Morgan Stanley

Savings Program Disclosure Statement

MARCH 2023

Introduction

In the following disclosure, the words "we," "us," "our," "Morgan Stanley" and "Morgan Stanley Wealth Management" refer to Morgan Stanley Smith Barney LLC. The words "you," "your," "yours" and "client" refer to the account owner(s) and/or authorized person(s).

Under the Savings program ("Program"), Morgan Stanley Smith Barney LLC ("Morgan Stanley"), permits customers to access US dollar deposit positions in deposit accounts ("Deposit Accounts"), from their Morgan Stanley brokerage accounts ("Brokerage Account"), at their discretion, at either Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., ("Bank" or collectively "Banks") each a national bank, Member FDIC, and an affiliate of Morgan Stanley Smith Barney LLC.

Each Deposit Account is a demand deposit account at the respective Bank, but the Program is not intended for clients who need to have frequent access to the funds in their Deposit Account.

As described in the "Fees and Compensation" section below, fees apply if you withdraw funds from a Deposit Account more than ten (10) times in a calendar month.

Each Deposit Account constitutes a direct obligation of the Bank and is neither directly nor indirectly an obligation of Morgan Stanley. The Deposit Accounts are not certificated and are nonnegotiable, and may not be transferred from us to another broker or financial intermediary.

As discussed below under "FDIC Insurance," the Deposit Accounts are eligible for deposit insurance by the FDIC up to the Maximum Applicable Insurance Limit (principal and accrued interest) per depositor in each insurable capacity (e.g., individual or joint).

For purposes of the Maximum Applicable Insurance Limit, you must aggregate all Accounts that you maintain with the Bank in the same insurable capacity, including deposits at the Bank held through the Bank Deposit Program, Preferred Savings Program, this program, GlobalCurrency, certificates of deposit ("CDs") and other Accounts at the Bank you hold directly or through us or other intermediaries.

The Maximum Applicable Insurance Limit for all insurable capacities is currently $250,000. Any deposits (including certificates of deposit) that you maintain in the same capacity directly with a Bank, or through an intermediary (such as Morgan Stanley or another broker-dealer), will be aggregated with deposits in your deposit accounts at that Bank for purposes of the Maximum Applicable Insurance Limit. You are responsible for monitoring the total amount of deposits that you have with each Bank in order to determine the extent of FDIC deposit insurance coverage available to you. You should review carefully the section of this document, titled "FDIC Insurance," which describes the amount of coverage available to you.

Please see the section of this document titled "FDIC Insurance" for the definition of the term "Maximum Applicable Insurance Limit."

You are responsible for monitoring the total amount of deposits that you have with the Bank in order to determine the extent of FDIC deposit insurance coverage available to you. We are not responsible for any insured or uninsured portion of a deposit at the Bank. You should carefully review the section of this document titled "FDIC Insurance," which describes the extent of, and limitations on, FDIC insurance.

You may deposit funds in excess of the Maximum Applicable Insurance Limit. However, in doing so, you acknowledge that your funds in excess of the Maximum Applicable Insurance Limit are not FDIC insured and are subject to the investment risk based on the financial condition of the Bank. In making an investment decision, you must rely on your own examination of the Bank and the terms of the offering, including the merits and risks involved. Upon request, you will be provided with publicly available information about the Bank. We are not responsible for, and have not verified, the accuracy of that information.

The Securities Investor Protection Corporation ("SIPC") takes the position that deposits are not covered by SIPC insurance. Therefore, you should not rely on the availability of SIPC insurance coverage or excess SIPC insurance coverage obtained by Morgan Stanley in making your investment decision.

Conditions to Establish a Deposit Account

The Savings Program is only available to eligible entities with eligible Accounts at Morgan Stanley. Each account is either a managed account or brokerage account. "Managed Accounts" are accounts which are enrolled in a Morgan Stanley-sponsored wrap fee investment advisory program. All other accounts are "Brokerage Accounts", which are eligible for the Program. Managed Accounts are ineligible for the Program. We may require that, in order to establish a Deposit Account, you fund the Deposit Account with money that was not previously maintained by you in a Morgan Stanley Brokerage Account.

Your Relationship with Morgan Stanley and the Banks

You will not receive a passbook, certificate or other evidence of ownership of the Deposit Account from the Banks. The Deposit Accounts are recorded at the Bank in the name of Morgan Stanley as your agent and custodian and are reflected in records maintained by Morgan Stanley.

We will provide you with a written acknowledgement of your deposits to and withdrawals from a Deposit Account and your Deposit Account will be reflected on your Brokerage Account statement. You should retain the written acknowledgement(s) and the Brokerage Account statement(s) for your records. You may contact your Financial Advisor or Private Wealth Advisor at any time for information about your Deposit Account balances at the Bank.

Your Brokerage Account statement will provide the outstanding principal amount of each Deposit Account as of the date stated on your Brokerage Account statement. The

Brokerage Account statement will also show interest earned in the Deposit Account for the period beginning on the first calendar day of the current month up to, but not including, the last calendar day of the month.

No deposit relationship shall be deemed to exist prior to the receipt and acceptance of funds by the Bank. You can obtain publicly available financial information concerning the Bank at https://www.ffiec.gov/nicpubweb/ nicweb/nichome.aspx or by contacting the FDIC Public Information Center by mail at 3501 North Fairfax Drive, Room E-1005, Arlington, VA 22226 or by phone at 1-877-275-3342. We do not guarantee in any way the financial condition of the Bank or the accuracy of any publicly available financial information concerning the Bank.

We may, in our sole discretion, terminate your participation in the Program at any time upon written notice to you. Notwithstanding the foregoing, we may terminate and/or impose aggregate order limits on certain promotional campaigns at any time without notice to you. You also may terminate your participation in the Program at any time (without closing your Brokerage Account) by notifying your Financial Advisor or Private Wealth Advisor and instructing them to withdraw all funds from your Deposit Account. Similarly, you may close your Brokerage Account or choose to remove Morgan Stanley as your agent and custodian with respect to your Deposit Account.

Under these circumstances, you may not transfer your Deposit Account to another financial intermediary. (Please refer to the Nontransferable Deposits section below for more information.) You may, however, request that your ownership of the Deposit Account be evidenced directly on the books of the Bank, subject to the Bank's rules and requirements for establishing and maintaining accounts. If you establish your Deposit Account on the books of the Bank, you will have the ability to enforce your rights in the Deposit Account directly against the Bank and we will have no further responsibility with respect to your Deposit Account. The direct Deposit Account you establish on the books of the Bank may pay interest at a rate that is different than what you would have otherwise earned in the Program, including a zero percent rate (no interest).

PROGRAM AND DEPOSITORY INSTITUTIONS CHANGES

Morgan Stanley, at its discretion, may modify the terms, conditions and procedures of the Program or the depository institutions that participate in the Program. Morgan Stanley will notify you of any such changes that adversely affect you or any change to the participating depository institutions. All such notices may be made by means of a letter, an entry on your Brokerage Account statement or by other means. In the event a Bank is replaced with a new depository institution, you authorize Morgan Stanley to withdraw funds from your Deposit Accounts at the Bank and deposit the funds in the Deposit Accounts that are established at the new depository institution. In the event that a Bank is removed from the Program, you authorize Morgan Stanley to withdraw funds from your Deposit Accounts at the Bank and deposit the funds in the Deposit Accounts that are established at the other Bank.

Accounts

INTEREST

Each Deposit Account will bear interest at a variable rate that may change as frequently as daily.

Interest will accrue beginning on the date of deposit at the Bank, will compound daily and will be credited to your Deposit Account monthly. As explained below, the date of deposit at the Bank may be after the date you provide funds to Morgan Stanley. The Bank uses the daily balance method to calculate interest on your Deposit Account. This method applies a daily periodic rate to the principal in your Deposit Account each day. No interest will accrue on the date of withdrawal.

Interest rates may be tiered based on the value of Eligible Assets (as defined below) in your Pricing Group (as defined below) on each Valuation Date (as defined below). Currently, there are six interest rate tiers based on the Eligible Assets in the applicable Pricing Group:

- $2,000,000 or greater
- $1,000,000 to $1,999,999.99
- $500,000 to $999,999.99
- $250,000 to $499,999.99
- $100,000 to $249,999.99
- Less than $100,000

Each Bank reserves the right to change its interest rates and interest rate tiers, and further, on any day there may be no difference in the interest rates on different tiers. Each Bank also reserves the right to change the basis for tiering or eliminate tiering altogether. Your interest rate may change each Valuation Date depending on the value of your Eligible Assets, the applicable tier ranges, and the applicable interest rate assigned to each tier.

For purposes of determining your interest rate tier, the following terms have the following meanings:

"Eligible Assets" used to determine your interest rate tier are total deposit balances (in the Bank Deposit Program and in Savings) across all accounts in your Pricing Group. Liabilities, such as mortgages and margin loans, are excluded. In general, the greater the value of your Eligible Assets, the higher the interest rate your Accounts will earn.

We will determine the value of Eligible Assets each week (the "Valuation Date") and our valuation will be final. If a change in the value of your Eligible Assets causes you to move from one interest rate tier to another interest rate tier, your Accounts will earn interest at the rate in your new tier beginning no later than the first business day following the subsequent Valuation Date.

A "Pricing Group" is a group of accounts within a household that have the same address. Accounts using the same social security number or tax identification number in a household may also be included in a Pricing Group even if the account address is different from other accounts. Certain accounts can be included in a household if the account owner lives with the head of household and/or qualifies based on his/her familial relationship to the head of household. Eligible family relationships include spouse (or domestic partner), children, parents and grandparents of the head of household. There are restrictions on what account types can and cannot be grouped together in a Pricing Group. Some account types cannot be grouped with any other account types, including, for example, employee benefit plan accounts and irrevocable trusts. Other account types cannot be in the same Pricing Group including, for example, IRAs and business accounts. There are also account types where consent may be required to include an account in a Pricing Group, including, for example, non-ERISA retirement accounts (i.e., retirement plans that cover only owner and/or spouse) and family/ solely owned entity accounts. You should consult with your Financial Advisor or Private Wealth Advisor to determine whether all eligible accounts have been included in your household and/or Pricing Group. It is your responsibility to ensure that all eligible accounts are included in your household and/or Pricing Group.

You may obtain information with respect to current interest rates and interest rate tiers for Savings by contacting your Financial Advisor or Private Wealth Advisor, or by accessing Morgan Stanley public website at: www.morganstanley.com/wealth-general/savingsratemonitor.

DEPOSIT AND WITHDRAWAL PROCEDURES

You may direct your Financial Advisor or Private Wealth Advisor to have Morgan Stanley, as your agent and custodian, transfer funds from your Brokerage Account with Morgan Stanley into your Deposit Account. No other mechanism to deposit funds to your Deposit Account will be provided.

You may direct your Financial Advisor or Private Wealth Advisor to have Morgan Stanley, as your agent and custodian, withdraw funds from your Deposit Account and deposit such funds into your Brokerage Account. Withdrawal requests given to a Morgan Stanley Financial Advisor or Private Wealth advisor by 4:00 p.m. Eastern Time on a business day[1] generally will be processed on such business day. If we are unable to process the request on such business day, it will be processed on the next business day. No other withdrawals from your Deposit Account will be permitted, including any instructions to wire or otherwise transfer funds from your Deposit Account to any account other than your Brokerage Account with Morgan Stanley. If there are insufficient funds in your Deposit Account to cover your withdrawal request, Morgan Stanley will reject the withdrawal request.

Transfers between your Brokerage Account and your Deposit Account can only be made on business days.

CASH MANAGEMENT CAPABILITIES

You may not use the check-writing, direct deposit, debit card, online payments or other cash management capabilities of your Brokerage Account to withdraw funds from the Program. Withdrawals from your Deposit Account can be made only by contacting your Financial Advisor or Private Wealth Advisor to transfer funds to or from your Deposit Account.

Fees and Compensation

The Program is not intended for clients who need to have frequent access to the funds in the Program. We will charge you a fee of $25 for each withdrawal that you make from a Deposit Account in excess of ten (10) withdrawals in a calendar month. For these purposes, a withdrawal will be considered to occur on the day on which the funds are actually withdrawn from the Program, which may not be the same day on which you place an order for the withdrawal with your Financial Advisor or Private Wealth Advisor. If you exceed ten (10) withdrawals in more than one Deposit Account, you will be charged for the excess withdrawals from each Deposit Account. These fees will be posted to your Brokerage Account, and may reduce your earnings.

The Bank pays Morgan Stanley a fee equal to a percentage of the average daily deposit balances in your Deposit Account at the Bank. The fee received by Morgan Stanley may affect the interest rate paid by the Bank. No other charges, fees or commissions will be imposed on your Brokerage Account as a result of, or otherwise in connection with, the Program. Your Financial Advisor or Private Wealth Advisory may receive a credit of up to 0.15% of the average daily deposit balance in your Deposit Accounts if you meet certain criteria.

As discussed below in the “Conflicts of Interest and Other Benefits to Morgan Stanley, the Bank and Their Affiliates” section, Morgan Stanley, its affiliates, the Bank and their affiliates may also receive other financial benefits in connection with the Deposit Accounts.

CONFLICTS OF INTEREST AND OTHER BENEFITS TO MORGAN STANLEY, THE BANK AND THEIR AFFILIATES

Morgan Stanley, the Banks and their affiliates may receive other financial benefits in connection with the Program.

Through the Program, each Bank will receive a stable, cost-effective source of funding. Each Bank intends to use deposits in the Deposit Accounts at the 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 Bank and other costs of maintaining the Deposit Accounts, and the interest rate and other income earned by the Bank on those loans and investments made with the funds in the Deposit Accounts. The income that a Bank will have the opportunity to earn through its lending and investing activities is expected to be greater than the fee earned by Morgan Stanley and its affiliates from managing the Program. Affiliates of Morgan Stanley may also receive a financial benefit in the form of credit allocations made for financial reporting purposes.

Investment Considerations Generally

ELIGIBILITY

Morgan Stanley Brokerage Accounts are not available for all account types or for accounts held by certain nonresident aliens, depending on their jurisdiction. Please ask your Financial Advisor or Private Wealth Advisor for more details regarding eligibility.

MARGIN

Funds in the Deposit Accounts cannot be used for margin purposes. If you wish to utilize your full cash balance for margin purposes, you must select an alternative investment, if available, or use your free credit balance to purchase an investment that can be used for margin purposes.

TAXES

You should consult with your own tax advisor to determine the federal, state, local and other income and estate tax consequences of your Deposit Account.

U.S. Treasury Circular 230 Notice: Morgan Stanley does not render advice on tax and tax accounting matters to clients. This communication was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws.

NONTRANSFERABLE DEPOSITS

You cannot transfer the Deposit Accounts to another broker if you close your Brokerage Account. Instead, if you close your Brokerage Account, you must first direct your Financial Advisor or Private Wealth Advisor to withdraw all funds from your Deposit Account by transferring such funds to your Brokerage Account, and then close your Brokerage Account in accordance with the terms of your Brokerage Account. You will also be permitted to establish the Deposit Account directly with the applicable Bank, subject to the Bank's then-current account opening requirements.

INSOLVENCY OF THE BANK

In the event that the Bank approaches insolvency or becomes insolvent, the Bank may be placed in a regulatory conservatorship or receivership with the FDIC typically appointed as the conservator or receiver. The FDIC may, thereafter, pay off the FDIC-insured portion of the Deposit Accounts or transfer the Deposit Accounts, in whole or in part, to another depository institution. If the Deposit Accounts are transferred to another institution, you may be offered a choice of maintaining the Deposit Accounts at an interest rate determined by that financial institution or withdrawing your funds. Please refer to the "FDIC Insurance" section below for more information.

OTHER INVESTMENTS

You should compare the rates of return and other features of the Deposit Accounts to other available investments before electing to participate in the Program. The rates paid with respect to the Deposit Accounts may be higher or lower than the rates on deposits or other investments available directly from the Bank or through Morgan Stanley.

FDIC Insurance

GENERAL INFORMATION

Funds in the Deposit Accounts at each Bank are insured by the FDIC, an independent agency of the U.S. government, up to the Maximum Applicable Insurance Limit (including principal and accrued interest) per depositor when aggregated with all other deposits held by you in the same insurable capacity at the Bank.

The Maximum Applicable Insurance Limit is generally $250,000. Generally, any accounts or deposits that you may maintain directly with the Bank, or through any other intermediary in the same FDIC account ownership category in which the Deposit Accounts are maintained, would be aggregated with the Deposit Accounts for purposes of the Maximum Applicable Insurance Limit. Your funds become eligible for FDIC insurance immediately upon deposit in a Deposit Account at a bank.

Any deposits (including CDs) that you maintain in the same insurable capacity directly with the Bank, or through an intermediary (such as Morgan Stanley or another broker), will be aggregated with your Accounts at the Bank for purposes of the Maximum Applicable Insurance Limit. You are responsible for monitoring the total amount of deposits that you hold with the Bank, directly or through an intermediary, including deposits held at the Bank through the Bank Deposit Program, Savings Program, Preferred Savings, Global Currency and certificates of deposit, in order for you to determine the extent of deposit insurance coverage available to you on your Accounts. Morgan Stanley is not responsible for any insured Account balances or any other deposits.

In the event a Bank fails, the Deposit Accounts are insured in USD, up to the Maximum Applicable Insurance Limit, for principal and interest accrued to the date of closure. Under certain circumstances, if you become the owner of deposits at a depository institution because another depositor dies, then beginning six months after the death of the depositor the FDIC will aggregate those deposits for purposes of the Maximum Applicable Insurance Limit with any other deposits that you own in the same insurable capacity at the depository institution.

Additional information about the various FDIC ownership categories can be found on FDIC's website: https://www.fdic.gov/resources/deposit-insurance/financial-products-insured/index.html. The FDIC provides a six-month "grace period" to permit you to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible. If the Deposit Accounts at the Bank are assumed by another depository institution pursuant to a merger or consolidation, the Deposit Accounts will continue to be separately insured from the deposits that you might have established with the acquiring institution until the expiration of the six-month grace period from the date of such acquisition. Thereafter, any acquired Deposit Accounts will be aggregated with your existing deposits at the acquiring institution held in the same FDIC account ownership category for purposes of FDIC insurance.

UNINSURED AMOUNTS

If the principal amount of a Deposit Account at a Bank, plus accrued interest, together with all other deposits that you maintain directly or indirectly at the Bank, in the same ownership capacity, is in excess of the Maximum Applicable Deposit Insurance Amount, the amount in excess will not be insured by the FDIC. In determining the total amount of your funds at the Bank for FDIC insurance purposes, you must aggregate all deposits at the Bank held in the same FDIC account ownership category, regardless of whether you hold the deposits directly with the Bank or through Morgan Stanley or another financial intermediary. In the event of the failure of the Bank, you will have a claim for the uninsured portion of your deposits that ranks equally with the claims of other uninsured depositors (including the FDIC as subrogee of insured depositors) and senior to claims of general unsecured creditors of the Bank, and you will receive payments, if any, based upon the amount of assets the Bank has available for distribution. You should review the “Payments Under Adverse Circumstances” section below for more information.

PAYMENTS UNDER ADVERSE CIRCUMSTANCES

In the event that a Bank fails and federal deposit insurance payments become necessary, payments of principal plus accrued, but unpaid, interest will be made to you. There is no specific time period during which the FDIC must make insurance payments available and you should be prepared for the possibility of an indeterminate delay in obtaining those payments. As explained above, the Maximum Applicable Insurance Limit applies to the value of the principal and accrued interest on all Deposit Accounts maintained by you at the Bank in the same FDIC account ownership category capacity. The records maintained by the Bank and Morgan Stanley regarding ownership of the Deposit Accounts would be used to establish your eligibility for FDIC insurance payments. Furthermore, you may be required to provide certain documentation to the FDIC or to Morgan Stanley before insurance payments are made. For example, if you hold the Deposit Accounts as trustee for the benefit of trust participants, you may also be required to furnish an affidavit to that effect; you may be required to furnish other affidavits and provide indemnities regarding insurance payment. No interest is earned on deposits from the time a Bank is closed until insurance payments are received. In addition, Morgan Stanley is not obligated to credit your Deposit Account with funds in advance of insurance payments received from the FDIC.

If your Deposit Accounts at a Bank or other deposits at a Bank (e.g., CDs) are assumed by another depository institution pursuant to a merger or consolidation, such deposits will continue to be insured separately, up to the Maximum Applicable Insurance Limit, from the deposits that you might have established with the acquiring institution until (i) the maturity date of the CDs or other time deposits that were assumed, or (ii) with respect to deposits that are not time deposits, including Deposit Accounts, the expiration of a six-month grace period from the date of the merger or consolidation. Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquiring institution held in the same capacity for purposes of FDIC insurance coverage. Any deposit opened at the acquiring institution after the merger or consolidation, will be aggregated with deposits established with the acquiring institution for purposes of FDIC insurance.

Please note that if your Deposit Accounts at a Bank are assumed by another depository institution, or FDIC insurance payments become necessary, you may not have access to some or all of the funds in your Deposit Accounts at the Bank for a period of time. As a result, you may need to deposit more funds in your Account to facilitate continued trading and cash management activities (e.g., debit card transactions, checks, wires, etc.).

Morgan Stanley will have no obligation to you for any amounts not covered by FDIC insurance nor will Morgan Stanley have any obligation to make any payments to you in satisfaction of a loss you might incur as a result of a delay in FDIC insurance payouts applicable to the Deposit Accounts. Also, Morgan Stanley will have no obligation to credit your Account with funds in advance of payments received from the FDIC.

QUESTIONS ABOUT FDIC INSURANCE COVERAGE

If you have questions about basic FDIC insurance coverage, please contact us. You may wish to consult your attorney concerning FDIC insurance coverage of deposits held in more than one capacity. You may also obtain information by contacting the FDIC, Division of Supervision and Consumer Protection, by letter (Attn: Deposit Insurance Outreach, 550 17th Street, N.W., Washington, DC 20429), by phone (1-877-275-3342, 1-800-925-4618 (TDD)) or by accessing the FDIC website at www.fdic.gov.

SIPC INSURANCE

Balances maintained in the Deposit Accounts at each Bank are not protected by Securities Investor Protection Corporation (‘SIPC’) or any excess of SIPC coverage purchased by Morgan Stanley.

Money market mutual funds and uninvested cash are covered by the SIPC. SIPC is a federally mandated U.S. nonprofit corporation that protects customer assets from financial loss in the event a broker-dealer becomes insolvent.

SIPC covers securities that Morgan Stanley holds in custody (stocks, bonds, notes) up to $500,000 per client capacity (e.g., individual, joint) of which $250,000 may be free credit balances. Money market mutual funds receive SIPC coverage as securities, not as cash. Funds in the BDP are covered by FDIC insurance, not SIPC. Additional information about SIPC is available at www.sipc.org.

In addition to this SIPC protection, Morgan Stanley has purchased, at no cost to clients, a supplemental insurance policy through certain underwriters at Lloyd's of London and various insurance companies. In the unlikely event that client assets are not fully recovered and SIPC protection limits have been paid, this additional coverage would be available to provide protection above the SIPC limits. This coverage is subject to an aggregate firmwide cap of $1 billion, with no per client limit for securities and a $1.9 million per client limit for the cash portion of any remaining shortfall. SIPC and excess of SIPC protection do not insure against losses due to market fluctuations or other losses that are not related to claims due to the insolvency of Morgan Stanley. SIPC and excess of SIPC protection are applied per customer for all Accounts designated in the same capacity.

[1] A business day is any day other than a Saturday or Sunday, legal holiday or day on which banks are required or authorized by law or regulation to close.