Morgan Stanley Third Party Regulatory Requirements

This document (the "Regulatory Requirements") outlines the mandatory requirements for any third-party provider ("Supplier") engaged by Morgan Stanley under a contractual relationship (the "Agreement"), to provide products and services ("Services") in compliance with applicable third-party regulations.

The Regulatory Requirements are designed to facilitate operational resilience, regulatory compliance with applicable regulations, and the secure delivery of Services procured by Morgan Stanley.

In this document "Morgan Stanley" refers to any entity which is a counterparty to the Agreement with Supplier.

"Regulator" means any: (i) governmental, regulatory (or quasi-governmental or quasi-regulatory) or other competent authority (wherever in the world located) having oversight or authority over Morgan Stanley and/or any of its Affiliates; or (ii) any law enforcement authority. "Affiliate" means any entity that controls, is controlled by, or is under common control with, directly or indirectly, Morgan Stanley, whether through the direction of the management, policies or operations of an entity, through ownership of voting securities, by contract or otherwise, or the ownership of, or the power to vote, at least twenty percent of the voting stock, shares or interests of such entity.

Incorporation

All Suppliers providing Services to Morgan Stanley are deemed to accept this policy upon receipt of payment for any products and Services provided to Morgan Stanley.

These Regulatory Requirements shall amend, supplement and form part of the Agreement, save to the extent that the existing provisions of the Agreement are equivalent to the Regulatory Requirements or provide for rights and obligations that are more extensive or favorable to Morgan Stanley than the Regulatory Requirements (and in such circumstances the existing provisions of the Agreement shall prevail in the event of a conflict). Where any existing provision of the Agreement only partially complies with the Regulatory Requirements, such provision shall be supplemented by these Regulatory Requirements only to the extent necessary to render the provision compliant. Morgan Stanley expects Suppliers to cooperate with Morgan Stanley in ratifying the applicable Regulatory Requirements through a signed amendment of the Agreement at the earliest available opportunity.

Services provided by the Supplier may be required to be provided in compliance with more than one set of Regulatory Requirements. In such circumstances, each section of the Regulatory Requirements shall be supplementary to the Agreement and be deemed to apply to all Services provided under the Agreement which are within the scope of the applicable section.

To the extent that a Supplier provides any Services that are not in scope for the applicable Regulatory Requirements, the Regulatory Requirements shall not apply to the provision of such Services.

I. DORA ICT SERVICES

Applicability

This section outlines the mandatory requirements for all Suppliers engaged by Morgan Stanley, to provide Information and Communication Technology (ICT) Services in compliance with Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 (DORA).

This section applies to all third parties providing Services which are ICT services for the benefit of an EU Affiliate irrespective of whether the EU Affiliate is a party to the Agreement. For the purposes of the Regulatory Requirements an EU Affiliate means any Morgan Stanley Affiliate which is established in the EU and meets the definitions in Article 2(1)(a) to (t) of DORA.

Service Description

In the written agreement with Morgan Stanley Supplier shall provide a clear and complete description of all Services to be provided.

Service & Data Location Transparency

Unless the Supplier discloses otherwise in the Agreement, the Services are assumed to be provided solely from the same location in which Supplier has its main business address and any data shared by Morgan Stanley shall be stored and processed solely within the same country in which Morgan Stanley has its main business address. Supplier must notify Morgan Stanley in advance of any changes to the locations from which Supplier processes data.

Subcontracting

Supplier must identify in the Agreement any subcontractors whose Services materially underpin the performance of Services or involve access to Morgan Stanley's data and whose failure could impact the performance of the Services provided by the Supplier.

Supplier shall notify Morgan Stanley at least ninety (90) days in advance of any material changes to subcontracting arrangements.

Security & Data Requirements

Supplier shall maintain a written information security program which includes as a minimum IT and cyber security controls including those set out in Morgan Stanley's Minimum Security requirements.

Supplier shall process personal data shared by or on behalf of Morgan Stanley and otherwise collected in the course of Services in compliance with the terms set out in the Data_Processing_Terms_Full.pdf.

Data Return & Recovery

Upon request, Supplier shall return or enable Morgan Stanley to retrieve any data shared with the Supplier, including upon termination of the Services, Supplier's insolvency, or in the event of a regulatory request.

Service Levels

Supplier shall provide the Services in accordance with appropriate service levels or performance standards, whether deemed by contract, course of conduct.

Incident Assistance

Suppliers shall assist Morgan Stanley (including full cooperation and access for investigation) at no additional cost (or at the pre-agreed cost set out in the Agreement) in the event of an ICT incident (as defined in DORA).

Regulatory Cooperation

Supplier shall provide reasonable information and cooperation in relation to the Services as requested by Morgan Stanley and Regulators.

Termination Rights

Notwithstanding anything to the contrary, the Services may be terminated by Morgan Stanley in the following circumstances:

- Material changes being made to the Services or the way in which the Services are delivered by the Supplier, or material changes to the arrangement, or the situation of the Supplier, and such changes have a material adverse impact on Morgan Stanley and/or any of its Affiliates; or
- A request by any Regulator or if continuing the Agreement would place Morgan Stanley and/or any of its Affiliates in breach of applicable laws or such Regulator's request; or
- A material breach of the Agreement by Supplier or Supplier personnel (including breach of applicable laws or a breach of the provisions regarding confidentiality and security of data).

Training & Awareness

Supplier personnel accessing Morgan Stanley systems or premises must complete mandatory security and resilience training as required by Morgan Stanley.

Material Adverse Impact Notification

Suppliers must promptly notify Morgan Stanley of any development that may materially adversely impact the Supplier's ability to provide the Services.

II. DORA CRITICAL ICT SERVICES

Applicability

This section supplements the previous section for DORA ICT Services and outlines additional mandatory requirements for all Suppliers engaged by Morgan Stanley, to provide Critical ICT Services in compliance with Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 (DORA).

For the purposes of this document, "Critical ICT Services" are those whose disruption could have a significant adverse impact on the **critical and important functions** of Morgan Stanley and its EU Affiliates.

Threat-Led Penetration Testing (TLPT)

Morgan Stanley shall provide prior notification if the scope of any Threat-Led Penetration Testing is intended to include the scope of the Supplier's Services, and the parties shall agree the terms applicable to the conduct of such Threat-Led Penetration Testing and the respective roles and responsibilities of each party. Suppliers shall co-operate with Morgan Stanley in relation to such Threat-Led Penetration Testing as may be performed by Morgan Stanley upon the request of a Regulator.

Business Continuity & Resilience

Suppliers must implement and test contingency plans and maintain ICT security measures in alignment with Morgan Stanley's Minimum Security requirements.

Audit & Assurance Reports

Morgan Stanley shall have the right to monitor the Supplier's performance of the Services on an ongoing basis and this monitoring shall entail:

- The annual provision to Morgan Stanley of an independent audit report evidencing the Supplier's systems and controls in the form of one of the following:

  - a Statement on Standards for Attestation Engagements (SSAE), System and Organization Controls (SOC1 or SOC2), Type II Report (covering the most recent 12-month period).
  - an International Standard on Assurance Engagements (ISAE) No. 3402, Assurance Report on Controls at a Service Organization, Type II Report (covering the most recent 12-month period).
  - a current International Organization for Standardization (ISO) 27001, Certificate with Statement of Applicability.
  - a current ISO 23001 Certificate (unless submitting a SOC2 report (above) covering 'Availability' and 'Integrity' trust principles).
- The ability of Morgan Stanley and /or Regulators to conduct (whether directly or through a third party) an on-site audit of Supplier's and/or such subcontractor's systems, procedures and internal controls used, and records kept, in connection with its provision of any Services. The audit shall include the right to take copies of records (if they are critical to the operations of the Supplier and cannot be removed from the site).

The Supplier will cooperate as needed in connection with any such audit. Any audit shall be conducted during normal business hours and upon at least 48 hours' notice, unless a Regulator requires shorter notice.

Conditions of Subcontracting

Notwithstanding the use of subcontractors by the Supplier, the Supplier shall:

- remain fully responsible for the delivery and performance of all ICT Services, including those provided by subcontractors.
- monitor all subcontracted services and ensure that subcontractors meet the same standards and obligations as the Supplier under the Agreement.
- assess and document all risks associated with the location of current or potential subcontractors and their parent companies, particularly where the Services support critical or important functions of Morgan Stanley
- ensure compliance with applicable data sovereignty and regulatory access requirements.
- ensure that all subcontractors are contractually bound to:

  - Meet the same monitoring and reporting obligations as the Supplier.
  - Specify the location of any data processed or stored by subcontractors.
  - Maintain continuity of ICT Services supporting CIFs in the event of subcontractor failure.
  - Implement business continuity plans and service level agreements aligned with Article 30(3)(c) of Regulation (EU) 2022/2554.
  - Adhere to ICT security standards and any additional security requirements as set out in the Agreement.
  - Grant Morgan Stanley and Regulators equivalent rights of access, inspection, and audit as may be required of the Supplier pursuant to DORA.

Additionally Morgan Stanley reserves the right to terminate the Services if:

- Morgan Stanley objects to a proposed subcontractor notified by the Supplier and the Supplier proceeds to use the subcontractor notwithstanding such objection.
- Subcontracting changes are made to the Services without prior notification or before the notification period expires.

Exit Assistance

Morgan Stanley shall be entitled to continued provision of the Services by Supplier (at the same Fees as in effect immediately prior to termination or expiration of the Services) for such period as required (as reasonably determined by Morgan Stanley) to wind down Morgan Stanley's then-current use of the Services.

III. Recovery and Resolution Planning

Applicability

This section outlines the mandatory requirements for all Suppliers engaged by Morgan Stanley, to provide Services in compliance with global bank recovery and resolution laws and guidance.

"Resolution Event" includes, in relation to a financial services institution: (i) it becoming subject to a formal crisis prevention or management measure; (ii) any measure or action that is analogous in any jurisdiction in which it is incorporated, resident, regulated, carries on business or has assets; or (iii) any Regulator taking any measure or action in connection with or anticipation of any of the foregoing.

Assignment and Continuation of Services

Supplier acknowledges that, as required by relevant Regulators, in the event that Morgan Stanley or any member of its corporate group undergoes an Resolution Event, any right Supplier may have (whether contractual or otherwise) to terminate the Agreement, to suspend or modify any Services or the terms on which they are provided, to exercise or restrict any right to set off liabilities, or to restrict Morgan Stanley's rights or benefits (in whole or part), shall be suspended throughout the duration of the period for which Morgan Stanley continues to pay (or pre-pay) for the Services, provided any relevant restrictions on use of the Services pursuant to the Agreement continue to be complied with.

Notwithstanding anything to the contrary otherwise set out in the Agreement, in connection with any Resolution Event affecting Morgan Stanley, Morgan Stanley may assign its rights and/or obligations under the Agreement or in respect of the Services, whether in whole or in part, to any entity that acquires all or substantially all of Morgan Stanley's assets or is otherwise a successor in interest to Morgan Stanley. Morgan Stanley may also make an assignment of its rights and/or obligations under the Agreement to the extent required by any Regulator to be permitted in connection with any Resolution Event.

Divestment

In connection with a Resolution Event, if Morgan Stanley or any member of its corporate group divests any entity or business so that it is no longer under the control of the Morgan Stanley group ("Divestee"), then Morgan Stanley may, for a transition period sufficient to enable the Divestee to become fully operationally independent, use the Services on behalf of the Divestee, allow the Divestee directly to access and use the Services, and/or require Supplier to provide Services directly to the Divestee, provided always that the Divestee complies with any relevant restrictions on use contained in the Agreement.

Exit Assistance

Supplier acknowledges that exit assistance obligations equivalent to those described above in Section II (DORA Critical ICT Services) apply in the event that Morgan Stanley undergoes a Resolution Event (regardless of whether or not the relevant Services are in scope of DORA).

IV. Online Accessibility

To the extent Supplier provides, serves or hosts online user interface elements or functionality, Supplier confirms that they will comply with all applicable accessibility laws and will, at least, meet Web Content Accessibility Guidelines ("WCAG") version 2.2 level A and AA success criteria, or any successor criteria formally adopted by the World Wide Web Consortium (W3C).

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