Understanding Your Equity Compensation Needs

Company-sponsored equity plans not only represent a significant investment in your employees and your company, but also may be challenging in the increasingly complex environment of comprehensive equity planning.

Evolving trends, changing regulations, and the competing priorities of multiple constituents are just a few of the challenges companies face when managing equity compensation programs. Morgan Stanley provides a unique service model connecting you with the tools and resources to address these challenges and achieve success.

We offer a wide range of services and solutions for a variety of equity compensation plans, including:

- Restricted Stock and Restricted Stock Units
- Performance Stock and Performance Stock Units
- Non-Qualified and Incentive Stock Options
- Stock and Cash-Settled Stock Appreciation Rights
- Time-Based and Performance-Based Cash Plans
- 423-Qualified and Non-Qualified Employee Stock Purchase Plans
About Morgan Stanley

As a leading global financial services firm, Morgan Stanley has long set the standard for integrity, innovation and professionalism in our industry, with proven ability to integrate capabilities across a wide spectrum of products and services.

No matter what challenges you face as an organization, Morgan Stanley’s extensive resources and worldwide reach can provide holistic solutions to help your company pursue its most ambitious strategies, and help your employees and executives achieve their most important life and financial goals.
$2.3Tn
in client assets under management\(^1\)

15,700+
Financial Advisors\(^1\)

57,000+
employees worldwide\(^1\)

Morgan Stanley Global Stock Plan Services
A Recognized Market Leader

As a premier provider of services for many of the largest U.S.-based stock plans for more than 40 years — the longest tenure in the industry — Morgan Stanley is uniquely positioned to provide best-in-class stock plan solutions to help your company achieve success.

We offer two engagement options to fit the unique needs of our clients:

**Full service administration:** For clients seeking to fully outsource plan record-keeping, trade execution and participant services functions to Morgan Stanley.

**Co-sourced administration:** For clients who prefer to perform their own record-keeping functions in-house, or through a third party, and wish to leverage Morgan Stanley’s trade execution and participant services.

With either service model, you will receive personalized support from a team of experts who will work with you from implementation throughout your relationship with Morgan Stanley. First-class, white-glove service is our hallmark.
Leverage Our Extensive Expertise and Global Reach

40+YEARS
delivering equity plan solutions²

360+CORPORATE CLIENTS
of which over 20% are Fortune 500²

1.5MM+PLAN PARTICIPANTS
in 100+ countries²

² As of September 30, 2017.
A Dedicated Team Approach for a Superior Experience

YOUR STOCK PLAN DIRECTOR TEAM

- Seasoned Financial Advisors
- Specialized teams located across the country
- White-glove service for your executives
- Single point of contact available on demand
- Comprehensive planning strategies
- Average industry experience: 25 years

YOUR CLIENT MANAGEMENT TEAM

- Dedicated Client Manager assigned to you
- Weekly calls and quarterly service reviews
- Facilitate access to new service options and other Morgan Stanley products
- Equity administrative professionals—many are Certified Equity Professional (CEP) designees
- Average industry experience: 12 years
**YOUR SERVICE DELIVERY TEAM**

- A dedicated Service Delivery Manager serves your company along with your Client Manager
- Responsible for all day-to-day operational support
- Equity administrative professionals — many are CEP designees
- Average industry experience: 12 years

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**YOUR FINANCIAL REPORTING TEAM**

- Financial Reporting Managers are all CPAs and/or CEP designees
- Responsive service with extended and weekend support during quarter/year-end
- Subject matter experts keep you updated on industry trends and changes in accounting standards
- Average industry experience: 10 years

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**YOUR GLOBAL SERVICE CENTERS**

- 24/5 live support coupled with state-of-the-art service centers
- Native speakers in English, Spanish, German, French, Italian, Japanese, Mandarin and Cantonese
- A dedicated phone line to provide translations in 170 languages
- Research team to handle and track escalated issues
Leverage Our Industry-Leading Platform

With our highly nimble, best-in-class platform, you will receive unprecedented flexibility, an end-to-end test environment, superior reporting capabilities, and an intuitive participant experience.

FLEXIBILITY

Our advanced data mapping tool offers maximum flexibility, allowing you to map files from any current format (including Excel), providing real-time updates, with no batch processing required. The tool also provides secure user access through fine grain entitlements. Additionally, with our client-defined user codes, you will have more flexibility to access grants by location or by function. You can also easily post important messages to all participants or implement blackouts at an individual or group level.

TESTING ON THE FLY

An end-to-end sandbox environment allows you to fully test new enhancements, plan changes, new grants, and/or releases prior to going live. You can even view and test changes on your customized Morgan Stanley participant and corporate client websites.
ROBUST REPORTING
Our financial reporting services continue to set us apart from our competition. With self-servicing capabilities, you can create and schedule standard and ad hoc reports with ease. Our customized ad hoc reporting functionality streamlines the reporting process, saving you valuable time when you need to create and export a custom report.

ENHANCED PARTICIPANT EXPERIENCE
Our international ACH capabilities eliminate the need for checks and allow non-U.S. participants to receive their proceeds quickly and reliably. Additionally, the automated form-filing service simplifies the process for your executives.
Online Participant Resources

Regardless of location, your employees can access a myriad of tools and services to effectively manage their accounts, including access to educational information online via StockPlan Connect and our Participant Knowledge Center.

STOCKPLAN CONNECT OFFERS:

**EASY ACCESS**
- Intuitive navigation
- Accessibility via mobile devices and mobile apps
- Summary of all equity compensation accounts at Morgan Stanley

**GLOBAL SUPPORT**
- Content translated into 12 languages
- Valuations viewable in over 120 currencies

**ONLINE TOOLS**
- Viewing, modeling and real-time trading
- Online grant and award acceptance and tax certification
- Transaction capabilities
- Sell shares and exercise grants
- Modification and cancellation of orders
- Robust messaging and alerts
- Access to confirmations, statements and documents

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OUR PARTICIPANT KNOWLEDGE CENTER OFFERS:

• User guides, educational videos, and participant support resources, including access to monthly financial wellness articles

• Instructional information on:
  – Understanding your awards
  – Managing existing awards
  – Selling stock
  – Using your executive financial services
  – Managing equity plan proceeds

• Industry thought leadership and relevant plan news
A Leader in Executive Financial Services

Understanding the regulatory challenges your executives and key insiders face when trying to access value from their equity compensation plan can be overwhelming. Our highly qualified Stock Plan Directors and dedicated Executive Financial Services (EFS) professionals focus exclusively on delivering customized solutions for executives and key insiders who plan to sell stock. This specialized team will help your executives navigate SEC regulations and corporate insider trading rules.

SPECIALIZATION
While providing top-notch service and guidance, our EFS professionals work hand-in-hand with your dedicated Stock Plan Director team to help key insiders structure, draft and execute diversification strategies tailored to their specific risk management, investment and liquidity objectives.

EXPERTISE
As the No. 1 provider of Rule 144 and 10b5-1 transaction services,\(^3\) we have proven expertise in assisting corporate executives and key insiders. Our team members average over 17 years of Rule 144 and over 10 years of 10b5-1 Trading Plan experience.

SERVICE
Since 2005, we have executed more than 28,000 10b5-1 Trading Plans for more than 1,600 issuers. Additionally, the EFS team has filed over 69,000 forms with the SEC for executives subject to Rule 144, covering over 8 billion shares.

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\(^3\) Reprinted with the permission of the Washington Service. 301-913-5100—www.washingtonservice.com. The Washington Service tracks insider trade information filed with the Securities & Exchange Commission. The data on the following page is compiled by the Washington Service from Form 144 filings in the period from 2/1/2005 to 12/31/2016 (10b5-1 Market Share graph) and from 1/1/2005 to 12/31/2016 (Rule 144 Market Share graph). Data from the period 1/1/2005 to 5/31/2009 reflects the formerly separate businesses of the Global Wealth Management Group of Morgan Stanley & Co. LLC and the Smith Barney division of Citigroup Global Markets Inc. that now form Morgan Stanley Smith Barney LLC. This data also includes transactions from Morgan Stanley & Co. LLC. Information contained herein was obtained from sources believed reliable, but the accuracy and completeness thereof cannot be guaranteed. Information contained herein is subject to change.
Since 2005, Morgan Stanley has been consistently ranked No. 1 in Rule 144 and 10b5-1 transaction services.

**Rule 144 Market Share**
2005–2016

<table>
<thead>
<tr>
<th>Value ($Bn)</th>
<th>153.8</th>
<th>113.7</th>
<th>60.2</th>
<th>58.1</th>
<th>50.8</th>
<th>49.1</th>
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<tbody>
<tr>
<td><strong>Morgan Stanley</strong></td>
<td>19.3%</td>
<td>14.3%</td>
<td>7.5%</td>
<td>7.3%</td>
<td>6.4%</td>
<td>6.2%</td>
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</tbody>
</table>

**10b5-1 Market Share**
2005–2016

<table>
<thead>
<tr>
<th>Value ($Bn)</th>
<th>62.5</th>
<th>39.9</th>
<th>20.5</th>
<th>19.3</th>
<th>18.3</th>
<th>15.7</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Morgan Stanley</strong></td>
<td>24.4%</td>
<td>15.6%</td>
<td>8.0%</td>
<td>7.6%</td>
<td>7.1%</td>
<td>6.1%</td>
</tr>
</tbody>
</table>
Tailored Solutions

As a global leader in wealth management and one of the world’s top firms in M&A, equity underwriting, debt financing and trading, we are dedicated to helping both private and public corporations, as well as individuals across the wealth spectrum, achieve their unique goals.
FOR YOUR COMPANY

- Global Stock Plan Services
- Defined Contribution/401(k)
- Defined Benefits Programs
- Non-Qualified Deferred Compensation
- Workplace Wealth Programs
- Cash Investment Solutions
- Acquisition Financing
- Access to Capital Markets
- Mergers & Acquisitions

FOR YOUR EXECUTIVES & EMPLOYEES

- Corporate Insider Support
- Wealth Planning
- Trust & Estate Planning Strategies
- Philanthropy
- Financial Education
- Financial Planning
- Retirement Planning
- College Savings Programs
- Investment Advice
- Cash Management & Lending
- Insurance
Interested in Learning More?

For more information or for a live demo of our platform, email us at GSPS@morganstanley.com.
Morgan Stanley, its affiliates, Financial Advisors and Private Wealth Advisors do not provide tax or legal advice. Clients should consult their tax advisor for matters involving taxation and tax planning and their attorney for matters involving trust and estate planning, charitable giving, philanthropic planning and other legal matters.

Individuals executing a 10b5-1 trading plan should keep the following important considerations in mind:

1. 10b5-1 trading plans should be approved by the compliance officer or general counsel of the individual’s company.
2. A 10b5-1 trading plan may require a cessation of trading activities at times when lockups may be necessary to the company (i.e., secondary offerings, pooling transactions, etc.).
3. A 10b5-1 trading plan does not generally alter the restricted stock or other regulatory requirements (e.g., Rule 144, Section 16, Section 13) that may otherwise be applicable.
4. 10b5-1 trading plans that are modified or terminated early may weaken or cause the individual to lose the benefit of the affirmative defense.
5. Public disclosure of 10b5-1 trading plans (e.g., via press release) may be appropriate for some individuals.
6. Most companies will permit 10b5-1 trading plans to be entered into only during open window periods.
7. Morgan Stanley, as well as some issuers, imposes a mandatory waiting period between the execution of a 10b5-1 trading plan and the first sale pursuant to the plan.

Insurance products are offered in conjunction with Morgan Stanley Smith Barney LLC’s licensed insurance agency affiliates.

Diversification does not assure a profit or protect against loss in declining financial markets.

Morgan Stanley Smith Barney LLC does not accept appointments nor will it act as a trustee, but it will provide access to trust services through an appropriate third-party corporate trustee.

Morgan Stanley Smith Barney LLC recommends that investors independently evaluate particular strategies and/or investments, and encourages investors to seek the advice of a Financial Advisor. The appropriateness of a particular strategy and/or investment will depend upon an investor’s individual circumstances and objectives.

Morgan Stanley offers a wide array of brokerage and advisory services to its clients, each of which may create a different type of relationship with different obligations to you. To understand these differences, please consult your Financial Advisor.

Morgan Stanley Smith Barney LLC is a registered broker-dealer, member SIPC, and not a bank. Where appropriate, Morgan Stanley Smith Barney LLC has entered into arrangements with banks and other third parties to assist in offering certain banking related products and services.

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