

Portfolio Management

Measured Risk and Reward Investment Solutions for Your Unique Circumstances

Established in 1979, Morgan Stanley's Portfolio Management program provides individual investors with a level of personalized portfolio management typically reserved for major institutional investors.

All portfolios are managed individually on a fully discretionary basis by Private Wealth Advisors at Morgan Stanley who have been qualified by the firm to independently manage client assets based on training, experience and commitment to service.

Our Family Office clients have the ability to invest in a four-pronged approach consisting of low-cost individual equities, exchange-traded funds and individual bonds along with investments allocated to alternative investments. In addition, we employ portfolio leverage when appropriate.

LARGE-CAP GLOBAL EQUITIES

30% - 50%
Allocation

Our Large-Cap Global Equity portfolio typically consists of between 25 to 35 individual equity holdings. Our security selection leverages the research of Morgan Stanley. The intention of our Large Cap Global Equities portfolio is to complement the other strategies listed as part of an overall balanced portfolio. The objective is capital appreciation with a similar risk level as the S&P 500 equity index.

DIVERSIFIED THEMATIC PORTFOLIO

30% - 50%
Allocation

Our Diversified Thematic portfolio consists of mostly exchange-traded funds and is dependent upon Morgan Stanley's Global Investment Committee (GIC) recommendations. The GIC reviews the economic and political environment and recommends timely trends they believe offer worthy investment opportunities. The intention of our Diversified Thematic portfolio is to complement the other strategies listed as part of an overall balanced portfolio. The objective is capital appreciation with a similar risk level as the S&P 500 equity index.

FIXED INCOME

10% - 35%
Allocation

Our Fixed Income portfolio consists of individual bonds with an allocation customized to the client's needs. This portfolio consists of either taxable or non taxable individual bonds. The intention of our Fixed Income portfolio is to complement the other strategies listed as part of an overall balanced portfolio. The objective is capital preservation with a low level of volatility.

ALTERNATIVE INVESTMENTS

0% - 30%
Allocation

With a unique combination of resources and capabilities, Morgan Stanley offers quality advice and distinctive investment opportunities. We apply innovative strategies, guidance from among the best minds in the industry and rigorous due diligence to help select the appropriate securities with an allocation to alternative investments. Offerings include Private Equity, Single Manager Hedge Funds, Fund of Hedge Funds and Real Estate. The intention of our Alternative Investments portfolio is to complement the other strategies listed as part of an overall balanced portfolio. The objective is capital appreciation with a low correlation to equities and fixed income.

The allocation above is for illustrative purposes only and does not necessarily represent the current portfolio or how your specific account would be invested. The allocation is subject to change without notice. Sector weightings may be re-allocated as industry fundamentals warrant. They may also be re-allocated as your risk/reward profile changes. Please see important disclaimers at the end of this material.

For Use with the Morgan Stanley Investment Advisory Program

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AS YOUR PORTFOLIO MANAGER, MY TEAM AND I CAN OFFER YOU:



Personalized Service



A Disciplined, Multipart
Investment Process



Ongoing Client Communications
and Reporting



Access to the Intellectual
Capital and Global Resources
of Morgan Stanley

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Alternative investments often are speculative and include a high degree of risk. Investors could lose all or a substantial amount of their investment. Alternative investments are appropriate only for eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase the volatility and risk of loss. Alternative Investments typically have higher fees than traditional investments. Investors should carefully review and consider potential risks before investing.

Past performance is no guarantee of future results. Actual results may vary. Diversification does not assure a profit or protect against loss in a declining market.

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The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Principal value and return of an investment will fluctuate with changes in market conditions.

Investors should carefully consider the investment objectives and risks as well as charges and expenses of exchange traded funds (ETFs) before investing. To obtain a prospectus, contact your Financial Advisor or visit the fund company's website. The prospectus contains this and other important information about the ETFs. Read the prospectus carefully before investing.

This is prepared for sophisticated investors who are capable of understanding the risks associated with the investments described herein and may not be appropriate for you. No investment should be made without proper consideration of the risks and advice from your tax, accounting, legal or other advisors as you deem appropriate.

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The individuals mentioned as the Portfolio Management team are Financial Advisors with Morgan Stanley participating in the Morgan Stanley Portfolio Management program. The Portfolio Management program is an investment advisory program in which the client's Financial Advisor invests the client's assets on a discretionary basis in a range of securities. The Portfolio Management program is described in the applicable Morgan Stanley ADV Part 2, available at www.morganstanley.com/ADV or from your Financial Advisor.

Past performance of any security is not a guarantee of future performance. There is no guarantee that this investment strategy will work under all market conditions.

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future performance. There is no guarantee that this investment strategy will work under all market conditions. Do not assume that any holdings mentioned were, or will be, profitable.

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In this program the client pays a wrap fee to MSWM (the "MSWM Fee"), which covers MSWM investment advisory services, custody of securities (if we are the custodian), trade execution with or through MSWM, as well as compensation to any Financial Advisor. The Portfolio Management program fees are described in the applicable Morgan Stanley ADV Part 2, available at www.morganstanley.com/ADV or from your Financial Advisor.

Investing in strategies that invest in mutual funds, closed-end funds and ETFs (such mutual funds, closed-end funds and ETFs are collectively, "Funds") is 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 net asset value. 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.

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

The GIC Asset Allocation Models are not available to be directly implemented as part of an investment advisory service and should not be regarded as a recommendation of any Morgan Stanley investment advisory service. The GIC Asset Allocation Models do not represent actual trading or any type of account or any type of investment strategies and none of the fees or other expenses (e.g. commissions, mark-ups, mark-downs, advisory fees, fund expenses) associated with actual trading or accounts are reflected in the GIC Asset Allocation Models which, when compounded over a period of years, would decrease returns.

The Standard & Poor's (S&P) 500 Index tracks the performance of 500 widely held, large-capitalization US stocks. An investment cannot be made directly in a market index.