

Morgan Stanley

Introducing Select UMA[®]

Investing can be complex. It may involve many decisions related to your goals and objectives, including risk tolerance, asset allocation, investment selection and tax impact. Your Morgan Stanley Financial Advisor can introduce you to a solution that can help simplify the investment process and the ongoing management of your portfolio. You can be confident that your Financial Advisor has access to the resources of Morgan Stanley to help you meet your specific goals.

What You Can Expect

- **A DISCIPLINED, THOUGHTFUL PROCESS** driven by your goals and objectives.
- **COMPREHENSIVE ASSET ALLOCATION ADVICE** aligned to your personal perspective is available.¹ You can develop your own asset allocation strategy. Alternatively, you may benefit from asset allocation models that are based in part on thought leadership the Global Investment Committee (GIC) brings to Wealth Management at Morgan Stanley.
- **A ROBUST INVENTORY OF INVESTMENT PRODUCTS** to choose from, including mutual funds, exchange-traded funds (ETFs) and separately managed accounts (SMAs), most of which are vetted and approved for the Select UMA program by Morgan Stanley's Global Investment Manager Analysis (GIMA) team.²
- **INCREASED ACCESS TO PROFESSIONAL MANAGEMENT** through lower investment minimums for equity SMAs and the ability to invest in lower-cost UMA options without the required use of mutual funds³
- **FLEXIBILITY SELECTING INVESTMENT PRODUCTS** based on the advice of your Financial Advisor (nondiscretionary), or you can choose to have your Financial Advisor or Morgan Stanley select them on your behalf (discretionary).
- **DISCIPLINED ACCOUNT REBALANCING**⁴ to help you adhere to your asset allocation.¹
- **COMPREHENSIVE, IN-DEPTH PERFORMANCE REPORTING**
- **OPTIONAL TAX-MANAGEMENT SERVICES**⁵ designed to help manage your tax liabilities at the portfolio level.

Morgan Stanley's Select UMA program is a unified managed account that allows you and your Financial Advisor to leverage the firm's resources at each stage of the Consulting Group's investment process.



ACCESS to professional asset managers.



GUIDANCE with building your portfolio.



DUE DILIGENCE in analyzing and choosing asset managers.

A Meticulous and Methodical Investment Approach

Your Morgan Stanley Financial Advisor works with you to understand your needs and helps create a framework for your portfolio to potentially weather any challenging markets. The process begins with an in-depth consultation allowing for a clear understanding of your long-term investment goals designed to help you achieve your investment objectives, attain diversification,⁶ manage risk and monitor your strategy and portfolio.

Consulting Group's four-step process helps you develop a long-term perspective about your investments. Your Financial Advisor will:



SET YOUR FINANCIAL OBJECTIVES

Help you develop an investment framework based on your specific goals, time horizon, liquidity needs and tolerance to volatility and risk.



DEFINE YOUR INVESTMENT STRATEGY

Personalize an investment strategy that seeks optimal portfolio performance; pursuing the highest return potential consistent with the strategy's level of risk.



SELECT INVESTMENTS

Leverage the global resources of Morgan Stanley to select investments to implement your personal strategy.



ONGOING REVIEW PROCESS

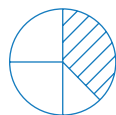
Monitor your portfolio to track its performance relative to your stated objectives—and work with you to modify the portfolio, as needed, to help keep it aligned with your investment strategy.



Asset Allocation Tailored to Your Goals¹

Finding the right balance for your investment assets is one of the key decisions you face as an investor. An appropriate asset allocation strategy can help create a portfolio that is designed to seek the highest potential return for a corresponding level of expected risk, as measured by fluctuations in the value of the portfolio over time.

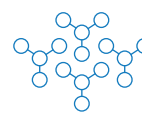
Consulting Group, the investment advisory arm of Morgan Stanley Wealth Management, draws on the guidance of the GIC to create strategic and tactical asset allocation models. These models are designed to meet your financial needs and objectives and are adjusted, as needed, in response to changes in the capital markets over time. Within Select UMA, you can select one of these models or, with help from your Financial Advisor, design a customized asset allocation model tailored to your specific needs. Your asset allocation strategy will be implemented across a spectrum of asset classes, including equities, fixed-income and alternative investments.⁷



Comprehensive Process for Manager Analysis

You have access to the intellectual capital of approximately 75 professionals experienced in evaluating nearly 4,500 mutual funds, SMAs and ETFs available within Select UMA. The GIMA team offers the following capabilities:

- In-depth performance analysis with the goal of finding high-conviction strategies GIMA believes have the ability to outperform over a full market cycle.
- A patented model focused on manager outperformance relative to industry benchmarks.
- A focus on strategies that have proven, consistent and repeatable processes.
- Continuous monitoring of managers and funds on the platform to help keep investment objectives and performance within guidelines.
- Rigorous, ongoing analysis of most investment strategies on our investment advisory platform to review and evaluate performance relative to expectations.
- Comprehensive oversight of organizational and operational aspects of most Select UMA investment managers or funds.



Portfolio Development and Construction

You and your Financial Advisor may utilize a range of investment features within Select UMA to construct a portfolio tailored to your overall asset allocation strategy. There are three options from which you can choose:

1. You can select the investment products yourself (nondiscretionary) with advice from your Financial Advisor.
2. Alternatively, your Financial Advisor can select investments for you (FA-discretionary).
3. Finally, you can choose to allow Morgan Stanley to select the investment products on your behalf (firm-discretionary).

The firm leverages strategic and tactical asset allocation advice, manager analysis and portfolio construction capabilities to evaluate and recommend investment solutions for you. A disciplined investment process and a sophisticated risk-management framework are also used to build portfolios and choose investment managers and funds for the firm-discretionary unified managed account option.



Single SMA Strategy

In addition to the multistyle Select UMA account, the program also allows you to choose a Single SMA Strategy within Select UMA. Single SMA Strategy Select UMA utilizes only one investment product, which is an SMA. While this type of account does not use asset allocation models, your Financial Advisor can assist you in selecting an SMA that is appropriate for your specific investment needs.

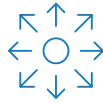


Ongoing Account Oversight

Effectively coordinating an account structure that incorporates multiple investment products requires a high degree of integration and may be challenging without professional expertise. This complex and potentially time-consuming process is managed for you by synchronizing portfolio construction, account rebalancing and other services in Select UMA.

Tax Management Services⁵ for Select UMA

Taxes can have a significant impact on your portfolio, especially if you are in one of the higher tax brackets. For investors seeking professional investment management and diversification with the potential for mitigating tax liability, a unified managed account with optional Tax Management Services may offer a viable solution. By selecting this service, you benefit from the expertise of our overlay manager who oversees and coordinates account activities. Specifically, the overlay manager utilizes techniques such as tax efficient trading, tax loss harvesting, seeking wash sale avoidance, etc., that are employed while attempting to enhance your after-tax return in accordance with the tax management mandate you've given us.



SIMPLICITY — THE POWER OF ONE

Select UMA offers a simplicity that can help you build your financial future. You will be able to combine a robust, risk-based asset allocation strategy with multiple investment products within a single account.¹ By including an asset allocation tailored to your needs, a comprehensive process for manager analysis, portfolios developed and constructed specifically to your asset allocation, and ongoing account management and oversight, we help you simplify your financial life. To learn more about Select UMA and the other investment advisory programs available through Morgan Stanley and how they may benefit your portfolio, speak with your Financial Advisor today.

¹ A Single SMA Strategy version of Select UMA is also available. Asset allocation advice is not part of this version of Select UMA.

² Certain investment managers and products, as described in the Select UMA ADV brochure, are not evaluated by GIMA.

³ Eligible Strategies: UMA model delivery, with limited exceptions including offshore UMA accounts, accounts with assets held away, and preferred security strategies

⁴ Rebalancing does not protect against a loss in declining financial markets. There may be a potential tax implication with a rebalancing strategy. Please consult your tax advisor before implementing such a strategy.

⁵ Clients may elect Tax Management Services for the account by notifying their Financial Advisor, and indicate what Maximum Tax or Realized Capital Gain Instruction is desired for the account, if any. The Tax Management Terms and Conditions attached to the Morgan Stanley Smith Barney LLC Select UMA ADV Brochure as Exhibit A will govern Tax Management Services in the account. Review the Morgan Stanley Smith Barney LLC Select UMA ADV Brochure carefully with your tax advisor. Tax Management Services are not available for all accounts or clients and may adversely impact account performance. Tax Management Services do not constitute tax advice or a complete tax-sensitive investment management program. There is no guarantee that Tax Management Services will produce the desired tax results.

⁶ Diversification and asset allocation do not assure a profit or protect against loss. Past performance is not a guarantee of future results.

⁷ In Consulting Group's unified managed account program, alternative investments are limited to U.S.-registered open-end mutual funds, separately managed accounts and exchange-traded funds (ETFs) that seek to pursue alternative investment strategies or returns utilizing publicly traded securities. Investment products in this category 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 investments are not appropriate for all investors.

If the client selects a "custom" model for the client's unified managed account, unless the client has elected Financial Advisor Discretion, the client (not Morgan Stanley) will determine the initial asset allocation for the model and will be responsible thereafter for any adjustments to the asset allocation of the model. The client's Financial Advisor may utilize the work of the GIC as a resource in assisting the client in defining a custom model. If the Financial Advisor does utilize the GIC's work in connection with defining a custom model, there is no guarantee that any model defined will in fact mirror or track GIC recommendations.

Morgan Stanley Smith Barney LLC, its affiliates and its employees are not in the business of providing tax or legal advice. Investors should seek advice based on their own particular circumstances from an independent tax advisor. The performance of tax-managed accounts is likely to vary from that of nontax-managed accounts.

Investing in the markets entails the risk of market volatility. The value of all types of securities, including mutual funds and exchange-traded funds, may increase or decrease over varying time periods.

Morgan Stanley Smith Barney LLC offers investment program services through a variety of investment programs, which are opened pursuant to written client agreements. Each program offers investment managers, funds and features that are not available in other programs; conversely, some investment managers, funds or investment strategies may be available in more than one program.

Please see the Morgan Stanley Smith Barney LLC Select UMA ADV brochure for more information on the Select UMA program. Ask your Financial Advisor for a copy or you can go to our website at www.morganstanley.com/ADV.

Select UMA® is a registered service mark of Morgan Stanley Smith Barney LLC.