

# Morgan Stanley

## Premier Cash Management – Terms and Conditions

### Introduction

Premier Cash Management is an incentive program that recognizes and rewards clients for choosing Morgan Stanley Smith Barney LLC (Morgan Stanley) for their everyday cash management needs.

### Eligibility for Premier Cash Management

#### How to Qualify for Premier Cash Management

Qualification for Premier Cash Management is automatic based on the aggregate cash management activity (as outlined below) during either a one (1) month qualification period or a consecutive three (3) month qualification period. You are automatically qualified when you meet the applicable criteria in aggregate across your eligible accounts:

- (1) In a **one month period**, you must have \$2,500+ in total direct deposit and five or more qualifying cash management transactions or
- (2) Over a **consecutive three month period**, you must have \$50,000 in average daily cash balance and twenty or more qualifying cash management transactions

Your qualification for Premier Cash Management will be based on the monthly automatic review of the following account and ownership types for qualifying cash management activity (as further described in these Terms and Conditions):

- Account types: Active Assets Account (AAA), Basic Securities Account (BSA), Individual Retirement Account (IRA) including Traditional, ROTH, Rollover, SEP, SIMPLE, and Inherited IRAs.
- Ownership types: The above accounts for which you are listed in the following ownership types: Single, Joint, Sole Proprietorship, Personal Holding Corporation (you are the sole owner) or Revocable Living Trust (where the Grantor is the Trustee).

Morgan Stanley reserves the right to include from time to time other account, ownership, and activity types for Premier Cash Management qualification.

If you have multiple accounts that are serviced by different Financial Advisors or Private Wealth Advisors who do not share access to your accounts, such accounts will be aggregated for qualification for Premier Cash Management.

#### Qualifying Direct Deposit

Qualifying direct deposits include payroll, pension, and government benefit payments (such as Social Security) paid into your AAA or BSA. Also included are funds transfers initiated at an external financial institution to your Morgan Stanley account.

Transfers from one Morgan Stanley account to another, retirement distributions, mobile check deposits, transfers via Morgan Stanley Send Money with Zelle® received into your Morgan Stanley account and check deposits made at Morgan Stanley branch locations **do not qualify** as direct deposits.

#### Average Daily Cash Balance

The average daily cash balance is calculated over a consecutive three month period by summing up the available cash in the Morgan Stanley Bank Deposit Program (BDP), the Savings Program, any money market fund sweep, and any free cash balance across qualifying AAAs, BSAs, and IRAs each day over a three month period. Each day's total eligible cash balance is then summed across every day over a 3 month period and divided by the number of days in that time frame. Morgan Stanley reserves the right to include other Morgan Stanley cash products in the future as qualifying for the average daily cash balance requirement.

#### Qualifying Cash Management Transaction Methods

If you are qualifying with a Direct Deposit for a one month period, the transaction criteria can be met only if you have **five or more posted transactions in the same one month**. If you are qualifying with the Average Daily Cash Balance for a consecutive three month period, the transaction criteria can be met only if you have **twenty or more posted transactions over the same consecutive three month period**.

- 1) Bill payments posted to your account from Morgan Stanley Online Payments (Bill Pay) via Morgan Stanley Online or the Morgan Stanley Mobile App. Each bill payment qualifies as one transaction;
- 2) ATM withdrawals or purchases (excluding returns) on the Morgan Stanley Debit Card. Each posted ATM withdrawal or purchase qualifies as one transaction;
- 3) Posted purchase transactions on a Morgan Stanley Card from American Express

a. **Posted purchase transactions on the Morgan Stanley Credit Card from American Express.** Applicable only to the Basic Card Member who wishes to qualify for Premier Cash Management. The Basic Card Member is defined as the primary account holder on the Card Account. During the qualifying period, one or more purchase transactions on the Morgan Stanley Credit Card from American Express will collectively count as just one single transaction towards Premier Cash Management qualification of the Basic Card Member.

b. **Posted purchase transactions on the Platinum Card® from American Express Exclusively for Morgan Stanley.** Applicable only to the Basic Card Member who wishes to qualify for Premier Cash Management. During the qualifying period, one or more purchase transactions on the Platinum Card® from American Express Exclusively for Morgan Stanley will collectively count as just one single transaction towards Premier Cash Management qualification of the Basic Card Member.

- 4) Posted personal check(s) paid from an eligible account (excluding checks generated by the Morgan Stanley Online Payments system and branch issued checks). Each posted check qualifies as one transaction;
- 5) Automated Clearing House (ACH) payments, including electronic funds transfers from your Active Assets Account to an account at another financial institution, or an automated debit, such as a utility bill, and excluding ACH transfers generated by the Morgan Stanley Online Payments system, and excluding electronic funds transfers

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generated by the Morgan Stanley Online Payments system. Each posted ACH payment qualifies as one transaction;

- 6) Person-to-person payments (sent or received) made via Morgan Stanley Send Money with *Zelle*® on your Morgan Stanley Mobile App. Each posted payment (sent or received) qualifies as one transaction;
- 7) Mobile check deposits into your AAA. Each mobile check deposit processed qualifies as one transaction.

## Choosing the Active Assets Account that will Receive Premier Benefits

Upon qualification for Premier Cash Management, Morgan Stanley will identify the Active Assets Account (where you are listed as the single owner) that contains the most qualifying cash management activity and apply the Premier Cash Management benefits to this account. If a single Active Assets Account is not found, then a joint or Trust account in which you are listed as an owner will be selected. In the event that your designated Active Assets Account is closed, Morgan Stanley reserves the right to select another eligible account for your Premier Cash Management benefits. If you wish to change your designated Active Assets Account for Premier Cash Management benefits, please contact your Financial Advisor or Private Wealth Advisor.

## Benefits of Premier Cash Management

### Active Assets Account Annual Fee Waiver

As a Premier Cash Management member, your AAA annual account fee will be waived if not already waived via another Morgan Stanley program. Only the AAA that is designated to receive the Premier Cash Management benefits is eligible for the account fee waiver.

At the time of your automatic enrollment in the Premier Cash Management program, if your annual account fee was charged to the AAA in the prior three calendar months, the fee will be retroactively reimbursed. You are eligible for one AAA annual account fee waiver per calendar year. In cases where you share the designated AAA with another owner or trustee and the annual account fee on the designated AAA has already been waived, you will not be eligible for another annual account fee waiver on a separate AAA in the same calendar year.

If you do not retain Premier Cash Management status during requalification (see Maintaining Your Benefits section below), then your account designated to receive the Premier Cash Management benefits will not be eligible for the fee waiver under this program. Fees that have already been waived will not be charged back or prorated.

**Ancillary Fee Waivers:** The following service fees will also be waived in your AAA designated to receive Premier Cash Management benefits, as long as you remain in the program. Only the fees outlined below are waived:

- Expedited orders for Checks and Debit Cards;
- Foreign transaction fees on the Morgan Stanley Debit Card;
- Overnight check disbursements;
- Insufficient funds returned items (e.g., checks);
- Insufficient funds rejected transfers (e.g., ACH payments);
- Stop Payment fee; and
- Outgoing Wire transfers (USD and Foreign Currency).

Some or all of these fees might already be waived via other Morgan Stanley programs. Service fee waivers begin upon enrollment in the Premier Cash Management program and are not retroactively reimbursed.

## Annual Engagement Bonus for Morgan Stanley Reserved Clients

If you are a (1) member of the Premier Cash Management program, (2) member of a Reserved household, and (3) Basic Card Member holding the Platinum Card from American Express Exclusively for Morgan Stanley (the “Platinum Card”), or cardholder of one or more Morgan Stanley Debit Card(s) with your aggregate debit card spend across eligible accounts totaling at least \$100,000 USD during the calendar year, then you will be eligible to receive a \$550 Annual Engagement Bonus from Morgan Stanley. The Basic Card Member is defined as the primary account holder on the Card Account. At the time the Engagement bonus is to be deposited into your account, your Platinum Card from American Express Exclusively for Morgan Stanley or your Morgan Stanley Debit Card must be open and you must retain your Premier Cash Management and Reserved status. Aggregate debit card spend does NOT include fees, ATM withdrawals, cash advances, amounts subject to chargebacks, or purchases of any cash equivalents. Only one Annual Engagement Bonus per calendar year per qualifying client will be granted.

For Basic Card Members eligible for the Annual Engagement Bonus, please note that the annual fee for the Platinum Card is processed during your Platinum Card’s anniversary month, and the Annual Engagement Bonus is typically applied by Morgan Stanley in the following month. If the Platinum Card’s annual fee was charged during the four calendar months prior to Premier Cash Management enrollment, then the client will receive the Annual Engagement Bonus for the AAA designated to receive Premier Cash Management benefits on or about the 10th business day of the month immediately following the Reserved client’s qualification for Premier Cash Management. For those Debit Cardholders who are eligible for the Annual Engagement Bonus, the Annual Engagement Bonus will typically be paid in January following the calendar year that the aggregate debit card spend occurred.

Morgan Stanley Smith Barney LLC, its affiliates, and Morgan Stanley Private Wealth Advisors and employees do not provide tax or legal advice. You may be subject to tax and information reporting with respect to any awards. If you do not meet a minimum spending requirement of \$1,000 on your Platinum Card from American Express Exclusively for Morgan Stanley within the calendar year of receiving the \$550 Annual Engagement Bonus, then Morgan Stanley may be required to report the \$550 Annual Engagement Bonus as taxable income on your Form 1099. Clients should consult their tax advisors regarding the tax implications of any awards, including the \$550 Annual Engagement Bonus, based upon their specific circumstances.

## The Morgan Stanley Debit Card for Premier Cash Management Members

Fee waivers and benefits for the Morgan Stanley Debit Card will be applied only to Debit Card(s) associated with the AAA designated to receive Premier Cash Management benefits. These benefits include: (1) fees charged by third-party ATM operators for cash withdrawals are automatically reimbursed

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to the extent they can be identified by Morgan Stanley; and (2) foreign transaction fees are waived.

Upon qualifying for the Premier Cash Management program, you are eligible to receive a new, metallic Morgan Stanley Premier Debit Card or you can elect to maintain your existing plastic Morgan Stanley Debit Card. In either case you will still receive the Debit Card benefits described above. The Premier Debit Card will be sent to you when your current plastic Morgan Stanley Debit Card expires. If you would like the Premier Debit Card, contact your Financial Advisor, Private Wealth Advisor or their Support Staff. When you receive your new Premier Debit Card, please review the accompanying Debit Card Terms and Conditions carefully.

## Morgan Stanley Premier Protection

This optional service is available to you at no charge and will provide credit report monitoring, identity protection, fraud resolution, and insurance protection. Services will be provided by Experian, a leading global credit reporting agency.

Since this is an optional service, it requires your enrollment, which can be completed by visiting Morgan Stanley Online or through the Experian-hosted website available at [www.morganstanley.com/premierprotection](http://www.morganstanley.com/premierprotection).

The following are some benefits you will get from Experian:

- Monthly 3 Bureau Credit Report and 3 Bureau VantageScore;
- Monthly Experian VantageScore Updated with Alerts;
- Score Trending and Planner;
- Daily 3 Bureau Credit Monitoring;
- Experian Identity Alerts;
- Internet Surveillance;
- ChildSecure;<sup>®</sup>
- Lost Wallet/Card Replacement;
- Fraud Resolution Services;
- Identity Theft Risk Assessment;
- Identity Theft Insurance; and
- Call Center Support.

Credit Score is calculated on the VantageScore 3.0 model. Your VantageScore 3.0 indicates your credit risk level and is not used by all lenders, so don't be surprised if your lender uses a score that's different from your VantageScore 3.0. **Please be advised that VantageScore 3.0 is a proprietary product offered by Experian and is not affiliated with Morgan Stanley Smith Barney LLC, its affiliates or any of Morgan Stanley Smith Barney LLC's or its affiliates' products and services.**

Identity Theft Insurance is underwritten by insurance company subsidiaries or affiliates of American International Group, Inc. (AIG). The description herein is a summary and intended for informational purposes only and does not include all terms, conditions, and exclusions of the policies described. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.

**Separate Terms and Conditions pertaining to the services from Experian will be provided to you when you enroll in the service.**

**You will be responsible for understanding these separate Terms and Conditions, and you should review them carefully.**

## Maintaining Your Benefits

### Annual Review of Premier Cash Management Eligibility Status

Once you are enrolled in the Premier Cash Management program, your benefits continue for a minimum of 12 months. This period begins in the month you are enrolled in Premier Cash Management. Requalification will occur annually in January of each year. If you have been enrolled in Premier Cash Management for less than 12 months prior to the January renewal month, you will keep your benefits until the following requalification period.

To maintain your benefits in the Premier Cash Management program on a continuing basis, you must continue to meet the applicable criteria set forth herein. From September through December prior to the re-qualification period in January your account will be reviewed for cash (direct deposit or average daily cash balance) and qualifying cash management transaction activities. You must demonstrate either:

- Direct deposit plus five or more posted transactions for a one month period or
- Average daily cash balance of \$50,000 plus twenty or more posted transactions over a consecutive three month period

### Discontinuation of Premier Cash Management Benefits

If you are at risk of no longer qualifying for the program, **you will be notified three months prior** to the January renewal review. If you do not requalify during the renewal review, your Premier Cash Management benefits will cease and you will be notified in January to confirm your discontinuation in the program and the timing of when your benefits will cease. Once your Premier Cash Management benefits are discontinued, you may requalify for Premier Cash Management based on the applicable criteria as set forth herein.

If you end your relationship with Morgan Stanley we reserve the right to discontinue your program benefits immediately.

## Disclaimers

With respect to any Morgan Stanley product or program referenced in these Terms and Conditions, customers should review the disclosure statements or Terms and Conditions specific to such Morgan Stanley product or program. Morgan Stanley employees may be subject to different eligibility requirements and benefits.

## Accounts

The Active Assets Account and the Basic Securities Account are brokerage accounts offered through Morgan Stanley Smith Barney LLC.

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## Bank Deposit Program

Under the Bank Deposit Program, cash balances held in account(s) at Morgan Stanley Smith Barney LLC are automatically deposited into an interest-bearing FDIC-insured deposit account(s), at Morgan Stanley Bank, N.A., and/or Morgan Stanley Private Bank, National Association, each a national bank, Member FDIC, and an affiliate of Morgan Stanley Smith Barney LLC. Detailed information on federal deposit insurance coverage is available on the FDIC's website (<https://www.fdic.gov/deposit/deposits/>). Cash balances generally include the uninvested cash in a client's account(s) minus certain items such as purchase transactions due to settle within a specified time period, other charges to a client's account(s), and cash balances that are designated as collateral for a client's obligations.

***An investment in a money market fund is not insured or guaranteed by the FDIC or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.***

***An investor should consider the investment objectives, risks, and charges and expenses of a money market fund(s) carefully before investing. A prospectus which contains this and other important information about the money market fund(s) may be obtained from your Financial Advisor, Private Wealth Advisor, or from Morgan Stanley Investment Management at <http://www.morganstanley.com/wealth-investmentstrategies/ratemonitor>. Please read the prospectus carefully before investing or sending money.***

## Savings Program

Under the Savings Program ("Savings"), Morgan Stanley Smith Barney LLC makes available interest-bearing FDIC insured deposit account(s) at either Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., each a national bank, Member FDIC, and an affiliate of Morgan Stanley Smith Barney LLC, as selected by the client. Deposits placed in Savings are eligible for FDIC insurance up to \$250,000 (including principal and interest) per depositor, per each bank selected by the client for all deposits held in the same insurable capacity (the Maximum Applicable Deposit Insurance Amount). All deposits per bank held in the same insurable capacity will be aggregated for purposes of the Maximum Applicable Deposit Insurance Amount, including deposits maintained through the Bank Deposit Program. You are responsible for monitoring the total amount held with each bank. Detailed information on federal deposit insurance coverage is available on the FDIC's website (<https://www.fdic.gov/deposit/deposits/>). Each bank also reserves the right to offer promotional rates from time to time. **The Savings Program is not intended for clients who need to have frequent access to funds and those funds will not be automatically accessed to reduce a debit or margin loan in your brokerage account. Withdrawals from an account in Savings are limited to 10 transactions per calendar month, and any withdrawal or transfer over the limit in any one calendar month will be subject to an excess withdrawal fee.**

## The Morgan Stanley Debit Card

The Morgan Stanley Debit Card is currently issued by UMB Bank, n.a., pursuant to a license from MasterCard International

Incorporated. MasterCard® and Maestro® are registered trademarks of MasterCard International Incorporated. The third-party trademarks and service marks contained herein are the property of their respective owners.

## The Morgan Stanley Mobile App

The Morgan Stanley Mobile App is currently available for iPhone® and iPad® from the App Store<sup>SM</sup> and Android<sup>TM</sup> on Google Play<sup>TM</sup>. Subject to certain Terms and Conditions. Standard messaging and data rates from your provider may apply.

## Morgan Stanley Reserved

Morgan Stanley Reserved rewards clients with \$1,000,000 or more in eligible household assets and liabilities, or who pay over \$10,000 in annual fees at Morgan Stanley with special benefits and services, including a comprehensive fee waiver and access to a dedicated toll-free number for the Reserved Client Service Center. Morgan Stanley Smith Barney LLC reserves the right to change or terminate the Reserved program at any time and without notice. Reserved program participant accounts and activity are reviewed periodically to confirm that they continue to qualify for this program.

## General

Morgan Stanley Smith Barney LLC reserves the right to change or terminate the Premier Cash Management program at any time and without notice. A Premier Cash Management program participant's accounts and activity are reviewed periodically to confirm that they continue to qualify for this program. Premier Cash Management is an incentive program that recognizes and rewards clients for choosing Morgan Stanley for their everyday cash management needs.

The credit monitoring and identity protection services referenced in these Terms and Conditions (Experian Services) are provided by ConsumerInfo.com, a California corporation, also known as Experian Consumer Services (Experian), an unaffiliated party. Neither Morgan Stanley Smith Barney LLC nor its affiliates is the provider of the Experian Services and will not have any input or responsibility concerning the Terms and Conditions associated with the Experian Services. Neither Morgan Stanley Smith Barney LLC nor its affiliates shall be responsible for the content of any advice or services provided by Experian. Morgan Stanley Smith Barney LLC or its affiliates may participate in transactions on a basis separate from Experian. Morgan Stanley Smith Barney LLC or its affiliates may receive compensation in connection with referrals made to Experian. Mobile remote deposit is subject to terms and conditions. Daily limits vary and are dependent on asset level.

## The Morgan Stanley Cards from American Express

The Morgan Stanley Credit Card from American Express and the Platinum Card® from American Express Exclusively for Morgan Stanley are only available for clients who have an eligible Morgan Stanley Smith Barney LLC brokerage account ("eligible account"). Eligible account means a Morgan Stanley Smith Barney LLC brokerage account held in your name or in the name of a revocable trust where the client is the grantor and trustee, except for the following accounts: Charitable Remainder Annuity Trusts, Charitable Remainder Unitrusts, irrevocable trusts, and employer-sponsored accounts. Eligibility is subject to change. American Express may cancel your

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Card Account and participation in this program if you do not maintain an eligible account. Morgan Stanley Smith Barney LLC may compensate your Financial Advisor, Private Wealth Advisor, and other employees in connection with your acquisition or use of either the Morgan Stanley Credit Card from American Express or the Platinum Card® from American Express Exclusively for Morgan Stanley.

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

Morgan Stanley's Send Money with *Zelle*® (*Zelle*) is available on the Morgan Stanley Mobile App for iPhone® and Android.™ Enrollment is required and dollar and frequency limits may apply. Domestic fund transfers must be made from an eligible account at Morgan Stanley Smith Barney LLC (Morgan Stanley) to a U.S.-based account at another financial institution. Morgan Stanley maintains arrangements with JP Morgan Chase

Bank, N.A. and UMB Bank, N.A. as NACHA-participating depository financial institutions for the processing of transfers on *Zelle*®. Data connection required, and message and data rates may apply, including those from your communications service provider. See the Morgan Stanley Send Money with *Zelle*® terms for details. *Zelle*® and the *Zelle*-related marks are wholly owned by Early Warning Services, LLC and are used herein under license. Morgan Stanley is not affiliated with *Zelle*®.

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

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