Form ADV Program Brochure
Morgan Stanley Smith Barney LLC

Graystone Consulting

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This Wrap Fee Program Brochure provides information about the qualifications and business practices of Graystone Consulting, a division 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

There are no material changes to the ADV Brochure since the version of this Brochure dated March 28, 2025.

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Item 4: Services, Fees and Compensation

Graystone Consulting

Graystone Consulting ("Graystone") is a separate business unit of Morgan Stanley Smith Barney LLC ("Morgan Stanley Wealth Management", "MSWM", "we" or "us"), that focuses on providing a wide range of investment consulting services to institutional and high net worth individual clients, including assistance in (i) developing investment policy statements, (ii) asset allocation, (iii) investment manager, mutual fund, commingled fund, collective investment trust, exchange traded fund ("ETF" and together with mutual funds, commingled funds and collective investment trusts, "Funds") and alternative investment analysis, (iv) performance reporting and (v) custody services. These services are delivered through a select group of institutional consulting teams located across the country that have significant experience serving the investment advisory needs of institutions, as well as high net worth individual clients, and are supported by a management team dedicated to institutional consulting. Graystone clients include corporations, Taft-Hartley plans, foundations and endowments, public and private defined benefit plans, 401(k) plan sponsors, family offices and high net worth individuals.

MSWM Financial Advisors must meet specific eligibility criteria to become "Graystone Consultants" and be part of a Graystone team, which typically adheres to the following team structure:

- **Institutional Consulting Director**. Directors oversee an integrated local consulting team, generally averaging over 20 years of industry experience and are responsible for the team's investment consulting process throughout the life of the client relationship.

- **Consulting Analysts.** A focus of Graystone Consulting analysts is the evaluation of investment management firms and Funds. In addition, analysts support asset allocation and performance monitoring processes. Analysts are trained in the use of investment analytics tools and are involved in the preparation of client presentations and performance reviews.

- **Operational Support.** Team members focus on processing client agreements and provide general operational and administrative support on behalf of Graystone clients.

MSWM

Graystone is backed by the resources of MSWM. MSWM is a registered investment adviser and a registered broker-dealer. MSWM is one of the largest financial services firms in the U.S. with branch offices in all 50 states and the District of Columbia.

MSWM offers clients ("you", "your" or "Client") many different advisory programs. Many of MSWM's advisory services are provided by its Consulting Group business unit ("CG"). You may obtain Brochures for other MSWM investment advisory programs at www.morganstanley.com/ADV or by asking your Financial Advisor or (for Morgan Stanley Private Wealth Management clients) your Private Wealth Advisor. (Throughout the rest of this Brochure, "Financial Advisor" means either your Financial Advisor or your Private Wealth Advisor, as applicable.)

In addition, we 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"), with respect to "Retirement Accounts" (as that term is described herein). 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 pensions, defined contributions, profit-sharing and welfare plans sponsored by private employers, as well as, similar arrangements sponsored by governmental or other public employers, which are generally not subject to ERISA; (ii) individual retirement accounts "IRAs" (as described in Section 4975 of the Code); and (iii)"Coverdell Educational Savings Accounts ("CESAs").

A. General Description of Programs

Traditional Institutional Consulting Services

Graystone offers the following traditional Institutional Consulting Services to its clients.

Assistance in Preparation of Investment Objectives and Policies. Graystone shall assist in the Client's review, evaluation and preparation of investment policies and objectives for the account. As set forth in "Performance Reporting" below, Graystone shall assist the Client in developing benchmarks for the performance of the account. Graystone will also provide the performance of the total account to assist the Client with the ability to determine progress toward investment objectives. Where Graystone has been retained as a non-discretionary investment consultant, the Client shall be responsible for monitoring compliance with their investment policies and guidelines.

Asset Allocation. Graystone reviews the client's asset allocation and will make asset allocation recommendations in accordance with the goals of the client.

***Investment Searches*.** Graystone assists the client in identifying and recommending investment managers and Funds ("Investment Products"). These recommendations are based either on (i) MSWM's Global Investment Manager Analysis Group ("GIMA") (using different methods to evaluate investment managers and Funds -- analysis on investment managers is provided through MSWM's Consulting and Evaluation Services ("CES") program) or (ii) Graystone analysis conducted on managers and Funds. Graystone analysis on managers is conducted through its Manager Assessment Program, a proprietary investment management scoring system that assesses investment manager products in that database. Graystone teams conduct further analysis in an effort to identify managers for clients. See Item 6 below for more details.

Non-Researched Funds and Managers. Clients may select Funds and investment managers outside of those covered by

GIMA or Graystone analysis. The investment managers, if qualified, will be offered through MSWM's Investment Management Services Program ("IMS"). MSWM does not evaluate or make any representations concerning such investment managers and shall not assume any liability for any loss, claim, damage, or expense attributable to the client's selection of managers not covered by GIMA or Graystone analysis.

For more information about CES, and IMS or any other investment advisory services offered by MSWM, as well as assistance in determining which service may be best suited to your needs and objectives, please contact your Graystone Consultant or refer to www.morganstanley.com/ADV.

Performance Reporting. Graystone Consulting provides clients with customized performance reports that assess portfolio performance relative to benchmarks. The reports may include comparisons to recognized benchmarks and market segments.

Custody and Statements. If you elect, MSWM may serve as the custodian of all cash, securities and other assets held in the portfolio and credit the portfolio with dividends and interest paid on securities held and principal paid on called or matured securities in the portfolio. You will be provided with written confirmation of securities transactions, and account statements at least quarterly.

Graystone Discretionary Services

Graystone offers through qualified Graystone Consulting teams and for eligible clients, discretionary institutional consulting services whereby Graystone is responsible for the discretionary selection and rebalancing of Investment Options in accordance with the client's investment policy statement. In addition to discretionary investment management, clients receive custodial services (unless the client elects to use an outside custodian), trade execution and related services for a single fee.

Graystone Discretionary Services is designed for clients who wish to have Graystone assume full discretion over asset allocation rebalancing decisions as well as decisions to terminate any Investment Product. Graystone also provides the client with on-going financial management services such as investment performance reporting, administration, trade execution and custody. Based on a client's long-term strategic policy allocation parameters and other investment constraints, Graystone will look for opportunities in asset classes or investment styles with above average expected rates of return while managing overall portfolio risk in accordance with the client's investment policies.

For Defined Contribution Participant-Directed Plans

Graystone offers both non-discretionary investment-consulting services and discretionary services for participant directed defined contribution and non-qualified deferred compensation plans ("Participant-Directed Plans").

Non-Discretionary Investment Consulting Services

Through this non-discretionary program, Graystone Consulting offers initial and ongoing investment consulting services to Plan Sponsors, including investment policy statement review, asset style analysis, Fund search and selection and performance reporting.

Investment Consulting Fund Evaluation Program. MSWM shall evaluate all investment options from the universe of funds that have been reviewed and profiled by Morgan Stanley's Global Investment Manager Analysis ("GIMA") team, or the universe of funds that have successfully passed Morgan Stanley's proprietary fund screening process. MSWM's fund screening process takes into account both quantitative and qualitative factors. The process is explained further in Item 6A below.

Risk-Based Models. In addition to providing fund screening services, Graystone may provide risk-based asset allocation advice to retirement plans. If requested, Graystone will provide plan sponsor clients with certain strategic asset allocation models based on guidance from MSWM's Global Investment Committee (the "GIC").

It will be the Client's responsibility to ensure model recommendations by Graystone can be implemented within their recordkeeping platform. Graystone may assist in determining the capabilities of the Client's recordkeeping platform, however it will be the ultimate responsibility of the client to ensure any recommendations are implemented and offered to participants in a manner that is consistent with the Client's overall goals and objectives.

Graystone will provide the Client with performance reporting for such models which will include model performance comprised of the fund performance within the model. Graystone will also provide the Client with any changes/updates made to the asset allocation percentages within such models.

The client will be responsible for making any updates or changes to such models with its retirement plan provider. If requested, Graystone may provide education to plan participants in regard to risk tolerance through various approved educational pieces, however any such education does not represent any attempt by Graystone to use discretion or extend its fiduciary liability under the program client agreement.

Administrative Services. Graystone may also assist the retirement plan and other institutional clients with certain administrative functions as described below. Certain services are not available to all types of clients. These are not investment advisory services and MSWM does not assume status as a fiduciary under ERISA, the Investment Advisers Act of 1940 or any other applicable law or regulation in performing these services. Graystone Consulting provides the following administrative services:

- *Plan Sponsor Education* – MSWM makes educational materials available to plan fiduciaries. The available materials may cover topics such as retirement plan administration, fiduciary responsibilities, plan design features and investments.

- *Employee Education* – Graystone shall collaborate with the Client to develop strategies relating to participant enrollment and ongoing employee education, and MSWM can work with the plan to deliver general financial and investment information relating to such concepts as diversification, asset allocation, retirement planning and plan participation.

- *Plan Provider Search Support***.** MSWM shall assist Client with the preparation and distribution of requests for proposals ("RFP") with respect to Client's search for a party to provide recordkeeping or related services for the plan and shall provide assistance with the evaluation of RFP responses and corresponding finalist interviews and conversion support. Not available for Non-Qualified Deferred Compensation Plans.

- *Plan Services and Expense Review.* MSWM shall provide Client with a report for the purpose of assisting Client with the review of various fees and plan expenses as they relate to the services provided by the plan. This report will generally consist of an overall assessment of current services and expenses, as well as a comparison of such services and expenses to those incurred by other plans of similar size and composition. Not available for Non-Qualified Deferred Compensation Plans.

Discretionary Services

Graystone also offers discretionary institutional consulting services for eligible clients whereby Graystone is responsible for the discretionary selection of investment options utilizing the fund evaluation process described above and in Item 6.A. The Graystone Consultant will manage the overall investment process including decisions for fund selection, asset classification and termination and comprehensive monitoring of the Plan's investments. Graystone may provide discretionary asset allocation model services. In addition to discretionary investment management, clients may receive non-discretionary administrative services which include, plan sponsor education, plan provider search support, plan services and expense review, and employee education.

If the Client chooses to provide Plan participants with asset allocation model assistance, MSWM, in addition to fund selection and monitoring, will provide either strategic risk-based models or target-date model portfolios, collectively, the "Models". In both cases, the Models are developed by MSWM's Wealth Management Investment Resources group with guidance from the GIC and are not subject to customization by the Client. Only MSWM Approved Funds will be permitted to populate these models.

Risk-Based Models. Graystone will present the Client with various separate risk-based models, as described in the previous section, of which the client must select at least three models to be made available to the Plan's participants, ranging from conservative to aggressive. Graystone will assist the Client with the selection of the models, but the Client will be solely responsible for selecting at least three models and with each of the following risk levels represented: conservative, moderate and aggressive.

Target Date Models. Graystone will present various target-date glidepath models to the client. These glidepaths offer the option of i) greater hedge against longevity risk and shortfall risk, ii) greater hedge against inflation risk and market risk, or iii) a balance between inflation risk and longevity risk. Graystone will assist the Client with the selection of the glidepath model, however the Client will be solely responsible for selecting one of the models to offer the Plan's participants. Once the Client has selected a target date model, Graystone will construct the model by populating each of its asset classes with the MSWM Approved Funds.

Graystone will ensure that the models can be implemented on the recordkeeping platform. Graystone will also be responsible for determining the capabilities of the clients recordkeeping platform and ensuring any recommendations are implemented and offered to participants in a manner that is consistent with the clients overall goals and objectives.

Risk-Based and Target Date Models are tools used to assist the plan participants in achieving asset allocation goals. These models are not investment products sponsored by Graystone. Client may not make use of any branding associated with MSWM, the GIC or any other affiliate when describing the model portfolio. Termination of contract or model services will require the discontinuance of use of the models.

Core Market Fiduciary Program

MSWM offers a Core Market Fiduciary Program for defined contribution participant-directed plans. MSWM is responsible for the discretionary selection of investment options from a set lineup offered by a third-party recordkeeper in accordance with the program's investment policy.

Retirement Account Manager Program

Upon the request of the plan sponsor, MSWM offers certain investment advisory services to retirement plans for the benefit of the plan participants. The Retirement Account Manager Program offers the ability to invest in one or more asset allocation model strategies managed by MSWM ("Retirement Account Manager Strategy"). Based upon the information plan participants or the plan sponsors provide, including current age, expected age at retirement and risk tolerance, MSWM will recommend a Retirement Account Manager Strategy. Once plan participants have selected the Retirement Account Manager Strategy, MSWM will have discretion to determine the investment options available based upon the applicable recordkeeping platform. Over time the asset allocation model strategy selected will gradually shift its emphasis from more aggressive investments (i.e., equities) to more conservative investments (i.e., fixed income) based on the targeted time horizon to retirement. This shift occurs during quarterly portfolio rebalancing as the account progresses towards the targeted retirement age. In addition, if requested by the plan sponsor, MSWM shall select the qualified default investment option for the retirement plan.

Other Services

Alternative Investments Performance Reporting Service. Graystone offers alternative investments performance reporting capabilities. This is a non-discretionary service, which means that clients are responsible for executing participation agreements directly with each alternative investment. Graystone offers clients the ability to receive periodic reports that provide historical performance reporting of their alternative investments that were not purchased through Graystone and are not researched by

Graystone or MSWM. The alternative investments historical performance information is based upon information provided, directly or indirectly, by the issuer of the alternative investment, or by its sponsor, investment manager or administrator to Graystone ("Performance Reporting AI"). MSWM's ability to provide historical or other performance reporting on alternative investments is dependent upon its ability to obtain such information from each Performance Reporting AI.

The performance reporting enables the client to receive from Graystone periodic reports containing the client's historical performance information as reported by the applicable performance reporting AI. Client may also receive composite reports that show historical performance of alternative investments as reported by the Performance Reporting AI, along with historical or other performance information or other investments that were or are acquired by Graystone or are held in custody by MSWM.

The performance information provided in a periodic performance report is based on information provided to Graystone by the Performance Reporting AI and is not independently verified by Graystone. Graystone and MSWM shall not be liable for any misstatement or omission made by a Performance Reporting AI nor for any loss, liability, claim, damage or expense arising out of such misstatement or omission. The reporting service is not intended to constitute investment advice or a recommendation by Graystone of any alternative investment. Graystone is not evaluating the appropriateness of the initial investment or the continued investment in the alternative investments reported on as a part of this service. In addition, the service does not constitute, create or impose a fee-based brokerage relationship, fiduciary relationship or an investment advisory relationship under the Investment Advisers Act of 1940, as amended, with regard to the provision of the investments covered under this service. If the Client is an employee benefit plan or is otherwise subject to ERISA, Graystone and MSWM are not acting as a fiduciary (as defined in ERISA) with the respect to the provision of these reporting services as described herein. Graystone does not provide and will not be responsible for tax reporting for alternative investments reported on under this service.

The MSWM fee charged to the client does not include any fee or charge for other services in connection with the client's participation in any alternative investment or Performance Reporting AI. The client is solely responsible for such arrangements.

Asset/Liability Analysis Services Graystone works with third party vendors, whose proprietary asset/liability modeling software is used to generate customized asset liability studies for defined benefit plan clients. The asset/liability analysis service provides certain cash flow modeling, liability funding analysis and funding strategies, including custom contribution policies.

Account Opening

To enroll in any program described in this Brochure, you must enter into the program client agreement ("Client Agreement").

Investment Restrictions

The client may impose reasonable restrictions on account investments. For example, you may restrict Graystone or the managers from buying specific securities, a category of securities (e.g., tobacco companies) or Fund shares. If you restrict a category of securities, we or the manager will determine which specific securities fall within the restricted category. In doing so, we or the manager may rely on research provided by independent service providers. Any restrictions you 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.

Trade Confirmations, Account Statements and Performance Reviews

Unless you have appointed another custodian, MSWM is the custodian and provides you with written confirmation of securities transactions, and account statements at least quarterly. You may waive the receipt of trade confirmations after the completion of each trade in favor of alternative methods of communication where available. You may also receive mutual fund prospectuses, where appropriate.

We provide performance monitoring to clients with a frequency as requested by the client.

Risks

All trading in an 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 Graystone's, MSWM's, or its employees' past performance with respect to other accounts does not predict future performance with respect to any particular account. In addition, certain investment strategies that Graystone Consulting may use in the programs have specific risks, including those associated with investments in common stock, fixed income securities, American Depositary Receipts, Funds and the investments described below. You should consult with your Graystone Consultant regarding the specific risks associated with the investments in your account.

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 also may 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 may 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 Money Market Funds. You could lose money in money market funds. Although 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 preserve value at $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 may 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 Master Limited Partnerships. Master Limited Partnerships ("MLPs") are limited partnerships or limited liability companies whose interests (limited partnerships or limited liability companies units) are generally traded on securities exchanges like shares of common stock. Investments in MLPs entail 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 Fund prospectus by asking your Financial Advisor.

Risks Relating to Funds that Primarily Invest in Master Limited Partnerships. In addition to the risks outlined above relating to Master Limited Partnerships, Funds that primarily invest in MLPs generally accrue deferred tax liability. The fund's deferred tax liability (if any) is reflected each day in the fund's net asset value. As a result, the fund's total annual operating expenses may be significantly higher than those of funds that do not primarily invest in MLPs. Please see the Fund prospectus for additional information.

Risks Relating to Funds that Pursue Complex or Alternative Investment Strategies or Returns. These Funds 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. Alternative investment strategies are not appropriate for all investors.

While mutual funds and ETFs may at times utilize non-traditional investment options and strategies, they have different investment characteristics from unregistered privately offered alternative investments. Because of regulatory limitations, mutual funds and ETFs may not invest in as broad a spectrum of investments as privately offered alternative investments. As a result, investment returns and portfolio characteristics of alternative mutual funds may vary from traditional hedge funds pursuing similar investment objectives. They are also more likely to have relatively higher correlation with traditional market returns than privately offered alternative investments. Moreover, traditional hedge funds have limited liquidity with long "lock-up periods allowing them to pursue investment strategies without having to factor in the need to meet client redemptions. On the other hand, mutual funds typically must meet daily client redemptions. This differing liquidity profile can have a material impact on the investment returns generated by a mutual fund pursuing an alternative investing strategy compared with a traditional hedge fund pursuing the same strategy.

Non-traditional investment options and strategies are often employed by a 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".

Risks Relating to Alternative Investments. Alternative investments have different features and risks than other types of investment products. As further described in the offering documents of any particular alternative investment, alternative investments can be highly illiquid, are speculative and are not appropriate for all investors. For example, alternative investments may place substantial limits on liquidity and the redemption rights of investors, including only permitting withdrawals on a limited periodic basis and with a significant period of notice and may impose early withdrawal fees. Alternative investments are intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment. Investors should carefully review and consider potential risks before investing. Certain of these risks may include: loss of all or a substantial portion of the investment due to leveraging, short selling, or other speculative practices; lack of liquidity, in that there may be no secondary market for the fund and none expected to develop; volatility of returns; restrictions on transferring interests in the fund; potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized; absence of information regarding valuations and pricing; complex tax structures and delays in tax reporting; less regulation and higher fees than mutual funds; and advisor risk. Alternative investment products may also have higher fees (including multiple layers of fees) compared to other types of investments.

Individual funds will have specific risks related to their investment programs that vary from fund to fund. For more details on these and other features and risks, please carefully read the documentation (including risk disclosures) relating to any selected Investment Option, as well as your Client Agreement.

Risks Relating to Differing Classes of Securities. Different classes of securities have different rights 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.

Tax and Legal Considerations

Neither MSWM, neither Graystone nor any of our affiliates provides tax or legal advice and, therefore, are not responsible for developing, implementing, or evaluating any tax strategies that may be employed by the client. The client should develop any such strategies or address any legal or tax-related issues with a qualified legal or tax adviser.

Investment in MLPs entails different risks, including tax risks, than is the case for 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 MLP portfolios 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 MLP portfolios may be required to file state income tax returns in states where the MLPs in the portfolio operate. Since some Schedule K-1s may not be provided until after the due date for the federal or state tax return, investors in MLP portfolios 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 portfolio.

Fees

Traditional Institutional Consulting Services

The fees for traditional Institutional Consulting Services are negotiable and are typically subject to a $10 million portfolio minimum.

Asset Based Fee. The standard asset-based fee schedule is as follows:

Account Asset Value	Annual Fee
On the first $5,000,000	1.35%
On the next $5,000,000	0.80%
On the next $15,000,000	0.40%
On the next $25,000,000	0.30%
On the next $50,000,000	0.20%
On the next $100,000,000	0.10%
Over $200,000,000	Negotiable

Hard Dollar Fee. In addition, clients may select any of the services listed below. The fees are negotiable subject to approval from Graystone management and an overall minimum engagement fee.

- Historical analysis
- Investment policy statements
- Strategic asset allocation studies
- Active asset allocation only
- Asset liability analyses - Clients may contract directly with third-party vendors for an asset liability analyses in which case MSWM and Graystone will not commit to this service contractually or charge an additional fee.
- Manager searches
- Performance reporting services

Graystone Discretionary Services

The fees for Graystone Discretionary Services are negotiable and are typically subject to a $25 million portfolio minimum. The standard asset-based fee schedule is as follows:

Account Asset Value	Annual Fee
On the first $25,000,000	0.85%
On the next $25,000,000	0.40%
On the next $50,000,000	0.25%
On the next $100,000,000	0.15%
Over $200,000,000	Negotiable

Defined Contribution Participant-Directed Plans

Asset Based Fee. The fees for traditional Institutional Consulting Services are negotiable and subject to a minimum fee per relationship. The maximum asset-based fee is 1.00%.

Hard Dollar Fee. In addition, for plans with a minimum of $10 million in assets, the client may select to pay the fees for services

as a hard dollar fee based on equivalent asset-based fee parameters described above. It is possible that the hard dollar fee may exceed the maximum asset-based fees stated herein.

Discretionary Services For Defined Contribution Participant-Directed Plans

The fees are negotiable and are typically subject to a $1 million asset minimum.

Full Discretion Services

When Graystone Consulting takes full discretion which includes discretion over manager selection, review and termination, model portfolios and comprehensive monitoring of the client's portfolio the maximum asset-based fee is 1.25%.

Partial Discretion Services

When Graystone Consulting takes partial discretion which includes discretion over manager selection, review and termination, and comprehensive monitoring of the client's funds, the maximum asset-based fee is 1.15%.

Core Market Fiduciary Program

When MSWM takes full discretion which includes discretion over manager selection, review and termination, and comprehensive monitoring of the client's portfolio for accounts, the maximum asset-based fee is 1.00%.

General Fee Information

Generally, fees for the programs described in this Brochure are based on the size of the account (assets under management) and are negotiable based on factors including the type and size of the account and the range of services provided by Graystone Consulting. In special circumstances, and with the client's agreement, the fee charged to a client for an account may be more than the annual fees stated in the above section.

The fee is payable as described in the Client Agreement. Generally, unless specified to the contrary, for asset-based fees, the initial fee is due in full on the date you open your account with Graystone Consulting and is based on the market value of the account on that date. The initial fee payment covers the period from the opening date through (at your election) the last business day of the current quarter or the next full calendar quarter and is prorated accordingly. Thereafter, the fee is paid quarterly in advance based on the account's market value on the last business day of the previous calendar quarter and is due the following business day. Unless the client elects to hold assets in custody at a third-party custodian, the Client Agreement authorizes MSWM to deduct fees when due from the assets in the account. If client elects a third-party custodian, the client has the option of paying us directly or we can bill the custodian. Unless stated otherwise, generally for hard dollar fees, fees will be payable in advance.

You may terminate participation in the programs described in this Brochure at any time by giving written notice to Graystone Consulting. Graystone may (but is not obligated to) accept an oral notice of termination from you in lieu of the written notice. If participation in any of the programs described in this Brochure is terminated, any advisory fees paid in advance will be refunded on a pro-rata basis.

Accounts Related for Billing Purposes. When two or more investment advisory accounts are related together for billing purposes, you can benefit even more from existing breakpoints. 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 may be related for billing purposes, based on the law and MSWM's policies and procedures. Even where accounts are eligible to be related under these policies and procedures, they will only be related if this is specifically agreed between you and Graystone Consulting. For more information about which of your accounts are grouped in a particular billing relationship, please contact your Financial Advisor.

ERISA Fee Disclosure for Retirement Accounts. 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 the services we provide as well as the fees) is provided to you at the outset of your relationship with us and is set forth in your advisory contract with us (including the Fee table, other exhibits and, as applicable, this document), and then at least annually to the extent that there are changes to any investment-related disclosures for services provided as a fiduciary under ERISA.

Other. A portion of the MSWM Fee will be paid to your Financial Advisor. See Item 4.D below (Compensation to Financial Advisors), for more information.

B. Comparing Costs

Cost comparisons are difficult because a particular service may not be offered in other MSWM 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 fee in these programs. However, such transactions cannot be executed on a discretionary basis in a brokerage account. In addition, MSWM offers other programs where discretionary portfolio management is provided by third party investment managers (and not your Graystone Consultant) and the fees in those programs may be higher or lower than the fees in these programs.

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 needs.

C. Additional Fees

If you open an account in one of the programs described in this Brochure, you may pay us an asset-based fee for investment advisory services, custody of securities and trade execution with or through MSWM. The program fees do not cover:

- the costs of investment management fees and other expenses charged by Funds (see below for more details)
- "mark-ups," "mark-downs," and dealer spreads (A) that MSWM or its affiliates, including MS&Co., may receive when acting as principal in certain transactions where permitted by law or (B) that other broker-dealers may 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);
- fees or other charges that you may incur in instances where a transaction is effected through a third party and not through us or our affiliates (such fees or other charges will be included in the price of the security and not reflected as a separate charge on your trade confirmations or account statements)
- MSWM account establishment or maintenance fees for its Individual Retirement Accounts ("IRA") 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 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, closed-end funds and ETFs (collectively referred to in the Funds in Advisory Programs Section as "Funds") may be more expensive than other investment options offered in your advisory account. In addition to our 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 share price. 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 fee amount in your account statements. Each mutual fund and ETF 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 mutual fund's or ETF'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 programs described in this Brochure. However, some Funds may charge, and not waive, a redemption fee on certain transaction activity in accordance with the policies described in the applicable prospectus.

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 will 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/disclolsures. 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. ETF sponsors also can purchase transactional data for a separate fee. Additional fees apply for those Fund families that elect to purchase supplemental data analytics regarding financial product sales at MSWM. For more information regarding these payments, please refer to the Mutual Fund and ETF Brochures described above.

Conflicts of Interest regarding the Above-Described Expense Payments and Fees for Data Analytics. The above described fees present a conflict of interest for Morgan Stanley and our Financial Advisors to promote and recommend 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 and Branch Managers 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 and their Branch Managers do not receive additional compensation as a result of the fees and data analytics payments received by Morgan Stanley.

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 an/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, Eaton Vance, Boston Management and Research, Calvert Research and Management, Atlanta Capital Management Company and Parametric Portfolio Associates. Where clients select to invest in mutual funds where the investment adviser is a MSWM affiliate, in addition to the program fee paid by clients, MSWM and its affiliates may also receive investment management fees and related administrative fees. Since the affiliated sponsor or manager receives additional investment management fees and other fees, MSWM has a conflict to recommend MSWM affiliated mutual 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. MSWM's affiliates have entered into administrative services and revenue sharing agreements with MSWM as described above.

In addition, certain mutual funds managed by affiliates, including without limitation, Morgan Stanley Investment Management, Inc. or Eaton Vance Management and its affiliates respectively, are available for purchase across MSWM's investment advisory programs, including this Program. To the extent that such funds are offered to and purchased by Retirement Accounts, the advisory fee on any such account will be reduced, or offset, by the amount of the fund management fee, shareholder servicing fee and distribution fee we, or our affiliates, may receive in connection with such Retirement Account's investment in such affiliated managed 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 may 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. 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 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 may 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.

Custody

MSWM does not act as custodian. If you retain a custodian other than MSWM, your outside custodian will advise you of your cash sweep options and as described in the Client Agreement, you will have the option of instructing us on whether you want the Graystone Consulting fee billed to you directly or to the outside custodian selected by you, and the following sections on cash sweeps will not apply to you.

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

Cash Sweeps When MSWM Acts As Custodian

Generally, some portion of your account will be held in cash. If MSWM acts as custodian for your account, it 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"). For most clients, BDP will be the only available cash sweep. 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 on BDP will be lower than the rate on other cash alternatives. In limited circumstances, such as clients ineligible for BDP, MSWM may sweep some or all of your cash into money market mutual funds (each, a Money Market Fund"). These Money Market Funds are managed by Morgan Stanley Investment Management Inc. or another MSWM affiliate.

It is important to note that free credit balances and allocations to cash including assets invested in sweep investments are included in your account's fee calculation hereunder.

If your account is a Retirement Account, please read Exhibit B to this Brochure, entitled "Affiliated Money Market Funds Fee Disclosure Statement and Float Disclosure Statement".

MSWM, acting as your 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 Program Banks (this additional feature may provide enhanced FDIC coverage to you as well as funding value benefits to the Morgan Stanley Sweep Banks. For eligibility criteria applicable to this additional feature and BDP generally, 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 Investments. If BDP is your sweep investment, you should be aware that the Sweep Banks, which are affiliates of MSWM, will pay MSWM an annual account-based flat fee for the services performed by MSWM with respect to BDP. MSWM and the 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 affiliated 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, in its capacity as custodian, MSWM has a conflict of interest in connection with BDP being the default sweep, rather than an eligible Money Market Fund.

In addition, MSWM, the Sweep Banks and their affiliates receive other financial benefits in connection with the BDP. Through the BDP, each Sweep Bank will receive a stable, cost-effective source of funding. Each Sweep Bank intends to use deposits in the Deposit Accounts at the Sweep Bank 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 Sweep Banks and other costs of maintaining the Deposit Accounts, and the interest rate and other income earned by the 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 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 investment.

Morgan Stanley has added Program Banks to the BDP in order to maximize the funding value of the deposits in BDP for the Morgan Stanley Sweep Banks. On a daily basis, you may have deposits that are sent to a Program 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 Program Banks. In addition to the benefits to the Morgan Stanley Sweep Banks, you may benefit from having deposits sent to the Program Banks by receiving FDIC insurance on deposit amounts that would otherwise be uninsured. In return for receiving deposits through BDP, the Program Banks provides 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 Program Banks and the Morgan Stanley Sweep Banks. The Program Banks pay a fee to a Program Administrator for 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 Program 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 the Program, 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, as available, 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 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 because we have an incentive to only offer affiliated Money Market Funds in the Cash Sweep program, as MSIM (or another MSWM affiliate) will receive compensation for managing the Money Market Fund. We also have a conflict of interest because we offer those affiliated funds and share classes that pay us higher 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 Morgan Stanley Investment Management Inc. in the event a Money Market Fund waives its 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 Graystone Consulting

If you invest in one of the programs described in this Brochure, a portion of the fees payable to us in connection with your account is allocated on an ongoing basis to Graystone Consultants. The amount allocated to your Graystone Consultants in connection with accounts opened in programs described in this Brochure 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. Your Graystone Consultant may therefore have a financial incentive to recommend one of the programs in this Brochure instead of other MSWM programs or services.

If you invest in one of the programs described in this Brochure, Graystone Consulting may 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 Graystone Consultant. Therefore, Graystone Consultants have a financial incentive not to reduce fees.

Item 5: Account Requirements and Types of Clients

Graystone Consulting offers its services under this Brochure to corporations, Taft Hartley funds, endowments and foundations, public and private retirement plans, including 401(k) plan sponsors, family offices and high net worth individuals.

Item 6: Portfolio Manager Selection and Evaluation

A. Selection and Review of Portfolio Managers and Funds for the Programs

This Item 6.A describes more generally how we select and terminate Investment Options from these programs described in this Brochure. If managers have more than one strategy, we may include only some of those strategies in the programs described in this Brochure, may carry different strategies in different programs, and assign different statuses to different strategies. Please refer to the discussion in Section 4 A. for a complete description of the programs.

MSWM's Global Investment Manager Analysis Group

GIMA evaluates Investment Products. GIMA may delegate some or all of its functions to an affiliate or third party. Investment Products may only participate in the CES program if they are on GIMA's Focus List or Approved List discussed below. You may obtain these lists from your Graystone Consultant. In each program, only some of the Investment Products may be available.

As well as requiring Investment Products to be on the Focus List or Approved List, we look at other factors in determining which Investment Products we offer in these programs, including:

- program needs (such as whether we have a sufficient number of Investment Products available in an asset class)
- client demand and
- the manager's or Fund's minimum account size.

We automatically terminate Investment Products in the CES program if GIMA downgrades them to "Not Approved." We may terminate Investment Products from these programs for other reasons (i.e., the Investment Product has a low level of assets under management in the program, has limited capacity for further investment, or is not complying with our policies and procedures).

Focus List. The Focus List status indicates GIMA's high confidence level in the overall quality of the investment option and its ability to outperform applicable benchmarks over a full market cycle. To be considered for the Focus List, Investment Products provide GIMA with relevant documentation on the strategy being evaluated, which may include a Request for Information ("RFI"), asset allocation histories, its Form ADV (the

form that investment managers use to register with the SEC), past performance information and marketing literature. Additional factors for consideration may include personnel depth, turnover and experience, investment process, business and organization characteristics and investment performance. GIMA personnel may also interview the manager or Fund and its key personnel and examine its operations. Following this review process, Investment Products are placed on the Focus List if they meet the required standards for Focus List status.

GIMA periodically reviews Investment Products on the Focus List. GIMA considers a broad range of factors (which may include investment performance, staffing, operational issues and financial condition). Among other things, GIMA personnel may interview each manager or Fund periodically to discuss these matters. GIMA may also review the collective performance of a composite of the MSWM accounts managed by a manager/Fund and compare this performance to overall performance data provided by the manager/Fund, and then investigate any material deviations.

Approved List. Investment Products provide GIMA with relevant documentation on the strategy being evaluated, which may include an RFI, sample portfolios, asset allocation histories, its Form ADV, past performance information and marketing literature. Additional factors for consideration may include personnel depth, turnover and experience; investment process; business and organizational characteristics; and investment performance. GIMA personnel may also interview the Sub-Manager or Fund and its key personnel, typically via conference call.

Based on the above, GIMA then determines whether the Investment Product meets the standards for Approved List status. Approved List managers meet an acceptable due diligence standard based upon GIMA's evaluation.

GIMA continuously evaluates Investment Products on the Approved List and Focus List.

Changes in Status from Focus List to Approved List. GIMA may determine that an Investment Product no longer meets the criteria for the Focus List but meets the criteria for the Approved List. If so, MSWM generally notifies program clients regarding such status changes on a quarterly basis.

Changes in Status to Not Approved. GIMA may determine that an Investment Product no longer meets the criteria for either evaluation process and therefore the Investment Product will no longer be recommended in MSWM investment advisory programs. We notify affected clients of these downgrades. You cannot retain a downgraded manager or Fund in your accounts and must select a replacement from the Approved List or Focus List that is available in the program, if you wish to retain the program's benefits in respect of the affected assets.

In some circumstances, you may be able to retain terminated Investment Products through the process described below for Defined Contribution Participant-Directed Plans or in another advisory program or in a brokerage account subject to the regular terms and conditions applying to that program or account. Ask your Graystone Consultant about these options.

MSWM generally specifies a replacement Investment Product for a terminated Investment Product in CES (as discussed in Item 4.A above). In selecting the replacement Investment Product, GIMA generally looks for an Investment Product in the same asset class, and with similar attributes and holdings to the terminated Investment Product.

If GIMA leans of a material change to an Investment Product (e.g., the departure of an investment manager or investment team), MSWM, an affiliate or a third-party retained by GIMA or an affiliate, will evaluate the Investment Product in light of the change. This evaluation may take some time to complete. While this evaluation is being performed, the Investment Product will remain eligible for the Graystone Consulting program. The GIMA designation (Focus List or Approved List) for the Investment Product will not be altered solely because this evaluation is in progress. MSWM will not necessarily notify clients of any such evaluation.

Watch Policy. GIMA has a "Watch" policy for Investment Products on the Focus List and Approved List. Watch status means that upon reviewing an Investment Product, GIMA has identified specific areas of the manager's or Fund's business that (a) merit further evaluation and (b) may result in the Investment Product becoming "Not Approved." Putting an Investment Product on Watch does not signify an actual change in GIMA opinion nor is it a guarantee that GIMA will downgrade the Investment Product. The duration of a Watch status depends on how long GIMA needs to evaluate the Investment Product and for the Investment Product to address any areas of concern.

Tactical Opportunities List. GIMA also has a Tactical Opportunities List. This consists of certain Investment Products on the Focus List or Approved List recommended for investment at a given time based in part on then-existing tactical opportunities in the market.

Other Relationships with Managers and Funds. Some managers and Funds on the Approved List or Focus List may have business relationships with us or our affiliates. For example, a manager or Fund may use MS&Co. or an affiliate as its broker or may be an investment banking client of MS&Co. or an affiliate. GIMA does not consider the existence or lack of a business relationship in determining whether to include or maintain a manager or Fund on the Approved List or Focus List.

Graystone MAP Due Diligence

Managers offered in Graystone MAP are reviewed by Graystone Consulting and approved by GIMA.

Select Graystone Consulting teams conduct due diligence on Funds using information provided by Funds' investment managers or outside independent databases, all unaffiliated with MSWM. The reviewing team performs qualitative due diligence on prospective managers to identify recommended candidates for submission to GIMA, which reviews and approves the manager. The reviewing team generally conducts periodic follow-up due diligence on approved managers (including follow-up interviews with the manager).

Once a manager has been approved by GIMA, it is available for Graystone Consulting and certain other clients.

DC Investment Consulting Fund Screening
(For Participant-Directed Plans only)

In addition to the mutual funds and ETFs that appear on the Focus List and Approved List of GIMA described above, for clients in the Institutional Consulting Services program for Participant-Directed Plans, funds may be "approved" for the program in an alternate manner, as well. MSWM applies a proprietary screening process to funds in the Morningstar mutual fund database, which it applies in part using third party software. The screening algorithm, applied quarterly, is based on factors such as performance, ranking, stewardship grade, fees and manager tenure. Funds subject to this process are either approved or not approved for use in the Institutional Consulting Services program for Participant-Directed Plans. Graystone and MSWM do not maintain a Watch List for these funds equivalent to GIMA's Watch List.

Selection of Alternative Investments

Alternative investment managers may only be recommended in the traditional Institutional Consulting Services and Graystone programs described in this Brochure if they are on MSWM's Alternatives Approved List (described below). Managers often offer more than one alternative investment, and we may include only some of those alternative investments or only certain share classes in our programs, may carry different alternative investments or share classes in different programs, and assign different statuses to different alternative investments.

We also consider other factors in determining which alternative investments we offer in these programs, including program needs such as whether we have enough managers available in an asset class, and client demand.

In the programs, investment and business risk due diligence on alternative investments is provided by MSWM through (i) GIMA, (ii) an affiliate of MSWM that may provide due diligence and monitoring services, or (iii) an independent, third-party consulting firm or other organization retained by MSWM and approved by the AIPRC ("Due Diligence Provider") that is also in the business of evaluating the capabilities of alternative investments. Any firm providing due diligence is expected to follow a methodology similar to that used by GIMA (described below) or a methodology approved by the AIPRC in reviewing such alternative investments.

On an ongoing basis, the Due Diligence Provider conducts both quantitative and qualitative research on potential candidates. Their research includes, among other things, a review of relevant documents, calls and meetings with the investment team, and an analysis of investment performance. Generally, although the process may be modified for a particular manager or alternative investment as the Due Diligence Provider may deem appropriate, the Due Diligence Provider will typically also conduct on-site visits, review a separate business risk due diligence questionnaire, and examine areas such as portfolio pricing, contingency planning, background checks on key principals and other items. Their due diligence covers the alternative investment in question, not the investments in which that alternative investment may in turn invest. For example, for a fund of funds, GIMA's research process is applied to the fund of funds, and not to each individual fund in which the fund of funds invests. Also, when evaluating portfolio managers that may be recommended to clients to provide portfolio services, the due diligence typically covers the portfolio manager, not the investments which that portfolio manager may recommend.

If a new alternative investment is viewed as an appropriate candidate by the Due Diligence Provider, the vehicle is presented to an MSWM alternative investment product review committee ("AIPRC"). The AIPRC consists of senior MSWM representatives who are mandated to approve proposed candidates and reconfirm existing vehicles on a periodic basis. Once a new alternative investment is approved by the AIPRC, and all required due diligence materials are verified, it receives an "Approved" status, is placed on the Alternatives Approved List, a list of alternative investment vehicles in which qualified clients may invest and is available for allocations to qualified clients on a placement and/or advisory basis. Certain Alternatives Investments on the Alternatives Approved List are available to qualified clients in the programs.

Ongoing monitoring of managers and investment vehicles on the Alternatives Approved List is provided by the Due Diligence Provider. In addition to manager-specific monitoring, the reviewer monitors overall market conditions in their specific strategies of expertise.

MSWM may remove alternative investments from the programs if GIMA or the Due Diligence Provider of the alternative investment downgrades the alternative investment to "Terminate". We may also terminate managers from these programs for other reasons (e.g., the manager has a low level of assets under management in the program, the manager has limited capacity for further investment, or the manager is not complying with our policies and procedures). Also, GIMA's head of research can remove an alternative investment vehicle from the Alternatives Approved List without consulting the AIPRC, but all actions must be assessed by the AIPRC at the next meeting.

Watch Policy. MSWM has a "Watch" policy for alternative investments on the Approved List. Watch status indicates that, in reviewing an alternative investment, GIMA or the Due Diligence Provider has identified specific areas related to the alternative investment, the manager of the alternative investment, or the markets in general that (i) merit further evaluation by GIMA or the Due Diligence Provider and (ii) may, but are not certain to, result in the removal of the alternative investment from the "Approved List". Putting an alternative investment on Watch does not signify a change in GIMA opinion nor is it a guarantee that GIMA will remove the alternative investment. The duration of a Watch status depends on how long GIMA needs to evaluate the reason for the status change, which may include, an evaluation of the markets, alternative investment, and manager of the alternative investment.

Calculating Portfolio Managers' Performance

In the programs described in this Brochure, we calculate performance using a proprietary system.

MSWM's Performance Reporting Group reviews performance information for client accounts, including daily reconciliation of positions reported in the firm's proprietary performance calculation system against the firm's books and records, and accounts & positions where the calculated returns deviate from established thresholds. For alternative investments, GIMA does not calculate composite manager performance in the programs. Neither MSWM nor a third-party reviews performance information to determine or verify its accuracy or its compliance with presentation standards and therefore performance information may not be calculated on a uniform or consistent basis. Generally, the manager of the alternative investment determines the standards used to calculate performance data.

For alternative investments, valuations used for account statement purposes and billing purposes, and for any performance reports, are obtained from the manager of each selected Investment Option. These valuations (and any corresponding benchmark index values) may be estimates, may be several weeks old as of the dates MS&Co. produces your account statements/reports and calculates your fees and, in the case of index values, may be based on information from multiple sources. The final performance figures for the applicable period may be higher or lower, and MSWM is under no obligation to provide notice of, or compensation to, clients for any difference in performance.

If you invest in a fund of funds, your account documents may use the HFRI Fund of Funds as a benchmark. The FoF Composite consists of over 800 domestic and offshore funds of hedge funds that have at least $50 million under management or have been actively trading for at least 12 months. It is equally weighted on a fund-by-fund basis and fund assets are reported in USD on a net of fees basis. It is updated three times a month and the current month's and the prior three months' values are subject to change. MSWM is not obligated to notify you of any such changes. The FoF Composite values are likely to be more up to date than the data for the selected Investment Options for which it is the benchmark. You cannot invest in the FoF Composite. For more information see https://www.hedgefundresearch.com.

B. Conflicts of Interest

Advisory vs. Brokerage Accounts. MSWM and your Graystone Consultant are likely to earn more compensation if you invest in a program described in this Brochure than if you open a brokerage account to buy individual securities (although, in a brokerage account, you may not receive all the benefits of the programs described in the Brochure). In such instance, your Graystone Consultant and MSWM therefore have a financial incentive to recommend one of these programs described in this Brochure. 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. Managers may also 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 the entire event. Managers may sponsor educational meetings or seminars in which clients as well as Financial Advisors are invited to participate.

Managers are allowed 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 to Managers" section do not relate to any particular transactions or investment made by MSWM clients with managers. Managers participating in programs described in this Brochure 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. Please see the discussion under "Funds in Advisory Programs" in Item 4.C for more information.

Payments from Mutual Funds. Please see the discussion of payments from fund companies under "Funds in Advisory Programs" in Item 4.C.

Payments from Managers of Alternative Investments. Managers of alternative investments offered in the programs described in this Brochure may agree to pay MSWM additional fees, which may include up front placement fees up to 3.00%, investment servicing fees ranging from 0.25% to 1.00% and an ongoing revenue sharing annual fee ranging from 0.50% to 2.00% of the subscription or capital commitment amount. We have a conflict of interest in offering alternative investments because we or our affiliates earn more money in your account from your investments in alternative investments than from other investment options. However, in cases where we receive any of the above-referenced payments from a manager of an alternative investment and we charge a program fee in connection with the alternative investment under the programs in this Brochure, we credit an amount equal to the above-referenced payments to your account (excluding the program participation and administrative service fees described below, as applicable). Also, we do not share this money with your Graystone Consultant (i.e. the compensation we pay to your Graystone Consultant is not affected by the payments we receive from the alternative investments). Therefore, your Graystone Consultant does not have a resulting incentive to buy alternative investments in your account, or to buy certain alternative investments rather than other alternative investments in any of the programs in this Brochure.

HedgePremier Program Participation Fees. If you make an investment in a HedgePremier Feeder as a consulting client, you will be subject to a program participation fee ("Program Participation Fee"), a portion of which will be paid to MSWM or its affiliate as an ongoing administrative servicing fee (the "HedgePremier Administrative Servicing Fee"). Such HedgePremier Administrative Servicing Fee is intended to compensate MSWM for certain investor servicing support provided in respect of investors in the HedgePremier Feeder. Depending on the aggregate net asset value of the HedgePremier Feeders, MSWM will receive a HedgePremier Administrative Servicing Fee of up to 0.10% per annum from investors with an aggregate amount invested in HedgePremier Feeders (minus redemptions or withdrawals) (the "Aggregate Invested") of less than $5,000,000. MSWM will not receive a HedgePremier Administrative Servicing Fee from any investor in a

HedgePremier Feeder with an Aggregate Invested of $5,000,000 or more, although such investment will still be subject to the applicable Program Participation Fee. The Program Participation Fee and, as such, the HedgePremier Administrative Servicing Fee, are not charged to certain retirement accounts. While you remain in the programs in this Brochure, your Graystone Consultant will not receive any portion of the HedgePremier Administrative Servicing Fee.

Platform Sponsor Fees and Administrative Servicing Fees – Illiquid Feeders and SPVs. If you make an investment in a private equity, private credit or private real estate feeder fund (the "Illiquid Feeders") established by an affiliate of Institutional Capital Network, Inc. ("iCapital"), MSWM be paid an Administrative Servicing Fee of up to 0.08% per annum of the applicable fee base (as described in the offering memorandum for each Illiquid Feeder). If you make an investment in a special purpose vehicle established to acquire a particular underlying security or group of related securities or other assets ("SPV"), established by an affiliate of iCapital, MSWM will be paid a one-time/up-front Administrative Servicing Fee up to 0.25% of your commitment amount for each SPV (as described in the offering memorandum for each SPV). The Administrative Services Fee is intended to compensate MSWM for certain investor servicing support provided in respect of investors in each of these Illiquid Feeders or SPVs. The amount of the Administrative Services Fee may be reduced under certain circumstances if reduced, such reduction will be paid to iCapital Strategies LLC, the third-party general partner or administrator, as applicable, of the relevant Illiquid Feeder or SPV.

Finally, an affiliate of MSWM has made an investment in iCapital. As a result, MSWM has an indirect interest in the increased profitability of iCapital through the promotion of its feeder fund business.

Morgan Stanley Alternatives Secondaries - Qualified Matching Service ("Alts QMS"). Alts QMS is a tool to assist clients in (A) identifying potential bids ("Bids") from potential buyers for both organized liquidity events ("Liquidity Events") and postings ("QMS Transactions," together with Liquidity Events, "Transactions") of interests ("Securities") in eligible alternative investment funds, and (B) identifying potential indications of interest ("IOIs") to sell Securities from potential sellers. Alts QMS is made available to clients by Morgan Stanley Wealth Management via a service provider. Sellers will not be charged any commissions in connection with a Transaction effected through the Alts QMS. The buyer will pay commissions to the service provider, and Morgan Stanley Wealth Management may receive a portion of any such commissions charged on a Transaction.

Oversubscripton Policy. From time to time, MSWM may have limited access to opportunities to place clients in, or recommend client to, alternative investments, particularly in the case of certain private equity and real estate opportunities. Under these circumstances, when MSWM aggregate client subscriptions for an alternative investment exceed the capacity given to Morgan Stanley by the alternative investment manager, the alternative investment will be oversubscribed. Where an alternative investment is oversubscribed, MSWM will reduce Morgan Stanley employee orders in the first instance as a general matter which may result in MSWM reducing an employee's commitment to the oversubscribed alternative investment to zero. If the alternative investment remains oversubscribed after a reduction in employee orders, MSWM will reduce client orders on a pro rata basis to address the oversubscription of the alternative investment until MSWM capacity is met. MSWM is not required to allot or prioritize a client for any additional capacity that may become available following the client's subscription for your reduced amount in such alternative investment. MSWM may change its policy to ensure that the process, as it relates to its advisory clients, remains fair, equitable and consistent with its fiduciary duty to such clients.

Affiliate Acting as Portfolio Manager. Where permitted by law, and except for plan accounts, an affiliate of MSWM may have been selected to act as the manager for one or more your investments. Where this occurs, we or our affiliates earn more money than from other investment options. MSWM and the Graystone Consultant are also likely to earn more compensation if you invest in a program described in this Brochure than if you open a brokerage account to buy individual securities.

These relationships create a conflict of interest for us or our affiliates, as there is a financial incentive to recommend the investments. 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.

MSWM as Placement Agent. MSWM also acts as placement agent for certain alternative investments whereby such investments are available through MSWM on a non-advisory basis. When an alternative investment is purchased on a placement basis, different terms and conditions, including different fee arrangements, may apply. For example, when a client invests on a placement basis, they do not pay an ongoing advisory fee, however, they pay an upfront placement fee and the program manager receives a higher program participation fee which is shared with MSWM and its Graystone Consultants. A Client investing on an advisory basis may pay higher fees, in the aggregate, than if such investment had been made on a placement basis.

Different Advice. MSWM and its affiliates may give different advice, take different action, receive varying compensation, 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, 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, the investment managers in its programs, and its 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, the trading of MSWM, a manager or their affiliates – both for their proprietary accounts 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 provides to you.

Trade Allocations. In certain cases trades may be aggregated so that the securities will be sold or purchased for more than one client in order to obtain favorable execution to the extent permitted by law. The investment manager will then allocate the trade in a manner that is equitable and consistent with its 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, 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 described in this Brochure. MSWM, 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 companies from an account. Accordingly, it is likely that securities in an account will include some of the securities of companies for which MSWM, investment managers and their affiliates perform 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 in certain related securities. These restrictions may adversely impact your account performance.

MSWM, the managers and their affiliates may also develop analyses and/or evaluations of securities sold in a program described in this Brochure, as well as buy and sell interests in securities on behalf of its 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 MSWM or a manager or any of their affiliates believe would violate federal or state law, or the regulations of any regulatory or self-regulatory body.

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

Certain Trading Systems. MSWM may effect trades 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 may 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 and/or have a member of the Board of certain trading systems (or their parent companies), including (1) MEMX Holdings LLC; (2) OTCDeriv Limited; (3) EOS Precious Metals Limited; (4) CreditDeiv Limited; (5) FXGLOBALCLEAR; (6) Yensai.com Co., Ltd; (7) Octaura Holdings LLC; (8) Copeland Markets LLC; and (9) ICE Clear Credit LLC.

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. receive 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.

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

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 may 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 the 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 may benefit if MSWM's client accounts holding such instruments sold or redeemed them back to the issuer. 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.

C. Graystone Consultants Acting as Portfolio Managers

Description of Advisory Services

Graystone Consultants only act as portfolio managers under the Graystone Discretionary Services program and not any other program described in this Brochure. See Item 4.A above for a description of the services offered in the programs described in this Brochure.

Performance-Based Fees

The programs described in this Brochure do not charge performance-based fees.

Methods of Analysis and Investment Strategies

Graystone Consultants in the programs described in this Brochure may use any investment strategy when providing investment advice to you. Graystone Consultants may use asset allocation recommendations of the Morgan Stanley Wealth Management Global Investment Committee as a resource but, if so, 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.

Proxy Voting

Graystone Consulting does not offer proxy voting services to its clients for its traditional institutional consulting services. In Graystone Discretionary Services, clients may elect to:

- Retain authority and responsibility to vote proxies for your account or
- Delegate discretion to vote proxies to a third party (other than Graystone or MSWM).

Unless you delegate discretion to a third party to vote proxies, we will forward to you, or your designee, any proxy materials that we receive for securities in your account. We cannot advise you on any particular proxy solicitation.

We 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

Graystone Consulting and investment managers have access to the information you provide at account opening. You are responsible for ensuring that the information you provide to Graystone is accurate and remains current.

Item 8: Client Contact with Portfolio Managers

In the programs described in this Brochure, you can contact your Graystone Consultant at any time during normal business hours.

Item 9: Additional Information

Disciplinary Information

This section contains information on certain legal and disciplinary events.

- 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 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 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 Graystone Consultant.

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.

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 advisor, 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.
- Regulatory restrictions may limit your ability to purchase, hold or sell equity and debt issued by Morgan Stanley Parent and its affiliates.
- 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 that arise as a result of MSWM's affiliation with MS & Co. and its affiliates.

Related Investment Advisors and Other Service Providers. MSWM has related persons that are registered investment advisers in various investment advisory programs (including Cook Street Consulting, Inc., Hyas Group, Morgan Stanley Investment Management Inc., Morgan Stanley Investment Management Limited and Consulting Group Advisory Services LLC, as well as Eaton Vance Management and its affiliates). If you invest your assets and use an affiliated firm to manage your account, MSWM and its affiliates earn more money than if you use an unaffiliated firm. Generally, for Retirement Accounts, MSWM rebates or offsets fees so that MSWM complies with IRS and Department of Labor rules and regulations.

Morgan Stanley Investment Management Inc. and Eaton Vance Management and its 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 a general partner, administrative agent or special limited partner of a limited partnership or managing member or 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 investments 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. 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

MSWM's Investment Adviser Code of Ethics ("Code") applies to its employees, supervisors, officers and directors engaged in offering or providing investment advisory products and/or services (collectively, the "Employees"). In essence, the Code prohibits Employees 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. Employees 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 Employee activities to specified limitations (including pre-approval requirements) or by prohibiting certain activities. Key provisions of the Code include:

- The requirement for certain Employees, 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 Employees (including Financial Advisors and other MSWM employees who act as portfolio managers in MSWM investment advisory programs);

- Requirements for certain Employees to provide initial and annual reports of holdings in their Employee securities accounts, along with quarterly transaction information in those accounts; and

- 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 Solicitations Activity.

You may obtain a copy of the Code of Ethics from your Graystone Consultant. See Item 6.B above.

Reviewing Accounts

At account opening, your Graystone Consultant must ensure that, and the Branch Manager (or the Branch Manager's designee) confirms that, the account and the investment style are appropriate investments for you.

For traditional institutional consulting service accounts, your Graystone Consultant is then responsible for reviewing your account on an ongoing basis and will recommend different asset allocations at any time according to market conditions. Your Graystone Consultant will ask you at least annually if your investment objectives have changed. If your objectives change, your Graystone Consultant will modify your asset allocation to be appropriate for your needs.

For Graystone discretionary service accounts, your Graystone Consultant is then responsible for reviewing your account on an ongoing basis and may adjust your portfolio and will recommend different asset allocations at any time according to market conditions. Your Graystone Consultant will ask you at least annually if your investment objectives have changed. If your objectives change, Graystone Consultant will modify your portfolio to be appropriate for your needs.

See Item 4.A above for a discussion of account statements and performance reporting.

Client Referrals and Other Compensation

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

MSWM may compensate affiliated and unrelated third parties for client referrals in accordance with Rule 206(4)-1 of the Advisers Act. If the client invests 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

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

MSWM does not have any financial conditions that are reasonably likely to impair its ability to meet its contractual commitments to clients.

MSWM and its predecessors have not been the subject of a bankruptcy petition during the past ten 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 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) may not 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 may be paid to MSWM and 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 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 may be appropriate for Retirement Plans 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 may also be 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	Advisory 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%	0.10%	0.35%	0.35%

Interest Earned on Float

If MSWM is the custodian of your account, MSWM may retain 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 swept into 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.