Form ADV Wrap Fee Program Brochure
Morgan Stanley Smith Barney LLC

Portfolio Management Program
Institutional Cash Advisory Program

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2000 Westchester Avenue
Purchase, NY 10577
Tel: (914) 225-1000

www.morganstanley.com

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Morgan Stanley Smith Barney LLC ("MSWM"). If you have any questions about the contents of this Brochure, please contact us at (914) 225-1000. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about MSWM also is available on the SEC's website at www.adviserinfo.sec.gov. Registration with the SEC does not imply a certain level of skill or training.

Morgan Stanley

Item 2: Material Changes

This section identifies and discusses material changes to the ADV Brochure since the version of this Brochure dated March 28, 2025. For more details on any particular matter, please see the item in this ADV Brochure referred to in the summary below.

Investment Products that hold Digital Assets

Updates were made to reflect the addition of risk disclosures related to investment products that hold digital assets. (*Item 4.A, Risks)*

Item 3: Table of Contents

Item 4: Services, Fees and Compensation

Morgan Stanley Smith Barney LLC ("Morgan Stanley Wealth Management," "MSWM", "we," "us" or "our") is a registered investment adviser and a registered broker-dealer. MSWM is one of the largest financial services firms in the United States with branch offices in all 50 states and the District of Columbia.

MSWM offers clients ("client," "you" or "your") many different advisory programs that have different features and support different types of investment strategies. This ADV Brochure describes the Portfolio Management ("PM") and the Institutional Cash Advisory ("ICAP") programs offered by MSWM. You can obtain ADV Brochures for other MSWM investment advisory programs at www.morganstanley.com/adv or by asking your Financial Advisor or your Private Wealth Advisor if you are a Morgan Stanley Private Wealth Management client. Throughout the rest of this Brochure, "Financial Advisor" means either your Financial Advisor or your Private Wealth Advisor, as applicable, and "Programs" refers both to the PM program and the ICAP program.

We reasonably expect to provide services as a "fiduciary" (as that term is defined in Section 3(21)(A) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and/or Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code")), and an "investment manager" (as that term is defined in Section 3(38) of ERISA) with respect to "Retirement Accounts." For purposes of this Brochure (including the Exhibit), the term "Retirement Account" will be used to cover (i) "employee benefit plans" (as defined under Section 3(3) of ERISA), which include pension, defined contribution, profit-sharing and welfare plans sponsored by private employers, as well as similar arrangements sponsored by governmental or other public employers, which arrangements are generally not subject to ERISA; (ii) individual retirement accounts or "IRAs" (as described in Section 4975 of the Code); and (iii) Coverdell Educational Savings Accounts ("CESAs").

A. General Description of Programs and Services

As part of the Consulting Group ("CG") business unit within MSWM, the Portfolio Management Group administers and oversees the PM program and Institutional Wealth Services oversees the ICAP program.

Portfolio Management Program

In the PM program, a Financial Advisor(s) who meets the program certification requirements manages your assets on a discretionary basis. In other words, your Financial Advisor, and not you, has the discretion to decide what securities to buy and sell in your account. This discretion is subject to the parameters described below and your ability to direct a sale of any security for tax or other reasons. The PM program provides Financial Advisors with portfolio management and trade execution tools to manage accounts efficiently. Certain Financial Advisors specialize in investing in multiple or single asset classes or they may have defined investment strategies. You should discuss with your Financial Advisor which investment strategy suits your investment goals.

Investment Process. Your Financial Advisor manages your PM account in accordance with an investment strategy based on information you provide about your investment objectives, risk tolerance and financial situation. Your Financial Advisor is responsible for making and implementing investment management decisions for your account within the PM program's investment guidelines. The investment guidelines specify diversification and concentration criteria with respect to eligible investments in the PM program and across industry sectors and asset classes. The investment guidelines also specify percentage and duration limitations on account holdings in cash and cash equivalents (which include money market funds and cash sweeps as further described below) in PM accounts custodied with MSWM.

On occasion, the PM program's investment guidelines may require a Financial Advisor to sell certain securities or close option positions in client accounts. Although these transactions may result in capital gains or losses and thus in additional taxes and/or tax reporting for you, these tax consequences will not prevent us from conducting these transactions in your account. The PM program's investment guidelines are subject to change without notice. You should consult your Financial Advisor for further details.

At the Portfolio Management Group's discretion, certain Financial Advisors have greater latitude in selecting securities and diversification. Therefore, the availability of investment strategies and securities and the applicability of investment limitations varies depending on your Financial Advisor. You should consult with your Financial Advisor for more information on the PM program's investment guidelines, the Financial Advisor's approach to investing, and available investment strategies. Certain qualified Financial Advisors may manage approved concentrated investment strategies for select clients that meet additional eligibility requirements, including with respect to the size of the account and the client's total net worth.

Depending on the investment strategy the Financial Advisor uses, investments may include, but are not limited to, equity and debt securities, as well as cash and cash equivalents. Investments may also include shares of eligible closed-end funds, open-end funds ("mutual funds") and exchange traded funds ("ETFs") (such mutual funds, closed-end funds and ETFs are collectively, "Funds").

Where approved, Financial Advisors may use certain option strategies, such as covered call writing, protective put buying, purchasing options and writing cash back equity puts and other strategies.

MSWM offers a variety of mutual funds and generally reviews and considers factors such as the number and variety of funds offered; length of track record and historic appeal to MSWM clients and Financial Advisors; performance of the funds offered; size of assets under management; and level of interest and demand among clients and Financial Advisors.

Financial Advisors are prohibited from using certain investments or investment strategies in PM accounts, including, but not limited to, commodities, futures, short sales, partnerships with interests in certain alternative investments, margin, derivatives, and certain securities on MSWM's restricted list. Your Financial Advisor may make investment decisions that are contrary to research ratings issued by Morgan Stanley research. In addition, depending on the account's strategy and the Financial Advisor managing the account, there may be investment limitations based on the quality of investments held.

Morgan Stanley reserves the right to change the criteria for what assets are eligible for investment in the PM program at any time and without notice to you and to decline to include any security for any reason in your PM account. Any such addition or deletion of eligible assets may change the amount of your fee and any asset in your PM account may be or become subject to the fee.

Certain PM Financial Advisors may manage the same investment strategy for clients in another Advisory Program. In this case, the Financial Advisor is responsible for initiating trades across programs which may cause the performance of identical strategies to differ.

Institutional Cash Advisory Program

The Institutional Cash Advisory ("ICAP") program offers discretionary cash management services to institutional clients, whereby MSWM invests and reinvests the proceeds of the account in accordance with your investment criteria, concentration limits and other requirements as stated in your Investment Policy Statement ("IPS"). Generally, the entire portfolio is invested in short duration fixed income and cash equivalent investments. MSWM converts the specifics of the IPS to a quantifiable rules matrix (the "Matrix") for the account, and sends the Matrix to the client. Provided the client agrees that the Matrix is consistent with its IPS, MSWM manages the account within the Matrix. If there is any ambiguity between the Matrix and the IPS, the Matrix controls. If assets held in the account fall outside of the Matrix, MSWM will generally liquidate such assets in an orderly manner within a commercially reasonable amount of time. If the client revises the IPS, MSWM will then update the Matrix and obtain the client's approval of the new Matrix.

Account Opening

To enroll in the PM program, you must enter into the MSWM Single Advisory Contract ("Single Advisory Contract"). The Single Advisory Contract governs the terms of your existing and future investment advisory accounts and relationships with Morgan Stanley.

To enroll in the ICAP program, you must enter into the ICAP program agreement. The Single Advisory Contract does not apply to the ICAP program. The ICAP program agreement, the Single Advisory Contract and any legacy investment advisory client agreement shall be collectively referred to as the "Account Agreement" in this Brochure.

You may also be required to execute a brokerage account agreement. All the terms of the Account Agreement and the brokerage agreement will set forth our mutual obligations regarding the Programs.

Ineligible Securities and Investment Restrictions

Morgan Stanley reserves the right to determine which assets are eligible for investment in the PM Program and, accordingly, may at any time and without notice to you, decline to include any security for any reason in your accounts ("Ineligible Security"). Additionally, Morgan Stanley may restrict a security and deem such security ineligible if it becomes subject to any type of sanctions or trading restrictions imposed by a specific country or regulatory authority ("Sanctioned Security"). If you are holding a Sanctioned Security, you may face additional limitations, including the inability to trade on it or transfer it. Morgan Stanley retains discretion over enforcement and compliance with applicable sanctions-related regulations and laws. If we determine that a security in your account is an Ineligible Security or Sanctioned Security: (a) Morgan Stanley will not provide advice on, make recommendations with respect to, or manage, as applicable, and therefore does not act as a fiduciary with respect to such security; (b) such security will not be included in the billable market value of your account and, as a result, your Fee may change; (c) such security will not be included in the performance calculation of your account; and (d) you may not receive trade confirmations for transactions you make with regard to such security. If we determine that a security that was previously determined to be an Ineligible Security or Sanctioned Security ineligible is now eligible: (a) we will provide investment advice on it, make recommendations with respect to, or manage, as applicable, and therefore act as a fiduciary with respect to such security; (b) such security will be included in the billable market value of your account and as a result, your Fee may change; (c) such security will be included in the performance calculation of your account; and (d) you may receive trade confirmations for transactions you make with regard to such security.

We may automatically apply restrictions on equity securities of companies with which we believe you are an affiliate under the federal securities laws. If you hold these securities in your account, they will be characterized as ineligible securities and subject to the terms described above. In addition, the restriction will prevent additional shares of these equity securities from being purchased in your account. MSWM may liquidate such equity securities at your direction, after they have been appropriately cleared. Such restrictions may cause your account's composition and performance to deviate from the model or investment strategy in which your account is invested. Any applicable restrictions will be removed, without notice to you, when the affiliation has been removed from our records, which may result in the securities being included in the billable market value or performance calculation of your account.

You may also request reasonable restrictions on the management of your account, such as that certain specified securities, or certain categories of securities, not be purchased for your account by contacting MSWM. This request can be made orally or in writing, but MSWM may require that any such request (or any changes to the request) be in writing. MSWM will accept reasonable restrictions on specific common equity and fixed income securities, as well as on certain categories of equity securities (e.g., tobacco companies) or mutual fund or ETF shares. MSWM will determine in its reasonable judgment how to implement such restrictions. If you restrict a category of securities, we will determine in our discretion which specific securities fall within the restricted category. In doing so, we may rely on outside sources (e.g. standard industry codes and research provided by independent service providers).

Any restrictions you or we impose on individual securities will not be applied to Fund holdings since Funds operate in accordance with the investment objectives and strategies described in their prospectuses.

Although we will accept reasonable restrictions from you as described above, we will not have any obligation to manage your account in accordance with any investment guidelines, policy statements or other documents unless we specifically agree to do so, in writing.

Trade Confirmations, Account Statements and Performance Reviews

If MSWM acts as the custodian of the assets in your account, MSWM provides you with written confirmation following each securities transaction in your account, and an account statement at least quarterly. You can waive the receipt of trade confirmations after the completion of each trade for certain types of securities in favor of alternative methods of communication where available. Even if you have done so, we may deliver trade confirmation after the completion of each trade. Copies of prospectuses for a fund or investment product that is registered as investment company under the Investment Company Act of 1940, including but not limited to, mutual funds, exchange traded funds and unit investment trusts, are available upon request from your Financial Advisor.

Unless you have appointed another custodian, we will provide periodic reports with respect to the performance in your account. These reports show how your account investments have performed, both on an absolute basis and on a relative basis compared to recognized indices (such as Standard & Poor's indices). If you have elected for your Financial Advisor to create a portfolio ("Client Portfolio") that includes your PM account, your related MSWM accounts (including your MSWM brokerage accounts) and assets outside MSWM that you have designated for the Client Portfolio, we will also provide periodic reports of your Client Portfolio. You can access these reports at any time through MSWM's online account services at: ***https://www.morganstanleyclientserv.com***, Log on and select "Accounts." If, however, you would like to receive these reports by mail, please call 1-888-454-3965 or contact your Financial Advisor.

Other Features

Cash Management Services. As a client of MSWM, if you are invested in the PM program, you may be able to select certain cash management services which are offered by MSWM or its affiliates. These services are provided on a brokerage basis, are subject to separate agreements and have different eligibility requirements. MSWM will not act as your investment adviser with respect to the use of such services. The PM program offers check writing services. Your ability to meet your investment objectives may be negatively affected by the use of the check writing functionality. For further information on cash management services and the fees associated with their use, please refer to your account opening materials, your brokerage account agreement, or contact your Financial Advisor. ICAP program accounts are not eligible for cash management services.

Dividend Reinvestment Program. As a client of MSWM, if you are invested in the PM program, you may be able to enroll in the Dividend Reinvestment Program at no additional fee. Please contact your Financial Advisor for more information and the current Dividend Reinvestment Program Terms and Conditions.

Risks

All trading in your account is at your risk. The value of the assets held in an account is subject to a variety of factors, such as the liquidity and volatility of the securities markets. Investment performance of any kind is not guaranteed, and MSWM's or a Financial Advisor's past performance does not predict future performance. In addition, certain investment strategies that Financial Advisors may use in the programs have specific risks, including those associated with investments in common stock, fixed income securities, American Depositary Receipts, Funds and certain over-the-counter and low-priced securities, among others. You should consult with your Financial Advisor regarding the specific risks associated with the investments in your account.

Neither MSWM nor its affiliates will have any responsibility for assets not in your MSWM account, nor for any act done or omitted on the part of any third party.

MSWM shall not be responsible for any misstatement or omission or for any loss attributable to such misstatement or omission contained in any Fund prospectus, fact sheet or any other disclosure document provided to us for distribution to clients. You understand that the use of performance benchmarks in client reports or profiles is intended only for reference purposes, and we shall not be liable to you or to any third party for selecting any particular benchmark or for failing to meet or outperform any benchmark.

Risks Relating to ETFs. There may be a lack of liquidity in certain ETFs which can lead to a large difference between the bid-ask prices (increasing the cost to you when you buy or sell the ETF). A lack of liquidity can cause an ETF to trade at a large premium or discount to its net asset value. Additionally, an ETF may suspend issuing new shares and this could result in an adverse difference between the ETF's publicly available share price and the actual value of its underlying investment holdings. At times when underlying holdings are traded less frequently, or not at all, an ETF's returns also may diverge from the benchmark it is designed to track.

Risks Relating to VIXM. VIXM is an exchange-traded fund that seeks investment returns, before fees and expenses, that match the performance of the S&P 500® VIX® Mid-Term Futures Index™. In general, VIXM is expected to increase in value if the market's view of expected future volatility is increasing. Conversely, VIXM is likely to lose value when the market's view of expected future volatility is falling. To the extent current volatility differs substantially from longer term expectations VIX and VIXM performance may differ substantially. You may obtain the VIXM prospectus by asking your Financial Advisor. Additional information about VIXM can also be found on the ProShares website (www.proshares.com).

Risks Relating to Alternatively-Weighted ETFs. Alternatively-weighted ETFs may use a different index tracking methodology than a traditional ETF. Many traditional ETFs seek to track the performance of an index by utilizing the market-capitalization of each index component to relatively weight the ETF's portfolio holdings. This methodology can result in large cap securities of the index carrying a larger percentage weighting than smaller cap securities. Alternatively-weighted ETFs (also known as 'Smart-Beta' or 'Strategic-Beta' ETFs) also seek to track an index; however, they also look to generate incremental performance or target a particular factor, and periodically rebalance the portfolio to maintain tracking and weightings. While alternatively-weighted ETFs offer some benefits of active management, there will likely be higher Total Expense Ratios relative to traditional index ETFs. Further, the alternatively weighted strategies present additional risk and may be subject to increased volatility and underperformance compared to traditional index weightings These ETFs should be used with, but not as a replacement for, traditional index strategies.

Leveraged and Inverse ETFs. Due to the effect of compounding, performance of leveraged, inverse or leveraged inverse ETFs over longer periods of time can differ significantly from the stated multiple of the performance (or inverse of the performance) of their underlying index or benchmark during the same period of time. Generally, leveraged and inverse ETFs are designed to be short-term, if not daily, trading tools and are not intended for buy-and-hold investing.

Risks Relating to Exchange Traded Notes. Risks of investing in ETNs include, among others, index or benchmark complexity, price volatility, market risk associated with the index or benchmark, uncertain principal repayment based on the issuing financial institution and potential illiquidity. Please ask your Financial Advisor for the ETN prospectus for a description of the specific index or benchmark to which its performance is linked as well as a description of the risks of investing in the ETN and any of the non-traditional or complex investment strategies that the ETN follows or seeks to replicate.

Risks Relating to Money Market Funds. An investment in a money market fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency.

You could lose money in money market funds. Although many money market funds classified as government funds (i.e., money market funds that invest 99.5% of total assets in cash and/or securities backed by the U.S government) and retail funds (i.e., money market funds open to natural person investors only) seek to maintain a stable $1.00 per share, they cannot guarantee they will do so. The price of other money market funds will fluctuate and when you sell shares they could be worth more or less than originally paid. Money market funds may, and in certain circumstances will, impose a fee upon the redemption of fund shares. Please review your money market fund's prospectus to learn more about the use of redemption or liquidity fees. In addition, if a money market fund that seeks to maintain a stable $1.00 per share experiences negative yields, it also has the option of converting its stable share price to a floating share price, or to cancel a portion of its shares (which is sometimes referred to as a "reverse distribution mechanism" or "RDM"). Investors in money market funds that cancel shares will lose money and may experience tax consequences.

Moreover, in some circumstances, money market funds may cease operations when the value of a fund drops below $1.00 per share. In that event, the fund's holdings will likely be liquidated and distributed to the fund's shareholders. This liquidation process can be prolonged and last for months. During this time, these funds would not be available to you to support purchases, withdrawals and, if applicable, check writing or ATM debits from your account.

Risks Relating to Options. Before engaging in the purchase or sale of options, investors should understand the nature of and extent of their rights and obligations and be aware of the risks involved, including, without limitation, the risks pertaining to the business and financial condition of the issuer of the underlying security or instrument. When selling cash secured puts, you have the potential to lose money if the equity underlying the put option declines in value, with your maximum loss occurring if the value of the equity declines to zero. An option buyer (holder) runs the risk of losing the entire amount paid for the option in a relatively short period of time. An option writer (seller) faces the risk that the short option position may be assigned at any time during the life of the option, including the day the option was written, regardless of the in- or out-of-the money status of the position. If the short call option is assigned, the writer must deliver the underlying security. Options investing, like other forms of investing, involves tax considerations, and transaction costs that can significantly affect the profit and loss of buying and writing options.

The exercise of in-the-money equity options is automatic at expiration if the equity option is ¾ of a point or more in the money. For equity options in the money less than .01, or out of the money, it is the obligation of the investor to request exercise. MSWM may, at its own discretion, exercise any open equity option that is .01 or more in the money on the date of expiration. Investors are obligated to monitor their options position(s) especially as the expiration date approaches.

Investors exercising their in-the-money equity options must have sufficient assets in their account to meet margin requirements. MSWM may, at its own discretion, reduce or close-out an investor's option(s) position prior to the close of business on the last day before exercise, if the account has insufficient assets to meet margin requirements.

There are additional factors that an investor should be aware of when trading options including but not limited to interest rates, volatility, stock splits, stock dividends, stock distributions, currency exchange rates, etc.

If a secondary market in options becomes unavailable and prevents a closing transaction, the options writer's obligation would remain until expiration or assignment.

The sale of stock through an option assignment or the closing/expiration of an option position may produce a tax consequence. Certain in-the-money non-qualified, written covered call options may also be subject to adverse writes are deemed 'unqualified' and carry certain tax consequences. Prior to entering into any proposed transaction, recipients should determine, in consultation with their own investment, legal, tax, regulatory and accounting advisors, the economic risks and merits, as well as the legal, tax, regulatory and accounting characteristics and consequences, of the transaction.

This section is not intended to enumerate all of the risks entailed in investing in options. For additional information on the risks of investing in options, please review the "Characteristics and Risks of Standardized Options" ("ODD") published by the Options Clearing Corporation, which is available from your Financial Advisor. For information on the risks relating to mutual funds and ETFs that use derivative instruments, such as options, please see below.

Risks Relating to Master Limited Partnerships. Master Limited Partnerships ("MLPs") are limited partnerships or limited liability companies whose interests (limited partnership or limited liability company units) are generally traded on securities exchanges like shares of common stock. Investment in MLPs entails different risks, including tax risks, than is the case for other types of investments.

Currently, most MLPs operate in the energy, natural resources or real estate sectors. Investments in such MLP interests are subject to the risks generally applicable to companies in these sectors (including commodity pricing risk, supply and demand risk, depletion risk and exploration risk). Depending on the ownership vehicle, MLP interests are subject to varying tax treatment. Please see "Tax and Legal Considerations" below and any applicable mutual fund or ETF prospectus, for more information. You can obtain a mutual fund or ETF prospectus by asking your Financial Advisor.

Risks Relating to Investment in a Concentrated Number of Securities (or in Only One Security) or to Investment in Only One Industry Sector (or in Only a Few Sectors). When strategies invest in a concentrated number of securities, a decline in the value of these securities would cause your overall account value to decline to a greater degree than that of a less concentrated portfolio. Strategies that invest a large percentage of assets in only one industry sector or security (or in a small number of sectors or securities) are more vulnerable to price fluctuation than strategies that diversify among a broad range of securities and sectors.

Risks Relating to Mutual Funds and ETFs that Primarily Invest in Master Limited Partnerships. In addition to the risks outlined above relating to Master Limited Partnerships, mutual funds and ETFs that primarily invest in MLPs generally accrue deferred tax liability ("MLP Fund"). An investment in a MLP Fund does not offer the same beneficial partnership tax treatment as a direct investment in a MLP. The fund's deferred tax liability (if any) is reflected each day in the fund's net asset value ("NAV"). The deferred tax liability estimate could vary dramatically from the MLP Fund's actual tax liability or benefit. Upon the sale of an MLP security, the MLP Fund may be liable for previously deferred taxes. As a result, the determination of the MLP Fund's actual tax liability could result in increases or decreases in the MLP Fund's NAV per share, which could be material. Additionally, the fund's total annual operating expenses may be significantly higher than those of funds that do not primarily invest in Master Limited Partnerships. Please ask your Financial Advisor for the fund prospectus for additional information.

MLP Fund Dividends and Distributions. A portion of distributions from MLP Funds to investors typically will consist of return of capital and not of current income for U.S. federal income tax purposes. The portion of any distribution treated as return of capital will not be subject to tax currently, but will result in a corresponding reduction in the investor's tax basis in the MLP Fund's shares. Such a reduction in tax basis will result in larger taxable gains and/or lower tax losses on a subsequent sale of the MLP Fund Shares.

MLP Fund Non-Diversification and Industry Concentration. MLP Funds are typically non-diversified. Therefore, MLP Funds can be more susceptible to losses due to adverse developments affecting any single issuer held in their portfolios. In addition, many MLP Funds' investments are concentrated in the energy infrastructure industry with an emphasis on securities issued by publicly traded MLPs, which may increase volatility.

*MLP Fund Liquidity***.** Certain MLP securities may trade less frequently than those of larger companies due to their smaller capitalizations. Additionally, it can be more difficult for MLP Funds to buy and sell significant amounts of such securities without an unfavorable impact on prevailing market prices. A MLP Fund's investment in securities that are less actively traded over time experience decreased trading volume may restrict its ability to take advantage of other market opportunities or to dispose of securities at favorable prices. Contact your Financial Advisor for the fund prospectus for additional information.

Risks Relating to Mutual Funds, ETFs and Closed-End Funds that Pursue Complex or Alternative Investment Strategies or Returns. These mutual funds, ETFs and closed-end funds utilize non-traditional or complex investment strategies and/or derivatives (all of which are described in greater detail below) for both hedging and more speculative purposes, which can increase volatility and the risk of investment loss. Certain of these funds are sometimes referred to as "liquid alternatives." These funds often have higher costs and expenses, with certain of these funds charging fees that fluctuate with their performance. Please refer to the applicable fund's prospectus for additional information on expenses and descriptions of the specific non- traditional and complex strategies utilized by such fund.

While mutual funds, closed-end funds and ETFs may at times utilize non-traditional investment options and strategies, they have different characteristics than unregistered privately offered alternative investments. Because of regulatory limitations, these funds that seek alternative-like investment exposure must utilize a more limited spectrum of investments. As a result, investment returns and portfolio characteristics of alternative mutual funds, closed-end funds and ETFs may materially vary from those of privately offered alternative investments pursuing similar investment objectives. They are also more likely to have relatively higher correlation with traditional market returns than privately offered alternative investments.

Non-traditional investment options and strategies are often employed by a portfolio manager to further such fund's investment objective and to help offset market risks. However, these features are complex, making it more difficult to understand such fund's essential characteristics and risks, and how it will perform in different market environments and over various periods of time. They can also expose such fund to increased volatility and unanticipated risks particularly when used in complex combinations and/or accompanied by the use of borrowing or "leverage." Examples of non-traditional and complex investment options and strategies include the following. The below list is not exhaustive.

Derivatives. A risk of a fund's use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. In addition, some derivatives are more sensitive to interest rate changes and market price fluctuations than other securities. The possible lack of a liquid secondary market for derivatives and the resulting inability of a fund to sell or otherwise close a derivatives position could expose the fund to losses and could make derivatives more difficult for the fund to value accurately. When a fund invests in a derivative for speculative purposes, the fund will be fully exposed to the risks of loss of that derivative, which could sometimes be greater than the derivative's cost. A fund could also suffer losses related to its derivative's positions as a result of unanticipated market movements, which losses are potentially unlimited. Commonly used derivative instruments and techniques and the risks associated therewith, include:

Futures Contracts. The prices of futures are affected by many factors, including changes in overall market movements, speculation, real or perceived inflationary trends, index volatility, changes in interest rates or currency exchange rates and political events. This can result in lower total returns, and the potential loss can exceed a fund's initial investment.

Options. Like futures, prices of options can be highly volatile and they are impacted by many of the same factors. Using options can lower a fund's total returns.

Swaps. Most swap contracts are purchased over-the-counter ("OTC"). OTC swaps are generally subject to credit risk and/or the risk of default or non-performance by the counterparty. Swaps can result in losses if interest rate or foreign currency exchange rates or credit quality changes are not correctly anticipated by a counterparty or if the reference index, security or investments do not perform as expected. Total Return Swaps ("TRS") involve the risk that the party with whom the fund has entered into the swap will default on its obligation to pay the fund and the risk that the fund will not be able to meet its obligations to pay the other party to the agreement. The income tax treatment of such swap agreements is unsettled and can be subject to future legislation, regulation or administrative pronouncements issued by the IRS.

Structured Investments. A fund that invests in structured investments bear the risks of the underlying investment as well as market risk, and are subject to issuer or counterparty risk because the fund is relying on the creditworthiness of such issuer or counterparty and has no rights with respect to the issuer of the underlying investment.

Short Sales. Short sales are a form of investment leverage and the amount of the fund's potential loss is theoretically unlimited. Short sales are subject to other risks including the risk that the third party to the short sale may fail to honor its contract terms, causing a loss to the fund.

*Liquidity and Counterparty Risk***.** Certain investments may be difficult to purchase or sell due to thinly traded markets or other factors such as a relatively large position size. In addition, transactions occurring outside of exchange clearing houses increase the risk that the direct counterparties will not perform their obligations under the transaction and losses will be sustained. Illiquid securities can reduce the returns of the fund because it may be unable to sell the illiquid securities or unwind derivative positions at favorable prices. Fund returns can also be adversely impacted where the fund has an obligation to purchase illiquid securities. Moreover, less liquid securities are more susceptible than other securities to market value declines. Funds will have greater liquidity risks to the extent their principal investment strategies involve foreign (non-U.S.) securities, derivatives or securities with substantial market and/or credit risk.

Risks Relating to Over-The-Counter and Low-Priced Securities. Certain over-the-counter ("OTC") and low-priced securities ("LPS") (also referred to as penny stocks, expert market securities, or "pink sheet" stocks), have certain special characteristics and risks.

Risk of Lower Liquidity. There may be lower liquidity in certain OTC and LPS securities, which impair the ability to buy or sell within a reasonable period of time without adversely impacting execution prices.

Risk of Higher Volatility. Because certain OTC and LPS securities may be more illiquid, there may be greater volatility in trading these products, and thus more risk of price swings and losses.

System Delays & Lack of Price Protection. OTC and LPS securities orders may encounter significant delays in executions, reports of executions, and updating of quotations, which may impact the ability to buy or sell OTC and LPS securities at expected prices.

Lack of Issuer Information. Reliable information regarding issuers of certain OTC and LPS securities may not be available or may be difficult to find. Accordingly, it may be difficult to properly value an OTC or LPS security, as the lack of information makes it less likely that quoted prices are based on full and complete information about the issuer. In the event an issuer of an OTC or LPS security fails to report required information, such securities could become restricted to "expert" markets, which may prevent selling the security. If this happens, the value of security may be significantly negatively affected or eliminated entirely.

Risk of Fraud or Manipulation. Since publicly available information regarding certain OTC and LPS securities may be scarce, these products may be more susceptible to fraud or manipulation.

Trading Restrictions. Because OTC and LPS securities may be traded on different market systems and with different rules, they may be more susceptible to regulatory trading halts and other trading restrictions, whether imposed by MSWM, our affiliates, and/or applicable regulatory authorities; and such restrictions may be imposed without notice.

Risks Relating to Differing Classes of Securities. Different classes of securities offer different rights to a securities holder as creditor if the issuer files for bankruptcy or reorganization. For example, bondholders' rights generally are more favorable than shareholders' rights in a bankruptcy or reorganization.

Risks Relating to Digital Assets. Certain Exchange Traded Products ("ETPs") available in the Program may hold underlying positions in cryptocurrencies such as Bitcoin, Ethereum, or other digital assets ("Digital Assets"). The risks related to an investment in Digital Assets are significant. Digital Assets are highly speculative and have been in existence for only a short period of time, and historical prices have been extremely volatile. An investor could lose their entire investment.

In addition to extreme volatility and the speculative nature of Digital Assets, an investor should be aware of additional risks and considerations, which include but are not limited to the following:

Due to the new and evolving nature of digital currencies, the regulatory landscape is uncertain, and the value of Digital Assets may be negatively impacted by future legal and regulatory developments.

Many significant aspects of the tax treatment of Digital Assets are uncertain. Moreover, ETPs containing Digital Assets are not intended to generate unrelated business taxable income" ("UBTI"); however, as tax treatment of Digital Assets evolves, this may change.

Any performance data relating to Digital Asset products may not be verifiable as pricing models are not uniform.

Certain Digital Asset exchanges have experienced failures or interruptions in service due to fraud, security breaches, operational problems or business failure, and similar events could impact the value of your investment, regardless of whether the fund or product relies on such an impacted exchange. Further, certain Digital Asset exchanges are not regulated to the same extent as other securities exchanges, which increases the chance that transactions conducted on such exchanges are subject to market manipulation. Both factors can impact your investment product's ability to transact in a Digital Asset and/or materially decrease its price, thereby decreasing the value of your investment, regardless of whether your product relies on an impacted exchange.

Digital Assets could be permanently lost, stolen, destroyed or become inaccessible by virtue of, among other things, the loss or theft of the private keys necessary to access a product's Digital Asset.

Digital Assets are not legal tender, and are not backed by any government, corporation or other identified body, other than with respect to certain cryptocurrencies that certain governments are or may be developing now or in the future. Digital Assets held in digital wallets are not FDIC insured. Certain of the spot cryptocurrency ETPs are not registered investment companies under the Investment Company Act of 1940 and therefore are not subject to the same regulatory requirements as mutual funds or traditional exchange traded funds. Shareholders do not have the same regulatory protections associated with registered investment companies Please see the prospectus of each product/fund.

Investment products with exposure to Digital Assets have traded at prices that are materially lower (or higher) than the net asset value of the product's underlying shares, which means that the market price of a product's shares may be lower (or higher) than the value of the corresponding amount of Digital Assets that the share purports to represent. This risk is separate and distinct from the risk that the value of the relevant Digital Assets may decrease.

Due to the anonymity Digital Assets offer, they have known use in illegal activity, including drug dealing, money laundering, human trafficking, sanction evasion and other forms of illegal commerce. Abuses could impact legitimate consumers and speculators; for instance, law enforcement agencies could shut down or restrict the use of platforms and exchanges, limiting or shutting off entirely the ability to use or trade Digital Asset products.

An ETP, which has direct exposure to a Digital Asset, is different from a mutual fund or ETF that primarily invests in Digital Asset futures. Funds that invest in Digital Asset futures do not directly invest in cryptocurrency but instead seek to purchase futures contracts that speculate as to the future price of certain Digital Asset.

ETPs that track Digital Asset futures contracts may be subject to contango, which occurs when a given Digital Asset's spot price is lower than the price of the Digital Asset's futures price. Rolling contracts when futures prices are in contango involves selling lower priced futures and buying higher priced futures further from expiration; super contango occurs when the spot price of a given Digital Assets is trading dramatically below its futures price. The probability of the Digital Asset's futures curve experiencing super contango may be elevated due their highly volatile nature.

Risks Relating to Mutual Funds that Invest in Floating Rate Loans. Certain mutual funds invest in floating rate loans. Floating rate funds fluctuate in value and are subject to market risk. More information on the investment risks can be found below and in the fund's prospectus.

Credit/Default Risk. Floating loan rate values can fall if a company's credit rating declines or it defaults on its loan repayment obligations. Since most floating rate loans are made to corporations with below-investment grade credit ratings, they are subject to a greater risk of default on interest and principal payments than higher-quality investments.

Interest Rate Risk. For floating rate loans, interest rates and income are variable and their prices are less sensitive to interest rate changes than fixed income bonds. However, in falling interest rate environments floating rate loans can underperform bonds since floating rate loans adjust to pay less income making them less desirable to investors than bonds that pay a fixed rate.

Liquidity Risk. Floating rate loans are generally subject to restrictions on resale and may trade infrequently in the secondary market. Illiquid loans may reduce the returns of the fund because it may be unable to sell the loans at favorable prices. Moreover, less liquid holdings are more susceptible than other securities to market value declines.

Fluctuation of NAV. Because the prices of floating-rate loans can change, the share price of mutual funds that invest in the loans will fluctuate with market conditions.

Tax and Legal Considerations

Your Financial Advisor may agree with you to implement a client-developed investment strategy that you believe is sensitive to your particular tax situation. You need to develop any such strategy in consultation with a qualified tax adviser. Certain tax-sensitive strategies can involve risks. Among others, tax-efficient management services involve an increased risk of loss because your account may not receive the benefit (e.g., realized profit, avoided loss) of securities transactions that would otherwise take place in accordance with your Financial Advisor's investment management decisions for the account.

Consult your independent tax or legal advisor with respect to the services described in this Brochure, as MSWM and its affiliates do not provide tax or legal advice.

Investment in MLPs entails different risks, including tax risks, than other types of investments. Investors in MLPs hold "units" of the MLP (as opposed to a share of corporate stock) and are technically partners in the MLP. Holders of MLP units are also exposed to the risk that they will be required to repay amounts to the MLP that are wrongfully distributed to them. Almost all MLPs have chosen to qualify for partnership tax treatment. Partnerships do not pay U.S. federal income tax at the partnership level. Rather, each partner of a partnership, in computing its U.S. federal income tax liability, must include its allocable share of the partnership's income, gains, losses, deductions, expenses and credits. A change in current tax law, or a change in the business of a given MLP, could result in an MLP being treated as a corporation for U.S. federal income tax purposes, which would result in such MLP being required to pay U.S. federal income tax on its taxable income. The classification of an MLP as a corporation for U.S. federal income tax purposes would have the effect of reducing the amount of cash available for distribution by the MLP and could cause any such distributions received by an investor to be taxed as dividend income. If you have any questions about the tax aspects of investing into an MLP, please discuss with your tax advisor.

Investors in MLPs will receive a Schedule K-1 for each MLP in the portfolio, so they will likely receive numerous Schedule K-1s. Investors will need to file each Schedule K-1 with their federal tax return. Also, investors in MLPs may be required to file state income tax returns in states where the MLPs operate. Since some Schedule K-1s may not be provided until after the due date for the federal or state tax return, investors in MLPs may need to obtain an extension for filing their federal or state tax returns. Please discuss with your tax advisor how an investment in MLPs will affect your tax return.

Tax laws impacting MLPs may change, and this could impact any tax benefits that may be available through investment in an MLP.

For the reasons outlined below, where an otherwise tax exempt account (such as a Retirement Account, charitable organization, or other tax exempt or deferred account) is invested in a pass through entity (such as a MLP), the income from such entity may be subject to taxation, and additional tax filings may be required. Further, the tax advantages associated with these investments are generally not realized when held in a tax-deferred or tax exempt account. Please consult your own tax advisor, and consider any potential tax liability that may result from such an investment in an otherwise tax exempt account.

Earnings generated inside most qualified retirement plans, including defined benefit pension plans, defined contribution plans and individual retirement accounts, are generally exempt from federal income taxes, however, certain investments made by Retirement Accounts may generate taxable income referred to as "unrelated business taxable income" ("UBTI") that is subject to taxation at the same rate as trusts. Generally, passive types of income (when not financed with debt) such as dividends, interest, annuities, and gains from the sale, exchange or other disposition of property (other than inventory or property held for sale in the ordinary course of a trade or business) do not generate UBTI. Active income associated with operating a trade or business, however, may constitute UBTI to an otherwise tax exempt investor such as a Retirement Account. In addition, UBTI may also be received as part of an investor's allocable share of active income generated by a pass-through entity, such as partnerships (including limited partnerships and MLPs), certain trusts, subchapter S corporations, and limited liability companies that are treated as disregarded entities, partnerships, or subchapter S corporations for federal income tax purposes.

If more than $1,000 of unrelated trade or business gross income is generated in a tax year, the Retirement Account's custodian or fiduciary (on behalf of the Retirement Account) must file an Exempt Organization Business Income Tax Return, Form 990-T. With respect to an individual investing through an IRA, in calculating the threshold amount and the Retirement Account's UBTI for the year, each IRA is generally treated as a separate taxpayer, even if the same individual is the holder of multiple IRAs.

The passive activity loss limitation rules also apply for purposes of calculating a Retirement Account's UBTI, potentially limiting the amount of losses that can be used to offset the Retirement Account's income from an unrelated trade or business each year. It should be noted that these rules are applied to publicly traded partnerships, such as MLPs, on an entity-by-entity basis, meaning that the passive activity losses generated by one MLP generally can only be used to offset the passive activity income (including unrelated traded or business income) from the same MLP. The passive activity losses generated by one MLP generally cannot be used to offset income from another MLP (or any other source). The disallowed losses are suspended and carried forwarded to be used in future years to offset income generated by that same MLP. However, once the Retirement Account disposes of its entire interest in the MLP to an unrelated party, the suspended losses can generally be used to offset any unrelated trade or business income generated inside the Retirement Account (including recapture income generated on the sale of the MLP interest, as well as income generated by other MLPs).

In calculating the tax, trust tax rates are applied to the Retirement Account's UBTI (i.e., unrelated trade or business gross income less any applicable deductions, including the $1,000 specific deduction). In addition to the passive loss limitation rules noted above, other limitations may apply to the Retirement Account's potential tax deductions. In order to file Form 990-T, the Retirement Account is required to obtain an Employer Identification Number ("EIN") because the plan (and not the plan owner or fiduciary) owes the tax. State and local income taxes may also apply. Accordingly, Retirement Account investors (and their fiduciaries) should consult their tax and legal advisors regarding the federal, state, and local income tax implications of their investments.

Similar rules apply to other tax-exempt organizations (e.g., charitable and religious organizations), with some differences. For instance, the UBTI of most other tax- exempt organizations is taxable at corporate rates, unless the organization is one that would be taxed as a trust if it were not tax-exempt in which case its UBTI is taxable at trust rates. Also, the passive activity loss limitation rules do not apply to all tax- exempt organizations. Tax-exempt investors should consult their tax and legal advisors regarding the federal, state, and local income tax implications of their investments.

Custody

MSWM acts as the custodian. Unless you instruct us otherwise, MSWM will maintain custody of all cash, securities and other assets in the account.

MSWM does not act as the custodian. If you have appointed a third-party custodian ("Custodian"), the Custodian will maintain custody of the cash, securities, and other investments in the account, and will receive and credit to the account all interest, dividends, and other distributions received on the assets in the account. Such assets will not be included under MSWM's Securities Investor Protection Corporation ("SIPC") coverage. The rights and authority of MSWM with respect to such assets, including as to transfers of assets held with the Custodian, will be limited to those set forth in the Account Agreement, regardless of any separate agreements or arrangements you may have or enter into with such Custodian. MSWM disclaims any broader rights that may be contained in your separate agreement with the Custodian. Except as indicated below, all other terms of your Account Agreement will apply.

Fees, Cash Sweeps and Valuation. You agree to authorize and instruct the Custodian in writing to deduct the MSWM investment advisory fee quarterly (unless you have agreed on a monthly billing period) from your account upon receipt of an invoice from us (if applicable). If you terminate your account, you will receive a pro-rata refund of the fee already paid to us for the remainder of the billing quarter. Your Custodian will advise you of the cash sweep options, and the section titled "Cash Sweeps" in Item 4C below will not apply to your account.

In general, when computing the fee with respect to your PM account, we calculate the market value of assets in your account based on information received from your Custodian with respect to the holdings in the account. Therefore, the market value of assets in your MSWM fee invoice may be different than the market value of assets in the account statement that you receive from your Custodian. When computing the fee with respect to your ICAP account, we rely on information received from your Custodian with respect to the market value of assets in the account. If any information to be provided by the Custodian is unavailable or believed to be unreliable, we will value assets in a manner we determine in good faith to reflect fair market value.

Account Statements and Trade Confirmations. You should arrange with your Custodian to provide you and us with account statements at least quarterly, identifying the amount of funds and of each security in the account at the end of the reporting period and setting forth all transactions in the account during that period. MSWM will need to be notified promptly of any other changes in the account. For trades executed through MSWM, we will provide you with copies of confirmations of securities transactions, and we may provide additional periodic reports.

Liquidations and share class conversions. MSWM will not liquidate any fractional share positions of equity securities, closed-end funds or ETFs created in your account. The provisions in your Account Agreement and in this Brochure regarding MSWM converting shares of open-end mutual funds in a client's account to an advisory share class will not apply to your account.

MSWM shall have no responsibility or liability with respect to transmittal or safekeeping of the assets in the account or the acts or omissions of the Custodian with respect thereto. You shall direct the Custodian to furnish to MSWM from time to time such reports concerning assets, receipts, and disbursements with respect to the account as MSWM shall reasonably request. You may designate a replacement custodian upon written notice to us.

MSWM does not assume any responsibility for the accuracy of any reports or other information furnished or made available by you, the Custodian, or any other person or entity (including access to online systems). The Custodian will be liable to you pursuant to the terms of its custodian agreement and any other relevant agreement that relates to Custodian's services to you.

MSWM will not be liable for (i) any failure on your part to fulfill any of your obligations under the Account Agreement, including any misrepresentation or omission with respect to arrangements you must make with, and information and instructions you must provide to, the Custodian; (ii) any failure of the Custodian to follow your or our instructions, including with respect to fee payments, any delivery or receipt securities or payment for securities required; and (iii) any failure of the Custodian to fulfill its obligations, including timely provision of any information that the Custodian is required to provide to us.

By signing the Account Agreement, you have also acknowledged to us that (i) you are authorized to retain the Custodian; (ii) you have instructed and authorized the Custodian in writing to receive and follow instructions from us with respect to the purchase and sale of securities in your account and the payment of the MSWM fee, (iii) that you have authorized and instructed the Custodian to provide us promptly with any information regarding the account that we require to perform our obligations, including pricing information for the securities in the account, and (iv) you have arranged with the Custodian to provide you and us with account statements at least quarterly, identifying the amount of funds and of each security in the account at the end of the reporting period and setting forth all transactions in the account during that period.

Termination. Upon termination of your Account Agreement with MSWM, you will instruct the Custodian with respect to the funds and securities held in the account. If you instruct the Custodian to liquidate any securities in the account, you may be subject to taxation on all or part of the proceeds of such liquidation. You understand that, upon termination, it is your responsibility to monitor the assets held in the account, and that we will no longer have any further obligation to act or give advice with respect to those assets.

Fees

You pay an asset-based fee, charged monthly for the services provided by MSWM (the "MSWM Fee"), for our investment advisory services, custody of account assets (if we are the custodian), trade execution with or through MSWM, performance reporting, as well as compensation to any Financial Advisor. This is a wrap fee. With respect to the PM program, you will also pay the Platform Fee (described below), which is separate from (and in addition to) the MSWM Fee.

You may pay the MSWM Fee by the following methods pursuant to the maximum fee stated below: an asset-based fee or, in some cases, clients may negotiate an annual fixed dollar amount, which is generally paid quarterly.

Maximum Fee. The maximum annual MSWM Fee for the PM program accounts is 2.00% of the market value of the eligible assets in the account.

The maximum annual MSWM Fee for various levels of eligible assets in the ICAP program is as follows:

ICAP Program Assets	Annual Fee
On the first $10,000,000	0.25%
On the next $40,000,000	0.20%
On the next $50,000,000	0.15%
Assets over $100,000,000	0.12%

It is possible that the compensation paid to MSWM through the annual fixed dollar amount billing arrangement is greater than the maximum asset- based MSWM Fee charged by MSWM to clients who have selected that asset-based billing arrangement.

Platform Fee for Accounts in the PM Program. You will be charged a Platform Fee for the various support and administrative services we provide to maintain the platform on which your account and the Program resides. The Platform Fee for PM program accounts is a 0.035% annual asset-based fee. The Platform Fee is in addition to the MSWM Fee, is non-negotiable, and is generally applicable to all custodied PM accounts, except for Retirement Accounts covered by Title I of ERISA, including for example, certain Simplified Employee Pension ("SEPs") accounts and SIMPLE IRAs, 529 plans and accounts we classify as institutional. The Platform Fee does not apply to ICAP accounts.

The MSWM Fee and the Platform Fee shall be collectively referred to as the "Fee." Provisions and conditions of the Fee as described in this section generally apply to the Platform Fee with one exception; the Platform Fee is paid quarterly in arrears based solely on the closing market value of the assets in the account on the last business day of the billing quarter and will become due within fifteen (15) business days after the end of the billing quarter.

Offset to the Platform Fee. We collect revenue from certain Investment Product providers ("Offset Revenue") but which we credit to accounts subject to the Platform Fee, regardless of any Investment Product holdings or investments. Crediting this Offset Revenue to accounts subject to the Platform Fee is designed to address conflicts of interest associated with collecting the Offset Revenue from applicable Investment Product providers. For mutual funds, non-sweep money market funds, alternative investments, and certain ETFs, the Offset Revenue generally includes, as applicable, revenue share, support fees, and/or mutual fund administrative service fees, as discussed below. Each billing quarter, we will allocate proportionately such Offset Revenue we receive from these sources to accounts subject to the Platform Fee ("Platform Fee Accounts"). The amount of Offset Revenue we will apply to a Platform Fee Account during any particular billing quarter will be up to the amount of the Platform Fee charged to that Platform Fee Account for the same billing quarter ("Offset Credit").

The Offset Credit will generally be applied within fifteen (15) business days after the end of the previous billing quarter and is generally intended to reduce the impact of the Platform Fee. The amount of the Offset Credit is expected to vary quarter to quarter and may be less than the Platform Fee charged to your account for any billing quarter. To the extent we collect more Offset Revenue in a billing quarter than the amount of the Platform Fee, we will carryover such excess ("Carry Over Credit") and apply it to the subsequent billing quarter to be allocated to accounts as described above.

Changing circumstances, such as market conditions, a shift in investments away from investment products that provide revenue or significant reallocation of investments to those that pay a lower amount of compensation will reduce the amount of Offset Revenue available to be credited. The amount of Offset Revenue available for crediting for any particular quarter will be reduced for the costs of third-party administrative expenses, if any, directly associated with the collection, calculation, and crediting of the Offset Revenue. Accounts will have no rights to the amounts of Offset Revenue collected by us until actually credited, including but not limited to amounts collected in a prior billing quarter. We can modify or discontinue the Offset Credit amount or mechanism at any time, but amounts collected by us prior to the effective time of any such change will be used to offset or reduce Platform Fees or Fees payable by accounts, but not necessarily the accounts that generated such Offset Revenue. We reserve the right to stop collecting Offset Revenue entirely at any time and, if we do not receive Offset Revenue, the Offset Credit will be $0. We have no obligation to attempt to maximize the collection of Offset Revenue during the time in which we are collecting it.

An account that is not subject to the Platform Fee during a billing quarter will not receive the Offset Credit for that billing quarter. As the Offset Credit is applied based on account value and not actual Investment Product holdings, accounts holding little to no Investments Products (or Investments Products that pay lessor amounts of Offset Revenue) will disproportionally benefit from the credit applied. This is generally mitigated by subjecting those accounts to the Platform Fee. Additionally, Offset Revenue is not collected with respect to investments held in accounts that are not subject to the Platform Fee, including Retirement Accounts covered by Title I of ERISA, 529 plans and accounts we classify as institutional.

Additions and Withdrawals; Refund on Account Termination. You may make additions into the account at any time, subject to our right to terminate the account. Additions may be in cash, Funds, stocks, or bonds, provided that we reserve the right to decline to accept particular securities into the account or impose a waiting period before certain securities may be deposited. We may accept other types of securities for deposit at our discretion. You understand that if Funds are transferred or journaled into the account, you will not recover the front-end sales charges previously paid and/or may be subject to a contingent deferred sales charge or a redemption or other fee based on the length of time that you have held those securities.

We may require you to provide up to six (6) business days' prior oral or written notice to your Financial Advisor of withdrawal of assets from the account, subject to the usual and customary securities settlement procedures. No Fee adjustment will be made during any billing period for withdrawals or deposits. No Fee adjustment will be made during any billing period for appreciation or depreciation in the value of account assets during that period.

If the account is terminated by either party, you will be entitled to a prorated refund of any pre-paid MSWM Fee, based on the number of days remaining in the billing month (or, the billing quarter, for PM accounts custodied outside MSWM and for ICAP accounts) after the date upon which notice of termination is effective.

Valuation of Account Assets. In computing the value of assets in the account, securities (other than open-end mutual funds, as described below) traded on any national securities exchange or national market system shall be valued, as of the valuation date, at the closing price and/or mean bid and ask prices of the last recorded transaction on the principal market on which they are traded. Account assets invested in registered open-end mutual funds will be valued based on the open-end mutual fund's net asset value calculated as of the close of business on the valuation date, per the terms of the applicable fund prospectus. We will value any other securities or investments in the account in a manner we determine in good faith to reflect fair market value, and we may rely upon valuations from our affiliate Morgan Stanley &Co. LLC (MS&Co.) for certain securities, including collateralized loan obligations. Any such valuation should not be considered a guarantee of any kind whatsoever with respect to the value of the assets in the account.

In valuing assets, we use information provided by recognized independent quotation and valuation services. We believe this information to be reliable but do not verify the accuracy of the information provided by these services. If any information provided by these services is unavailable or MSWM has determined is unreliable, we will value assets in a manner we determine in good faith to reflect fair market value.

Fees are Negotiable. The MSWM Fee is negotiable, based on factors including the type and size of the account and the range of services provided by the Financial Advisor. In special circumstances, and with the client's agreement, the MSWM Fee charged to a client for an ICAP account may be more than the maximum annual fees stated in this section.

The MSWM Fee may be (i) higher or lower than the fees that we would charge the account if you had purchased the services covered by the fee separately; (ii) higher or lower than the fees that we charge other clients, depending on, among other things, the extent of services provided to those clients and the cost of such services; and (iii) higher or lower than the cost of similar services offered through other financial firms.

When Fees are Payable. The Fee is payable as described in the Account Agreement and in this Brochure.

With respect to PM accounts custodied at MSWM, the following fee calculation is applicable:

- Generally, the initial Fee is due in full on the date you open your account at MSWM and is based on the market value of assets in the account on or about that date. The initial Fee payment generally covers the period from opening date through (at your or your Financial Advisor's election) the last day of the applicable billing period and is prorated accordingly. However, in certain circumstances where inception date occurs at the end of a monthly billing period, the initial Fee shall cover the period from the inception date through the last day of the next full billing period and is prorated accordingly. Thereafter, the Fee is paid monthly in advance based on the account's market value on the last business day of the previous billing month and is due promptly. This fee calculation does not apply where you pay us by annual fixed dollar amounts.

With respect to ICAP accounts and PM accounts custodied outside MSWM, the following fee calculation is applicable:

- Generally, the initial Fee is due in full on the date you open your account at MSWM and is based on the market value of the eligible assets in the account on or about that date. The initial Fee payment generally covers the period from the opening date through (at your or your Financial Advisor's election) the last day of the current quarter or the next full calendar quarter and is prorated accordingly. Thereafter, the Fee is generally paid quarterly in advance (however, in the ICAP program clients may elect to pay in arrears) based on the market value of the eligible assets in the account on the last business day of the previous billing quarter and is due promptly.

Breakpoints. Fee rates may be expressed as a fixed rate applying to all assets in the account, or as a schedule of rates applying to different asset levels, or "breakpoints." When the fee is expressed as a schedule of rates corresponding to different breakpoints, discounts, if any, are negotiated separately for each breakpoint. The fee rate will be blended, meaning that as the value of account assets reaches the various breakpoints, the incremental assets above each threshold are charged the applicable rates. The effective fee rate for the account as a whole is then a weighted average of the scheduled rates, and can change when the asset levels in the account change.

Accounts Related for Billing Purposes. When two or more investment advisory accounts are related together for billing purposes ("Billing Relationship"), you can benefit from existing breakpoints. For example, if you have two accounts, the "related" fees on Account #1 are calculated by applying your total assets (i.e. assets in Account #1 + assets in Account #2) to the Account #1 breakpoints. Because this amount is greater than the amount of assets solely in Account #1, you may have a greater proportion of assets subject to lower fee rates, which in turn lowers the average fee rate for Account #1. This average fee rate is then multiplied by the actual amount of assets in Account #1 to determine the dollar fee for Account #1. Likewise, the total assets are applied to the Account #2 breakpoints to determine the average fee rate for Account #2, which is then multiplied by the actual amount of assets in Account #2 to determine the dollar fee for Account #2. Only certain accounts are included in a Billing Relationship, based on applicable rules and regulations and MSWM's policies and procedures. Even where accounts are eligible to be related under these policies and procedures, they will only be included in a Billing Relationship if this is specifically agreed between you and your Financial Advisor. For more information about which of your accounts are grouped in a particular Billing Relationship, please contact your Financial Advisor.

Money Market Funds in ICAP Accounts. For certain ICAP accounts, MSWM may waive the annual fee on money market fund investments and, in lieu thereof, receive payments from the mutual fund companies of up to 10 basis points. Unlike the payments described below under the heading "Funds in Advisory Programs," MSWM may share these payments with Financial Advisers. To the extent the annual fee is less than the payment from the mutual fund companies, MSWM has a conflict of interest in recommending this investment over others. Conversely, if the annual fee is greater than the payments from the mutual fund companies, MSWM has a financial disincentive to recommend these investments.

ERISA Fee Disclosure for Qualified Retirement Plans. In accordance with Department of Labor regulations under Section 408(b)(2) of ERISA, MSWM is required to provide certain information regarding our services and compensation to assist fiduciaries and plan sponsors of those retirement plans that are subject to the requirements of ERISA in assessing the reasonableness of their plan's contracts or arrangements with us, including the reasonableness of our compensation. This information is provided to you at the outset of your relationship with us and is set forth in this Brochure and in your advisory contract with us. It is also provided at least annually to the extent that there are changes to any investment- related disclosures for services provided as a fiduciary under ERISA.

Other. Because the Programs do not involve third party investment managers, we receive the entire MSWM Fee (except for referral payments as described in Item 9 below under "Client Referrals and Other Compensation"), and we pay your Financial Advisor a portion of the entire MSWM Fee *See Item 4.D below ("Compensation to Financial Advisors") for more information.*

B. Comparing Costs

The primary service that you are purchasing in the Programs is your Financial Advisor's, or a Financial Advisor that partners with your Financial Advisor, discretionary management of your portfolio pursuant to certain program guidelines.

Cost comparisons are difficult because that particular service is not offered in other CG programs. Depending on the level of trading and types of securities purchased or sold in your account, if purchased separately, you may be able to obtain transaction execution at a higher or lower cost at *MSWM* or elsewhere than the MSWM Fee in these programs. However, such transactions could not be executed on a discretionary basis in a brokerage account. Clients who participate in the programs described in this Brochure pay a fee based on the market value of the account for a variety of services, and accordingly could pay more or less for such services than if they purchased such services separately (to the extent that such services would be available separately to the client). Furthermore, the same or similar services to those available in these programs may be available at a lower fee in programs offered by other investment advisors. In addition, CG offers other programs where discretionary portfolio management is provided by third party investment managers and the fees in those programs may be higher or lower than the fees in these programs. Those programs involve the discretionary portfolio management decisions of third-party investment managers and not your Financial Advisor.

If you change your brokerage account to a fee-based advisory account, to the extent your brokerage account held class C mutual fund shares for five years or longer, these shares would likely have converted to load-waived (lower cost) Class A shares in the near future, thereby significantly reducing the ongoing internal mutual fund expenses you would have paid to hold them in your brokerage account. By changing your account from a brokerage account into a fee-based advisory account, your mutual fund shares will convert to the advisory share class (if available), which, in general will further lower overall costs. However, in exchange for advisory services you will receive, you will pay an additional asset-based fee which you would not pay in a brokerage account.

You should consider these and other differences when deciding whether to invest in an investment advisory or a brokerage account and, if applicable, which advisory programs best suit your individual needs.

C. Additional Fees

If you open an account in one of the Programs, you will pay us an MSWM Fee which covers investment advisory services, custody of securities (if we are the custodian) and trade execution with or through MSWM, as well as compensation to any Financial Advisor as described above. You also pay the Platform Fee with respect to PM accounts as described above.

The MSWM Fee does not cover:

- the costs of investment management fees and other expenses charged by Funds and UITs (see below for more details)
- "mark-ups," "mark-downs," and dealer spreads, if any (A) that MSWM or its affiliates (including MS&Co) receive when acting as principal in certain transactions where permitted by law or (B) that other broker-dealers receive when acting as principal in certain transactions effected through MSWM and/or its affiliates acting as agent, which is typically the case for dealer market transactions (e.g., fixed income, over-the-counter equity, and foreign exchange ("FX") conversions in connection with purchases or sales of FX-denominated securities and with payments of principal and interest dividends on such securities);
- brokerage commissions or other charges resulting from transactions not effected through MSWM or its affiliates
- MSWM account establishment or maintenance fees for its IRA accounts and Versatile Investment Plans ("VIP"), which are described in the respective IRA and VIP account and fee documentation (which may change from time to time)
- account closing/transfer costs
- processing fees
- any pass-through or other fees associated with investments in American Depository Receipts (ADRs) or
- certain other costs or charges that may be imposed by third parties (including, among other things, odd-lot differentials, transfer taxes, foreign custody fees, exchange fees, supplemental transaction fees, regulatory fees and other fees or taxes that may be imposed pursuant to law).

Funds in Advisory Programs

Investing in strategies that invest in mutual funds, non-sweep money market funds, closed-end funds and ETFs (collectively referred to in this *Funds in Advisory Programs* Section as "Funds") is more expensive than other investment options offered in your advisory account. In addition to our MSWM Fee, you pay the fees and expenses of the Funds in which your account is invested. Fund fees and expenses are charged directly to the pool of assets the Fund invests in and are reflected in each Fund's net asset value. These fees and expenses are an additional cost to you that is embedded in the price of the Fund and, therefore, are not included in the MSWM Fee amount in your account statements. Each Fund expense ratio (the total amount of fees and expenses charged by the Fund) is stated in its prospectus. The expense ratio generally reflects the costs incurred by shareholders during the Fund's most recent fiscal reporting period. Current and future expenses may differ from those stated in the prospectus.

You do not pay any sales charges for purchases of Funds in your account. However, some mutual funds may charge, and not waive, a redemption fee on certain transaction activity in accordance with the polices described in the applicable prospectus.

MSWM shall not be responsible for any misstatement or omission or for any loss attributable to such misstatement or omission contained in any Fund prospectus, fact sheet or any other disclosure document provided to us for distribution to clients.

MSWM also receives the following fees and payments in connection with your investment in a Fund.

Support Fees and Mutual Fund Administrative Services Fees in PM Accounts. In the PM program, MSWM receives a support fee, also called a revenue sharing payment from the sponsors of mutual funds, non-sweep money market funds, and actively-managed ETFs (but not, for example passively-managed ETFs that seek to track the performance of a market index). Revenue-sharing payments are generally paid out of such fund's sponsor or other affiliate's revenues or profits and not from the applicable fund's assets. We charge revenue sharing fees on client account holdings in such funds generally according to a tiered rate that increases along with those funds' management fee so that sponsors pay lower rates on funds with lower management fees than on those with higher management fees. The rate ranges up to a maximum of 0.12% per year ($12 per $10,000 of assets) for mutual funds and applicable ETFs, and up to 0.10% ($10 per $10,000 of assets) for non-sweep money market funds.

MSWM also receives compensation from mutual funds for providing certain recordkeeping and related administrative services to the funds. For example, we process transactions with mutual 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 these services, mutual funds pay 0.10% per year ($10 per $10,000) on mutual fund assets held by investors in the advisory program covered by this Brochure. Administrative services fees may be viewed in part as a form of revenue-sharing if and to the extent they exceed what the mutual fund would otherwise have paid for these services.

As discussed herein, all of the support fees and/or administrative services compensation we collect from mutual funds, non-sweep money market funds, and/or actively managed ETFs or their affiliated service providers with respect to investment advisory assets is returned to clients in the form of a fee offset. See the section above titled "Offset to the Platform Fee" for more information and eligibility to receive an offset.

Notwithstanding the foregoing, MSWM does not receive such payments for Retirement Accounts.

MSWM does not receive such payments with respect to the ICAP program accounts.

Expense Payments and Fees for Data Analytics. MSWM 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 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 Fund families or their affiliates reimburse MSWM for certain expenses incurred in connection with these promotional efforts, client seminars and/or training programs. Fund families independently decide if and what they will spend on these activities, with some Fund families agreeing to make substantial annual dollar amount expense reimbursement commitments. 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. For more information regarding the payments MSWM receives from Fund families, please refer to the brochures titled "Mutual Fund Features, Share Classes and Compensation" and "ETF Revenue Sharing, Expense Payments and Data Analytics" (together, the "Mutual Fund and ETF Brochures"), which can be found at https://www.morganstanley.com/disclosures. The Mutual Fund and ETF Brochures are also available from your Financial Advisor on request.

Fund family representatives are allowed to occasionally give nominal gifts to Financial Advisors, and to occasionally entertain Financial Advisors (subject to an aggregate entertainment limit of $1,000 per employee per Fund family per year). MSWM's non-cash compensation policies set conditions for each of these types of payments, and do not permit any gifts or entertainment conditioned on achieving any sales target.

MSWM also provides Fund families with the opportunity to purchase data analytics regarding Fund sales. The amount of the fee depends on the level of data. We also offer sponsors of passively-managed ETFs a separate transactional data fee. Additional fees apply for those Fund families that elect to purchase supplemental data analytics regarding other financial product sales at MSWM. For more information regarding these payments, as well as others, please refer to the Mutual Fund and ETF Brochures described above.

Conflicts of Interest Regarding the Above Described Fees and Expense Payments

The above-described fees present a conflict of interest for Morgan Stanley and our Financial Advisors to promote, recommend and/or purchase on a discretionary basis, as applicable, those Funds that make these payments rather than other eligible investments that do not make these or similar payments. Further, in aggregate, we receive significantly more support from participating revenue sharing sponsors and mutual funds that pay administrative services fees with the largest client holdings at our firm, as well as those sponsors that provide significant sales expense payments and/or purchase data analytics. This in turn could lead Morgan Stanley and/or our Financial Advisors to focus on those Fund families. In addition, since our revenue sharing support fee program utilizes rates that are higher for Funds with higher management fees, we have a conflict of interest to promote and recommend Funds that have higher management fees. In order to mitigate these conflicts, Financial Advisors in advisory programs do not receive additional compensation as a result of the support fees, mutual fund administrative service fees and data analytics payments received by Morgan Stanley. Moreover, as noted above, the support fees and administrative services fees are collected and credited to Program accounts.

Other Compensation

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 in Fund portfolios. We and/or our affiliates also receive other compensation for 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/or 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, administrative service fees, expense reimbursement and data analytics fees described above. Financial Advisors and their Branch Managers receive no additional compensation as a result of these payments received by Morgan Stanley.

In addition, we generally seek to be reimbursed for the associated operational and/or technology costs of adding and/or maintaining Funds on our platform. These flat fees are paid by Fund sponsors or other affiliates (and not the Funds). Financial Advisors and their Branch Managers do not receive compensation for recommending Funds that have reimbursed Morgan Stanley for our costs.

Affiliated Funds. Certain Funds are sponsored or managed by, or receive other services from, MSWM and its affiliates, which include but are not limited to, Morgan Stanley Investment Management Inc ("MSIM"), Eaton Vance Management ("EVM"), Boston Management and Research, Calvert Research and Management, Atlanta Capital Management Company and Parametric Portfolio Associates. MSWM or the affiliated sponsor (or other service provider) receives additional investment management fees and other fees from these Funds. Therefore, MSWM has a conflict to recommend MSWM proprietary and/or affiliated Funds. In order to mitigate this conflict, Financial Advisors do not receive additional compensation for recommending proprietary and/or affiliated funds. Additionally, affiliated Funds and sponsors are subject to the same economic arrangements with MSWM as those that MSWM has with third-party Funds.

To the extent that affiliated Funds are offered to and purchased by Retirement Accounts, the MSWM Fee on any such Retirement Account will be reduced, or offset, by the amount of the fund management fee, shareholder servicing fee and distribution fee that we, or our affiliates, receive in connection with such Retirement Account's investment in such affiliated Fund.

Mutual Fund Share Classes. Mutual funds typically offer different ways to buy fund shares. Some mutual funds offer only one share class while most funds offer multiple share classes. Each share class represents an investment in the same mutual fund portfolio, but assesses different fees and expenses. Many mutual funds have developed specialized share classes designed for various advisory programs ("Advisory Share Classes"). In general, Advisory Share Classes are not subject to either sales loads or ongoing marketing, distribution and/or service fees (often referred to as "12b-1 fees"), although some will assess fees for record keeping and related administrative services, as disclosed in the applicable prospectus.

MSWM typically utilizes Advisory Share Classes that compensate MSWM for providing such recordkeeping and related administrative services to its advisory clients. However, our fees for these services are included in the Offset Credit which is applied to the Platform Fee for the benefit of clients, as described above. If you wish to purchase other types of Advisory Share Classes, such as those that do not compensate intermediaries for record keeping and administrative services, which generally carry lower overall costs, and would thereby increase your investment return, you will need to do so directly with the mutual fund or through an account at another financial intermediary.

Please note, we may offer non-Advisory Share Classes of mutual funds (i.e., those that are subject to 12b-1 fees) if, for example, a fund does not offer an Advisory Share Class that is equivalent to those offered here. In such instance, MSWM will rebate directly to the clients holding such fund any such 12b-1 fees that we receive. Once we make an Advisory Share Class available for a particular mutual fund, clients can only purchase the Advisory Share Class of that fund.

If you hold non-Advisory Share Classes of mutual funds in your advisory account or seek to transfer non-Advisory Share Classes of mutual funds into your advisory account, MSWM (without notice to you) will convert those shares to Advisory Share Classes to the extent they are available. This will typically result in your shares being converted into a share class that has a lower expense ratio, although exceptions are possible. Subject to limited exceptions, any fees that you pay while holding non-Advisory Share Classes (e.g., sales loads, 12b-1 fees, etc.) will not be offset, rebated or refunded to you when your non-Advisory Share Class is converted into an Advisory Share Class.

On termination of your advisory account for any reason, or the transfer of mutual fund shares out of your advisory account, we will convert any Advisory Share Classes of funds into a share class that is available in non-advisory accounts or we may redeem these fund shares altogether. Non-Advisory Share Classes generally have higher operating expenses than the corresponding Advisory Share Class, which will increase the cost of investing and negatively impact investment performance.

For more information, please refer to the Mutual Fund and ETF Brochures described above.

UITs in Advisory Programs

Investing in Unit Investment Trusts ("UITs") is typically more expensive than other investment options offered in your advisory account. A UIT is an SEC-registered investment company that issues redeemable securities and invests in a portfolio of bonds and/or equity securities 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, regardless of market conditions. At the end of the specified period, UITs terminate and all remaining portfolio securities are sold. Redemption proceeds are then paid to investors.

UIT Fees and Expenses. In addition to the MSWM Fee, you will pay the UIT's fees and expenses, which are charged directly to the pool of assets in the UIT and are reflected in the unit price. A UIT's fees and expenses are stated in its prospectus, but generally range from 0.25 to 1.85% depending on the strategy.

If you purchased the securities held by the UIT instead of purchasing the UIT, you would not be subject to the UIT's fees and expenses. Rather, you would only be subject to the MSWM Fee because we do not impose separate brokerage commissions for your accounts in the Programs if you execute through MSWM or its affiliates. You should discuss with your Financial Advisor whether you should purchase the securities held by a UIT rather than purchasing the UIT itself. Note, the amount of securities held by the UIT, among other reasons, might make this impractical.

In general, UITs charge investors several fees and expenses that include, among others, creation and development fees, trustee fees, operating expenses and organization costs. Because UIT fees and expenses vary, it is important to consider the fees and expenses charged by each UIT when making an investment. **For example, some UITs do not have C&D fees at all.** Also, please keep in mind that a UIT's organization costs are generally paid in full at the close of the 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. **Upfront organizational costs can be significant, representing 1/3 or more of the total expense of owning a UIT.**

MSWM offers UITs sponsored by unaffiliated UIT providers, as well as UITs sponsored by MSWM. This presents a conflict of interest for MSWM and our Financial Advisors to the extent they lead us to focus on proprietary UITs instead of unaffiliated UITs. In order to mitigate this conflict, Financial Advisors and their Branch Office Managers do not receive additional compensation for recommending proprietary UITs.

Holding UITs in Advisory and Brokerage Programs

It is important that you understand the differences in which fees and charges are assessed on UITs held in advisory accounts, as opposed to those purchased in traditional brokerage accounts. When your FA purchases a UIT in your PM account, the value of the UIT will be included in the calculation of your MSWM Fee, but you will not be assessed sales charges that apply to UITs purchased in brokerage accounts.

If the amount of the MSWM Fee plus the UIT's fees and expenses exceeds the total fee for the same or similar UIT if purchased in a traditional brokerage account, you will pay more for the UIT held in your advisory account over the life of the investment. Your Financial Advisor will not receive a selling commission on your purchase of the UIT in an advisory account. Instead, your Financial Advisor will receive a portion of the MSWM Fee, which will include the value of the UIT, together with other eligible assets. You should carefully consider the costs you will pay and the services you will receive when investing in a UIT or any other investment product in either an advisory or brokerage account. For example, it may make sense to hold a UIT in an advisory account if:

- you appreciate the flexibility to redeem your UIT units prior to the termination date without paying a deferred sales charge; and/or
- you value the service that your Financial Advisor would provide by advising you on your entire portfolio in your advisory account (including UITs).

Conversely, it would make sense to hold a UIT in a brokerage account if:

- you are confident that it is unlikely that you will redeem your UIT units prior to the termination date, and/or
- you feel that the relatively static "buy and hold" nature of UITs would not justify the additional expense of holding them in an advisory account.

For more information about the differences between advisory and brokerage accounts, please review the document titled "Understanding Your Brokerage and Investment Advisory Relationships" available at http://www.morganstanley.com/wealth-relationshipwithms/pdfs/understandingyourrelationship.pdf.

Access to Branches, Expense Payments and Data Analytics Fees.

MSWM 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 MSWM, make payments to MSWM in connection with these promotional efforts to reimburse MSWM 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, MSWM 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 MSWM and our Financial Advisors to the extent they lead us to focus on UITs from those sponsors, including MSWM, 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. MSWM'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.

Cash Sweeps

Generally, some portion of your account will be held in cash. If MSWM is the custodian for your account, MSWM will effect "sweep" transactions of free credit balances in your account into interest-bearing deposit accounts ("Deposit Accounts") established under the Bank Deposit Program ("BDP"). Under the BDP, funds will be automatedly deposited into Deposit Accounts established for you at one or more FDIC insured depository institutions (individually and collectively, the "Sweep Banks.")

For most clients BDP will be the only available cash Sweep Vehicle (as defined below). The interest rates for BDP in your account will be tiered based upon the value of the BDP balances across your brokerage and advisory accounts. The BDP assets in your advisory accounts receive separate interest rates from deposits in your brokerage accounts and are set forth in: https://www.morganstanley.com/wealth-general/ratemonitor. Generally, the rate you will earn on BDP will be lower than the rate on other cash alternatives. In limited circumstances, such as for clients ineligible for BDP, MSWM may sweep some or all of your cash into money market mutual funds (each, a Money Market Fund" and together with Deposit Accounts, "Sweep Vehicles"). These Money Market Funds are managed by MSIM or another MSWM affiliate.

It is important to note that free credit balances and allocations to cash including assets invested in Sweep Vehicles are included in your account's MSWM Fee calculation, as described above.

You acknowledge and agree that if you are eligible, the BDP will be your designated Sweep Vehicle. You further acknowledge and agree that the rate of return on the BDP may be higher or lower than the rate of return available on other available cash alternatives. MSWM is not responsible if the BDP has a lower rate of return than other available cash alternatives or causes any tax or other consequences. Most ICAP accounts do not have a cash sweep.

Clients that are considered Retirement Accounts should read the Exhibit to this Brochure entitled "Affiliated Money Market Funds Fee Disclosure Statement and Float Disclosure Statement".

The custodian will effect sweep transactions only to the extent permitted by law and if you meet the eligibility criteria. Under certain circumstances (as described in the Bank Deposit Program Disclosure), eligible deposits in BDP may be sent to non-affiliated Sweep Banks. This additional sweep feature may provide enhanced FDIC coverage to you as well as funding value benefits to the Morgan Stanley Sweep Banks (as defined below).

For eligibility criteria and more information on cash sweeps in general, please refer to the Bank Deposit Program Disclosure Statement which is available at: http://www.morganstanley.com/wealth-investmentstrategies/pdf/BDP_disclosure.pdf.

Conflicts of Interest Regarding Sweep Vehicles.
If BDP is your Sweep Vehicle, you should be aware that the Sweep Banks may be affiliates of MSWM (the "Morgan Stanley Sweep Banks"). In such an event, the Morgan Stanley Sweep Banks will pay MSWM an annual account-based flat fee for the services performed by MSWM with respect to BDP. MSWM and the Morgan Stanley Sweep Banks will review such fee annually and, if applicable, mutually agree upon any changes to the fee to reflect any changes in costs incurred by MSWM. Your Financial Advisor will not receive a portion of these fees or credits. In addition, MSWM will not receive cash compensation or credits in connection with the BDP for assets in the Deposit Accounts for Retirement Accounts. Also, the Morgan Stanley Sweep Banks have the opportunity to earn income on the BDP assets through lending activity, and that income is usually significantly greater than the fees MSWM earns on affiliated Money Market Funds. Thus, MSWM, in its capacity as custodian, has a conflict of interest in connection with BDP being the default Sweep Vehicle, rather than an eligible Money Market Fund.

In addition, MSWM, the Morgan Stanley Sweep Banks and their affiliates receive other financial benefits in connection with the BDP. Through the BDP, each Morgan Stanley Sweep Bank will receive a stable, cost-effective source of funding. Each Morgan Stanley Sweep Bank intends to use deposits in the Deposit Accounts at the Morgan Stanley Sweep Banks to fund current and new businesses, including lending activities and investments. The profitability on such loans and investments is generally measured by the difference, or "spread," between the interest rate paid on the Deposit Accounts at the Morgan Stanley Sweep Banks and other costs of maintaining the Deposit Accounts, and the interest rate and other income earned by the Morgan Stanley Sweep Banks on those loans and investments made with the funds in the Deposit Accounts. The cost of funds for the Morgan Stanley Sweep Banks of deposits through the sweep program in ordinary market conditions is lower than their cost of funds through some other sources, and the Morgan Stanley Sweep Banks also receive regulatory capital and liquidity benefits from using the sweep program as a source of funds as compared to some other funding sources. The income that a Morgan Stanley Sweep Bank will have the opportunity to earn through its lending and investing activities in ordinary market conditions is greater than the fees earned by us and our affiliates from managing and distributing the Money Market Funds available to you as a Sweep Vehicle.

Morgan Stanley has added certain non-affiliated Sweep Banks to the BDP in order to maximize the funding value of the deposits in BDP for the Morgan Stanley Sweep Banks. On any given day, you may have deposits that are sent to a non-affiliated Sweep Bank depending on the funding value considerations of the Morgan Stanley Sweep Banks and the capacity of the depository networks that allocate deposits to the non-affiliated Sweep Banks. In addition to the benefits to the Morgan Stanley Sweep Banks, you may also benefit from having deposits sweep to the non-affiliated Sweep Banks by receiving FDIC insurance on deposit amounts that would otherwise be uninsured. In return for receiving deposits through BDP, the non-affiliated Sweep Banks provide other deposits to the Morgan Stanley Sweep Banks. This reciprocal deposit relationship provides a low-cost source of funding, and capital and liquidity benefits to both the non-affiliated Sweep Banks and the Morgan Stanley Sweep Banks. The non-affiliated Sweep Banks pay a fee to a Program Administrator in connection with the reciprocal deposits, but the cost of that fee is not borne directly by Morgan Stanley clients.

The Morgan Stanley Sweep Banks have discretion in setting the interest rates paid on deposits received through BDP, and are under no legal or regulatory requirement to maximize those interest rates. The Morgan Stanley Sweep Banks and the non-affiliated Sweep Banks can and sometimes do pay higher interest rates on some deposits they receive directly than they pay on deposits received through BDP. This discretion in setting interest rates creates a conflict of interest for the Morgan Stanley Sweep Banks. The lower the amount of interest paid to customers, the greater is the "spread" earned by the Morgan Stanley Sweep Banks on deposits through BDP, as explained above. By contrast, money market funds (including Morgan Stanley affiliated money market funds) have a fiduciary duty to seek to maximize their yield to investors, consistent with their disclosed investment and risk-management policies and regulatory constraints.

If your cash sweeps to a Money Market Fund, then the account, as well as other shareholders of the Money Market Fund, will bear a proportionate share of the other expenses of the Money Market Fund in which the account's assets are invested.

If your cash sweeps to a Money Market Fund, you understand that MSIM (or another MSWM affiliate) will receive compensation, including management fees and other fees, for managing the Money Market Fund. In addition, we receive compensation from such Money Market Funds at rates that are set by the funds' prospectuses and currently range, depending on the program in which you invest, from 0.10% per year ($10 per $10,000 of assets) to 0.25% per year ($25 per $10,000 of assets) of the total Money Market Fund assets held by our clients. Please review your Money Market Fund's prospectus to learn more about the compensation we receive from such funds.

We have a conflict of interest as we have an incentive to only offer affiliated Money Market Funds in the BDP, as MSIM (or another MSWM affiliate) will receive compensation for managing the Money Market Fund. We also have a conflict of interest as we offer affiliated funds and share classes that pay us more compensation than other funds and share classes. You should understand these costs because they decrease the return on your investment. In addition, we receive additional payments from MSIM in the event a Money Market Fund waives certain fees in a manner that reduces the compensation that we would otherwise receive.

We either rebate to clients or do not receive compensation on sweep Money Market Fund positions held in our fee-based advisory account programs.

Unless your account is a Retirement Account, the fee will not be reduced by the amount of the Money Market Fund's applicable fees. For additional information about the Money Market Fund and applicable fees, you should refer to each Money Market Fund's prospectus.

D. Compensation to Financial Advisors

If you invest in one of the Programs, a portion of the fees payable to us in connection with your account is allocated on an ongoing basis to your Financial Advisor. The amount allocated to your Financial Advisor in connection with accounts opened in

Programs may be more than if you participated in other MSWM investment advisory programs, or if you paid separately for investment advice, brokerage and other services. The rate of compensation we pay Financial Advisors with respect to program account may be higher than the rate we pay Financial Advisors with respect to transaction-based brokerage accounts. In such case, your Financial Advisor has a financial incentive to recommend one of the Programs instead of other MSWM programs or services.

If you invest in one of the Programs, your Financial Advisor may agree to charge a fee less than the maximum fee stated above. The amount of the fee you pay is a factor we use in calculating the compensation we pay your Financial Advisor. Therefore, Financial Advisors have a financial incentive not to reduce fees. If your fee rate is below a certain threshold in the PM program, we give your Financial Advisor credit for less than the total amount of your fee in calculating his or her compensation. Therefore, Financial Advisors also have a financial incentive not to reduce fees below that threshold.

Item 5: Account Requirements and Types of Clients

Account Minimums. The PM program generally has a minimum account size of $10,000. The ICAP program generally has a minimum account size of $10,000,000.

Types of Clients. MSWM's clients include individuals, trusts, banking or thrift institutions, pension and profit sharing plans, plan participants, other pooled investment vehicles (e.g., hedge funds), charitable organizations, corporations, other businesses, state or municipal government entities, investment clubs and other entities.

Item 6: Portfolio Manager Selection and Evaluation

A. Selection and Review of Portfolio Managers for the Programs

Eligible Financial Advisors

Your Financial Advisor generally acts as the portfolio manager.

MSWM selects FAs for participation in the PM program based on criteria such as approval by Branch Manager; completion of an educational program that includes coursework in investment analysis and portfolio management, passing an appropriate examination; length and type of FINRA and (if applicable) state registration; compliance record and client assets under management.

ICAP accounts are managed by Financial Advisors who are experienced in managing corporate cash and have successfully completed PM program coursework and examination.

Under certain circumstances, based primarily on the Financial Advisor's prior investment experience, program management may waive some or all of the Financial Advisor selection criteria for the Program.

Calculating Financial Advisors' Performance

We calculate performance using a proprietary system. MSWM allows certain Financial Advisors to create a composite performance track record for accounts they manage in a similar style.

MSWM's Performance Reporting Group reviews performance information for client accounts, which includes daily reconciliation of positions reported in the firm's proprietary performance calculation system against the firm's books and records, and reviewing client accounts and positions where the calculated returns deviate from established thresholds. In addition, for certain PM accounts MSSB's Performance Reporting Group reviews such accounts where performance is deviating from the average return of the applicable composite of accounts.

Some Financial Advisors hire a third party (such as ACA Performance Services, LLC) for a supplemental review of investment performance results in their composites.

B. Conflicts of Interest

Conflicts of Interest – Financial Advisor Acting as Portfolio Manager; Advisory vs. Brokerage Accounts.

Your Financial Advisor generally acts as the portfolio manager. MSWM and, in turn, the Financial Advisor, retain a greater portion of the advisory fee in these programs than in those in which an unaffiliated investment manager acts as your portfolio manager. MSWM and the Financial Advisor may earn more compensation if you invest in a Program than if you open a brokerage account to buy individual securities (although, in a brokerage account, you will not receive all the benefits of the Programs). Financial Advisors and MSWM therefore have a financial incentive to recommend the programs described in this Brochure.

The Financial Advisor(s) who is primarily responsible for implementing investment management decisions for your account ("Portfolio Manager") satisfies MSWM's requirements to manage money in the PM program but is not held out by MSWM as being more qualified than other Financial Advisors in the PM program, nor subject to the same level of review as is applied to third party or other internal or external portfolio managers in certain other MSWM investment advisory programs. A Portfolio Manager may have a financial interest in managing your account in the PM program instead of using another internal or third-party portfolio manager in this or other MSWM investment advisory programs because of the portion of the fee that MSWM pays to the Portfolio Manager in the PM program. If you have another Financial Advisor in addition to the Portfolio Manager, that Financial Advisor has a financial incentive for your account to be managed by the Portfolio Manager in the PM program instead of using another internal or third party portfolio manager in this or other MSWM investment advisory programs because the portion of the fee that is normally paid by MSWM to the Financial Advisor responsible for the account is shared between that other Financial Advisor and Portfolio Manager, in a percentage agreed between that Financial Advisor and Portfolio Manager. This creates a conflict of interest for Financial Advisors and MSWM, as there is a financial incentive to recommend the PM program.

Your Financial Advisor has certain incentives to recommend the PM program to you over other advisory programs in order to maintain a proscribed amount of PM assets under management or revenue from PM assets. Specifically, as described in Item 6.A., MSWM selects Financial Advisors for participation in the PM program based on certain criteria, including client assets under management. If a Financial Advisor fails to maintain a proscribed minimum amount of client assets in the PM program, MSWM may revoke their certification and their PM accounts may be subject to termination. This may create an incentive for Financial Advisors to recommend the PM program to clients over other advisory programs in order to meet the applicable threshold. Financial Advisors also have the ability to earn certain designations upon achieving a certain level of revenue from PM program assets. Given that, Financial Advisors may have an incentive to recommend the PM program in order to achieve those revenue levels.

We address these conflicts of interest by disclosing them to you and by reviewing your account at account-opening to ensure that it is appropriate for you in light of matters such as your investment objectives and financial circumstances.

Other Conflicts of Interest

As well as the conflicts of interest arising from your Financial Advisor acting as portfolio manager, MSWM has various other conflicts of interests relating to the Programs.

Advisory vs. Brokerage Accounts. MSWM and your Financial Advisor may earn more compensation if you invest in the Programs than if you open a brokerage account to buy individual securities (although, in a brokerage account, you will not receive all the benefits of the Programs). In such instance, your Financial Advisors and MSWM have a financial incentive to recommend a Program. We address this conflict of interest by disclosing it to you and by reviewing your account at account opening to ensure that it is appropriate for you in light of matters such as your investment objectives and financial circumstances.

Payments from Managers. *Please see Item 4.C above (Additional Fees – Funds in Advisory Programs and UITs in Advisory Programs) for more information.*

Managers of Funds and UIT sponsors (collectively, "Managers") may sponsor their own educational conferences and pay expenses of Financial Advisors attending these events. MSWM's policies require that the training or educational portion of these conferences comprises substantially all of the event. Managers may sponsor educational meetings or seminars in which clients as well as Financial Advisors are invited to participate.

Managers are permitted to occasionally give nominal gifts to Financial Advisors, and to occasionally entertain Financial Advisors, subject to a limit of $1,000 per employee per year. MSWM's non-cash compensation policies set conditions for each of these types of payments, and do not permit any gifts or entertainment conditioned on achieving a sales target.

We address conflicts of interest by ensuring that any payments described in this "Payments from Managers" section do not relate to any particular transactions or investment made by MSWM clients with managers. Managers are not required to make any of these types of payments. The payments described in this section comply with FINRA rules relating to such activities.

Payments from Funds and UITs. Please see the discussion of payments from fund companies and UIT sponsors or payments when acting as a sponsor under "Funds in Advisory Programs" and "UITs in Advisory Programs" in Item 4.C.

Different Advice. MSWM and its affiliates may give different advice, take different action, receive more or less compensation, and/or hold or deal in different securities for any other party, client or account (including their own accounts or those of their affiliates) from the advice given, actions taken, compensation received and/or securities held or dealt for your account.

Trading or Issuing Securities in, or Linked to Securities in, Client Accounts. MSWM and its affiliates may provide bids and offers, and may act as a principal market maker, in respect of the same securities held in client accounts. MSWM, its affiliates and employees, the investment managers in its programs, and their affiliates and employees may hold a position (long or short) in the same securities held in client accounts. MSWM and/or its affiliates are regular issuers of traded financial instruments linked to securities that may be purchased in client accounts. From time to time, MSWM (or an affiliate's) trading – both for its proprietary account and for client accounts – may be detrimental to securities held by a client and thus create a conflict of interest between those trades and the investment advisory services that MSWM (or an affiliate) provides to you.

Trade Allocations. Your Financial Advisor may aggregate securities to be sold or purchased for more than one client to obtain favorable execution to the extent permitted by law. The Financial Advisor will allocate the trade in a manner that is equitable and consistent with MSWM's fiduciary duty to its clients (including pro rata allocation, random allocation or rotation allocation). Allocation methods vary depending on various factors (including the type of investment, the number of shares purchased or sold, the size of the accounts, and the amount of available cash or the size of an existing position in an account). The price to each client is the average price for the aggregate order.

Services Provided to Other Clients. MSWM, its affiliates, investment managers, and their affiliates provide a variety of services (including research, brokerage, asset management, trading, lending and investment banking services) for each other and for various clients, including issuers of securities that MSWM may recommend for purchase or sale by clients or are otherwise held in client accounts, and investment management firms in the Programs. MSWM, its affiliates, investment managers and their affiliates receive compensation and fees in connection with these services.

MSWM believes that the nature and range of clients to which such services are rendered is such that it would be inadvisable to exclude categorically all of these issuers or companies from an account. Accordingly, it is likely that securities in an account will include some of the securities of companies for which MSWM, its affiliates, investment managers and their affiliates or an affiliate performs investment banking or other services.

Restrictions on Securities Transactions. There may be periods during which MSWM or investment managers are not permitted to initiate or recommend certain types of transactions in the securities of issuers for which MSWM or one of its affiliates is performing broker-dealer or investment banking services or has confidential or material non-public information. Furthermore, in certain investment advisory programs, MSWM may be compelled to forgo trading in, or providing advice regarding, Morgan Stanley securities, and certain related securities. These restrictions can adversely impact your account performance.

MSWM, the managers and their affiliates may also develop analyses and/or evaluations of securities sold in the Programs, as well as buy and sell interests in securities on behalf of their proprietary or client accounts. These analyses, evaluations and purchase and sale activities are proprietary and confidential, and MSWM will not disclose them to clients. MSWM may not be able to act, in respect of clients' account, on any such information, analyses or evaluations.

MSWM, investment managers and their affiliates are not obligated to effect any transaction that they believe would violate federal or state law, or the regulations of any regulatory or self-regulatory body.

Options Flow Preferencing. When MSWM processes an options order for your account, the order may be routed to options exchanges with an indication that our affiliate MS&Co. has a "preference" on the options order. A "preference" gives MS&Co. the ability to begin an auction among market makers in order to receive bids or offers for a transaction, however such "preference" will only result in an order executed with MS&Co. if its price is equal to or lower than the best price quoted on the relevant exchange. By "preferencing" itself, MS&Co. may generate larger trading volumes than if it were not "preferenced", and that may result in MS&Co. receiving certain benefits. Both MSWM and MS&Co. continue to have an obligation to obtain best execution terms for client transactions under prevailing circumstances and consistent with applicable law.

Research Reports. MS&Co. does business with companies covered by its research groups. Furthermore, MS&Co., its affiliates and client accounts may hold a trading position (long or short) in the securities of companies subject to such research. In such instance, MS&Co. has a conflict of interest that could affect the objectivity of its research reports.

Certain Trading Systems. MSWM may effect trades or securities lending transactions on behalf of client accounts through exchanges, electronic communication networks or other alternative trading systems ("Trading Systems"), including Trading Systems with respect to which MSWM or its affiliates may have a non-controlling direct or indirect ownership interest or the right to appoint a board member or observer. If MSWM directly or indirectly effects client trades or transactions through Trading Systems in which MSWM or its affiliates have an ownership interest, MSWM or its affiliates receive an indirect economic benefit based on their ownership interest. In addition, subject at all times to its obligations to obtain best execution for its customers' orders, it is contemplated that MSWM will route certain customer order flow to its affiliates. Currently, MSWM and/or its affiliates own equity interests (or interests convertible into equity) of 5% or more in certain Trading Systems or their parent companies, including MEMX Holdings LLC; OTCDeriv Limited; EOS Precious Metals Limited; CreditDeriv Limited; FXGlobalClear; Dubai Mercantile Exchange; Japan Securities Depository Center Inc.; Yensai.com Co., Ltd.; and Octaura Holdings LLC.

The Trading Systems on which MSWM trades or effects securities lending transactions for client accounts and in which MSWM or its affiliates own interests may change from time to time. You can contact your Financial Advisor for an up-to-date list of Trading Systems in which MSWM or its affiliates own interests and on which MSWM and/or MS&Co. trade for client accounts.

Certain Trading Systems offer cash credits for orders that provide liquidity to their books and charge explicit fees for orders that extract liquidity from their books. From time to time, the amount of credits that MSWM and/or MS&Co. receives from one or more Trading System may exceed the amount that is charged. Under these limited circumstances, such payments would constitute payment for order flow.

Certain Trading Systems through which MSWM and/or MS&Co. may directly or indirectly effect client trades execute transactions on a "blind" basis, so that a party to a transaction does not know the identity of the counterparty to the transaction. It is possible that an order for a client account that is executed through such a Trading System could be automatically matched with a counterparty that is (i) another investment advisory or brokerage client of MSWM or one of its affiliates or (ii) MSWM or one of its affiliates acting for its own proprietary accounts.

MSWM Affiliate in Underwriting Syndicate; MSWM Distribution of Securities; Other Relationships with Security Issuers. If an affiliate of MSWM is a member of the underwriting syndicate from which a security is purchased, we or our affiliates could directly or indirectly benefit from such purchase. If MSWM participates in the distribution of new issue securities that are purchased for a client's account, MSWM will receive a fee to be paid by the issuing corporation to the underwriters of these securities and ultimately to MSWM, which will be deemed additional compensation to us, if received by us.

MSWM and/or its affiliates have a variety of relationships with, and provide a variety of services to, issuers of securities recommended for client accounts, including investment banking, corporate advisory and services, underwriting, consulting, and brokerage relationships. As a result of these relationships with an issuer, MSWM or its affiliates may directly or indirectly benefit from a client's purchase or sale of a security of the issuer. For example, MSWM or its affiliates may provide hedging services for compensation to issuers of structured investments (such as structured notes) recommended for client accounts. In such a case, MSWM or its affiliates could benefit if a client account purchased such an instrument, or sold such an instrument to another purchaser in lieu of selling or redeeming the instrument back to the issuer, as such transactions could result in the issuer of the instrument continuing to pay MSWM or its affiliates fees or other compensation for the hedging services related to such instrument. Similarly, if the hedging service with respect to such an instrument is not profitable for MSWM or its affiliates, MSWM or its affiliates benefit if MSWM's client accounts holding such instruments sold or redeemed them back to the issuer. These types of relationships with issuers create a conflict of interest when MSWM and/or your Financial Advisor purchases on a discretionary basis in your account such issuer's security.

Also, in the event of corporate actions with respect to securities held in client accounts, to the extent such corporate actions result in exchanges, tender offers or similar transactions, MSWM and/or its affiliates may participate in and/or advise on such transactions and receive compensation. The interest of MSWM's affiliates in these corporate actions may conflict with the interest of MSWM clients. In addition, where an affiliate of MSWM is representing or advising the issuer in a transaction, the interest of the issuer may conflict with client interests and create a potential conflict of interest for MSWM, MSWM also provides various services to issuers, their affiliates and insiders, including but not limited to, stock plan services and financial education for which MSWM receives compensation.

Affiliated Funds. Certain Funds and UITs managed by us or our affiliates, including but not limited to, MSIM and EVM and their investment affiliates, are available for purchase in the Programs, including Retirement Accounts. See "Funds in Advisory Programs" and "UITs in Advisory Programs" above. Although some Funds and UITs may be available in more than one MSWM program, each program may offer Funds, UITs and other features that are not available in other MSWM programs. You understand that MSWM and our affiliates will receive more aggregate compensation when the PM Financial Advisor selects a Fund or a UIT that is affiliated with MSWM than if the PM Financial Advisor selects a Fund or UIT that is not affiliated with MSWM. The selection of a MSWM affiliated Fund or UIT may also be more costly to your account than other options. In addition, some Funds and UITs that are affiliated with MSWM may charge higher fees than other affiliated Funds and UITs. Thus, MSWM and our Financial Advisor have a conflict of interest as they have a financial incentive to select affiliated Funds and UITs. Similarly, if a Fund is not affiliated with us but we have an ownership share in the Fund's manager or a UIT sponsor, we and our Financial Advisors have a conflict of interest as we have a financial incentive to select that Fund or UIT because, as an owner of the Fund's manager or the UIT sponsor, we benefit from its profits.

Affiliated Sweep Vehicles. MSWM has a conflict of interest in selecting or recommending BDP or Money Market Funds as the Sweep Vehicle. See Item 4.C above for more information.

Investments in Sweep Vehicle or Funds. As described in Item 4C above, with respect to non-Retirement Account clients, MSWM or its affiliates earn greater compensation from Funds than other investment products. The above-described Bank Deposit Program revenue and fees for money market funds, administrative services fees (with respect to PM accounts) for accounts of non-Retirement Account clients and other payments create a potential for a conflict of interest to the extent that the additional payments could influence MSWM to select a Fund instead of a different investment product, or investment style that favors cash balances.

Please note that in the PM program and in the ICAP program (unless Fund or money market fund assets are excluded from the calculation of the market value of the ICAP account for purposes of calculating the fee in the ICAP program), your Financial Advisor does not receive any of the Bank Deposit Program revenue, fees from money market funds or administrative services fees described herein.

Nonpublic Information. In the course of investment banking or other activities, MSWM, and our affiliates and agents may from time to time acquire confidential or material nonpublic information that may prevent us or them, for a period of time, from purchasing or selling particular securities for your account. MSWM, its and our affiliates and agents will not be free to divulge or to act upon this information with respect to our or their advisory or brokerage activities, including their activities with regard to your account. This may adversely impact the investment performance of your account.

Limitation on Investments in Covered Funds. MSWM limits the amount it can purchase or hold on an aggregate basis in certain funds, such as mutual funds, exchange-traded funds, certain exchange-traded products, closed-end funds and unit investment trusts ("Covered Funds") on a discretionary basis in client accounts ("discretionary client accounts") or for its own accounts. This limitation seeks to avoid potential regulatory restrictions on the ability of MSWM's affiliates to engage in principal trading and other transactions with such Covered Funds. As a result of these limitations, discretionary clients will be limited in their ability to invest in Covered Funds from time to time and can be precluded from investing in certain Covered Funds alternatives. This limitation creates a conflict of interest for MSWM in determining the amount of investment opportunities in Covered Funds that are available to discretionary clients.

C. Financial Advisors Acting as Portfolio Managers

Description of Advisory Services

See Item 4.A above for a description of the services offered in the programs described in this Brochure.

Tailoring Services for Individual Clients

You can ask your portfolio manager to manage your account pursuant to a particular investment strategy. In the ICAP program your Financial Advisor will manage your account in accordance with the rules matrix (as discussed above in Item 4.A). You can also place restrictions on your account (as discussed above in Item 4.A).

Wrap Fee Programs

MSWM acts as the sponsor and acts as the portfolio manager in the Programs. MSWM does not act as portfolio manager in any programs which are not wrap fee programs but are otherwise similar to the Programs. MSWM receives all the client fees for its services provided in the Programs.

Performance-Based Fees

The Programs do not charge performance-based fees.

Methods of Analysis and Investment Strategies

Financial Advisors in the programs described in this Brochure may use any investment strategy when providing investment advice to you. Financial Advisors may use asset allocation recommendations of the Morgan Stanley Wealth Management Global Investment Office as a resource but, there is no guarantee that any strategy will in fact mirror or track these recommendations. Investing in securities involves risk of loss that you should be prepared to bear.

Policies and Procedures Relating to Voting Client Securities

If you have an account in the Programs, you have the option to elect who votes proxies for your account. Unless you have expressly retained the right to vote proxies, for accounts where MSWM is the custodian you delegate proxy voting authority to a third-party proxy voting service provider, Institutional Shareholder Services Inc. ("ISS"), which MSWM has engaged to vote on your behalf. You cannot delegate proxy voting authority to MSWM or any Morgan Stanley employees and we do not agree to assume any proxy voting authority from you. If MSWM is not the custodian for your account, you retain the authority and responsibility to vote proxies.

If you expressly retain the right to vote proxies, we will forward to you any proxy materials that we receive for securities in your account. Neither MSWM nor your Financial Advisor will advise you on particular proxy solicitations. If ISS votes proxies for you, you cannot instruct ISS on how to cast any particular vote.

If you have delegated proxy voting authority to ISS, you can obtain from your Financial Advisor, information as to how proxies were voted for your account during the prior annual period. You can change your proxy voting election at any time by contacting your Financial Advisor.

MSWM will not provide advice or take action with respect to legal proceedings (including bankruptcies) relating to the securities in your account, except to the extent required by law.

Item 7: Client Information Provided to Portfolio Managers

The Financial Advisor is the portfolio manager in the Programs. The Financial Advisor has access to the information you provide at account opening, which includes information in your client profile.

Item 8: Client Contact with Portfolio Managers

You can contact your Financial Advisor at any time during normal business hours.

Item 9: Additional Information

Disciplinary Information

This section contains information on certain legal and disciplinary events.

- On June 8, 2016, the SEC entered into a settlement order with MSWM ("June 2016 Order") settling an administrative action. In this matter, the SEC found that MSWM willfully violated Rule 30(a) of Regulation S-P (17 C. F. R. § 248.30(a)) (the "Safeguards Rule"). In particular, the SEC found that, prior to December 2014, although MSWM had adopted written policies and procedures relating to the protection of customer records and information, those policies and procedures were not reasonably designed to safeguard its customers' personally identifiable information as required by the Safeguards Rule and therefore failed to prevent a MSWM employee, who was subsequently terminated, from misappropriating customer account information. In determining to accept the offer resulting in the June 2016 Order, the SEC considered the remedial efforts promptly undertaken by MSWM and MSWM's cooperation afforded to the SEC Staff. MSWM consented, without admitting or denying the findings, to a censure, to cease and desist from committing or causing future violations, and to pay a civil penalty of $1,000,000.
- On January 13, 2017, the SEC entered into a settlement order with MSWM ("January 2017 Order") settling an administrative action. The SEC found that from 2009 through 2015, MSWM inadvertently charged advisory fees in excess of what had been disclosed to, and agreed to by, its legacy CGM (Citigroup Global Markets Inc., a predecessor of MSWM) clients, and, from 2002 to 2009 and from 2009 to 2016, MS&Co. and MSWM, respectively, inadvertently charged fees in excess of what was disclosed to and agreed to by their clients. The SEC also found that MSWM failed to comply with requirements regarding annual surprise custody examinations for the years 2011 and 2012, did not maintain certain client contracts, and failed to adopt and implement written compliance policies and procedures reasonably designed to prevent violations of the Investment Advisers Act of 1940 (the "Advisers Act"). The SEC found that, in relation to the foregoing, MSWM willfully violated certain sections of the Advisers Act. In determining to accept the offer resulting in the January 2017 Order, the SEC considered the remedial efforts promptly undertaken by MSWM. MSWM consented, without admitting or denying the findings, to a censure, to cease and desist from committing or causing future violations, to certain undertakings related to fee billing, books and records and client notices and to pay a civil penalty of $13,000,000.
- On February 14, 2017, the SEC entered into a settlement order with MSWM settling an administrative action. The SEC found that from March 2010 through July 2015, MSWM solicited approximately 600 non-discretionary advisory accounts to purchase one or more of eight single inverse exchange traded funds ("SIETFs"), without fully complying with its internal written compliance policies and procedures related to these SIETFs, which among other things required that clients execute a disclosure notice, describing the SIETF's features and risks, prior to purchasing them, for MSWM to maintain the notice, and for subsequent related reviews to be performed. The SEC found that, despite being aware of deficiencies with its compliance and documentation of the policy requirements, MSWM did not conduct a comprehensive analysis to identify and correct past failures where the disclosure notices may not have been obtained and to prevent future violations from occurring. The SEC found that, in relation to the foregoing, MSWM willfully violated section 206(4) of the Investment Advisers Act of 1940 and Rule 206(4)-7 thereunder. MSWM

admitted to certain facts and consented to a censure, to cease and desist from committing or causing future violations, and to pay a civil penalty of $8,000,000.

- On June 29, 2018, the SEC entered into a settlement order with MSWM settling an administrative action which relates to misappropriation of client funds in four related accounts by a single former MSWM financial advisor ("FA"). The SEC found that MSWM failed to adopt and implement policies and procedures or systems reasonably designed to prevent personnel from misappropriating assets in client accounts. The SEC specifically found that, over the course of eleven months, the FA initiated unauthorized transactions in the four related client accounts in order to misappropriate client funds. The SEC found that while MSWM policies provided for certain reviews prior to issuing disbursements, such reviews were not reasonably designed to prevent FAs from misappropriating client funds. Upon being informed of the issue by representatives of the FA's affected clients, MSWM promptly conducted an internal investigation, terminated the FA, and reported the fraud to law enforcement agencies. MSWM also fully repaid the affected clients, made significant enhancements to its policies, procedures and systems ("Enhanced MSWM Policies") and hired additional fraud operations personnel. The SEC found that MSWM willfully violated section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. The SEC also found that MSWM failed to supervise the FA pursuant to its obligations under Section 203(e)(6) of the Advisers Act. MSWM consented, without admitting or denying the findings, to a censure; to cease and desist from committing or causing future violations; to certain undertakings, including certifications related to the implementation and adequacy of the Enhanced MSWM Policies and to pay a civil penalty of $3,600,000.
- On May 12, 2020, the SEC entered into a settlement order with MSWM settling an administrative action which relates to certain information provided in marketing and client communications to retail advisory clients in MSWM's wrap fee programs with third-party managers and MSWM's policies and procedures related to trades not executed at MSWM. In the applicable wrap fee programs, the third- party manager has the discretion to place orders for trade execution on clients' behalf at a broker-dealer other than Morgan Stanley. MSWM permits managers to "trade away" from MSWM in this manner in order to seek best execution for trades. The SEC found that, from at least October 2012 through June 2017, MSWM provided incomplete and inaccurate information indicating that MSWM executed most client trades and that, while additional transaction-based costs were possible, clients did not actually incur them in the ordinary course. The SEC found that this information was misleading for certain retail clients because some wrap managers directed most, and sometimes all, client trades to third-party broker-dealers for execution, which resulted in certain clients paying transaction-based charges that were not visible to them. The SEC also found that, on occasion, wrap managers directed trades to MSWM-affiliated broker-dealers in which clients incurred transaction-based charges in violation of MSWM's affiliate trading policies without detection by MSWM. The SEC noted in the order that it considered certain remedial acts undertaken by MSWM in determining to accept the order, including MSWM enhancing its disclosures to clients, implementing training of financial advisors, enhancing relevant policies and procedures, and refunding clients' transaction-based charges paid to Morgan Stanley affiliates. The SEC found that MSWM willfully violated certain sections of the Investment Advisers Act of 1940, specifically Sections 206(2) and 206(4) and Rule 206(4)-7 thereunder. MSWM consented, without admitting or denying the findings and without adjudication of any issue of law or fact, to a censure; to cease and desist from committing or causing future violations; and to pay a civil penalty of $5,000,000.
- On December 9, 2024, the SEC entered into a settlement order with MSWM settling an administrative action, which relates to misappropriation of client funds in brokerage and advisory accounts by four former MSWM financial advisors (the "FAs"). The SEC found that MSWM failed to adopt and implement policies and procedures reasonably designed to prevent personnel from misusing and misappropriating funds in client accounts and that MSWM's inadequate policies and procedures and systems to implement them led to its failure reasonably to supervise the four FAs, who misappropriated funds from client and customer accounts while employed at MSWM. Specifically, the SEC found that MSWM failed to adopt and implement policies and procedures reasonably designed to prevent and detect unauthorized externally initiated ACH payments and unauthorized cash wires. Upon being informed of the potential unauthorized activity in the customer accounts of two of the FAs, MSWM promptly investigated the matters, terminated the FAs, reported the fraud to law enforcement agencies, and fully repaid the affected clients. MSWM also conducted a retroactive review of payment instructions for externally initiated ACH payment instructions, which led to the identification of misconduct by the other two FAs. MSWM accordingly terminated the other two FAs and reported the misconduct to SEC staff. On its own initiative, MSWM instituted new written procedures to address the conduct at issue and retained an independent compliance consultant to perform a review and assessment. The SEC found that MSWM willfully violated section 206(4) of the Investment Advisers Act of 1940 ("Advisers Act") and Rule 206(4)-7 thereunder. The SEC also found that MSWM failed to supervise the FAs within the meaning of Section 203(e)(6) of the Advisers Act and/or Section 15(b)(4)(E) of the Securities Exchange Act of 1934. MSWM consented, without admitting or denying the findings, to a censure; to cease and desist from committing or causing future violations; to certain undertakings, including the retention of an Independent Compliance Consultant to review MSWM's policies, procedures and controls related to the conduct in the Order and to pay a civil penalty of $15,000,000.

MSWM's Form ADV Part 1 contains further information about its disciplinary history, and is available on request from your Financial Advisor.

Other Financial Industry Activities and Affiliations

Morgan Stanley ("Morgan Stanley Parent") is a financial holding company under the Bank Holding Company Act of 1956. Morgan Stanley Parent is a corporation whose shares are publicly held and traded on the New York Stock Exchange. MSWM is a wholly owned indirect subsidiary of Morgan Stanley Parent.

Activities of Morgan Stanley Parent. Morgan Stanley Parent is a global firm engaging, through its various subsidiaries, in a wide range of financial services including:

- securities underwriting, distribution, trading, merger, acquisition, restructuring, real estate, project finance and other corporate finance advisory activities
- merchant banking and other principal investment activities
- brokerage and research services
- asset management
- trading of foreign exchange, commodities and structured financial products and
- global custody, securities clearance services, and securities lending.

Broker-Dealer Registration. As well as being a registered investment adviser, MSWM is registered as a broker-dealer.

Restrictions on Executing Trades. As MSWM is affiliated with MS&Co. and its affiliates, the following restrictions apply when executing client trades:

- MSWM and MS&Co. generally do not act as principal in executing trades for MSWM investment advisory clients (except in limited circumstances as permitted by law).
- Regulatory restrictions may limit your ability to purchase, hold or sell equity and debt issued by Morgan Stanley Parent and its affiliates in some advisory programs.
- Certain regulatory requirements may limit MSWM's ability to execute transactions through alternative execution services (e.g., electronic communication networks and crossing networks) owned by MSWM, MS&Co. or their affiliates.

These restrictions may adversely impact client account performance. See Item 6.B above for conflicts arising from our affiliation with MS&Co. and its affiliates.

Related Investment Advisors and Other Service Providers. MSWM has affiliates (including MSIM, Morgan Stanley Investment Management Limited and Consulting Group Advisory Services LLC, as well as EVM and its affiliates) that are investment advisers to mutual funds in various investment advisory programs. If you invest your assets in an affiliated mutual fund, MSWM and its affiliates earn more money than if you invest in an unaffiliated mutual fund. Generally, for Retirement Accounts, MSWM rebates or offsets fees so that MSWM complies with IRS and Department of Labor rules and regulations.

MSIM and certain EVM investment affiliates serve in various advisory, management, and administrative capacities to open-end and closed-end investment companies and other portfolios (some of which are listed on the NYSE). Morgan Stanley Services Company Inc., its wholly owned subsidiary, provides limited transfer agency services to certain open-end investment companies.

Morgan Stanley Distribution Inc. serves as distributor for these open-end investment companies, and has entered into selected dealer agreements with MSWM and affiliates. Morgan Stanley Distribution Inc. also may enter into selected dealer agreements with other dealers. Under many of these agreements, MSWM and affiliates, and other selected dealers, are compensated for sale of fund shares to clients on a brokerage basis, and for shareholder servicing (including pursuant to plans of distribution adopted by the investment companies pursuant to Rule 12b-l under the Investment Company Act of 1940).

Related persons of MSWM act as general partner, administrative agent or special limited partner of a limited partnership or managing member or a special member of a limited liability company to which such related persons serve as adviser or sub-adviser and in which clients have been solicited in a brokerage or advisory capacity to invest. In some cases, the general partner of a limited partnership is entitled to receive an incentive allocation from a partnership.

See Item 4.C above for a description of cash Sweep Vehicles managed or held by related persons of MSWM.
See Item 6.B above for a description of various conflicts of interest.

Market Transition Away from LIBOR. The following 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 had been a widely used interest rate benchmark in bond, loan and derivative contracts, as well as consumer lending instruments such as mortgages. However, as a result of concerns with the integrity of LIBOR and how it is determined, LIBOR will cease to be published and will be replaced by alternative reference rates.

Specifically, overnight and one-, three-, six- and 12-month USD LIBOR will no longer be published after June 30, 2023. However, regulators have indicated that the time until then is to be used only for managing existing LIBOR-based products. All settings for GBP, EUR, JPY and CHF LIBOR, and one-week and two-month settings for USD LIBOR, are no longer being published, although synthetic versions of GBP and JPY LIBOR rates will be published for a period of time. 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 as the recommended alternative benchmark rate to USD LIBOR.

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. For example, 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. Documentation governing existing LIBOR-based products may contain "fallback provisions", which provide for how the applicable interest rate will be calculated if LIBOR ceases or is otherwise unavailable. 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 when LIBOR ceases. Clients utilizing hedging strategies may also face basis risk due to inconsistent fallback provisions in their various investments. Recently, federal legislation was signed into law that will provide for a SOFR-based rate plus a spread to replace LIBOR for those contracts without effective fallback provisions.

With respect to an investment in SOFR-linked products and products that will fallback to SOFR, you should understand the terms of the particular product 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 apply different market conventions to calculate interest and therefore these products have different risks and considerations.

Affiliates of MSWM participate on central bank committees that have been selecting alternative rates and developing transition plans for trading these new rates. In addition, MSWM 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 SOFR-based products you hold and the terms of those that you are considering purchasing. Other products and services offered by or through MSWM 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, and the above information is subject to change. For more information on the potential 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.

Code of Ethics

The MSWM US Investment Advisory Code of Ethics ("Code") applies to MSWM's employees, supervisors, officers and directors engaged in offering or providing investment advisory products and/or services (collectively, the "Access Persons"). In essence, the Code prohibits Access Persons from engaging in securities transactions or activities that involve a material conflict of interest, possible diversion of a corporate opportunity, or the appearance of impropriety. Access Persons must always place the interests of MSWM's clients above their own and must never use knowledge of client transactions acquired in the course of their work to their own advantage. Supervisors are required to use reasonable supervision to detect and prevent any violations of the Code by the individuals, branches and departments that they supervise.

The Code generally operates to protect against conflicts of interest either by subjecting activities of an Access Person to specified limitations (including pre-approval requirements) or by prohibiting certain activities. Key provisions of the Code include:

- The requirement for certain Access Persons, because of their potential access to non-public information, to obtain their supervisors' prior written approval or provide pre-trade notification before executing certain securities transactions for their personal securities accounts;
- Additional restrictions on personal securities transaction activities applicable to certain Access Persons (including Financial Advisors and other MSWM employees who act as portfolio managers in MSWM investment advisory programs);
- Requirements for certain Access Persons to provide initial and annual reports of holdings in their securities accounts, along with quarterly transaction information in those accounts;
- Additional requirements for pre-clearance of other activities including, but not limited to, Outside Business Activities, Gifts and Entertainment, and U.S. Political Contributions and Political Solicitation Activity; and
- PM Financial Advisors are prohibited from purchasing or selling in their own accounts (or certain accounts in which they or related persons have an interest) the same security (or derivative of the same security) as their PM client(s), if the PM Financial Advisor's personal trade is executed on the same day and prior to when a PM client's trade that the PM Financial Advisor initiates is executed. PM Financial Advisors may trade in their own accounts (and related person accounts) within two hours after the last trade of the same security for their PM clients, as long as they do not receive a better price than their PM clients, subject to a de minimus exception. PM Financial Advisors are prohibited from trading opposite their PM clients on the same day when they exercise discretion. PM Financial Advisors may trade derivatives in their own accounts (and related person accounts) on the same day as long as their trade is executed after the last client trade, and only if their trading does not present a conflict with the client's trade. However, in the Programs, Financial Advisors may trade in their own accounts (and related person accounts) at the same time as they execute client trades if they aggregate these trades with client trades. Please ask your Financial Advisor if you would like more information on the Financial Advisor's practices in this respect.

You can obtain a copy of the Code from your Financial Advisor. *See Item 6.B above, for a description of Conflicts of Interest.*

Trade Errors

Whether made by MSWM or by agents acting on our behalf, trade errors do occur from time to time. MSWM maintains policies and procedures to ensure timely detection, reporting, and resolution of trade errors involving client accounts. In general, once a trade error has been identified, we take prompt, corrective action, returning the client's account to the economic position it would be in absent the error. Once the trade error is resolved with respect to the client's account, the handling of any resulting gain or loss can vary depending on the circumstances and the specific type of error; typically, however, any net gain or loss is either booked to the relevant error account or, in certain situations resulting in a net gain, donated to the Morgan Stanley Foundation.

Reviewing Accounts

At account opening, your Financial Advisor reviews your account to ensure that it and your investment strategy are appropriate for you in light of your investment objectives, risk tolerance, and financial circumstances.

Your Financial Advisor is then responsible for reviewing your account on an ongoing basis. Your Financial Advisor may adjust your account at any time according to market conditions. Your Financial Advisor will ask you at least annually if your investment objectives have changed. If your objectives change, your Financial Advisor will modify your account to be appropriate for your needs.

MSWM reviews accounts daily to determine if any investments are outside the program investment guidelines and conducts various checks on a periodic basis.

If your PM account is identified as having investments outside program investment guidelines (other than allocation to cash and cash equivalents), MSWM will consider investments in your related MSWM advisory accounts where you granted discretion to your Financial Advisor before taking any action. With respect to allocations to cash and cash equivalents, MSWM will consider investments in all your related MSWM advisory accounts before taking any action. If your account investments are outside investment guidelines as described above, MSWM will require your Financial Advisor to bring your account within the investment guidelines. Please contact your Financial Advisor for further details.

MSWM monitors clients' allocations to cash and cash equivalents in the custodied PM accounts. While there may be individual circumstances or tactical reasons to overweight these assets in client accounts, holding these assets as part of a strategic allocation for an extended period of time could adversely impact account performance. Account holdings in cash and cash equivalents are subject to percentage and duration limitations under the PM investment guidelines, and are reviewed as described above. ICAP management reviews accounts daily to determine if any investments are outside the Matrix and if so, generally requires your Financial Advisor to bring your ICAP account within the Matrix.

See Item 4.A above for a discussion of account statements and periodic reviews provided for your account or your Client Portfolio, as applicable.

Client Referrals and Other Compensation

See "Payments from Mutual Funds" in Item 6.B above.

MSWM may compensate affiliates and unaffiliated third parties for client referrals in accordance with Rule 206(4)-1 of the Advisers Act. If you open an account in an investment advisory program, the compensation paid to any such entity will typically consist of an ongoing cash payment stated as a percentage of MSWM's advisory fee or a one-time flat fee, but may include cash payments determined in other ways.

Financial Information

We are not required to include a balance sheet in this Brochure because we do not require or solicit prepayment of more than $1,200 in fees per client, six months or more in advance.

We do not have any financial conditions that are reasonably likely to impair our ability to meet our contractual commitments to clients.

MSWM and its predecessors have not been the subject of a bankruptcy petition during the past 10 years.

Exhibit: Affiliated Money Market Funds Fee Disclosure Statement and Float Disclosure Statement

Sweep Vehicles in Retirement Accounts

Retirement Accounts generally effect temporary sweep transactions of new free credit balances into Deposit Accounts established under the Bank Deposit Program.

The table below describes the fees and expenses charged to sweep assets invested in shares of the Money Market Funds in which the account invests (expressed as a percentage of each fund's average daily net assets for the stated fiscal year). Note that:

- The rate of Advisory Fee and Distribution and Service Fees (including 12b-1 fees) (whether in basis points or dollars) cannot be increased without first obtaining shareholder approval.
- Expenses designated as "Other Expenses" include all expenses not otherwise disclosed in the table that were deducted from each fund's assets or charged to all shareholder accounts in the stated fiscal year (and may change from year to year).

These fees and expenses are generally paid to MSIM, MSWM and/or its affiliates for services performed. The aggregate amount of these fees is stated in the tables below. The amounts of expenses deducted from a fund's assets are shown in each fund's statement of operations in its annual report.

Morgan Stanley Investment Management (and/or its affiliates) may, from time to time, waive part or all of its advisory fee or assume or reimburse some of a fund's operating expenses (this may be for a limited duration). Such actions are noted in the fund's prospectus and/or statement of additional information. The table below shows the Total Annual Fund Operating Expenses (before management fee waivers and/or expense reimbursements) and the Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements.

MSWM reasonably expects to provide services as a fiduciary (as that term is defined under ERISA or the Code) with respect to Retirement Accounts. MSWM believes that investing in shares of the funds for sweep purposes is appropriate for Retirement Accounts because using professionally managed Money Market Funds allows you to access cash on an immediate basis, while providing a rate of return on your cash positions pending investment. As is typical of such arrangements, we use only affiliated money funds for this purpose.

MSWM also believes that investing a Retirement Account's assets in the Deposit Accounts is appropriate. Terms of the Bank Deposit Program are further described in the Bank Deposit Program Disclosure Statement, which has been provided to you with your account opening materials.

The fund expense information below reflects the most recent information available to us as of December 31, 2024, and is subject to change. Please refer to the funds' current prospectuses, statements of additional information and annual reports for more information.

Fund	Advisor Fee	Distribution and Service Fees	Shareholder Service Fee	Other Expenses	Total Annual Fund Operating Expenses	Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements
MSILF Government Securities-Participant Share Class	0.15%	0.25%	0.25%	0.08%	0.73%	0.45%
MS U.S. Government Money Market Trust	0.15%	N/A	0.10%	0.11%	0.36%	0.36%

Interest Earned on Float

If MSWM is the custodian of your account, MSWM retains as compensation, for providing services, the account's proportionate share of any interest earned on cash balances held by MSWM (or an affiliate) with respect to assets awaiting investment including:

- new deposits to the account (including interest and dividends) and
- uninvested assets held by the account caused by an instruction to the custodian to buy and sell securities (which may, after the period described below, be automatically sent to a sweep vehicle).

This interest is generally at the prevailing Federal Funds interest rate.

Generally, with respect to such assets awaiting investment:

- when the custodian receives the assets on a day on which the NYSE is open ("Business Day") and before the NYSE closes, the custodian earns interest through the end of the following Business Day and
- when the custodian receives the assets on a Business Day but after the NYSE closes, or on a day which is not a Business Day, the custodian earns interest through the end of the second following Business Day