

Morgan Stanley Pathway Alternative Strategies Fund (TALTX)

Objective: Seeks to Generate Long-Term Growth Across Market Cycles with Reduced Correlation to the Equity and Fixed Income Markets

KEY STATISTICS ⁽¹⁾

Sponsor: Morgan Stanley Smith Barney Holdings LLC

Adviser: Consulting Group Advisory Services LLC

Asset Class: Alternatives

Style: Multi-Strategy

Vehicle: Mutual Fund

Benchmark: HFRX Global Hedge Fund Index

Peer Group: Morningstar US OE Multi-Alternative

Ticker: TALTX

Inception: Feb 15, 2018

Expense Ratios:

- Gross: 2.95%
- Net: 1.95%

OVERVIEW

The Fund seeks to achieve its investment objective by investing in mutual funds, exchange-traded funds or closed-end funds managed by third-party professional money managers. The investments may apply a variety of alternative investment strategies, but will typically apply one or more of four main investment strategies, including: (i) real asset strategies, (ii) equity-based tactical, value or event-driven strategies, (iii) absolute return strategies, and (iv) equity hedged strategies.

PROCESS & DIFFERENTIATORS

- **Process:** Leveraging the vast resources of Morgan Stanley, the portfolio incorporates asset allocation views from our Global Investment Committee and bottom up manager due diligence leveraging our Global Investment Manager Analysis Team. Combining all of this together we use a risk conscious portfolio construction design to balance out the sources of risk and return
- **Differentiator:** This portfolio combines the deep resources of Morgan Stanley and creates a portfolio that has the potential to provide clients with greater liquidity and potentially lower fees than traditional hedge fund structures and seeks the reduced correlation to equity and fixed income markets typically seen in traditional hedge funds

1. Data as of 9/30/2018.

Morgan Stanley Pathway Alternative Strategies Fund (TALTX)

Target Asset Allocation and Fund Holdings ⁽²⁾

EQUITY RETURN ASSETS



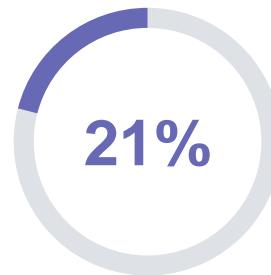
Long Short Equity

- *Diamond Hill Long Short Fund*
- *John Hancock Seaport Fund*

Event Driven

- *Blackrock Event Driven Equity Fund*
- *Driehaus Event Driven Equity Fund*

ABSOLUTE RETURN



Credit Long Short

- *Blackrock Global Long Short Fund*

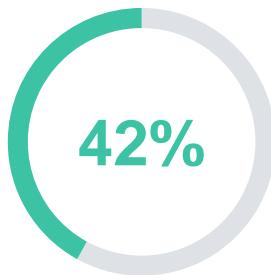
Relative Value

- *PIMCO Mortgage Opportunities Fund*

Market Neutral Equity

- *Prudential QMA Long-Short Equity Fund*

EQUITY HEDGED



Managed Futures

- *American Beacon AHL Managed Futures Strategy Fund*
- *LoCorr Market Trend Fund*

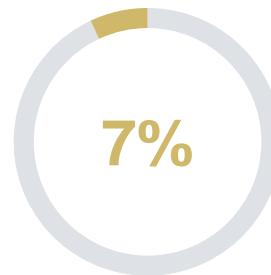
Global Macro

- *Western Macro Opportunities Fund*
- *Eaton Vance Global Macro Fund*

Multi-Strategy

- *Goldman Sachs Absolute Return Tracker*

REAL ASSETS



Master Limited Partnerships

- *Tortoise MLP & Infrastructure Fund*

2. Allocations shown are target allocations, are subject to change, and may not reflect the portfolio's current allocations.

Definitions and Disclosures

Investors should consider the fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the fund. To obtain a free prospectus, please call your Financial Advisor or Private Wealth Advisor, visit us online at www.morganstanley.com/cgcm or call 1-888-454-3965. Please read the prospectus carefully before investing.

Effective January 1, 2019, the CGCM Funds will be renamed the Morgan Stanley Pathway Funds and TRAK CGCM will be renamed TRAK Pathway. Effective on that date, all references to CGCM in this brochure or in any other documents produced or delivered to you by Morgan Stanley refer to the new name.

Consulting Group Advisory Services LLC

The fund's investment adviser is Consulting Group Advisory Services LLC, a business of Morgan Stanley Smith Barney Holdings LLC. Morgan Stanley Smith Barney Holdings LLC is an affiliate of Morgan Stanley Smith Barney LLC (hereafter collectively "Morgan Stanley"). Each Morgan Stanley Pathway fund may be sub-advised by multiple professional money managers chosen by Morgan Stanley Wealth Management's Manager Solutions team and reviewed and approved by the fund's Board of Trustees. The selection of sub-advisers is based on quantitative and qualitative evaluations of the sub-advisers' skills and investment results in specific asset classes, styles and strategies. Allocation of assets among the sub-advisers is determined by analyzing performance, organizational traits, personnel changes, compliance with the fund's policies and changes in market conditions. The sub-advisers are not affiliated with Morgan Stanley.

Expense Ratios

Total returns may reflect waivers of certain expenses or, in some cases, waiver and reimbursement of all fund expenses. Such waivers and/or reimbursements of expenses would have the effect of increasing the respective fund's total return. Without the waivers and/or expense reimbursements, the returns would have been lower. Expense waivers may be terminated or revised at any time, at which time expenses will increase and returns may decrease.

Performance and Other Portfolio Information

The performance shown in this document represents past performance. Past performance is no guarantee of future results, and current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance current to the most recent month-end, please go to our website at www.morganstanley.com/cgcm. Year-to-Date (YTD) returns are calculated

from January 1 of the reporting year. Average annual total returns assume the reinvestment of income dividends and capital gains distributions at net asset value. Performance results are annualized for periods greater than one year. Returns for periods of less than a calendar year show the total return for the period and are not annualized.

Gross and Net Performance. Gross returns are calculated net of fund internal fees and expenses (such as management fees paid to the manager and 12b-1 fees) but are gross of an annual investment advisory fee ("Advisory Fee") charged by Morgan Stanley. Net returns are net of fund internal fees and expenses and a maximum Advisory Fee of 2.5%. Consulting Group Capital Markets Funds are only available within the following Morgan Stanley advisory programs: TRAK Pathway, Select UMA, Consulting Group Advisor, and Portfolio Management. In addition to the Advisory Fee, Select UMA accounts are also subject to a 0.07% Overlay Manager Fee, but this fee is not reflected in the performance shown herein. For specific information about each of these programs, the applicable ADV brochure is available from your Morgan Stanley Financial Advisor or Private Wealth Advisor, or online at <http://www.morganstanley.com/adv>. The Advisory Fee is calculated by assessing the fee quarterly in the month after quarter end and then compounding those monthly net return rates for various time periods.

Minimum Investment Amount. The minimum initial investment in TRAK Pathway is \$5,000. The minimum initial aggregate investment in the Select UMA is \$1,000 and CGA and PM programs is \$10,000.

Definitions

HFRX Global Hedge Fund Index— The HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry. Hedge Fund Research, Inc. (HFR) utilizes a UCITSIII compliant methodology to construct the HFRX Hedge Fund Indices. The methodology is based on defined and predetermined rules and objective criteria to select and rebalance components to maximize representation of the Hedge Fund Universe. HFRX Indices utilize state-of-the-art quantitative techniques and analysis; multi-level screening, cluster analysis, Monte-Carlo simulations and optimization techniques ensure that each Index is a pure representation of its corresponding investment focus.

Definitions and Disclosures (cont'd)

Morningstar Multialternative -These funds offer investors exposure to several different alternative investment tactics. Funds in this category have a majority of their assets exposed to alternative strategies. An investor's exposure to different tactics may change slightly over time in response to market movements. Funds in this category include both funds with static allocations to alternative strategies and funds tactically allocating among alternative strategies and asset classes. The gross short exposure is greater than 20%.

Credit Rating Definitions

An obligor rated 'AAA' has extremely strong capacity to meet its financial commitments. 'AAA' is the highest issuer credit rating assigned by Standard & Poor's.

An obligor rated 'AA' has very strong capacity to meet its financial commitments. It differs from the highest-rated obligors only to a small degree.

An obligor rated 'A' has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.

An obligor rated 'BBB' has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.

*The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Consider Your Own Investment Needs

This profile is not intended to be a client-specific suitability analysis or recommendation, an offer to participate in any investment, or a recommendation to buy, hold or sell securities (includes securities of Morgan Stanley and/or its affiliates if shown in this profile).

Do not use this profile as the sole basis for investment decisions. Do not select an investment strategy based on performance alone. Consider all relevant information, including your existing portfolio, investment objectives, risk tolerance, liquidity needs and time horizon.

Benchmark Index. Depending on the composition of your account and your investment objectives, any indices shown in this profile may not be an appropriate measure for comparison purposes and are therefore presented for illustration only. Indices are unmanaged. They do not reflect any management, custody, transaction or other expenses, and generally assume reinvestment of dividends, accrued income and capital gains. Past performance of indices does not guarantee future results. You cannot invest directly in an index. Performance of indices may be more or less volatile than any investment strategy. The risk of loss in value of a specific investment strategy is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment strategy.

Fund Holdings. Holdings are subject to change daily. Sector weightings are based on industry standard sector identification codes. Sector allocations and credit quality exposure are measured as a percentage of the total portfolio in terms of asset value.

These holdings and allocations are subject to change at any time and may not reflect the Fund's current composition.

Other Data. Other data in this profile is accurate as of the date this profile was prepared unless stated otherwise. Data in this profile may be calculated by Morgan Stanley Smith Barney LLC or a third party service provider.

Key Risk Considerations

Asset allocation and diversification do not assure a profit or protect against loss.

Loss of money is a risk of investing in the Fund. The Fund's principal risks

include: Alternative strategy mutual funds and ETFs may employ various investment strategies and techniques for both hedging and more speculative purposes such as short-selling, leverage, derivatives and options, which can increase volatility and the risk of investment loss. Non-traditional investment options and strategies are often employed by a fund's portfolio manager to further a fund's investment objective and to help offset market risks. However, these features may be complex, making it more difficult to understand the fund's essential characteristics and risks, and how it will perform in different market environments and over various periods of time. They may also expose the fund to increased volatility and unanticipated risks particularly when used in complex combinations and/or accompanied by the use of borrowing or "leverage." The fund's prospectus will contain information and descriptions of any non-traditional and complex strategies utilized by the fund.

Derivatives and Leverage: Derivatives are financial contracts whose value depends on the value of underlying assets, reference rates or indices. The use of derivatives involves risks that are in addition to, and potentially greater than, the risks associated with investing directly in securities and other more traditional assets. These include imperfect correlation between the value of the derivative and the underlying asset, risks of default by the counterparty to certain transactions, magnification of losses incurred due to changes in the market value of the underlying asset, and risks that the transactions may not be liquid. Certain derivative transactions may give rise to a form of leverage, which can magnify the potential for gain and/or the risk of loss and could thus have a disproportionate impact on the performance of the fund. Leverage associated with derivative transactions may cause a fund to liquidate portfolio positions to satisfy its obligations when it may not be advantageous to do so, or may cause a fund to be more volatile than if it had not been leveraged. Commonly used derivative instruments and techniques include: **Futures:** A futures contract is a standardized, exchange-traded agreement to buy or sell a specific quantity of an underlying instrument or commodity at a specific price at a specific future time. Futures contracts may be offered on agricultural commodities, energy commodities such as crude oil and natural gas, as well as on a vast array of financial instruments, including currencies, government securities, and stock indices. In addition to the derivatives risks discussed above, the prices of futures can be highly volatile. They 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. Using futures can lower total return, and the potential loss from futures can exceed a fund's initial investment in such contracts.

Definitions and Disclosures (cont'd)

Options: Options are contracts giving the holder the right to buy or sell a specific amount of the underlying instrument or futures contract on the underlying instrument at an agreed-upon price. Like futures, the prices of options can be highly volatile and they are impacted by many of the same factors. The use of options can also lower total returns.

Swaps: A swap contract is an agreement between two parties pursuant to which the parties exchange payments at specified dates calculated by reference to specified securities, indexes, reference rates, currencies or other instruments. Most swap contracts are purchased over-the counter ("OTC"), are not purchased or traded on exchanges and often there is no central clearing or guaranty function for swaps. OTC swaps are generally subject to credit risk or the risk of default or non-performance by the counterparty. Swaps could 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

Structured Investments: A structured investment is designed to offer a return linked to a particular underlying security, currency, commodity or market. Structured investments may come in various forms including notes, warrants and options to purchase securities. Holders of structured investments bear 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. Certain structured investments may be thinly traded or have a limited trading market and may have the effect of increasing a fund's illiquidity to the extent that the fund, at a particular point in time, may be unable to find qualified buyers for these investments. Equity securities' prices may fluctuate in response to specific situations for each company, industry, market conditions and general economic environment. Companies paying dividends can reduce or cut payouts at any time. Investing in smaller companies involves greater risks not associated with investing in more established companies, such as business risk, significant stock price fluctuations and illiquidity.

Bonds are subject to interest rate risk. When interest rates rise, bond prices fall; generally, the longer a bond's maturity, the more sensitive it is to this risk. Bonds may also be subject to call risk, which is the risk that the issuer will redeem the debt at its option, fully or partially, before the scheduled maturity date. The market value of debt instruments may fluctuate, and proceeds from sales prior to maturity may be more or less than the amount originally invested or the maturity value due to changes in market conditions or changes in the credit quality of the issuer. The investor should note that funds that invest in lower-rated debt securities (commonly referred to as junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. The investor should be aware of the possible higher level of volatility, and increased risk of default.

International investing entails greater risk, as well as greater potential rewards compared to U.S. investing. These risks include political and economic uncertainties of foreign countries as well as the risk of currency fluctuations. These risks are magnified in countries with emerging markets, since these countries may have relatively unstable governments and less established markets and economics. Strategies that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than funds that diversify among a broad range of sectors.

Managed futures are commodity pools managed by professional Commodity Trading Advisors ("CTAs"), who typically trade futures, interbank currency forwards, options on futures and forwards. Managed futures investments are speculative, involve a high degree of risk, use significant leverage, are generally illiquid, have substantial charges, subject investors to conflicts of interest, and are suitable only for the risk capital portion of an investor's portfolio.

Master Limited Partnerships (MLPs) are limited partnerships or limited liability companies that are taxed as partnerships and whose interests (limited partnership units or limited liability company units) are traded on securities exchanges like shares of common stock. Currently, most MLPs operate in the energy, natural resources or real estate sectors. Investments in MLP interests are subject to the risks generally applicable to companies in the energy and natural resources sectors, including commodity pricing risk, supply and demand risk, depletion risk and exploration risk.

An investment in an exchange-traded fund involves risks similar to those of investing in a broadly based portfolio of equity securities traded on exchange in the relevant securities market, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in stock prices. The investment return and principal value of ETF investments will fluctuate, so that an investor's ETF shares, if or when sold, may be worth more or less than the original cost.

There is no assurance that the fund will achieve its investment objective. The fund is subject to investment risks, including possible loss of principal invested.

The Global Investment Committee is a group of seasoned investment professionals who meet regularly to discuss the global economy and markets. The committee determines the investment outlook that guides our advice to clients. They continually monitor developing economic and market conditions, review tactical outlooks and recommend model portfolio weightings, as well as produce a suite of strategy, analysis, commentary, portfolio positioning suggestions and other reports and broadcasts

For more information on the risks of investing in the Fund please see the "Fund Details" section in the Prospectus.

Definitions and Disclosures (cont'd)

No Obligation to Notify. Morgan Stanley Smith Barney LLC has no obligation to notify you when information in this profile changes.

Sources of Information. Material in this profile has been obtained from sources that we believe to be reliable, but we do not guarantee its accuracy, completeness or timeliness. Third party data providers make no warranties or representations relating to the accuracy, completeness or timeliness of data they provide and are not liable for any damages relating to this data.

No Tax Advice. Morgan Stanley Smith Barney LLC and its affiliates do not render advice on tax and tax accounting matters to clients. Each client should consult his/her personal tax and/or legal advisor to learn about any potential tax or other implications that may result from acting on a particular recommendation.

No Redistribution. Morgan Stanley Smith Barney LLC material, or any portion of it, may not be reprinted, sold or redistributed without Morgan Stanley Smith Barney LLC's written consent.

© 2018 Morgan Stanley Smith Barney LLC. Member SIPC. Consulting Group is a business of Morgan Stanley Smith Barney LLC.

CRC 2028799(2/18)