C units have a contingent deferred sales charge (CDSC) (generally 1%), and the period during which the Class C CDSC can be imposed is shorter (generally one year). However, Class C units are subject to higher ongoing asset-based fees, particularly higher distribution fees. These fees may remain in place for the life of the investment since, depending upon the terms of 529 Plan, Class C units may not ultimately convert to Class A units after a certain period of time, as determined by the 529 plan manager.

CHOOSING A UNIT/SHARE CLASS

Morgan Stanley employs an order entry unit/share class selection calculator designed to assist clients with selecting the least costly unit/share class available in its commission-based brokerage accounts over the anticipated holding period of the investment. Your Financial Advisor is also available to help you with share class questions. The principal considerations are the size of your

investment and the anticipated holding period. Over time, you may end up paying higher fees and expenses and may experience lower investment returns with Class C units than you would with Class A units because of the accumulated impact of higher ongoing asset-based fees. For that reason, investors generally should purchase Class A units (the initial sales charge alternative) if they expect to hold the investment over the long term (typically, five years or more). Class C units (the level sales charge alternative) are generally appropriate for shorter-term holding periods. In addition, investors anticipating large purchases should consider Class A units since they typically offer sales-charge reductions beginning at \$25,000 that increase as the size of your investment increases.

In order to understand what your investment will cost, you should carefully review with your Financial Advisor or tax professional the 529 plan offering materials, which describe all the fees and expenses associated with a particular plan.

WHAT RESTRICTIONS ARE PLACED ON 529 PLAN INVESTING?

Your ability to contribute to a 529 plan is not limited by your household income. However, each state limits the total amount of contributions made on behalf of a particular beneficiary. The purpose is to prevent contributions on behalf of a particular beneficiary in excess of the amount necessary to provide for his or her qualified education expenses. The contribution limits on 529 savings plans vary by plan but are generally quite high.

Federal gift taxes may also influence 529 plan contributions. In general, for 2020 cumulative gifts of more than \$15,000 to a single person in a single year may be subject to the federal gift tax. A special federal tax law permits individuals to aggregate five years of the allowable

\$15,000 annual gift tax exclusion and contribute up to \$75,000 (\$150,000 per married couple) to an account for a designated beneficiary in one year without triggering the gift tax. Various conditions and filing requirements apply. You should consult with a tax advisor for more information on the potential tax ramifications of 529 plan contributions and investments.

HOW ARE MORGAN STANLEY AND MY FINANCIAL ADVISOR COMPENSATED WHEN I BUY A 529 PLAN?

Brokerage Account Plans— Sales Charges and Account Servicing Payments— Each time you purchase 529 plan units in a commission-based brokerage account, the plan pays an amount to us as compensation based upon the amount of your investment and the share class selected. A portion of these payments is allocated to your Financial Advisor. 529 plan sponsor's dealer-compensation practices are described in its program offering materials. Typically, for front-end sales charge classes, the plan's distributor pays Morgan Stanley most of the initial sales charge you pay. For back-end sales charge unit/share classes, the distributor pays Morgan Stanley a selling fee at a rate set by the plan. We also receive ongoing distribution and account-servicing payments (sometimes referred to as trails) as long as you continue to maintain your account and we act as your "broker of record." The amount of the compensation that Morgan Stanley receives is a function of the unit/share class that you purchase, and for certain classes, the amount of your purchases. We pay a portion of the compensation to our Financial Advisors based on our standard compensation formulas. These formulas are the same regardless of which plan you purchase. However, some plans may impose higher sales charges than others, which can affect the amount paid to your Financial Advisor. In addition, because plan sales charges are different for their different unit/share classes, the choice of unit/share class can significantly affect the compensation your Financial Advisor receives. These facts present a conflict of interest that could lead our Financial Advisors to recommend 529 Plans and unit/share classes that pay them higher compensation. In order to mitigate this conflict, Morgan Stanley has implemented caps on upfront sales charges and ongoing trails to limit and compress the range of payments your Financial Advisor may receive on these transactions. Clients are encouraged to ask their Financial Advisor how he or she will be compensated for any 529 plan sale.

Advisory Account Plans— Advisory Fees— Our 529 plan advisory account program is not subject to front-end or ongoing transactional sales charges. Rather, fees are charged for the advice and

services we provide to clients along with an advisory account platform fee based upon a percentage of billable assets held in the account. Please refer to the applicable Morgan Stanley ADV Brochure for more information on the fees and expenses for these accounts.

Revenue Sharing and Administrative Service Fees— Morgan Stanley charges mutual fund families a support fee, also known as revenue-sharing, based upon Morgan Stanley clients' mutual fund holdings. Many of these mutual fund families also provide products and services to 529 plans and some of them also pay Morgan Stanley revenue sharing on our client 529 plan holdings in their funds. The revenue-sharing rate for 529 Plans is up to a maximum of 0.16% per year (\$16 per \$10,000 of assets). Revenue-sharing fees are generally paid from the assets, revenues or profits of the fund or plan's investment manager and/or other service providers — not from the fund or plan itself.

We also receive fees for administrative support services provided to mutual fund families and some 529 plans. The fee rate for 529 Plan assets ranges from \$18 per plan fund position per year to 0.06% per year (\$6 per \$10,000 of assets) depending on the plan. However, since Morgan Stanley does not currently collect revenue-sharing or administrative support fees on most 529 plans available at the firm, these facts present a conflict of interest that could lead Financial Advisors to focus on the 529 plans that do provide such support when recommending a savings plan investment to clients. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive any part of these fees.

Training and Education Expenses— Morgan Stanley also provides 529 plan managers, many of which also sponsor other investment products such as mutual funds, with opportunities to sponsor meetings and conferences and grants them access to branch offices and Financial Advisors for educational, marketing and other promotional efforts. These sponsors or their affiliates make payments to Morgan Stanley in connection with these promotional efforts to reimburse Morgan Stanley for expenses incurred for sales events and training programs as well as client seminars, conferences and meetings. Expense payments may, for example, include meeting or conference facility rental fees and hotel, meal and travel charges.

Although all 529 plan managers are provided with such access, some managers and their affiliates devote more staff and resources to these activities and therefore have enhanced opportunities to promote their 529 plans to our Financial Advisors. Some 529 plans benefit from certain administrative synergies with Morgan Stanley. These facts present a conflict of interest for Morgan Stanley and our Financial Advisors to the extent that they lead us to focus on those programs when recommending 529 plan investments that benefit from administrative synergies or are sponsored by related fund families that commit significant financial and staffing resources to promotional and educational activities. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive additional compensation for recommending such programs.

Fund Management Fees— Morgan Stanley receives fees for its sponsorship and management of the underlying mutual funds available in our proprietary 529 plan program offering. These facts present a conflict of interest for Morgan Stanley and our Financial Advisors to the extent that they may lead us to focus on our proprietary 529 advisory account plan when recommending 529 plan investments. In order to mitigate this conflict, these fees are not shared with Financial Advisors and their Branch Office Managers.

For more information on how Morgan Stanley and your Financial Advisor are compensated when you invest in a 529 plan, please review the program offering documents or speak with your Financial Advisor. Further information regarding mutual fund revenue-sharing (including a list of revenue-sharing fund families), administrative service fees and expense payments is available on our website or by calling your Financial Advisor.

Alternative Investments

Morgan Stanley is a provider of access to alternative investment strategies with offerings that include but are not limited to private equity, private credit, hedge funds, real estate, infrastructure and managed futures products (collectively, "Alternative Investments"). Before investing in any

Alternative Investment, you should read the offering documentation for the selected Alternative Investment provided by your Financial Advisor. For a description of the specific fees and expenses that are applicable to your investment, please refer to the offering materials of the selected Alternative Investment. When we offer a fund or investment on a placement or transactional basis, the fees received by Morgan Stanley with respect to the selected Alternative Investment are described in the offering materials and in the point of sale letter or fee disclosure statement provided as part of the fund's or investment's offering documentation package. Information about investing in Alternative Investments through fee based advisory accounts can be found in the Morgan Stanley ADV brochure for Alternative Investments. The following is a summary of the types of fees that you should expect will apply to your investments in Alternative Investments, including the types of fees generally received by the firm.

Because Morgan Stanley may receive more compensation for the sale of certain Alternative Investment funds than it does for others, this fact presents a conflict of interest for Morgan Stanley to promote and recommend those funds that result in Morgan Stanley receiving more compensation. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive additional compensation as a result of any payments received by Morgan Stanley. Please ask your Financial Advisor about the compensation Morgan Stanley receives on alternative investments or private investment funds you are considering and how such payments compare with other alternative investments or private investment funds on our platform.

ADVISORY FEE(S)

Fee paid by an investor to Morgan Stanley for advisory services

These ongoing annual advisory fees apply to all products available on an advisory basis and consist of the fees received on the amounts invested by Morgan Stanley as investment advisor in exchange for ongoing advisory services. However, certain advisory programs could have lower fee ranges and all advisory fees are negotiated individually between each client and their Financial Advisor and may vary above or below these ranges. Advisory fees are addressed separately in the Morgan Stanley Form ADV for Alternative Investments and in each client's advisory agreement with the firm.

UPFRONT PLACEMENT FEE

Single transaction fee paid to Morgan Stanley for introduction to an Alternative Investment fund

Fee paid by an investor or the underlying fund sponsor or issuer one time to Morgan Stanley as the distributor for introducing the investor to the fund or company. This fee is a percentage of the commitment or investment amount and changes based on the size of the investment. The fee is up to 3% based on the investment amount. Please refer to the point of sale letter, fee disclosure statement or offering materials for the selected Alternative Investment for details.

TRAILER FEE, INVESTOR SERVICING FEE(S) AND ONGOING DISTRIBUTION FEE(S)

Fees paid to Morgan Stanley for placement, marketing and servicing of investor positions in Alternative Investment funds

An ongoing fee paid by the fund or clients compensating Morgan Stanley for assistance with the sales, distribution, retention of interests, investor servicing and/or other services provided. This fee typically ranges from 0.25-1.00% of a client's committed or invested capital in an Alternative Investment fund, or the net asset value of a client's interest in the fund. Certain Alternative Investment products may fall above or below these ranges and are set forth in the offering documents, point of sale letter or other disclosure document for each product, which are available from your Financial Advisor.

CUSTOM PORTFOLIO SOLICITATION FEE

Solicitation Fee paid to Morgan Stanley in connection with referrals for custom portfolios or custom funds

This fee is only applicable to the referral of clients to an investment manager, in connection with the management of a portfolio of Alternative Investments on behalf of the client, or for the

client's investment in a custom portfolio fund in which the client is the sole investor. The fee is paid to Morgan Stanley by the investment manager (who may be an affiliate). Solicitation fees are not charged to advisory clients. The solicitation fee is applied when the firm is not acting as a placement agent or investment adviser. The typical solicitation fee ranges from 0.20-0.65%. Please refer to the offering materials for additional detail.

PERFORMANCE REPORTING

Fee charged by Morgan Stanley to the fund sponsor or the investor to provide performance reporting on the investor's account statement

Morgan Stanley may be requested by the investor or the fund sponsor to provide a reporting service to investors for certain Alternative Investment products, including Alternative Investment products that the investor purchased away from Morgan Stanley or for which Morgan Stanley no longer provides typical brokerage or advisory services. Fees can generally be up to 0.25% of the net asset value of the investor's position.

REFERRAL FEE(S)

Fee paid to Morgan Stanley for introductory services

In limited instances, Morgan Stanley may be compensated by the fund sponsor for introducing an investor to an Alternative Investment or the fund sponsor. These fees typically are either structured as a one-time payment from the fund sponsor to Morgan Stanley generally ranges from 0.50% to 1.00% or as an ongoing periodic payment to Morgan Stanley that generally ranges from 0.10% to 0.50% of the aggregate amount of investments by investors who invest in the products or services of the fund sponsor. For Alternative Investments, certain products or services may fall above and below these ranges. Please refer to the disclosure documents and point of sale or client disclosure letter of each product or service, which are available from your Financial Advisor for specific details related to such products or services. Referral fees are not charged to advisory clients.

REVENUE SHARING

Fund sponsor revenue shared with Morgan Stanley

This may be a one-time payment or payable in instalments over time and applies to certain Alternative Investment products sold on a placement/brokerage basis or for which Morgan Stanley acts as the placement agent. Products include these fees in accordance with the terms negotiated between Morgan Stanley and the fund sponsor prior to the product offering. These fees are paid by the fund sponsor to Morgan Stanley to maintain and enhance the product platform, including the ongoing support of the sales infrastructure for a time period agreed with the fund sponsor. The fee is typically based on the aggregate amount committed in the product by the investor or the net asset value of such position. These fees typically range from 0.50% to 2.0%. Certain AI products may fall above or below these ranges and are set forth in the offering documents, point of sale letter or other disclosure document for each product, which are available from your Financial Advisor. The sharing of revenue with certain asset managers on the Alternative Investments platform may present a conflict of interest for Morgan Stanley to the extent that the lack of shared revenues causes Morgan Stanley not to offer certain funds on the platform.

ADMINISTRATIVE FEE

Fee charged by PE/RE Feeder and shared with Morgan Stanley for investor servicing support

The Administrative Fee is charged by certain PE/RE Premier feeder funds to most limited partners and paid to the general partner (or its affiliates), or paid by an underlying fund manager (or its affiliates) to the general partner (or its affiliates), in connection with the general partner's role in providing certain administrative and reporting services as well as ongoing administration and operation of the feeder funds. The fee is generally 0.20% per annum and can be based on committed capital, invested capital or net asset value over the

term of the fund. A portion of the fee may be shared with Morgan Stanley for certain investor servicing support. Please refer to the point of sale letter and offering materials of the selected PE/RE Premier Feeder for additional details.

PROGRAM PARTICIPATION FEE

Fee paid to HedgePremier general partner and shared with Morgan Stanley for distribution and investor support

The Program Participation Fee is applicable to HedgePremier funds only and is paid by clients to the fund's general partner for certain administrative and reporting services, ongoing administration and operation of the funds, and is used in part by the general partner to compensate Morgan Stanley as the placement agent for assistance with sales, distribution and retention of interests. A portion of the Program Participation Fee is shared with Morgan Stanley for certain investor servicing support. The fee is generally up to 1% per annum based on net asset value of the investment. Please refer to the program document for the HedgePremier program and the offering materials for the selected HedgePremier fund for additional detail.

FUND MANAGEMENT FEE(S)

Fees charged by fund sponsor to manage assets

Management fees are charged by a fund sponsor for the professional management of client assets in an investment fund. The management fee is intended to compensate the fund sponsor for their time and expertise relating to selecting investments based on the fund's investment objective and managing the fund's portfolio on an ongoing basis. Management fee structures vary by fund and are charged on an ongoing basis, but are typically 0.25-2.5% of committed capital, invested capital or value of assets under management. In cases where the fund sponsor is a Morgan Stanley affiliate, Morgan Stanley may receive compensation resulting from this fee. Please refer to the offering materials of the Alternative Investment for additional detail.

PERFORMANCE/INCENTIVE FEE(S) OR CARRIED INTEREST

Fees charged by Alternative Investment funds to compensate the fund sponsor in connection with fund performance

Certain Alternative Investment fund sponsors are paid a certain percentage of the fund's net profits. For certain funds, the fund sponsor does not receive this share of the net profits until the return achieved by an investor has crossed a threshold or hurdle. For fund sponsors that do charge a performance/incentive fee or carried interest, the percentage typically ranges from 5% to 30%. In cases where the fund sponsor is a Morgan Stanley affiliate, Morgan Stanley may receive compensation resulting from this fee. Please refer to the offering materials for additional details.

ADMINISTRATOR AND ONGOING OPERATING EXPENSES

Fees charged by funds for operational support

Fees charged to clients by the Alternative Investment fund to pay fund administrators and any ongoing fund expenses. These expenses typically include, but are not limited to, fees associated with audit, accounting, legal, tax services and other ongoing costs related to the operation of the fund. Please refer to the offering materials of the selected Alternative Investment fund for additional detail.

CERTAIN FEES EARNED BY AFFILIATES AS A RESULT OF MORGAN STANLEY'S EFFORTS

Our affiliate, Morgan Stanley Investment Management, serves as the investment adviser to certain alternative investment funds that our Financial Advisors may offer. Morgan Stanley Investment Management (and its affiliated entities) receives additional investment management fees and other fees, including administrative service fees, from these funds. Therefore, we have a conflict in recommending these affiliated funds. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive additional compensation for recommending affiliated funds. Morgan Stanley Investment Management and its affiliates have entered into placement, administrative services and revenue-sharing agreements with us in which we pay or are the recipient of the fees described in this brochure.

TRAINING, EDUCATION AND DATA ANALYTICS PAYMENTS

Morgan Stanley provides fund families with opportunities to sponsor meetings and conferences for educational, marketing and other promotional efforts. Some fund representatives also work closely with our branch offices and Financial Advisors to develop business strategies and plan promotional events for clients, prospective clients and educational activities. Some fund families or their affiliates reimburse Morgan Stanley for certain expenses incurred in connection with these promotional efforts, as well as training programs. Fund families independently decide if and what they will spend on these activities, with some fund families agreeing to make annual dollar amount expense reimbursement commitments of up to \$600,000, although actual reimbursements may be higher. Some fund families also invite our Financial Advisors to attend fund family-sponsored events. Expense payments may include meeting or conference facility rental fees and hotel, meal and travel charges. Morgan Stanley also provides fund families with the opportunity to purchase sales data analytics. The amount of the fees depends on the level of data and ranges up to \$700,000 per year. For an additional fee, fund families may purchase supplemental data analytics on other financial product sales at Morgan Stanley.

These facts present a conflict of interest for Morgan Stanley to the extent they lead us to focus on certain products or advisory services offered by those fund families that commit significant financial and staffing resources to promotional and educational activities and/or purchase data analytics instead of on certain products or advisory services offered by fund families that do not. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive additional compensation for recommending certain products or advisory services by fund families that provide sponsorship support for training and education and/or purchase data analytics.

CASH & NON-CASH COMPENSATION

Fund family representatives are allowed to provide funding for client/prospect seminars, employee education and training events, an occasional meal and entertainment and gifts. Morgan Stanley's non-cash compensation policies set conditions for these types of payments, and do not permit any funding conditioned on achieving any sales target or awarded on the basis of a sales contest.

ALTERNATIVE INVESTMENT FUND MATERIALS IN DATA REPOSITORY

If you invest in Alternative Investment funds, you understand that (in addition to any distribution of materials sent to you by the Alternative Investment fund, its affiliates and/or service providers or storage of such materials by the Alternative Investment fund, its affiliates and/or service providers), if agreed to by the Alternative Investment fund, the offering memorandum of the Alternative Investment fund, the organizational documents of the Alternative Investment fund, each as amended or supplemented from time to time, other materials, communications and/or reports relating to your interests in the Alternative Investment fund will be posted to a supplemental third party repository (including, without limitation, a data repository hosted by iCapital Strategies LLC or its affiliates) to provide you and your Financial Advisor with access to such documentation and information.

OVERSUBSCRIPTION POLICY

From time to time, Morgan Stanley may have limited access to opportunities to place clients in, or recommend client to, Alternative Investments. Under these circumstances, when the aggregate Morgan Stanley client subscriptions for an Alternative Investment exceeds the capacity given to Morgan Stanley by the Alternative Investment manager, the Alternative Investment will be oversubscribed. Where an Alternative Investment is oversubscribed, Morgan Stanley will reduce Morgan Stanley employee orders in the first instance as a general matter, which may result in Morgan Stanley reducing an employee's commitment to the oversubscribed Alternative Investment by up to the greater of 50% or the percentage

by which all commitments are reduced if greater than 50%. If the Alternative Investment remains oversubscribed after a reduction in employee orders, Morgan Stanley will reduce client orders on a pro rata basis to address the oversubscription of the Alternative Investment until Morgan Stanley's capacity is met. If the application of the reduction results in an additional fee imposed by the Alternative Investment fund or manager, or such a reduction would result in a client not meeting the minimum allowable investment agreed upon with the Alternative Investment Manager or required by law, Morgan Stanley may create a 'floor' minimum investment amount to ensure such pro-rata reduction(s) would not cause such additional fees to be charged or such minimums not to be met. Morgan Stanley is not required to allot or prioritize a client for any additional capacity that may become available following the client's subscription for your reduced amount in such Alternative Investment. Morgan Stanley may change its policy to ensure that the process, as it relates to clients, remains fair, equitable and consistent.

ALTERNATIVE INVESTMENTS RETURNS ARE NOT GUARANTEED BY MORGAN STANLEY

Interests in alternative investment products are only made available pursuant to the terms of the applicable offering memorandum, are distributed by Morgan Stanley and certain of its affiliates, and (1) are not FDIC-insured, (2) are not deposits or other obligations of Morgan Stanley or any of its affiliates, (3) are not guaranteed by Morgan Stanley Wealth Management and its affiliates, and (4) involve investment risks, including possible loss of principal. Morgan Stanley is a registered broker-dealer, not a bank.

ALTERNATIVE INVESTMENTS ARE GENERALLY NOT COVERED BY SIPC

Alternative Investment securities discussed in this brochure are not covered by the protections provided by the Securities Investor Protection Corporation, unless such securities are registered under the Securities Act of 1933, as amended, and are held in a Morgan Stanley Individual Retirement Account.

CERTAIN RISKS RELATING TO ALTERNATIVE INVESTMENTS

Alternative Investments have different features and risks than other types of investment products. As further described in the offering documents of any particular Alternative Investment, alternative investments can be highly illiquid, are speculative and not appropriate for all investors. For example, alternative investments may place substantial limits on liquidity and the redemption rights of investors, including only permitting withdrawals on a limited periodic basis and with a significant period of notice and may impose early withdrawal fees. Alternative Investments are intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment. Investors should carefully review and consider potential risks before investing. Certain of these risks may include: loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices; lack of liquidity, in that there may be no secondary market for the fund and none expected to develop; volatility of returns; restrictions on transferring interests in the Alternative Investment, including only permitting withdrawals on a limited periodic basis upon significant written notice and restricting withdrawals through "gates," "side-pockets" and other mechanisms; potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized; absence of information regarding valuations and pricing; complex tax structures and delays in tax reporting; less regulation and higher fees than mutual funds; advisor risk and indemnities, "clawbacks" or other restrictions that may require the return of capital previously distributed to you or the payment of additional capital. Alternative Investments may also have higher fees (including multiple layers of fees) compared to other types of investments and may charge an asset-based fee as well as incentive fees based on net profits which may create an incentive for a manager to make investments which are riskier or more speculative than those which might have been made in the absence of such an incentive. Alternative Investments are generally not limited in the markets in which they may invest, either by location or type, such as large

capitalization, small capitalization or non-U.S. markets. Individual funds will have specific risks related to their investment programs that vary from fund to fund. For more details on these and other features and risks, please carefully read the offering documentation (including risk disclosures) relating to any selected Alternative Investment product.

Stop Orders and Good-Til-Canceled (“GTC”) Orders

Certain exchanges no longer accept stop orders or GTC orders. Morgan Stanley continues to accept such orders and will route an order for execution once the order requirements are triggered. This information is being provided for your consideration when making a decision as to whether or not to submit such an order type. Please consult your Financial Advisor for more information.

STOP ORDERS

Stop Order — is a type of order that becomes a market order when the stop price is reached (“triggered”). Stop orders may be triggered by a short-lived dramatic price change, and sell stop orders may exacerbate price declines during times of extreme volatility. **Because the order becomes a market order, it does not guarantee a specific execution price, and may execute significantly away from its stop price, especially in volatile markets.** You should consider whether to place a stop limit order, which is defined below. Stop orders differ from stop limit orders in that the stop limit order, when triggered, becomes a limit order, and thus can only be executed at or better than the limit price should the market trade at those price levels after the order has been triggered.

Here are examples of stop orders in relation to the current market:

Example of a Buy Stop Order: Security XYZ is trading at \$65, and the investor places a buy stop order at \$66.

Example of a Sell Stop Order: Security XYZ is trading at \$65, and the investor places a sell stop order at \$62.

What could happen in a volatile market: In a volatile market, prices may swing sharply and be further impacted by Limit Up, Limit Down bands, Intraday Volatility halts, and order queues ahead of your order. For example, a client with a sell stop order of \$62 on a security that opened down sharply below their stop price, saw their stop order get triggered and sent to the market where other Market orders were queued up to be executed. Before the order reached the front of the queue to execute, the stock halted, reopened and halted again. Given the market conditions, the client received a final execution of \$49.24, almost \$13 or more than 20%, below the stop price.

STOP LIMIT ORDER

Stop Limit Order — is a type of order that becomes a limit order once the stop price is reached (“triggered”). This means that the investor must state both the stop price and limit price when placing the order. Placing a stop limit order instead of a stop order may help to mitigate risks associated with stop orders during volatile market conditions, **though it also raises the risk that the order may not be executed at all.**

Here are examples of stop limit orders in relation to the current market:

Example of Buy Stop Limit Order: Security XYZ is trading at \$65 the investor places a buy stop order at \$66 stop with a \$66.50 limit.

Example of a Sell Limit Stop Order: Security XYZ is trading at \$65 the investor places a sell stop order at \$62 stop with a \$60 limit.

What could happen in a volatile market: If the client places a sell stop at \$62 with a \$60 limit, after the stop price of \$62 had been triggered, the limit of \$60 would be in force. Under the type of extreme volatile conditions described above, this order would not have executed because the stock reopened below \$60. This is a risk of stop limit orders, where it will not receive an execution. If and when the stock trades back above the \$60 level, the sell order may then receive an execution.

GOOD-TIL-CANCELED (“GTC”) ORDERS

An order entered with a Time in Force of GTC is an order to buy or sell a security that remains active beyond the day of initial entry and until the trade is either executed or the order is canceled.

Either you or the firm may cancel the order. GTC orders will expire one year from initial entry date if neither of the above occurs. However, you can modify the expiration date at any time prior to expiration. GTC can be used on limit orders, stop orders and stop limit orders. These orders should be evaluated with your Financial Advisor on a periodic basis to determine if these orders should remain active or be canceled.

Payment for Order Flow and Other Routing Arrangements

Morgan Stanley is committed to providing the best execution for customers' orders. In furtherance of this commitment, Morgan Stanley considers several factors, including price, the available liquidity pool, execution speed, transaction costs, service and opportunities for price improvement in determining where to route customer orders for execution.

Industry regulations require that we disclose whether we receive compensation for directing client orders for execution to various dealers, national securities exchanges, alternative trading systems ("ATs"), including electronic communications networks ("ECNs"), and other market centers. This compensation is commonly referred to as "payment for order flow."

Morgan Stanley, either directly or indirectly, may route customer equity orders to national securities exchanges, ATs, including ECNs, and other market centers, including its affiliate Morgan Stanley & Co. LLC. Certain market centers offer cash credits for orders that provide liquidity to their books and charge explicit fees for orders that extract liquidity from their books (and certain market centers invert this practice). From time to time, the amount of credits that Morgan Stanley receives from one or more such market centers may exceed the amount Morgan Stanley is charged. Morgan Stanley receives the benefit of these credits, either directly or indirectly, and such payments constitute payment for order flow. Morgan Stanley may also receive incremental pricing benefits from exchanges and/or ECNs if certain volume thresholds are met.

In addition, Morgan Stanley may route certain customer orders (including orders for fixed income securities, preferred shares and convertible bonds) to Morgan Stanley & Co. LLC on behalf of Morgan Stanley, for which Morgan Stanley & Co. LLC is compensated. These arrangements between Morgan Stanley & Co. LLC and Morgan Stanley are intended to facilitate trade execution for our customers, with apportionment of resulting expenses and revenue from the trading activity between Morgan Stanley and Morgan Stanley & Co. LLC. Morgan Stanley & Co. LLC participates in exchange-sponsored listed option payment for order flow programs and accepts payment for order flow for certain listed option orders. In the course of providing liquidity, Morgan Stanley & Co. LLC may preference certain option orders to Morgan Stanley & Co. LLC's options market maker or third-party market makers for execution.

Notwithstanding the foregoing, Morgan Stanley regularly and rigorously monitors the quality of the executions provided by all market centers to which customer orders are routed to ensure those market centers are providing the best execution reasonably available under the circumstances.

Additional information regarding these disclosures will be provided upon written request and certain order routing information is available online at <https://www.morganstanley.com/wealth-disclosures/disclosures>. On request of a customer, Morgan Stanley will disclose to such customer the identity of the venue to which such customer's orders were routed for execution in the six months prior to the request, whether the orders were directed orders or non-directed orders, and the time of the transactions, if any, that resulted from such orders, as well as other customer specific order routing and execution information that is required by SEC Rule 606(b)(3).

Notice Regarding the Order Protection Rule

The following is being provided pursuant to FINRA Rule 5320, the Order Protection Rule, a copy of which can be obtained at <https://www.finra.org/>.

FINRA Rule 5320 generally prohibits a broker-dealer that accepts and holds a customer order in an equity security from trading that security on the same side of the market for its own account at a price that would satisfy the customer order, unless it immediately thereafter executes the customer order up to the size of and at an equal or better price than it traded for its own account.

However, with respect to orders of an “institutional account” as defined in FINRA Rule 4512(c), or for orders of 10,000 shares or more with a value of at least \$100,000, Rule 5320 permits that the order may be worked alongside principal orders handled by Morgan Stanley or our trade routing destinations and may not receive priority over these principal orders. Morgan Stanley or our trade routing destinations may trade principally alongside these orders to the extent that this principal activity either hedges or liquidates risk resulting from client stock or derivative facilitation. So long as either order is trading on a systematic, automated basis (e.g., through the use of a VWAP algorithm, which will trade based on the market’s volume-weighted average price during the trading day), in certain instances, principal discretionary orders may also be worked concurrently with your orders. You can instruct us that with respect to all or part of your orders that you do not wish Morgan Stanley or our trade routing destinations to trade principally ahead of or alongside this type of order. Such instruction will limit the range of execution alternatives that we and our routing destinations are able to offer.

Your orders for equity securities that are less than 10,000 shares or \$100,000 will continue to receive priority over Morgan Stanley or our trade routing destination’s principal orders. Morgan Stanley may trade principally at prices that would satisfy these trading orders through the use of internal controls, such as information barriers and separate lines of supervision, that operate to prevent a trading unit that handles principal positions from obtaining knowledge of these orders.

Additional information regarding the handling of your equity orders is available online at <https://www.morganstanley.com/wealth-disclosures/disclosures.html>.

Order Handling Rules

To serve our clients Morgan Stanley seeks to find the best available execution for equities and options orders. The Firm employs the following order handling rules in filling client trade requests. Please note that these practices may not result in the most advantageous price at the time an order is executed.

MARKET OPENING

Unless otherwise agreed, all Held orders received prior to the market open (typically 9:30am EST) will be routed to the primary market opening mechanism, as long as the order(s) is received prior to the exchange specific opening mechanism cut-off time. Please note exchange opening auctions reflect current buy and sell demand and may vary widely from the previous business day close or current business day activity. Clients should consider entering limit orders to control price risk for market openings.

CIRCUIT BREAKERS AND LIMIT UP/LIMIT DOWN TRADING HALTS

The U.S. equity, options and futures exchanges have established procedures for coordinated cross-market trading halts in the event of a severe market price decline. These procedures, known as market wide circuit breakers, may halt trading temporarily or, under extreme circumstances, close the markets before the normal close of the trading session.

Based on instructions we give to our trading counterparties, orders received during circuit breaker and limit up/limit down trading halts will be routed to the primary listing exchange for execution at the market re-opening.

MARKET ORDERS

Morgan Stanley accepts market orders which will access all liquidity immediately available. Please note the execution price on market orders can vary widely from the price when the order is entered. We will not process market orders that will unduly impact price stability and may reject your order. Therefore, it is possible that your market order will not get executed completely or at all.

STOP ORDERS

Certain exchanges no longer accept stop orders. Morgan Stanley continues to accept such orders and will route an order for execution once the order requirements have been triggered.

A stop order is a type of order that becomes a market order when the stop price is reached (“triggered”). Stop orders may be triggered by a short-lived dramatic price change, and sell stop orders may exacerbate the price declines during times of extreme volatility. Because the stop order becomes a market order, it does not guarantee a specific execution price, and may execute significantly away from its stop price especially in volatile markets. You should consider whether to place a stop limit order, which is defined below. Stop orders differ from stop limit orders in that the stop limit order, when triggered, becomes a limit order and thus can only be executed at or better than the limit price should the market trade at those price levels after the order has been triggered.

A stop limit order is a type of order that becomes a limit order once the stop price is triggered. This means that the investor must state both the stop price and limit price when placing the order. Placing a stop limit order instead of a stop order may help to mitigate risks associated with stop orders during volatile market conditions, though it also raises the risk that the order may not be executed at all.

HELD ORDERS

An order received with a “Held” instruction means that Morgan Stanley will typically not exercise discretion in handling your order. If you route a Held market order or a Held marketable limit order, we will seek to promptly execute and/or route the order for execution, subject to any limits that are applied to your orders by us.

Please note the execution price on “Held” market orders can vary widely from the price when the order is entered. We will not process market orders that will unduly impact price stability and may reject the order. Therefore, it is possible that your market order will not get executed completely or at all.

NOT HELD ORDERS

An order received with a “Not Held” instruction means that we may exercise discretion in handling your order. With “Not Held” orders we will look to follow client instructions or seek to minimize the price impact of the order. Please note “Not Held” orders may not get executed completely or at all.

Notice Regarding Handling of Block Orders Under FINRA’s Front Running Rule

The following is being provided pursuant to FINRA Rule 5270 regarding Front Running of Block Transactions. We are required to provide clients with the following information concerning the placing of block trading orders and how those block orders are handled:

Morgan Stanley and its trade routing destinations may trade principally at prices that would satisfy your block trading order when the principal trades are unrelated to your block order. When the principal trades are not unrelated, we or our trade routing destinations may trade principally ahead of, or alongside, your block order for the purpose of fulfilling, or facilitating the execution of, your order. For these orders, you may instruct us that you do not wish us or our trade routing destinations to trade principally ahead of, or alongside, your order. However, such instruction will limit the range of execution alternatives that we are able to offer.

A copy of Rule 5270 can be obtained at www.finra.org. Please contact your Morgan Stanley Financial Advisor if you require more information regarding how your block orders are handled.

Extended Hours Trading Risk Disclosure Statement

Extended hours trading systems may vary in certain aspects from trading on primary exchanges during regular market hours. “Extended hours trading” means trading outside of regular

trading hours. “Regular trading hours” generally means the time between 9:30 a.m. and 4:00 p.m. Eastern Standard Time. MSSB in its sole discretion may change or make certain trading systems available to you. MSSB will use reasonable efforts to execute an order placed for extended hours trading so long as such order has been prearranged with your Financial Advisor.

EXECUTION OF ORDERS

Orders placed in the extended hours trading session that are not executed will be removed from the extended hours trading session when cancelled by the trading desk or at the close of that session on the date that the order was placed. Only limit orders are eligible and all orders will be handled on a Not Held basis with a minimum size of 10,000 shares. Good-Til-Canceled (“GTC”) orders are not permitted. If you place an order with MSSB for execution during regular market hours with the instruction that the order be GTC, and that order is not executed, in whole or in part, during the regular trading day, MSSB will not automatically enter that order in the next subsequent extended hours trading session. All trading during extended hours trading sessions is additionally subject to the terms and conditions of the particular extended hours trading system being utilized. The additional terms govern the types of transactions entered into and the conduct of all participants on the particular extended hours trading system utilized.

RISK DISCLOSURES

Purchases and sales during extended hours trading sessions are subject to a variety of risks, in addition to the risks normally associated with investing. These risks include, but are not limited to:

- **Risk of Lower Liquidity.** Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular trading hours. As a result, your order may only be partially executed, or not at all.
- **Risk of Higher Volatility.** Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular trading hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours.
- **Risk of Changing Prices.** The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular trading hours, or upon the opening the next morning. As a result, you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours.
- **Risk of Unlinked Markets.** Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours trading system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an inferior price in one extended hours trading system than you would in another extended hours trading system.
- **Risk of News Announcements.** Normally, issuers make news announcements that may affect the price of their securities after regular trading hours. Similarly, important financial information is frequently announced outside of regular trading hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.
- **Risk of Wider Spreads.** The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.
- **Risk of Computer Delays.** As with online trading, you may encounter delays or failures in getting your order executed during extended hours trading sessions, including orders

to cancel or change your trades. If a computer problem exists, this may prevent or delay your order from reaching the marketplace.

Treasury Auction Information Handling Disclosure

Protecting the confidentiality and security of client information is an important part of how we conduct our business. Morgan Stanley has reasonable controls that are designed to protect your confidential information, both internally (on a need to know basis) and externally. This includes client bids submitted in U.S. Treasury (“UST”) auctions and actual or potential transactions in “when issued” UST securities, UST futures and UST swaps. Please be advised that you are obligated to report your net long position to the U.S. Treasury if you bid in an auction for \$100 million or more of UST notes, bills or bonds, as required by Section 356.14(d) of Department of the Treasury Circular accessible at the following link: <https://www.treasurydirect.gov/instit/statreg/auctreg/CFR-2016-title31-vol2-part356.pdf>.

Callable Securities

When a security is subject to a partial redemption by the issuer, the issuer notifies Morgan Stanley, via a central industry depository, of the number of units for the specific security to be redeemed.

Upon receipt of the issuer’s notification of a mandatory redemption, Morgan Stanley determines the favorability of the redemption based on the current market price versus the call price. When the redemption of the callable security is made on terms that are favorable to the called parties, Morgan Stanley does not include any firm or employee accounts in the pool of securities eligible to be called until all other customers’ positions in such securities have been called. When the redemption is made on terms that are unfavorable to the called parties, Morgan Stanley does not exclude firm or employee accounts from the pool of the securities eligible to be called.

Once the favorability of the redemption has been determined, Morgan Stanley uses a random process designed to allocate called securities on a fair and impartial basis. The lottery process is based on a mathematical formula that determines the accounts that will be selected and the number of securities in the account that will be redeemed.

As a result of the call, you may be left with a position either below the minimum denomination of the security or in an amount that is not an authorized denomination of the security. Such a position may have less, limited or no liquidity depending on the type of security, issuer, size of position or other factors. Please contact a member of your Morgan Stanley team for more information.

As required under FINRA 4340 — “Callable Securities,” Morgan Stanley Smith Barney LLC is providing our customers with a link to the firm’s allocation procedures related to callable securities located on the Morgan Stanley website <https://www.morganstanley.com/about-us-ir/finra>.

Additionally, a hard copy of the allocation procedures will be provided to customers upon request.

Covering Short Positions Related to a Partial Call

Many municipal and corporate bonds have a sinking fund clause in their indenture, where the issuer has the right to call in whole or in part the issue at designated times. When a bond issuer announces a partial call, holders of the issue, who have settled positions as of the announced publication date, are subject to participation in the partial call. Any holder who holds the bond settled in their account as of the announced publication date may be selected to have their holding called away in full or in part.

If an account is selected in a partial call lottery, that position cannot be sold. In some cases, an account may sell their position on or immediately before the announced publication date. In these cases, if the account is also selected in a partial call event, the partial call takes precedence over any sale and any resulting short position must be covered by the account.

Spain Disclosure

Pursuant to Spanish Law 10/2014, Spanish issuers (or, as the case may be, the parent entity of the group of companies to which the relevant Spanish issuer belongs to) are required to certify to the Spanish government the identity of Spanish tax resident beneficial owners of certain Spanish securities (i.e. preferred shares and debt instruments issued under Law 10/2014). To ensure compliance for those issuers, we will provide the name, Spanish Tax Identification Number, number of Spanish securities held and income generated with respect to the Spanish securities paid or credited to the investor (together, "Personal Information") of any Spanish tax resident purchaser of Spanish securities to Acupay, an independent agent acting on behalf of Spanish issuers and approved by the Spanish government to facilitate compliance with Spanish law. Purchase of Spanish securities by Spanish tax residents constitutes your and, where applicable, your client's understanding and acceptance that this Personal Information will be disclosed to the appropriate Spanish authorities. The provision of this information is not affected by a nondisclosure options previously opted into by you or your client. If you and, where applicable, your client, do not wish for this Personal Information to be disclosed, you and your client are advised to not purchase or recommend for purchase any Spanish securities.

Minnesota Disclosure Notification

Morgan Stanley's brokers are called Financial Advisors because of the wide array of financial services and products they provide. The state of Minnesota Department of Commerce has determined that a person who uses the title Financial Advisor is considered to be engaged in the business of financial planning. The Department requires us to provide you with the following information. Your Financial Advisor's compensation may be based in whole or in part on commissions or similar charges for transactions in your account. In some instances, your Financial Advisor may share in fees charged for other services provided by or approved by Morgan Stanley and its affiliated companies. Your Financial Advisor is authorized to offer and sell products and services issued by or through Morgan Stanley, its affiliated companies or approved independent entities. These products will be traded, distributed or placed through, or approved for distribution by Morgan Stanley and its affiliated companies. Your Financial Advisor is licensed in Minnesota as a securities agent and may also be licensed as an insurance agent. These licenses entitle your Financial Advisor to offer and sell as appropriate, securities such as common stocks, bonds, government securities, mutual funds, unit investment trusts, direct investments and options; commodities and commodity futures; insurance and annuity products; and personal financial planning services. For further information, please contact your Financial Advisor.

Important Message to Residents of Nevada Regarding Access to Fee and Compensation Information

Morgan Stanley is committed to ensuring you are kept informed about important matters that may affect your account(s). Additional information regarding how Morgan Stanley and your Financial Advisor are compensated for products or services we offer can be found at <https://morganstanley.com/disclosures/fiduciary>. It is important that you carefully review this information any time we provide you with a recommendation or solicitation. Should you have any questions or need any additional information, please contact us.

For California Residents Age 65 or Older

Pursuant to Section 789.8 of the California Insurance Code, it is important that you are aware that the sale or liquidation of any stock, bond, IRA, certificate of deposit, mutual fund, annuity,

or other asset to fund the purchase of this product may have tax consequences, early withdrawal penalties, or other costs or penalties as a result of the sale or liquidation. You may wish to consult an independent legal or tax advisor before selling or liquidating any assets prior to the purchase of any life or annuity products.

Notice of Escheatment

Depending on your mailing address, the property in your account(s) may be transferred to the appropriate state if we are unable to contact you by mail or email and no activity has occurred in the account within the time period specified by state law. For further information regarding how the laws of escheatment in your state may affect your account(s), please contact your Financial Advisor.

Important Notice for Texas Resident Mutual Fund Owners

Texas law allows mutual fund owners who reside in Texas the option of naming a “designated representative.” A designated representative is a person who, in addition to the account holder, can be contacted by the financial institution for the purpose of receiving unclaimed property notices under Section 74.1011 of the Texas Property Code. If you would like to name a designated representative for your account(s), you can do so by completing Texas Form 98-1036 (available at <https://comptroller.texas.gov/forms/98-1036.pdf>) and sending the form to designatedrep@morganstanley.com.

Canadian Addendum to Account Agreements

This Canadian Addendum to Account Agreements forms part of your account agreement with Morgan Stanley Smith Barney LLC and sets forth additional terms and conditions pursuant to which Morgan Stanley Smith Barney LLC will perform services for you. In the event that any provision of this Canadian Addendum to Account Agreements conflicts with or is inconsistent with any other provision of your account agreement, the provisions of this Canadian Addendum to Account Agreements shall prevail.

I. General Disclosure Morgan Stanley Smith Barney LLC (“MSSB,” “us,” “our” or “we”) is a limited liability company governed by the laws of the state of Delaware. It is registered as a broker-dealer and investment adviser with the U.S. Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority. Our head office is located at 2000 Westchester Avenue, Purchase, NY 10577-2530.

MSSB operates under the international dealer and international adviser exemptions, in each of the provinces of Canada.

As a client of MSSB resident in a jurisdiction of Canada, you should be aware that, because MSSB does not have a place of business in, and all or substantially all of its assets are situated outside of, Canada, you may have difficulty in enforcing any legal rights you might have against MSSB.

II. Know Your Client and Suitability MSSB is required by applicable Canadian securities law to collect certain information about its clients. Information is collected for various purposes, including to confirm whether a client is an insider of a reporting issuer and to make determinations about the suitability of recommendations made to clients or investments made for client accounts by MSSB when it acts as investment manager. Accordingly, MSSB will ask about your investment needs and objectives, financial circumstances, risk tolerance and, in the case where MSSB lends money, extends credit or provides margin, your creditworthiness. MSSB is required by applicable Canadian securities law to make efforts to keep the information collected up to date. Accordingly, you agree to keep information provided to MSSB current and advise MSSB as soon as possible if your financial circumstances change in any material way. You also agree that where your Financial Advisor reasonably holds the opinion that instructions

from you regarding a trade are unsuitable to your investment needs and objectives, financial circumstances or risk tolerance, your Financial Advisor will inform you of this opinion and will not proceed with the trade unless you give instructions to proceed nonetheless.

As a condition of us providing services to you, if you have represented to us that you are an “accredited investor” or a “permitted client” (as such terms are defined under applicable Canadian securities law), you will advise us promptly in writing if you are no longer an “accredited investor” or “permitted client,” as applicable.

III. Exemption from Registration Requirements Because MSSB is operating under an exemption from the dealer or adviser registration requirements under applicable Canadian securities law, you understand and agree that MSSB is restricted from acting as a dealer or an adviser in respect of securities of Canadian issuers, subject to certain exceptions. If you have questions about these restrictions, please contact your Financial Advisor.

IV. Related Registrants As a subsidiary of Morgan Stanley, MSSB is affiliated with Morgan Stanley Canada Limited, which is registered as an investment dealer in Canada.

Although there may be overlaps among the directors and officers of these companies, each of these companies is operated as a separate legal entity. These entities may, from time to time, cooperate in offering products and services for the benefit of our clients but there is no exchange of confidential customer information among these companies without a client’s express consent except for audit, statistical or record-keeping purposes or as otherwise permitted by law. All brokerage business for client portfolios maintained by MSSB or otherwise allocated by MSSB, as an investment manager, is based upon overall service and prompt execution of orders on favorable terms and all brokerage transactions will be made on competitive terms and conditions. Any brokerage transactions executed through related dealers will be on competitive terms and conditions, including as to brokerage fees.

MSSB has adopted compliance requirements to ensure that conflicts with related businesses are avoided and business is conducted with integrity and in accordance with applicable law.

V. Agents for Service MSSB has appointed the agents for service in the corresponding jurisdictions in Canada as indicated in Appendix A attached hereto.

VI. Disclosure in Connection with Purchases of Securities by way of Private Placement in Canada MSSB is providing the following notice to you because we intend to rely on, from time to time, the exemption in section 3A.3 or 3A.4, as applicable, of National Instrument 33-105 – Underwriting Conflicts (“NI 33-105”) from the underwriter conflicts of interest disclosure requirements of NI 33-105 for any distribution to you in the future of an eligible foreign security, as defined in NI 33-105.

If, in connection with a distribution of an eligible foreign security, as defined in Ontario Securities Commission Rule 45-501 – Ontario Prospectus and Registration Exemptions, or as defined in Multilateral Instrument 45-107 – Listing Representations and Statutory Rights of Action Disclosure Exemptions, we deliver to you an offering document that constitutes an “offering memorandum” under applicable securities laws in Canada, you may have, depending on the province or territory of Canada in which the trade was made to you, remedies for rescission or damages if the offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by you within the time limit prescribed by the securities legislation of your province or territory. You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal advisor.

Securities sold to you on a private placement basis in Canada that are described in a prospectus, offering memorandum or other offering document sent to you in connection with the sale (including any amendment thereto) may be sold to you only if you are purchasing, or deemed to be purchasing, as principal and are an “accredited investor,” as defined in National Instrument 45-106 – Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are a “permitted client,” as defined in National Instrument 31-103 – Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the

securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

By purchasing securities described in a prospectus, offering memorandum or other offering document sent to you in connection with a private placement of those securities in Canada, you acknowledge that personal information such as your name and other specified information, including the number of securities you have purchased, will be disclosed to Canadian securities regulatory authorities as part of a Report of Exempt Distribution on Form 45-106F1 (the "Report") and may become available to the public in accordance with the requirements of applicable laws. You consent to the disclosure of that information.

If you purchase securities on a private placement basis in Canada, you are hereby notified that the following personal information about you will be disclosed to Canadian securities regulatory authorities in the Report: your full legal name, residential street address, telephone number, email address (if available), details of securities purchased, details of the prospectus exemption relied on, whether you are an insider of the issuer of the securities and whether you are a Canadian registered dealer, adviser or investment fund manager. The information required to be provided in the Report is collected on behalf of and used by the securities regulatory authority or regulator under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation. If you have any questions about the collection and use of this information, contact the securities regulatory authority or regulator in the province or territory where you are located or resident, as listed below. By purchasing these securities, you authorize this indirect collection of information by the securities regulatory authorities and regulators.

PUBLIC OFFICIALS WHO CAN ANSWER QUESTIONS ABOUT THE INDIRECT COLLECTION OF PERSONAL INFORMATION

Alberta Securities Commission

Suite 600, 250 - 5th Street SW

Calgary, Alberta T2P 0R4

Telephone: (403) 297-6454

Toll free in Canada: 1-877-355-0585

Facsimile: (403) 297-2082

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre

701 West Georgia Street

Vancouver, British Columbia V7Y 1L2

Inquiries: (604) 899-6854

Toll free in Canada: 1-800-373-6393

Facsimile: (604) 899-6581

Email: inquiries@bcsc.bc.ca

The Manitoba Securities Commission

500-400 St. Mary Avenue

Winnipeg, Manitoba R3C 4K5

Telephone: (204) 945-2548

Toll free in Manitoba 1-800-655-5244

Facsimile: (204) 945-0330

Financial and Consumer Services Commission (New Brunswick)

85 Charlotte Street, Suite 300

Saint John, New Brunswick E2L 2J2

Telephone: (506) 658-3060

Toll free in Canada: 1-866-933-2222

Facsimile: (506) 658-3059

Email: info@fcnb.ca

**Government of Newfoundland and Labrador
Financial Services Regulation Division**

P.O. Box 8700
Confederation Building
2nd Floor, West Block
Prince Philip Drive
St. John's, Newfoundland and Labrador A1B 4J6
Attention: Director of Securities
Telephone: (709) 729-4189
Facsimile: (709) 729-6187

Government of the Northwest Territories

Office of the Superintendent of Securities
P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9
Attention: Deputy Superintendent,
Legal & Enforcement
Telephone: (867) 920-8984
Facsimile: (867) 873-0243

Nova Scotia Securities Commission

Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: (902) 424-7768
Facsimile: (902) 424-4625

**Government of Nunavut
Department of Justice**

Legal Registries Division
P.O. Box 1000, Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: (867) 975-6590
Facsimile: (867) 975-6594

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: (416) 593-8314
Toll free in Canada: 1-877-785-1555
Facsimile: (416) 593-8122
Email: exemptmarketfilings@osc.gov.on.ca
Public official contact regarding indirect collection of information:
Inquiries Officer

Prince Edward Island Securities Office

95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: (902) 368-4569
Facsimile: (902) 368-5283

Autorité des marchés financiers

800, Square Victoria, 22e étage
C.P. 246, Tour de la Bourse
Montreal, Quebec H4Z 1G3
Telephone: (514) 395-0337 or 1-877-525-0337

Facsimile: (514) 873-6155
 (For filing purposes only)
 Facsimile: (514) 864-6381 (For privacy requests only)
 Email: financementdessocietes@lautorite.qc.ca (For corporate finance issuers);
fonds_dinvestissement@lautorite.qc.ca
 (For investment fund issuers)

Financial and Consumer Affairs Authority of Saskatchewan

Suite 601-, 1919 Saskatchewan Drive
 Regina, Saskatchewan S4P 4H2
 Telephone: (306) 787-5879
 Facsimile: (306) 787-5899

Government of Yukon

Department of Community Services

Law Centre, 3rd Floor
 2130 Second Avenue
 Whitehorse, Yukon Y1A 5H6
 Telephone: (867) 667-5314
 Facsimile: (867) 393-6251

APPENDIX A AGENTS FOR SERVICE

JURISDICTION	AGENT FOR SERVICE	JURISDICTION	AGENT FOR SERVICE
British Columbia	Borden Ladner Gervais LLP 1200 Waterfront Centre 200 Burrard Street Vancouver, BC V7X 1T2	Quebec	Osler, Hoskin & Harcourt LLP 1000 De La Gauchetière Street West Suite 2100 Montréal, QC H3B 4W5
Alberta	Osler, Hoskin & Harcourt LLP 450-1st St. S.W. Suite 2500, TransCanada Tower Calgary, AB T2P 5H1	New Brunswick	Stewart McKelvey 44 Chipman Hill Suite 1000, Brunswick House P.O. Box 7289, Postal Station A Saint John, NB E2L 4S6
Saskatchewan	MacPherson Leslie & Tyerman LLP 1500 Hill Centre I 1874 Scarth Street Regina, SK S4P 4E9	Nova Scotia	Stewart McKelvey Queen's Marque 600-1741 Lower Water Street Halifax, B3J 0J2
Manitoba	Thompson Dorfman Sweatman LLP 201 Portage Avenue Suite 2200 Winnipeg, MB R3B 3L3	Prince Edward Island	Stewart McKelvey 65 Grafton Street P.O. Box 2140 Charlottetown, PEI C1A 8B9
Ontario	Osler, Hoskin & Harcourt LLP 1 First Canadian Place Suite 6300 Toronto, ON M5X 1B8	Newfoundland and Labrador	Stewart McKelvey 100 New Gower Street Suite 1100, Cabot Place P.O. Box 5038 St. John's, NF A1C 5V3

DISCLOSURE TO CANADIAN PERMITTED CLIENTS UNDER NATIONAL INSTRUMENT 31-103

Notice

As a client of Morgan Stanley Smith Barney LLC (“MSSB,” “us,” “our” or “we”) resident in a jurisdiction of Canada, please be advised that MSSB is a limited liability company formed under the laws of the state of Delaware and operates under exemptions from the dealer and adviser registration requirements in your jurisdiction. As such, MSSB is not relying on any registration as a dealer or adviser in your jurisdiction when operating under one of those exemptions. In addition, we wish to notify you of the following:

1. Our head office is located at 2000 Westchester Avenue, Purchase, NY 10577-2530; and
2. You may face difficulty in enforcing legal rights you may have against us because of the above and because we are resident outside of Canada and all or substantially all of our assets are situated outside of Canada.

“PERMITTED CLIENT” REPRESENTATION

As a condition of us providing services to you, you are deemed to represent to us that you are, and you will advise us promptly in writing if you are no longer, a “permitted client” (as defined in National Instrument 31-103 – Registration Requirements, Exemptions and Ongoing Registrant Obligations, or as otherwise interpreted and applied by the Canadian Securities Administrators) and, in particular, if we are acting as your adviser, you are not registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer.

Notification to Swiss Clients

Swiss clients who qualify as opted-out professional clients pursuant to Article 5 para. 1 of the Swiss Financial Services Act are hereby informed that they may initiate mediation proceedings before the Ombudsman's office with which MSSB is affiliated. MSSB is affiliated with the following Ombudsman's Office:

Finanzombudsstelle Schweiz (FINOS)

Address: Talstrasse 20 (1st floor)

CH-8001 Zürich, Switzerland

Telephone:

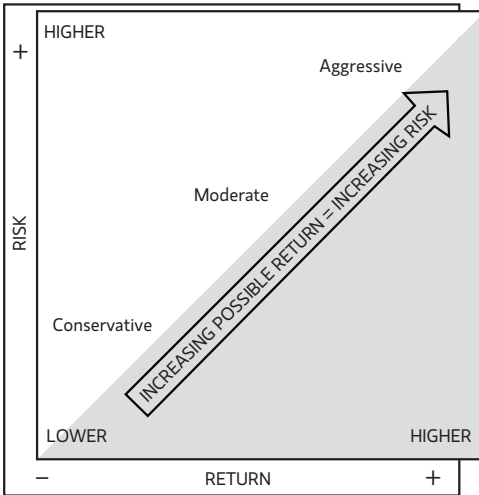
Switzerland: 044 552 08 00

Abroad: +41-44 552 08 00

Email: info@finos.ch

Risk & Return

The chart below illustrates the trade-off between risk and return involved in all investments.



All investments carry risk and even relatively conservative and “safe” investments may expose your money to interest rate risk, inflation risk, as well as remote but potentially significant liquidity, credit or other risks in temporary or extended market dislocations which could lead to losses more commensurate with a traditionally higher risk investment.

RISK TOLERANCE

Aggressive	Investors who emphasize return on investment over principal preservation. They are willing to subject a greater portion of their portfolio to risk in anticipation of a greater return on investment.
Moderate	Investors willing to subject a portion of their principal to increased risk in order to generate a greater rate of return.
Conservative	Investors who emphasize principal preservation over return on investment.

INVESTMENT OBJECTIVES

Income	For investors seeking regular income with low to moderate risk to principal.
Aggressive Income	For investors seeking higher returns either as growth or as income with greater risk to principal.
Capital Appreciation	For investors seeking capital appreciation with moderate to high risk to principal.
Speculation	For investors seeking high profits or quick returns with considerable possibility of losing most or all of their investment.

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Morgan Stanley Smith Barney LLC, its affiliates and employees are not in the business of providing tax or legal advice. Any such taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

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IMPORTANT ACCOUNT INFORMATION
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