South Central Connecticut Regional Water Authority
90 Sargent Drive, New Haven, Connecticut
or
Via Remote Access**

AGENDA

Regular Meeting of Thursday, April 25, 2024 at 12:30 p.m.

A. Safety Moment

B. Public Comment: The time limit granted to each speaker shall be three (3) minutes. Residents and customers may address the Board.

C. Meet as Pension & Benefit Committee: C. LaMarr

1. Approve Minutes – February 22, 2024 special meeting
2. Review 1/1/2024 actuarial information and assumptions for pension and VEBA and related contribution amounts: Angell Pension Group, Inc.
3. Discuss potential year-end contribution
4. Quarterly Investment Performance Review – Pension & VEBA: S. Kelliher, J. McLaughlin and A. Kantapin
5. FY 2025 Committee Work Plan

D. Act on matters arising from committee meeting

E. Consent Agenda

1. Approve Minutes – March 28, 2024 meeting
2. Capital Budget Authorization - May 2024
3. Capital Budget Transfer Notifications (no action required) – May 2024
4. Monthly Financial Report – March 2024
5. Accounts Receivable Update – March 2024
6. FY 2024-2025 Application Schedule

F. Finance: R. Kowalski

1. Type B3 Amendments

G. Reports on RPB Committee Meetings

H. Business Updates: L. Bingaman

1. Monthly Business Highlights: L. Bingaman
2. *RWAY/CIS Update: P. Singh - *Upon 2/3 vote, convene in possible executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(B), pertaining to commercial and financial information.*
3. Update on PFAS class action settlements - *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(B) to discuss matters pertaining to litigation.*
4. Acquisition Update: L. Bingaman and R. Kowalski - *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(B), pertaining to commercial and financial information.*

** Members of the public may attend the meeting in person or by conference call. To view meeting documents please visit http://tinyurl.com/3httm38z. For questions, contact the board office at 203-401-2515 or by email at jslubowski@rwater.com.

**RPB Member (Tim Slocum) will be excused at item H.2*

Table of Contents

Table of Contents 1

02 22 2024 RWA Pension Minutes UNAPPROVED 2

2024 Salaried Plan Executive Summary 3

2024 Union Plan Executive Summary 5

2024 OPEB Executive Summary 7

FY 2024 Additional Pension Contribution - Proposed Resolution 9

FY 2025 Pension - Proposed Resolutions 10

FY 2025 VEBA - Proposed Resolutions 11

Q1 2024 Investment Performance 12

FY 2025 Committee Work Plan 61

South Central Connecticut Regional Water Authority
Pension & Benefit Committee

Minutes of the February 22, 2024 Special Meeting

A special meeting of the South Central Connecticut Regional Water Authority ("RWA") Pension & Benefit Committee took place on Thursday, February 22, 2024, at 90 Sargent Drive, New Haven, Connecticut, and via remote access. Chairwoman LaMarr presided.

> Present: Committee members – Mss. LaMarr and Sack (R), and Messrs. Borowy, Curseaden, and Ricozzi
> Management – Mss. Kowalski and Calo (R), and Messrs. Bingaman, Hill (R), Lakshminarayanan and Singh (R)
> RPB – Mr. Slocum
> Staff - Mrs. Slubowski

The Chair called the meeting to order at 12:37 p.m.

On motion made by Mr. Curseaden, and seconded by Mr. Ricozzi, the Committee voted to approve the minutes of its January 25, 2024 meeting.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Chair LaMarr stated that the special meeting was being held to continue discussion from last month's meeting related to proposed updates to the Investment Policy Statement (IPS), in particular, regarding the goal of achieving fully funded status by the end of fiscal 2025 and ,the considerations other than market conditions.

Committee members discussed additional considerations and provided other inputs. After discussion, it was the consensus of the Committee to update the IPS later in the fiscal year when actuarial updates become available.

At 1:00 p.m., on motion made by Mr. Ricozzi, and seconded by Mr. Curseaden, the Committee voted to adjourn the meeting.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Catherine E. LaMarr, Chairperson

(R) = Attended remotely.

EXECUTIVE SUMMARY OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY SALARIED EMPLOYEES' RETIREMENT PLAN

Plan Demographics	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Active Participants	67	71
Terminated Vested Participants	60	64
Retired Participants	177	173
Total Participants	**304**	**308**
Average Active Participant Age	57.2	56.2
Average Active Participant Service	25.2	24.3
Average Inactive Participant Age	69.6	69.2
Average Inactive Participant Life Expectancy	19.6	19.9

Asset Values	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Market Value of Assets	$45,276,275	$39,963,047
Actuarial Value of Assets	$46,852,532	$44,073,237
Ratio of Actuarial to Market Value	103%	110%
Investment Return on Market Value of Assets	11.9%	-12.9%
Prior Year Employer Contributions	$4,062,445	$3,196,190
Prior Year Benefit Payments	($3,561,012)	($3,278,726)
Prior Year Administrative Expenses	($197,287)	($231,600)

Funded Status	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Valuation Rate Basis		
Valuation Interest Rate	6.75%	6.75%
Present Value of Accrued Benefits (PVAB)	$53,731,426	$51,886,719
Market Value of Assets	$45,276,275	$39,963,047
Excess (Shortfall) Based on Market Value	**($8,455,151)**	**($11,923,672)**
Funding PercentAge on PVAB Basis Market Value	84.26%	77.02%
Present Value of Accrued Benefits (PVAB)	$53,731,426	$51,886,719
Actuarial Value of Assets	$46,852,532	$44,073,237
Excess (Shortfall) Based on Actuarial Value	**($6,878,894)**	**($7,813,482)**
Funding PercentAge on PVAB Basis Actuarial Value	87.20%	84.94%

EXECUTIVE SUMMARY OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY SALARIED EMPLOYEES' RETIREMENT PLAN

Contributions	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Actuarially Determined Contribution		
Normal Cost	$1,654,180	$1,802,370
Expected Employee Contributions	$0	$3,235
Employer Normal Cost	$1,654,180	$1,799,135
Employer Normal Cost with 1/2 Year Interest	**$1,709,097**	**$1,858,865**
Actuarially Determined Contribution	$1,709,097	$1,858,865
Fiscal Year Contribution to Fully Fund by 5/31/2025 Based on Asset Values as of the end of the plan year	$9,485,000	$7,405,000
Actual Fiscal Year Contribution	TBD	$3,620,498

Actuarial Assumptions	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Discount Rate	6.75%	6.75%
Salary Scale	4.00%	4.00%
Pre Retirement Mortality	PubG-2010 Above Median Employee with Scale MP-2021 generational improvements (M/F)	PubG-2010 Above Median Employee with Scale MP-2021 generational improvements (M/F)
Pre Retirement Mortality	PubG-2010 Above Median Annuitant with Scale MP-2021 generational improvements (M/F)	PubG-2010 Above Median Annuitant with Scale MP-2021 generational improvements (M/F)

EXECUTIVE SUMMARY OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY RETIREMENT PLAN (UNION)

Plan Demographics	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Active Participants	60	64
Terminated Vested Participants	37	39
Retired Participants	116	117
Total Participants	**213**	**220**
Average Active Participant Age	59.3	58.9
Average Active Participant Service	31.5	31.1
Average Inactive Participant Age	69.2	69.0
Average Inactive Participant Life Expectancy	19.7	19.5

Asset Values	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Market Value of Assets	$26,787,118	$23,745,720
Actuarial Value of Assets	$27,712,663	$26,211,807
Ratio of Actuarial to Market Value	103%	110%
Investment Return on Market Value of Assets	12.1%	-13.0%
Prior Plan Year Employer Contributions	$2,031,587	$1,133,303
Prior Plan Year Benefit Payments	($1,883,524)	($1,817,104)
Prior Plan Year Administrative Expenses	($120,612)	($139,469)

Funded Status	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Valuation Rate Basis		
Valuation Interest Rate	6.75%	6.75%
Present Value of Accrued Benefits (PVAB)	$31,237,990	$30,576,889
Market Value of Assets	$26,787,118	$23,745,720
Excess (Shortfall) Based on Market Value	**($4,450,872)**	**($6,831,169)**
Funding PercentAge on PVAB Basis Market Value	85.75%	77.66%
Present Value of Accrued Benefits (PVAB)	$31,237,990	$30,576,889
Actuarial Value of Assets	$27,712,663	$26,211,807
Excess (Shortfall) Based on Actuarial Value	**($3,525,327)**	**($4,365,082)**
Funding PercentAge on PVAB Basis Actuarial Value	88.71%	85.72%

EXECUTIVE SUMMARY OF THE
SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY RETIREMENT PLAN (UNION)

Contributions	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Actuarially Determined Contribution		
Normal Cost	$747,142	$1,028,300
Expected Employee Contributions	N/A	N/A
Employer Normal Cost	$747,142	$1,028,300
Employer Normal Cost with 1/2 Year Interest	**$771,946**	**$1,062,438**
Actuarially Determined Contribution	$771,946	$1,062,438
Fiscal Year Contribution to Fully Fund by 5/31/2025 Based on Asset Values as of the end of the plan year	$4,599,000	$3,892,000
Actual Fiscal Year Contribution	TBD	$1,556,441

Actuarial Assumptions	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Discount Rate	6.75%	6.75%
Salary Scale	N/A	N/A
Pre Retirement Mortality	PubG-2010 Total Employee with Scale MP-2021 generational improvements (M/F)	PubG-2010 Total Employee with Scale MP-2021 generational improvements (M/F)
Pre Retirement Mortality	PubG-2010 Healthy Annuitant with Scale MP-2021 generational improvements (M/F)	PubG-2010 Healthy Annuitant with Scale MP-2021 generational improvements (M/F)

EXECUTIVE SUMMARY OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY RETIRED EMPLOYEES' CONTRIBUTORY WELFARE TRUST

Plan Demographics	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Active Participants Eligible for Medical	113	121
Active Participants Life Only	172	138
Retired Participants and Spouses	264	262
Total Participants	**549**	**521**
Average Active Participant Age	48.8	50.3
Average Active Participant Service	14.8	16.8
Average Inactive Participant Age (Retirees Only)	72.3	72.3
Average Inactive Participant Life Expectancy (Retirees Only)	15.7	16.7

Asset Values	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Market Value of Assets	$9,930,747	$9,022,172
Investment Return on Market Value of Assets	11.3%	-13.2%
Prior Plan Year Employer Contributions	$1,681,318	$1,736,354
Prior Plan Year Benefit Payments	($2,017,948)	($1,472,958)

Funded Status	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Valuation Rate Basis		
Valuation Interest Rate	6.75%	6.75%
Actuarial Accrued Liability (AAL)	$26,338,759	$25,016,827
Actuarial Value of Assets	$9,930,747	$9,022,172
Excess (Shortfall) Based on Actuarial Value	**($16,408,012)**	**($15,994,655)**
Funding Percentage on AAL Basis Actuarial Value	37.70%	36.06%

EXECUTIVE SUMMARY OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY RETIRED EMPLOYEES' CONTRIBUTORY WELFARE TRUST

Contributions	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Actuarially Determined Contribution		
Normal Cost	$191,482	$145,623
Expected Employee Contributions	N/A	N/A
Employer Normal Cost	$191,482	$145,623
Actuarially Determined Contribution	$2,109,176	$1,935,931
Adjusted Cash Contribution to Trust	$1,694,075	$1,640,907

Actuarial Assumptions	Actuarial Valuation as of January 1, 2024	Actuarial Valuation as of January 1, 2023
Discount Rate	6.75%	6.75%
Salary Scale	N/A	N/A
Mortality	PubG.H-2010 Employee, Healthy Annuitant, and Contingent Survivor with Scale MP-2021 generational improvements (Male/Female)	PubG.H-2010 Employee, Healthy Annuitant, and Contingent Survivor with Scale MP-2021 generational improvements (Male/Female)

Proposed Resolution – Additional Pension Contribution - FY 2024

RESOLVED, that based, on the recommendation of the its Pension & Benefit Committee, the South Central Connecticut Regional Water Authority authorizes an increase of $250,000 as a combined contribution to the South Central Connecticut Retirement Plan and the South Central Connecticut Regional Water Authority Salaried Employees' Retirement Plan during fiscal year 2024.

Proposed Pension Contribution Resolutions FY 2025

Salaried

RESOLVED, that the Authority approves a contribution of $2,397,959 to the South Central Connecticut Regional Water Authority's Salaried Employees' Retirement Plan, effective for the actuarial valuation of January 1, 2024; and

FURTHER RESOLVED, that the Authority approves the continued use of the PubG-2010 Above Median Employee and Annuitant with Scale MP-2021 generational improvements (M/F), effective for the actuarial valuation of January 1, 2024.

Union

RESOLVED, that the Authority approves a contribution of $1,083,084 to the South Central Connecticut Regional Water Authority's Union Employees' Retirement Plan, effective for the actuarial valuation of January 1, 2024; and

FURTHER RESOLVED, that the Authority approves the continued use of the PubG-2010 Total Employee and Annuitant with Scale MP-2021 generational improvements (M/F), effective for the actuarial valuation of January 1, 2024.

Proposed Resolution – FY 2025 VEBA Plan Contribution

RESOLVED, that the Authority approves a contribution of $1,694,075 to the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, effective for the actuarial valuation of January 1, 2024; and

FURTHER RESOLVED, that the Authority approves the continued use of the mortality table for the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, the PubG.H.-2010 Employee, Healthy Annuitant, and Contingent Survivor with Scale MP-2021 generational improvements (M/F), effective as of the actuarial valuation of January 1, 2024.

Morgan Stanley

THE KELLIHER CORBETT GROUP
AT MORGAN STANLEY
141 Longwater Drive, Suite 102
Norwell, MA. 02061
877.535.4437

Regional Water Authority
Tapping the Possibilities

Stephen Kelliher, QPFC®
Managing Director
Senior Portfolio Management Director
Corporate Client Group Director
CA Insurance #: 4284041

781.681.4933
Stephen.Kelliher@ms.com

Alan Kantapin, CFA®
Assistant Vice President
Portfolio Management Associate Director

781.681.4936
Alan.Kantapin@ms.com

Joseph McLaughlin, QPFC®, CRPS®
Senior Vice President
Corporate Retirement Director
Financial Wellness Director

781.681.4904
Joseph.McLaughlin@ms.com

EXPERIENCE THAT MAKES A DIFFERENCE

KELLIHERCORBETTGROUP.COM

APRIL 25, 2024

Discussion Outline & Agenda

	Section
Market Commentary	I.
Asset Allocation & Investment Matrices	II.
Investment Results	III.
Appendix - Investment Holdings Analysis	IV.

Morgan Stanley

THE KELLIHER CORBETT GROUP
AT MORGAN STANLEY

Market Commentary

Regional Water Authority
Tapping the Possibilities

S&P 500 Index at inflection points

S&P 500 Price Index

Characteristic	3/24/2000	10/9/2007	2/19/2020	1/3/2022	3/31/2024
Index Level	1,527	1,565	3,386	4,797	5,254
P/E Ratio (fwd.)	25.2x	15.1x	19.2x	21.4x	21.0x
Dividend Yield	1.4%	1.9%	1.9%	1.3%	1.4%
10-yr. Treasury	6.2%	4.7%	1.6%	1.6%	4.2%

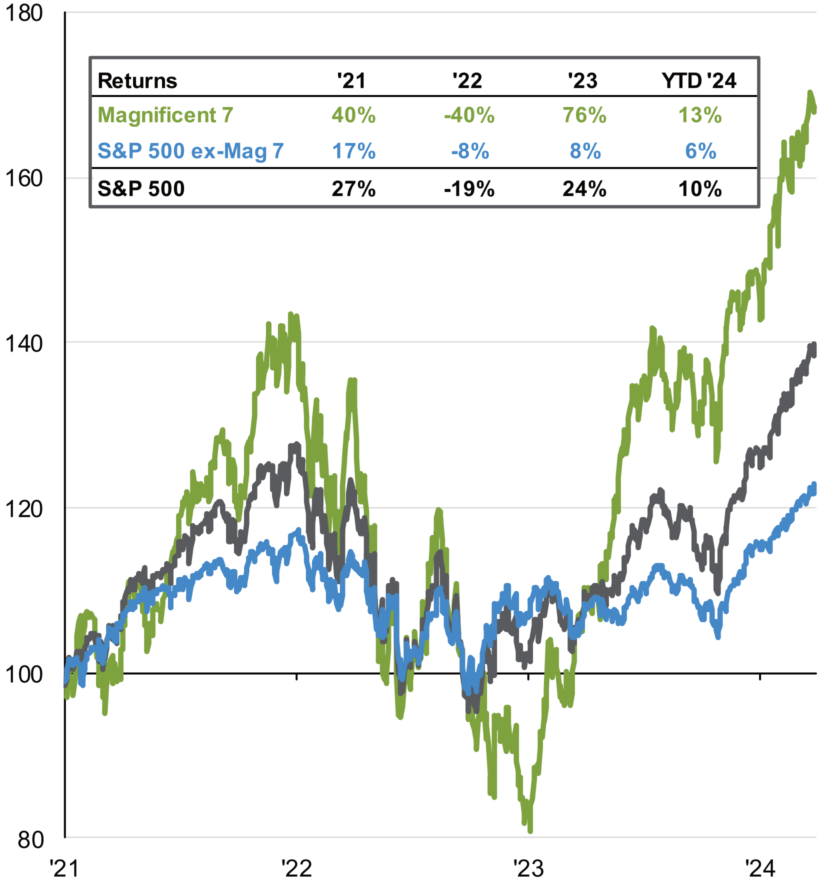
Source: Compustat, FactSet, Federal Reserve, Refinitiv Datastream, Standard & Poor's, J.P. Morgan Asset Management.
Dividend yield is calculated as consensus estimates of dividends for the next 12 months, divided by most recent price, as provided by Compustat. Forward price-to-earnings ratio is a bottom-up calculation based on IBES estimates and FactSet estimates since January 2022. Returns are cumulative and based on S&P 500 Index price movement only, and do not include the reinvestment of dividends. Past performance is not indicative of future returns.
Guide to the Markets – U.S. Data are as of March 31, 2024.

J.P.Morgan
ASSET MANAGEMENT

Magnificent 7 performance and earnings dynamics

Performance of "Magnificent 7" stocks in S&P 500*

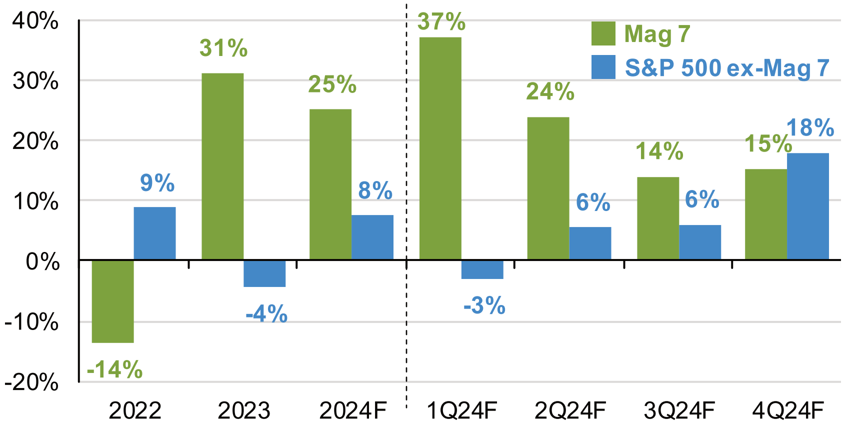
Indexed to 100 on 1/1/2021, price return



Returns	'21	'22	'23	YTD '24
Magnificent 7	40%	-40%	76%	13%
S&P 500 ex-Mag 7	17%	-8%	8%	6%
S&P 500	**27%**	**-19%**	**24%**	**10%**

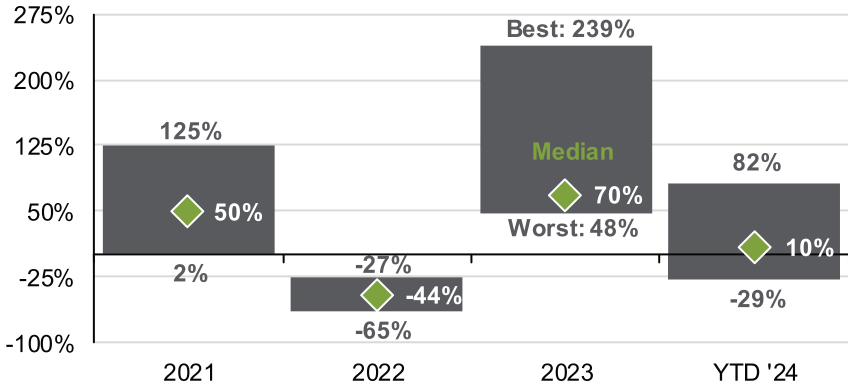
Earnings growth

Pro-forma EPS, y/y



Magnificent 7 performance dispersion

Price returns, best, median and worst performing Mag 7 stock by year



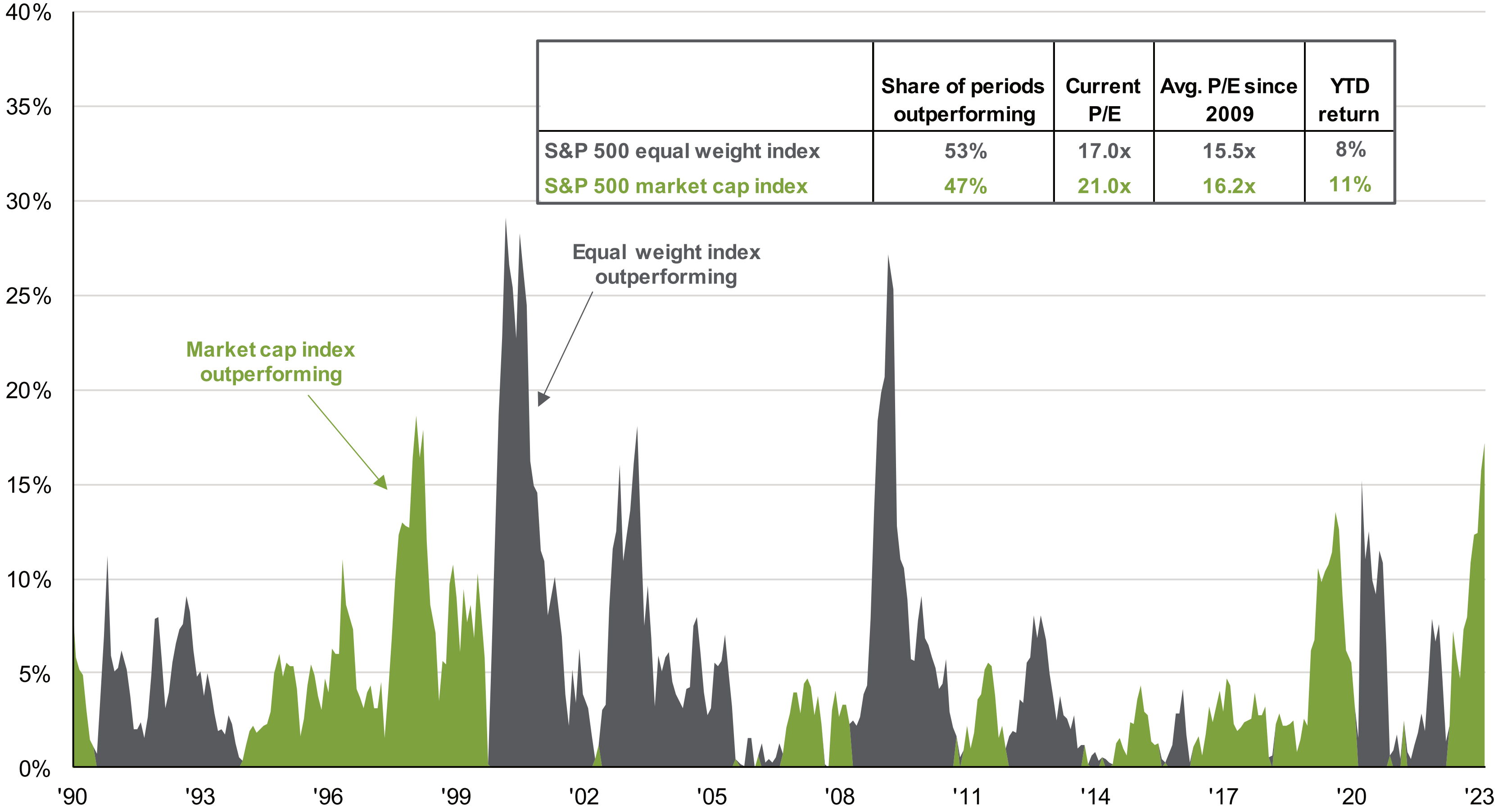
Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.
*Magnificent 7 includes AAPL, AMZN, GOOG, GOOGL, META, MSFT, NVDA and TSLA. Earnings estimates for 2024 are forecasts based on consensus analyst expectations.
Guide to the Markets – U.S. Data are as of March 31, 2024.

J.P.Morgan
ASSET MANAGEMENT

S&P 500 market cap vs. equal weight performance

S&P 500 market cap and equal weight relative performance

Rolling monthly y/y total returns, outperformance = high - low



Market cap index outperforming

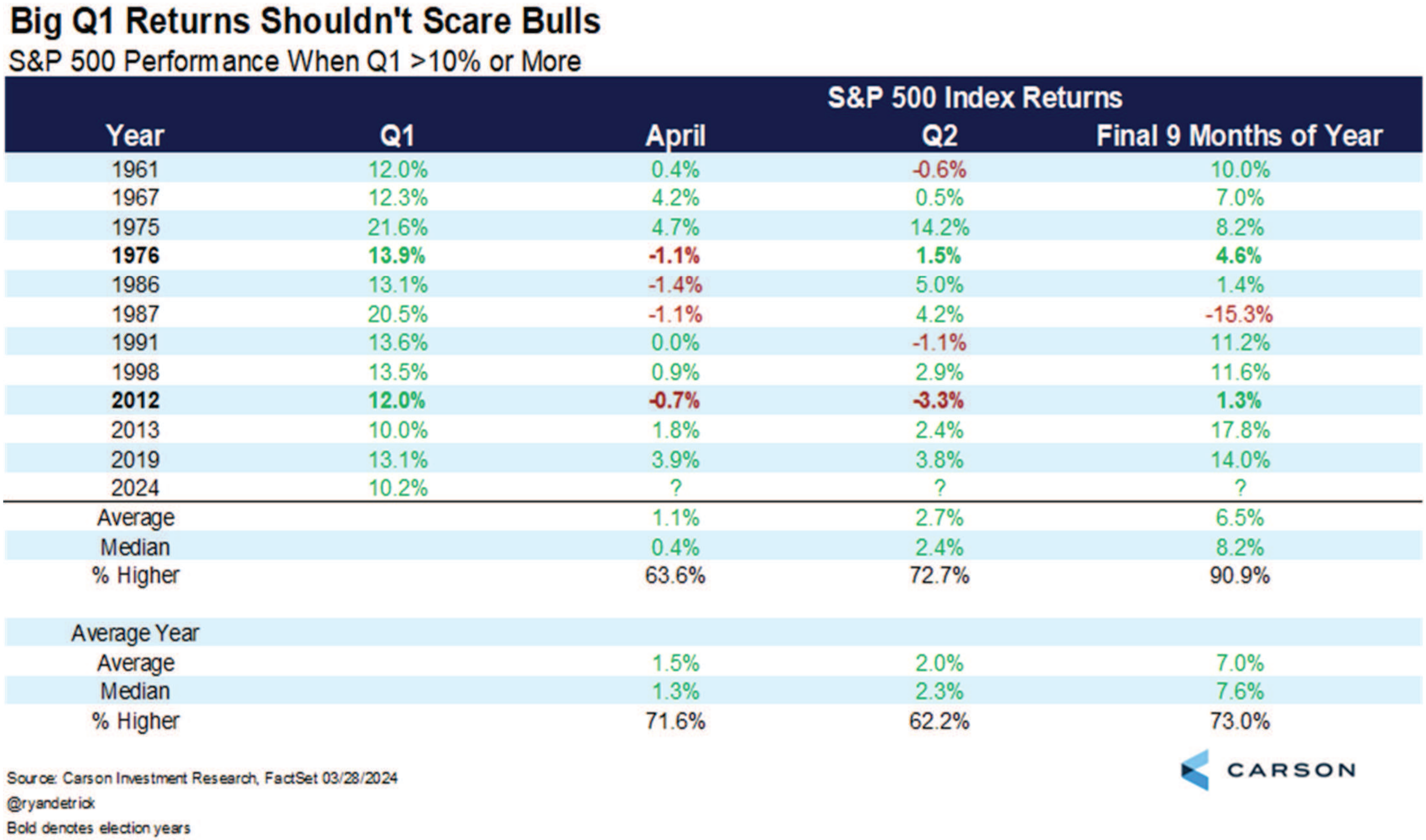
Equal weight index outperforming

	Share of periods outperforming	Current P/E	Avg. P/E since 2009	YTD return
S&P 500 equal weight index	53%	17.0x	15.5x	8%
S&P 500 market cap index	47%	21.0x	16.2x	11%

Source: FactSet, J.P. Morgan Asset Management.
Guide to the Markets – U.S. Data are as of March 31, 2024.

J.P.Morgan
ASSET MANAGEMENT

Prior to Q1 2024, Only 11 Times Has the S&P 500 Index Gained More Than 10% in the First Quarter



Big Q1 Returns Shouldn't Scare Bulls

S&P 500 Performance When Q1 >10% or More

			S&P 500 Index Returns	
Year	Q1	April	Q2	Final 9 Months of Year
1961	12.0%	0.4%	-0.6%	10.0%
1967	12.3%	4.2%	0.5%	7.0%
1975	21.6%	4.7%	14.2%	8.2%
1976	**13.9%**	**-1.1%**	**1.5%**	**4.6%**
1986	13.1%	-1.4%	5.0%	1.4%
1987	20.5%	-1.1%	4.2%	-15.3%
1991	13.6%	0.0%	-1.1%	11.2%
1998	13.5%	0.9%	2.9%	11.6%
2012	**12.0%**	**-0.7%**	**-3.3%**	**1.3%**
2013	10.0%	1.8%	2.4%	17.8%
2019	13.1%	3.9%	3.8%	14.0%
2024	10.2%	?	?	?
Average		1.1%	2.7%	6.5%
Median		0.4%	2.4%	8.2%
% Higher		63.6%	72.7%	90.9%
Average Year				
Average		1.5%	2.0%	7.0%
Median		1.3%	2.3%	7.6%
% Higher		71.6%	62.2%	73.0%

Source: Carson Investment Research, FactSet 03/28/2024

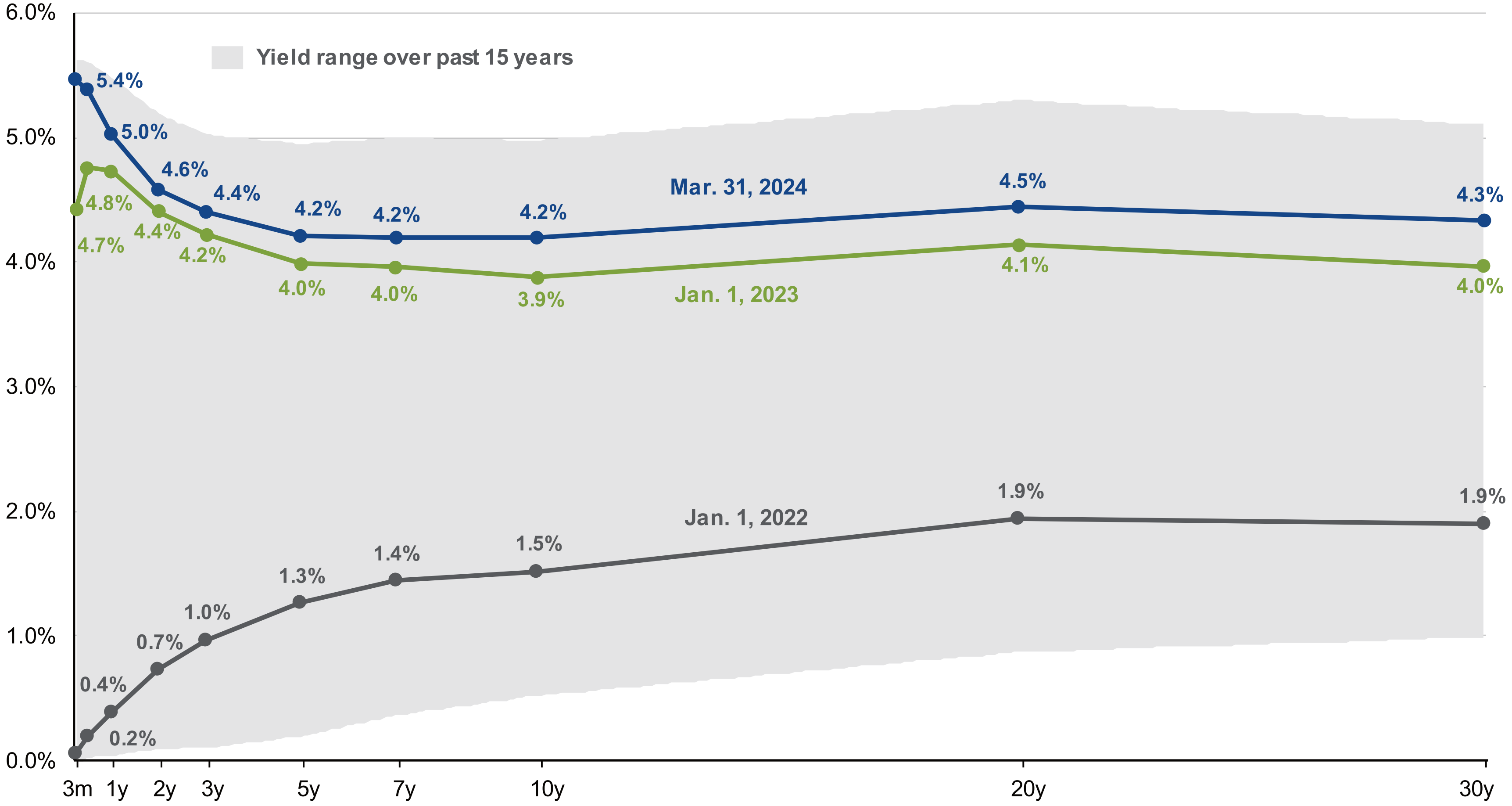
@ryandetrick

Bold denotes election years

CARSON

Yield curve

U.S. Treasury yield curve



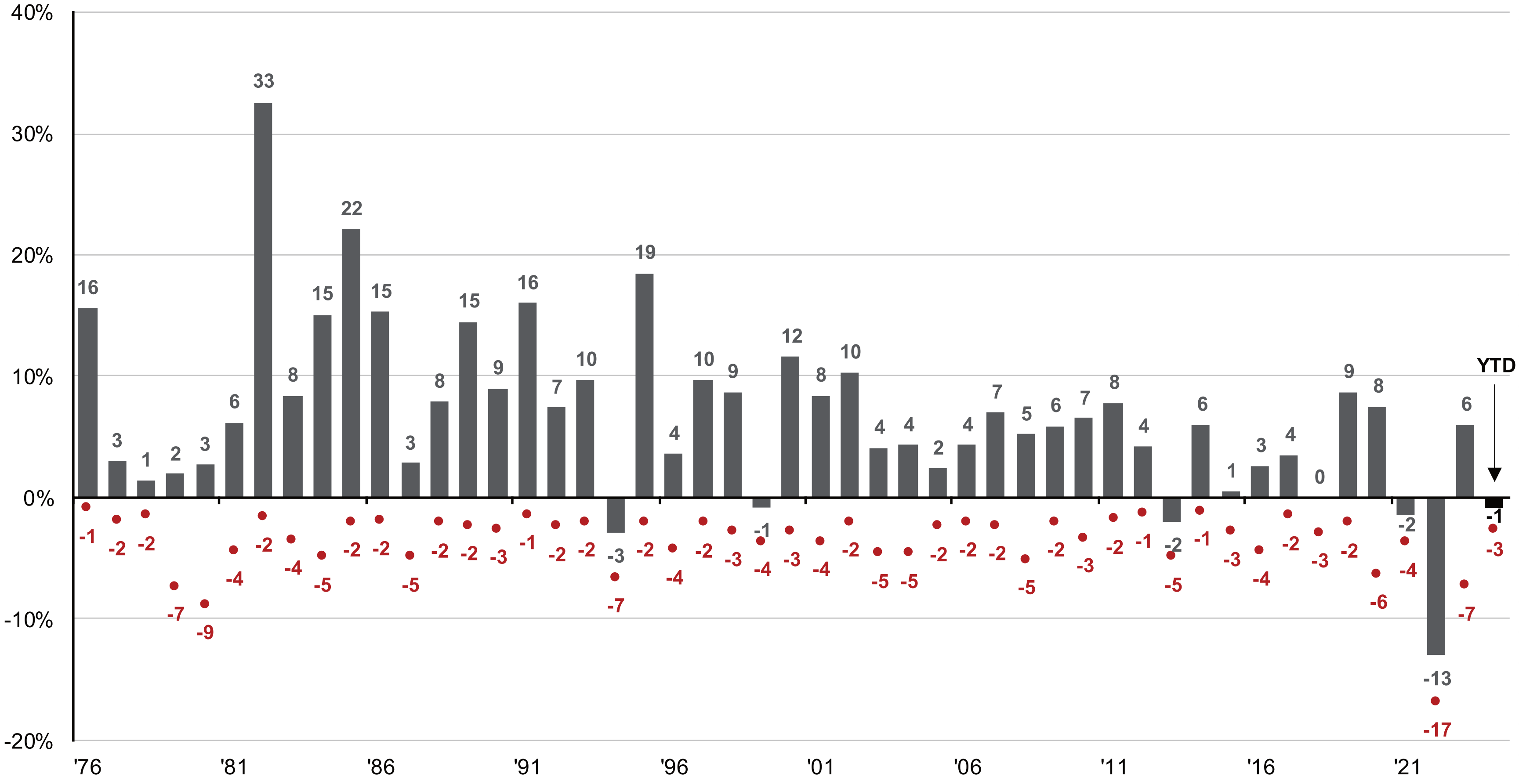
Source: FactSet, Federal Reserve, J.P. Morgan Asset Management.
Guide to the Markets – U.S. Data are as of March 31, 2024.

J.P.Morgan
ASSET MANAGEMENT

Bloomberg U.S. Agg. annual returns and intra-year declines

Bloomberg U.S. Aggregate intra-year declines vs. calendar year returns

Despite average intra-year drops of 3.5%, annual returns were positive in 43 of 48 years



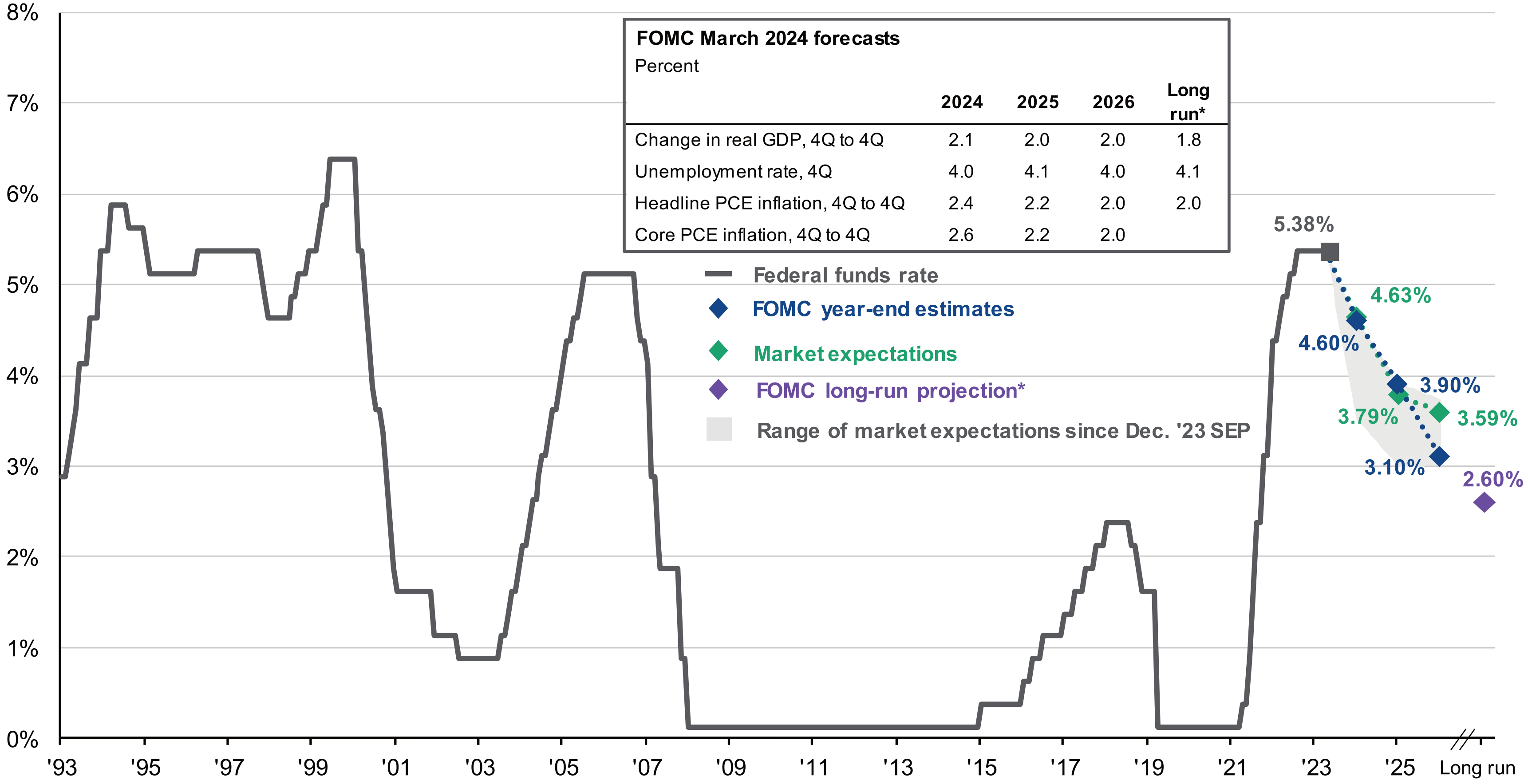
Source: Bloomberg, FactSet, J.P. Morgan Asset Management.
Returns are based on total return. Intra-year drops refers to the largest market drops from a peak to a trough during the year. For illustrative purposes only. Returns shown are calendar year returns from 1976 to 2023, over which time period the average annual return was 6.6%. Returns from 1976 to 1989 are calculated on a monthly basis; daily data are used afterward.
Guide to the Markets – U.S. Data are as of March 31, 2024.

J.P.Morgan
ASSET MANAGEMENT

The Fed and interest rates

Federal funds rate expectations

FOMC and market expectations for the federal funds rate



FOMC March 2024 forecasts

Percent

	2024	2025	2026	Long run*
Change in real GDP, 4Q to 4Q	2.1	2.0	2.0	1.8
Unemployment rate, 4Q	4.0	4.1	4.0	4.1
Headline PCE inflation, 4Q to 4Q	2.4	2.2	2.0	2.0
Core PCE inflation, 4Q to 4Q	2.6	2.2	2.0	

Source: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management.

Market expectations are based off of USD Overnight Index Swaps. *Long-run projections are the rates of growth, unemployment and inflation to which a policymaker expects the economy to converge over the next five to six years in absence of further shocks and under appropriate monetary policy. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.

Guide to the Markets – U.S. Data are as of March 31, 2024.

J.P.Morgan
ASSET MANAGEMENT

Morgan Stanley

THE KELLIHER CORBETT GROUP
AT MORGAN STANLEY

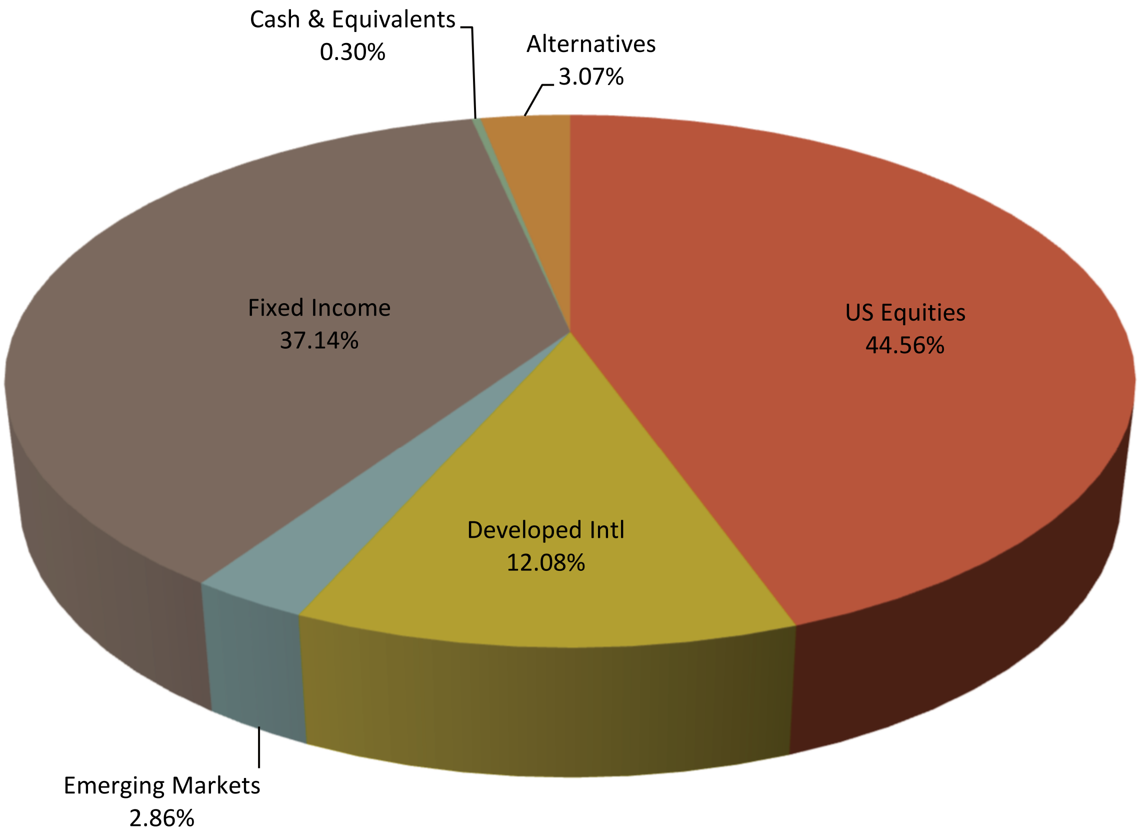
Asset Allocation & Investment Matrices

Regional Water Authority
Tapping the Possibilities

SCCT Regional Water Authority - Salary & Union Plans

Current Allocation

Portfolio Value: $74,227,204



Total Equity

59.50%

% of Total Equity

US Equity = 74.89%
Intl Equity = 25.11%

% of Intl Equity

Developed Intl = 80.89%
Emerging Markets = 19.11%

Russell 3000 Style Analysis*

Value = 22.62%
Core = 39.54%
Growth = 37.84%

US Equity Style Analysis*

Value = 27.48%
Core = 45.42%
Growth = 27.10%

Assets as of 3/31/2024

Asset Allocation does not assure a profit or protect against loss in declining financial markets
The information and data contained in this report are from sources considered reliable,
but their accuracy and completeness is not guaranteed. This report has been prepared for illustrative purposes only
and is not intended to be used as a substitute for monthly transaction statements you receive on a regular basis
from Morgan Stanley & Co. Incorporated Please compare the data on this document carefully with your monthly statements
to verify its accuracy. The Company strongly encourages you to consult with your own accountants or other
advisors with respect to any tax questions."

*Equity Style Analysis provided by Morningstar "Asset Scan"

Data Source: Morgan Stanley & Morningstar

SCCT Regional Water Authority - Salary & Union Plans
Asset Allocation Matrix Summary
As of 3/31/2024

Benchmark vs Actual

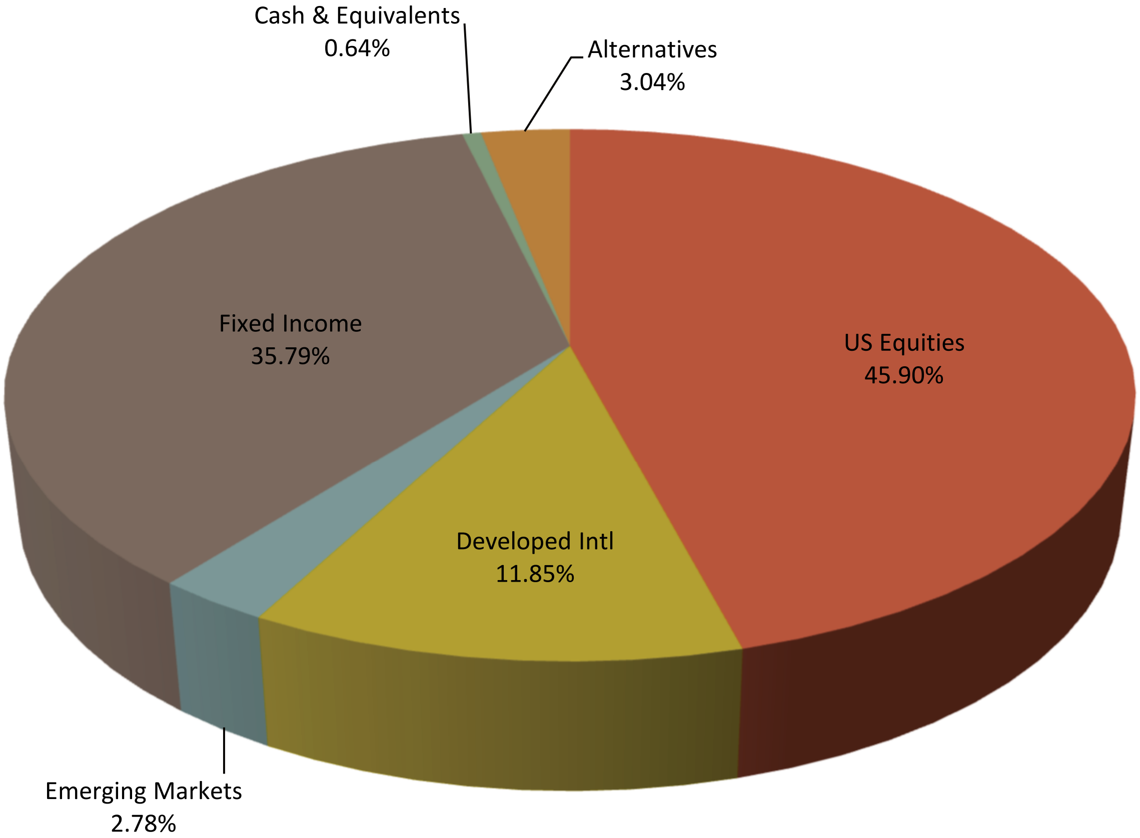
	Benchmark	Actual	+/-
Russell 3000	42.00%	44.83%	2.83%
MSCI ACWI ex US	15.00%	14.64%	-0.36%
Bloomberg US Aggregate	31.00%	37.17%	6.17%
FTSE WGBI	3.00%	0.00%	-3.00%
HFRI FOF	5.00%	1.59%	-3.41%
Global Real Estate	2.00%	1.48%	-0.52%
Cash & Equivalents/T-Bills	2.00%	0.30%	-1.70%
Total	100.00%	100.00%	0.00%

This information and data is being provided at your request and is from sources considered reliable, but their accuracy and completeness is not guaranteed. It has been prepared for illustrative purposes only and is not intended to be used as a substitute for the transaction statements you receive from Morgan Stanley Smith Barney LLC. Please compare the data on this document carefully with your transaction statements to verify its accuracy.

SCCT Regional Water Authority - VEBA Plan

Current Allocation

Portfolio Value: $9,929,596



Total Equity

60.53%

<u>% of Total Equity</u>

US Equity = 75.83%
Intl Equity = 24.17%

<u>% of Intl Equity</u>

Developed Intl = 80.98%
Emerging Markets = 19.02%

<u>Russell 3000 Style Analysis*</u>

Value = 22.62%
Core = 39.54%
Growth = 37.84%

<u>US Equity Style Analysis*</u>

Value = 26.84%
Core = 45.74%
Growth = 27.42%

Assets as of 3/31/2024

Asset Allocation does not assure a profit or protect against loss in declining financial markets
The information and data contained in this report are from sources considered reliable,
but their accuracy and completeness is not guaranteed. This report has been prepared for illustrative purposes only
and is not intended to be used as a substitute for monthly transaction statements you receive on a regular basis
from Morgan Stanley & Co. Incorporated Please compare the data on this document carefully with your monthly statements
to verify its accuracy. The Company strongly encourages you to consult with your own accountants or other
advisors with respect to any tax questions."

*Equity Style Analysis provided by Morningstar "Asset Scan"

Data Source: Morgan Stanley & Morningstar

SCCT Regional Water Authority - VEBA Plan
Asset Allocation Matrix Summary
As of 3/31/2024

Benchmark vs Actual

	Benchmark	Actual	+/-
Russell 3000	42.00%	46.16%	4.16%
MSCI ACWI ex US	15.00%	14.34%	-0.66%
Bloomberg US Aggregate	31.00%	35.82%	4.82%
FTSE WGBI	3.00%	0.00%	-3.00%
HFRI FOF	5.00%	1.61%	-3.39%
Global Real Estate	2.00%	1.43%	-0.57%
Cash & Equivalents/T-Bills	2.00%	0.64%	-1.36%
Total	100.00%	100.00%	0.00%

This information and data is being provided at your request and is from sources considered reliable, but their accuracy and completeness is not guaranteed. It has been prepared for illustrative purposes only and is not intended to be used as a substitute for the transaction statements you receive from Morgan Stanley Smith Barney LLC. Please compare the data on this document carefully with your transaction statements to verify its accuracy.

Morgan Stanley

THE KELLIHER CORBETT GROUP
AT MORGAN STANLEY

Investment Results

Regional Water Authority
Tapping the Possibilities

SCCT Regional Water Authority
First Quarter Investment Results
December 31, 2023 - March 31, 2024

Account Number	Account Type	Beg. Asset Value 31-Dec-2023	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2024	Net $ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	$45,170,155	$0	($750,000)	$44,420,155	$46,565,262	$2,145,107	4.81%	4.90%
447-xxx451	Union	$26,796,305	$0	($406,161)	$26,390,143	$27,661,942	$1,271,798	4.80%	4.89%
447-xxx456	VEBA	$9,470,662	$0	$0	$9,470,662	$9,929,596	$458,934	4.85%	4.94%
axx15a	Matrix Trust (Salaried)	$191,440	($165,134)	$750,000	$776,306	$776,306	$0	-	-
axx15b	Matrix Trust (Union)	$49,796	($81,907)	$430,000	$397,889	$397,889	$0	-	-
axx16	Matrix Trust(VEBA)	$468,937	$355,025	($23,839)	$800,123	$800,123	$0	-	-
Consolidated		$82,147,295	$107,984	$0	$82,255,279	$86,131,119	$3,875,839	4.81%	4.90%

December 31, 2023 - March 31, 2024

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75% x (3/12)	1.69%

Guidelines/Benchmarks - Market Cap Weighted

Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	3.89%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	4.80%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	5.55%

Guidelines/Benchmarks - Equal Weighted

Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	3.17%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	3.91%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	4.62%

Russell 3000	10.02%
S&P 500	10.56%
S&P 500 Equal Weight	7.91%
Russell 1000 Value	8.99%
Russell 1000	10.30%
Russell 1000 Growth	11.41%
Russell 2000	5.18%
MSCI All Country World ex. US	4.69%
MSCI EAFE	5.78%
MSCI EM	2.37%
Bloomberg Aggregate	-0.78%
Bloomberg Govt/Credit Intermediate	-0.15%
HFRI Fund of Funds Index	3.93%
DJ Global World Real Estate	-1.07%
FTSE WGBI Index	-2.42%
30 Day T-Bill	1.36%

Performance for accounts held outside of Morgan Stanley are calculated using simple math

Data Source: Morgan Stanley & Morningstar

SCCT Regional Water Authority
Fiscal Year Investment Results
May 31, 2023 - March 31, 2024

Account Number	Account Type	Beg. Asset Value 31-May-2023	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2024	Net $ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	$42,115,960	$0	($1,254,089)	$40,861,872	$46,565,262	$5,703,390	13.74%	14.08%
447-xxx451	Union	$24,833,519	$0	($564,691)	$24,268,828	$27,661,942	$3,393,113	13.79%	14.13%
447-xxx456	VEBA	$8,731,841	$0	$0	$8,731,841	$9,929,596	$1,197,755	13.72%	14.06%
axx15a	Matrix Trust (Salaried)	$137,558	($711,252)	$1,350,000	$776,306	$776,306	$0	-	-
axx15b	Matrix Trust (Union)	$539	($257,650)	$655,000	$397,889	$397,889	$0	-	-
axx16	Matrix Trust(VEBA)	$532,809	$453,535	($186,221)	$800,123	$800,123	$0	-	-
Consolidated		$76,352,226	($515,367)	$0	$75,836,859	$86,131,119	$10,294,259	13.75%	14.09%

May 31, 2023 - March 31, 2024

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75% x (10/12)	5.63%

Guidelines/Benchmarks - Market Cap Weighted

Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	12.96%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	15.34%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	16.97%

Guidelines/Benchmarks - Equal Weighted

Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	11.68%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	13.76%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	15.31%

Russell 3000	27.43%
S&P 500	27.33%
S&P 500 Equal Weight	23.67%
Russell 1000 Value	23.24%
Russell 1000	27.68%
Russell 1000 Growth	31.64%
Russell 2000	23.04%
MSCI All Country World ex. US	15.52%
MSCI EAFE	17.11%
MSCI EM	11.26%
Bloomberg Aggregate	2.20%
Bloomberg Govt/Credit Intermediate	2.83%
HFRI Fund of Funds Index	9.06%
DJ Global World Real Estate	11.88%
FTSE WGBI Index	0.95%
30 Day T-Bill	4.60%

Performance for accounts held outside of Morgan Stanley are calculated using simple math

The information and data contained in this report are from sources considered reliable, but their accuracy and completeness is not guaranteed. This report has been prepared for illustrative purposes only and is not intended to be used as a substitute for monthly transaction statements you receive on a regular basis from Morgan Stanley & Co. Incorporated Please compare the data on this document carefully with your monthly statements to verify its accuracy. The Company strongly encourages you to consult with your own accountants or other advisors with respect to any tax questions.

Data Source: Morgan Stanley & Morningstar

SCCT Regional Water Authority
Trailing Twelve Month Investment Results
March 31, 2023 - March 31, 2024

Account Number	Account Type	Beg. Asset Value 31-Mar-2023	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2024	Net $ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	$41,243,020	$0	($144,757)	$41,098,263	$46,565,262	$5,466,999	13.06%	13.47%
447-xxx451	Union	$24,306,008	$0	$98,058	$24,404,066	$27,661,942	$3,257,876	13.15%	13.56%
447-xxx456	VEBA	$8,783,780	$0	$0	$8,783,780	$9,929,596	$1,145,817	13.04%	13.45%
axx15a	Matrix Trust (Salaried)	$77,300	$430,539	$268,467	$776,306	$776,306	$0	-	-
axx15b	Matrix Trust (Union)	$181,293	$205,064	$11,533	$397,889	$397,889	$0	-	-
axx16	Matrix Trust(VEBA)	$519,996	$513,428	($233,301)	$800,123	$800,123	$0	-	-
Consolidated		$75,111,397	$1,149,031	$0	$76,260,427	$86,131,119	$9,870,691	13.09%	13.50%

March 31, 2023 - March 31, 2024

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75% x (12/12)	6.75%

Guidelines/Benchmarks - Market Cap Weighted

Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	13.08%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	15.53%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	17.18%

Guidelines/Benchmarks - Equal Weighted

Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	9.71%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	11.37%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	12.82%

Russell 3000	29.29%
S&P 500	29.88%
S&P 500 Equal Weight	19.38%
Russell 1000 Value	20.27%
Russell 1000	29.87%
Russell 1000 Growth	39.00%
Russell 2000	19.71%
MSCI All Country World ex. US	13.26%
MSCI EAFE	15.32%
MSCI EM	8.15%
Bloomberg Aggregate	1.70%
Bloomberg Govt/Credit Intermediate	2.69%
HFRI Fund of Funds Index	9.43%
DJ Global World Real Estate	7.94%
FTSE WGBI Index	-0.84%
30 Day T-Bill	5.40%

Performance for accounts held outside of Morgan Stanley are calculated using simple math

SCCT Regional Water Authority
Trailing Three Year Investment Results
March 31, 2021 - March 31, 2024

Account Number	Account Type	Beg. Asset Value 31-Mar-2021	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2024	Net $ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	$41,314,126	$0	$360,986	$41,675,112	$46,565,262	$4,890,150	3.74%	4.11%
447-xxx451	Union	$25,660,274	$0	($938,312)	$24,721,962	$27,661,942	$2,939,979	3.83%	4.20%
447-xxx456	VEBA	$8,575,985	$0	$400,000	$8,975,985	$9,929,596	$953,612	3.49%	3.87%
447-xxx626*	Skybridge (Salaried)	$699,985	$0	($704,240)	($4,255)	$0	$4,255	0.21%	0.21%
447-xxx627*	Skybridge (Union)	$469,997	$0	($472,852)	($2,855)	$0	$2,855	0.21%	0.21%
axx15a	Matrix Trust (Salaried)	($111,811)	$81,209	$806,908	$776,306	$776,306	$0	-	-
axx15b	Matrix Trust (Union)	($47,954)	($1,318,110)	$1,763,954	$397,889	$397,889	$0	-	-
axx16	Matrix Trust(VEBA)	$503,295	$1,513,271	($1,216,443)	$800,123	$800,123	$0	-	-
Consolidated		$77,063,897	$276,370	$0	$77,340,267	$86,131,119	$8,790,851	3.70%	4.07%

2022 Trailing Three Year Returns (3/31/2019 - 3/31/2022)	**8.43%**	**8.81%**
2023 Trailing Three Year Returns (3/31/2020 - 3/31/2023)	**8.92%**	**9.31%**

March 31, 2021 - March 31, 2024

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75%	6.75%
Actuarial Assumed Rate of Return (Prior to 5/31/2021): 7.00%	7.00%

Guidelines/Benchmarks - Market Cap Weighted

Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	2.62%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	3.61%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	4.47%

Guidelines/Benchmarks - Equal Weighted

Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	2.07%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	2.93%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	3.76%

Russell 3000	9.78%
S&P 500	11.49%
S&P 500 Equal Weight	8.16%
Russell 1000 Value	8.11%
Russell 1000	10.45%
Russell 1000 Growth	12.50%
Russell 2000	-0.10%
MSCI All Country World ex. US	1.94%
MSCI EAFE	4.78%
MSCI EM	-5.05%
Bloomberg Aggregate	-2.46%
Bloomberg Govt/Credit Intermediate	-1.06%
HFRI Fund of Funds Index	2.80%
DJ Global World Real Estate	-1.92%
FTSE WGBI Index	-6.12%
30 Day T-Bill	2.65%

Performance for accounts held outside of Morgan Stanley are calculated using simple math *447-xxx626 closed May 2022 *447-xxx627 closed July 2022

Data Source: Morgan Stanley & Morningstar

SCCT Regional Water Authority
Trailing Five Year Investment Results
March 31, 2019 - March 31, 2024

Account Number	Account Type	Beg. Asset Value 31-Mar-2019	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2024	Net $ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	$33,195,108	$0	$521,671	$33,716,779	$46,565,262	$12,848,483	6.62%	7.01%
447-xxx451	Union	$21,246,586	$0	($1,459,195)	$19,787,392	$27,661,942	$7,874,550	6.67%	7.06%
447-xxx456	VEBA	$6,688,754	$0	$670,404	$7,359,157	$9,929,596	$2,570,439	6.45%	6.84%
447-xxx626*	Skybridge (Salaried)	$645,926	$0	($704,240)	($58,314)	$0	$58,314	1.74%	1.74%
447-xxx627*	Skybridge (Union)	$433,717	$0	($472,852)	($39,135)	$0	$39,135	1.74%	1.74%
axx15a	Matrix Trust (Salaried)	$486,616	($666,637)	$956,327	$776,306	$776,306	$0	-	-
axx15b	Matrix Trust (Union)	$183,744	($2,326,416)	$2,540,561	$397,889	$397,889	$0	-	-
axx16	Matrix Trust(VEBA)	$339,342	$2,513,457	($2,052,676)	$800,123	$800,123	$0	-	-
Consolidated		$63,219,793	($479,596)	$0	$62,740,198	$86,131,119	$23,390,921	6.55%	6.93%

2022 Trailing Five Year Returns (3/31/2017 - 3/31/2022)	**7.78%**	**8.18%**
2023 Trailing Five Year Returns (3/31/2018 - 3/31/2023)	**4.76%**	**5.14%**

March 31, 2019 - March 31, 2024

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75%	6.75%
Actuarial Assumed Rate of Return (Prior to 5/31/2021): 7.00%	7.00%

Guidelines/Benchmarks - Market Cap Weighted

Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	6.07%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	7.26%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	8.07%

Guidelines/Benchmarks - Equal Weighted

Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	5.40%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	6.42%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	7.20%

Russell 3000	14.34%
S&P 500	15.05%
S&P 500 Equal Weight	12.35%
Russell 1000 Value	10.32%
Russell 1000	14.76%
Russell 1000 Growth	18.52%
Russell 2000	8.10%
MSCI All Country World ex. US	5.97%
MSCI EAFE	7.33%
MSCI EM	2.22%
Bloomberg Aggregate	0.36%
Bloomberg Govt/Credit Intermediate	1.09%
HFRI Fund of Funds Index	4.96%
DJ Global World Real Estate	0.22%
FTSE WGBI Index	-2.21%
30 Day T-Bill	2.00%

Performance for accounts held outside of Morgan Stanley are calculated using simple math

*447-xxx626 closed May 2022

*447-xxx627 closed July 2022

Data Source: Morgan Stanley & Morningstar

SCCT Regional Water Authority
Trailing Eight Year Investment Results
March 31, 2016 - March 31, 2024

Account Number	Account Type	Beg. Asset Value 31-Mar-2016	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2024	Net $ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	$22,580,657	$0	$4,929,543	$27,510,200	$46,565,262	$19,055,062	7.06%	7.47%
447-xxx451	Union	$16,511,250	$0	($1,019,102)	$15,492,149	$27,661,942	$12,169,793	7.09%	7.49%
447-xxx456	VEBA	$3,689,152	$0	$2,486,539	$6,175,691	$9,929,596	$3,753,905	6.94%	7.35%
447-xxx626*	Skybridge (Salaried)	$0	$0	($153,806)	($153,806)	$0	$153,806	3.52%	3.52%
447-xxx627*	Skybridge (Union)	$0	$0	($107,539)	($107,539)	$0	$107,539	3.53%	3.53%
axx15a	Matrix Trust (Salaried)	$211,900	$4,126,822	($3,562,415)	$776,306	$776,306	$0	-	-
axx15b	Matrix Trust (Union)	$146,452	($1,839,100)	$2,090,537	$397,889	$397,889	$0	-	-
axx16	Matrix Trust(VEBA)	$25,932	$5,437,948	($4,663,758)	$800,123	$800,123	$0	-	-
Consolidated		$43,165,344	$7,725,670	$0	$50,891,014	$86,131,119	$35,240,105	7.01%	7.41%

March 31, 2016 - March 31, 2024

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75%	6.75%
Actuarial Assumed Rate of Return (Prior to 5/31/2021): 7.00%	7.00%

Guidelines/Benchmarks - Market Cap Weighted

Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	6.33%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	7.50%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	8.26%

Guidelines/Benchmarks - Equal Weighted

Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	5.72%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	6.75%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	7.47%

Russell 3000	14.02%
S&P 500	14.48%
S&P 500 Equal Weight	12.23%
Russell 1000 Value	10.37%
Russell 1000	14.29%
Russell 1000 Growth	17.77%
Russell 2000	9.89%
MSCI All Country World ex. US	6.76%
MSCI EAFE	7.31%
MSCI EM	5.31%
Bloomberg Aggregate	0.98%
Bloomberg Govt/Credit Intermediate	1.30%
HFRI Fund of Funds Index	4.57%
DJ Global World Real Estate	3.08%
FTSE WGBI Index	-1.03%
30 Day T-Bill	1.67%

Performance for accounts held outside of Morgan Stanley are calculated using simple math *447-xxx626 closed May 2022 *447-xxx627 closed July 2022

Data Source: Morgan Stanley & Morningstar

SCCT Regional Water Authority
Since Inception (Fully Invested) Investment Results
December 31, 2015 - March 31, 2024

Account Number	Account Type	Beg. Asset Value 31-Dec-2015	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2024	Net $ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	$22,078,953	$0	$5,127,554	$27,206,508	$46,565,262	$19,358,755	7.02%	7.42%
447-xxx451	Union	$16,143,219	$0	($872,591)	$15,270,628	$27,661,942	$12,391,313	7.04%	7.45%
447-xxx456	VEBA	$2,919,401	$0	$3,195,838	$6,115,239	$9,929,596	$3,814,357	6.82%	7.23%
447-xxx626*	Skybridge (Salaried)	$0	$0	($153,806)	($153,806)	$0	$153,806	3.52%	3.52%
447-xxx627*	Skybridge (Union)	$0	$0	($107,539)	($107,539)	$0	$107,539	3.53%	3.53%
axx15a	Matrix Trust (Salaried)	$202,978	$4,349,718	($3,776,390)	$776,306	$776,306	$0	-	-
axx15b	Matrix Trust (Union)	$147,576	($1,685,278)	$1,935,591	$397,889	$397,889	$0	-	-
axx16	Matrix Trust(VEBA)	$269,858	$5,878,922	($5,348,658)	$800,123	$800,123	$0	-	-
Consolidated		$41,761,987	$8,543,362	$0	$50,305,349	$86,131,119	$35,825,770	6.96%	7.36%

December 31, 2015 - March 31, 2024

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75%	6.75%
Actuarial Assumed Rate of Return (Prior to 5/31/2021): 7.00%	7.00%

Guidelines/Benchmarks - Market Cap Weighted

Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	6.31%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	7.44%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	8.09%

Guidelines/Benchmarks - Equal Weighted

Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	5.82%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	6.83%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	7.45%

Russell 3000	13.70%
S&P 500	14.20%
S&P 500 Equal Weight	12.24%
Russell 1000 Value	10.25%
Russell 1000	13.99%
Russell 1000 Growth	17.29%
Russell 2000	9.37%
MSCI All Country World ex. US	6.50%
MSCI EAFE	6.68%
MSCI EM	5.86%
Bloomberg Aggregate	1.32%
Bloomberg Govt/Credit Intermediate	1.56%
HFRI Fund of Funds Index	4.03%
DJ Global World Real Estate	3.57%
FTSE WGBI Index	-0.18%
30 Day T-Bill	1.63%

Performance for accounts held outside of Morgan Stanley are calculated using simple math *447-xxx626 closed May 2022 *447-xxx627 closed July 2022

Data Source: Morgan Stanley & Morningstar

Morgan Stanley

THE KELLIHER CORBETT GROUP
AT MORGAN STANLEY

Appendix

Regional Water Authority
Tapping the Possibilities

Morgan Stanley

THE KELLIHER CORBETT GROUP
AT MORGAN STANLEY

Investment Holdings Analysis

Regional Water Authority
Tapping the Possibilities

Mutual Funds/ETFs

Results

	Morningstar	Market Returns (%)						$	% of
Data as of 3/31/2024	Category	3 Month	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Assets	Total
Cash & Equivalents									
Cash & Equivalents		-	-	-	-	-	-	$ 286,241	0.34%
Fixed Income									
Vanguard Short-Term Treasury ETF	Short Government	0.22	0.22	🟡 2.85	🟢 -0.04	🟢 1.08	🟢 1.00	$ 162,596	0.19%
Cat: Short Government	**Short Government**	**0.40**	**0.40**	**3.02**	**-0.40**	**0.80**	**0.90**		
Guggenheim Limited Duration Instl	Short-Term Bond	1.23	1.23	🟢 6.12	🟢 1.54	🟢 2.50	🟢 2.58	$ 321,115	0.38%
Vanguard Short-Term Bond ETF	Short-Term Bond	0.08	0.08	🟡 3.06	🟡 -0.41	🟡 1.19	🟡 1.34	$ 276,012	0.33%
Cat: Short-Term Bond	**Short-Term Bond**	**0.88**	**0.88**	**4.90**	**0.48**	**1.68**	**1.60**		
American Funds Bond Fund of Amer F2	Intermediate Core Bond	-0.76	-0.76	🟡 1.28	🟢 -2.30	🟢 1.11	🟢 1.92	$ -	0.00%
Vanguard Interm-Term Bond ETF	Intermediate Core Bond	-0.79	-0.79	🟡 1.63	🟢 -2.35	🟢 0.78	🟢 1.98	$ 2,243,150	2.67%
Cat: Intermediate Core Bond	**Intermediate Core Bond**	**-0.51**	**-0.51**	**2.01**	**-2.45**	**0.36**	**1.43**		
Fidelity Advisor Total Bond I	Intermediate Core-Plus Bond	-0.21	-0.21	🟢 3.61	🟢 -1.47	🟢 1.45	🟢 2.30	$ 2,268,787	2.70%
Loomis Sayles Core Plus Bond Y	Intermediate Core-Plus Bond	-0.33	-0.33	🟡 1.86	🟢 -2.09	🟢 1.17	🟢 1.97	$ 2,531,904	3.01%
Cat: Intermediate Core-Plus Bond	**Intermediate Core-Plus Bond**	**-0.20**	**-0.20**	**2.91**	**-2.26**	**0.75**	**1.67**		
PIMCO Income I2	Multisector Bond	1.35	1.35	🟢 7.95	🟢 1.54	🟢 2.97	🟢 4.16	$ 5,573,320	6.62%
Cat: Multisector Bond	**Multisector Bond**	**1.31**	**1.31**	**7.09**	**0.48**	**2.39**	**2.72**		
Idx: Bloomberg US Agg Bond TR USD	**-**	**-0.78**	**-0.78**	**1.70**	**-2.46**	**0.36**	**1.54**		
Idx: Bloomberg US Govt/Credit Interm TR USD	**-**	**-0.15**	**-0.15**	**2.69**	**-1.06**	**1.09**	**1.61**		
Idx: FTSE WGBI USD	**-**	**-2.42**	**-2.42**	**-0.84**	**-6.12**	**-2.21**	**-0.82**		
Sub-Total Fixed Income								$ 13,376,884	15.90%

🟢 Green = exceeds peer group

🟡 Yellow = trails peer group

☐ Red = fails to meet criteria (on watch/remove and/or replacement)

Orange = Fund position only held in VEBA

Green = Fund added in Q1

Red = Fund removed in Q1

Assets as of 3/31/2024

See last page for important disclosure/disclaimer

Data Source: Morgan Stanley & Morningstar

Mutual Funds/ETFs

Results

	Morningstar	Market Returns (%)						$	% of
Data as of 3/31/2024	Category	3 Month	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Assets	Total
US Equity									
Columbia Dividend Income Inst	Large Value	8.38	8.38	🟡 20.00	🟢 9.70	🟢 12.14	🟢 11.20	$ 4,569,358	5.43%
Vanguard Value ETF	Large Value	9.76	9.76	🟢 21.12	🟢 10.21	🟢 11.53	🟢 10.45	$ 6,278,253	7.46%
Cat: Large Value	**Large Value**	**8.83**	**8.83**	**20.70**	**8.87**	**10.89**	**9.09**		
Invesco S&P 500® Equal Weight ETF	Large Blend	7.85	7.85	🟡 19.14	🟡 7.95	🟡 12.15	🟡 10.65	$ 3,984,429	4.73%
Vanguard Total Stock Market ETF	Large Blend	10.01	10.01	🟢 29.38	🟡 9.65	🟢 14.25	🟢 12.28	$ 8,099,784	9.62%
Cat: Large Blend	**Large Blend**	**9.95**	**9.95**	**27.24**	**9.88**	**13.65**	**11.45**		
MFS Massachusetts Inv Gr Stk I	Large Growth	8.19	8.19	🟡 24.76	🟢 9.98	🟢 15.04	🟢 13.82	$ 3,496,772	4.16%
Vanguard Russell 1000 Growth ETF	Large Growth	11.39	11.39	🟢 38.95	🟢 12.44	🟢 18.44	🟢 15.88	$ 2,696,737	3.20%
Cat: Large Growth	**Large Growth**	**11.92**	**11.92**	**36.45**	**7.95**	**14.89**	**13.24**		
Schwab US Mid-Cap ETF™	Mid-Cap Blend	8.64	8.64	🟡 22.06	🟡 4.73	🟡 9.74	🟢 9.39	$ 1,809,782	2.15%
Cat: Mid-Cap Blend	**Mid-Cap Blend**	**9.21**	**9.21**	**22.48**	**6.45**	**10.89**	**8.99**		
Idx: Russell 3000 TR USD	**-**	**10.02**	**10.02**	**29.29**	**9.78**	**14.34**	**12.33**		
Idx: S&P 500 TR USD	**-**	**10.56**	**10.56**	**29.88**	**11.49**	**15.05**	**12.96**		
Idx: Russell 1000 Value TR USD	**-**	**8.99**	**8.99**	**20.27**	**8.11**	**10.32**	**9.01**		
Idx: Russell 1000 TR USD	**-**	**10.30**	**10.30**	**29.87**	**10.45**	**14.76**	**12.68**		
Idx: Russell 1000 Growth TR USD	**-**	**11.41**	**11.41**	**39.00**	**12.50**	**18.52**	**15.98**		
Idx: Morningstar DYF TR USD	**-**	**8.85**	**8.85**	**12.42**	**9.15**	**7.47**	**8.42**		
Sub-Total US Equity								$ 30,935,114	36.76%

🟢 Green = exceeds peer group

🟡 Yellow = trails peer group

□ Red = fails to meet criteria (on watch/remove and/or replacement)

Data Source: Morgan Stanley & Morningstar

Assets as of 3/31/2024

See last page for important disclosure/disclaimer

Mutual Funds/ETFs

Results

	Morningstar	Market Returns (%)						$	% of
Data as of 3/31/2024	Category	3 Month	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Assets	Total
Global/International Equity									
MFS Intl Diversification I	Foreign Large Blend	4.19	4.19	🟡 10.74	🟡 1.45	🟢 6.63	🟢 5.88	$ 3,356,962	3.99%
Vanguard Total International Stock ETF	Foreign Large Blend	4.31	4.31	🟡 13.02	🟡 1.93	🟡 6.20	🟡 4.48	$ 3,729,555	4.43%
Cat: Foreign Large Blend	**Foreign Large Blend**	**5.24**	**5.24**	**13.54**	**2.92**	**6.56**	**4.53**		
American Funds Europacific Growth F2	Foreign Large Growth	7.43	7.43	🟢 13.35	🟡 -0.27	🟡 6.80	🟡 5.47	$ 3,465,287	4.12%
Vs. Index (MSCI ACWI Ex USA NR USD)	-	7.43	7.43	🟢 13.35	🟡 -0.27	🟢 6.80	🟢 5.47		
Cat: Foreign Large Growth	**Foreign Large Growth**	**6.58**	**6.58**	**13.00**	**0.02**	**7.20**	**5.71**		
First Eagle Global I	Global Allocation	6.54	6.54	🟢 13.64	🟢 6.87	🟢 8.62	🟢 6.73	$ 3,474,634	4.13%
Cat: Global Allocation	**Global Allocation**	**4.38**	**4.38**	**11.51**	**2.78**	**5.31**	**4.27**		
Idx: MSCI ACWI Ex USA NR USD	**-**	**4.69**	**4.69**	**13.26**	**1.94**	**5.97**	**4.25**		
Idx: MSCI ACWI NR USD	**-**	**8.20**	**8.20**	**23.22**	**6.96**	**10.92**	**8.66**		
Idx: MSCI EAFE NR USD	**-**	**5.78**	**5.78**	**15.32**	**4.78**	**7.33**	**4.80**		
Idx: MSCI EM NR USD	**-**	**2.37**	**2.37**	**8.15**	**-5.05**	**2.22**	**2.95**		
Sub-Total Global/International Equity								$ 14,026,437	16.67%
Balanced									
American Funds American Balanced F2	Moderate Allocation	6.22	6.22	🟢 17.97	🟢 6.10	🟢 8.79	🟢 8.25	$ 4,004,912	4.76%
Janus Henderson Balanced I	Moderate Allocation	7.05	7.05	🟢 17.40	🟢 5.95	🟢 9.31	🟢 8.62	$ 3,970,534	4.72%
Cat: Moderate Allocation	**Moderate Allocation**	**5.32**	**5.32**	**15.19**	**4.05**	**7.45**	**6.46**		
Idx: Bloomberg US Agg Bond TR USD	**-**	**-0.78**	**-0.78**	**1.70**	**-2.46**	**0.36**	**1.54**		
Idx: S&P 500 TR USD	**-**	**10.56**	**10.56**	**29.88**	**11.49**	**15.05**	**12.96**		
Sub-Total Balanced								$ 7,975,446	9.48%
Alternative									
BlackRock Event Driven Equity Instl	Event Driven	0.70	0.70	🟢 5.35	🟢 2.42	🟡 3.83	🟢 4.58	$ 1,224,190	1.45%
Cat: Event Driven	**Event Driven**	**0.73**	**0.73**	**5.20**	**1.11**	**3.89**	**2.94**		
JPMorgan Hedged Equity I	Options Trading	5.83	5.83	🟡 15.00	🟢 7.01	🟢 9.77	🟢 7.99	$ 112,613	0.13%
Cat: Options Trading	**Options Trading**	**4.36**	**4.36**	**16.22**	**6.02**	**6.78**	**4.26**		
Cohen & Steers Global Realty I	Global Real Estate	-0.35	-0.35	🟢 8.86	🟢 -0.20	🟢 2.13	🟢 4.95	$ 1,241,891	1.48%
Cat: Global Real Estate	**Global Real Estate**	**-0.83**	**-0.83**	**7.96**	**-1.32**	**0.62**	**3.31**		
Idx: S&P 500 TR USD	**-**	**10.56**	**10.56**	**29.88**	**11.49**	**15.05**	**12.96**		
Idx: Bloomberg US Agg Bond TR USD	**-**	**-0.78**	**-0.78**	**1.70**	**-2.46**	**0.36**	**1.54**		
Idx: Russell 3000 TR USD	**-**	**10.02**	**10.02**	**29.29**	**9.78**	**14.34**	**12.33**		
Idx: MSCI ACWI NR USD	**-**	**8.20**	**8.20**	**23.22**	**6.96**	**10.92**	**8.66**		
Idx: DJ Global World Real Estate TR USD	**-**	**-1.07**	**-1.07**	**7.94**	**-1.92**	**0.22**	**3.84**		
Sub-Total Alternative								$ 2,578,694	3.06%
Total								$ 69,178,816	82.20%

🟢 Green = exceeds peer group

🟡 Yellow = trails peer group

☐ Red = fails to meet criteria (on watch/remove and/or replacement)

Data Source: Morgan Stanley & Morningstar

Assets as of 3/31/2024

See last page for important disclosure/disclaimer

Mutual Funds/ETFs

Statistics

Data as of 3/31/2024	Prospectus Net Expense Ratio	Prospectus Adj Expense Ratio	Beta 3 Yr vs. S&P or BBg Agg	Alpha 3 Yr vs. S&P or BBg Agg	Std Dev 3 Yr	R2 3 Yr vs. S&P or BBg Agg	P/E Ratio	P/B Ratio	Geo Avg Mkt Cap $MM	Mstar Risk 5 Yr
Fixed Income										
Vanguard Short-Term Treasury ETF	0.04	0.04	0.24	-1.71	2.20	71	-	-	-	Below Avg
Cat: Short Government	**0.61**	**0.61**	**0.32**	**-1.67**	**2.69**	**77**	**21.9**	**3.2**	**92119**	**-**
Guggenheim Limited Duration Instl	0.50	0.47	0.35	0.45	2.95	84	-	0.6	120	Average
Vanguard Short-Term Bond ETF	0.04	0.04	0.40	-1.25	3.19	87	-	-	-	Average
Cat: Short-Term Bond	**0.65**	**0.65**	**0.35**	**-0.59**	**3.02**	**80**	**-**	**-**	**-**	**-**
American Funds Bond Fund of Amer F2	0.35	0.35	0.99	0.12	7.20	99	-	-	-	Average
Vanguard Interm-Term Bond ETF	0.04	1.06	0.46	7.74	98.43	-	-	-	-	Above Avg
Cat: Intermediate Core Bond	**0.57**	**0.57**	**0.97**	**-0.16**	**7.10**	**98**	**-**	**-**	**-**	**-**
Fidelity Advisor Total Bond I	0.50	0.50	0.99	0.95	7.27	97	-	1.5	12789	Average
Loomis Sayles Core Plus Bond Y	0.49	0.49	1.10	0.95	8.04	98	-	-	-	Above Avg
Cat: Intermediate Core-Plus Bond	**0.76**	**0.76**	**0.99**	**0.15**	**7.33**	**96**	**-**	**-**	**-**	**-**
PIMCO Income I2	0.72	0.60	0.78	2.80	6.30	81	-	-	-	Average
Cat: Multisector Bond	**0.98**	**0.98**	**0.71**	**1.41**	**6.18**	**69**	**-**	**-**	**-**	**-**

See last page for important disclosure/disclaimer

Orange = Fund position only held in VEBA

The Prospectus Adjusted Operating Expense Ratio is the percentage of fund assets paid for operating expenses and management fees. The expense ratio typically includes the following types of fees: accounting, administrator, advisor, auditor, board of directors, custodial, distribution (12b-1), legal, organizational, professional, registration, shareholder reporting, sub-advisor, and transfer agency. The ratio does reflect fee waivers in effect during the time period, and does not include interest and dividends on borrowed securities. The expense ratio does not reflect the fund's brokerage costs or any investor sales charges.

Data Source: Morgan Stanley & Morningstar

Green = Fund added in Q1, Red = Fund removed in Q1

Mutual Funds/ETFs

Statistics

Data as of 3/31/2024	Prospectus Net Expense Ratio	Prospectus Adj Expense Ratio	Beta 3 Yr vs. S&P or BBg Agg	Alpha 3 Yr vs. S&P or BBg Agg	Std Dev 3 Yr	R2 3 Yr vs. S&P or BBg Agg	P/E Ratio	P/B Ratio	Geo Avg Mkt Cap $MM	Mstar Risk 5 Yr
US Equity										
Columbia Dividend Income Inst	0.65	0.65	0.78	-0.02	14.79	86	20.3	3.6	171581	Low
Vanguard Value ETF	0.04	0.04	0.79	0.49	15.61	79	19.1	2.8	122280	Below Avg
Cat: Large Value	**0.90**	**0.90**	**0.83**	**-0.96**	**16.49**	**78**	**19.0**	**2.5**	**121221**	**-**
Invesco S&P 500® Equal Weight ETF	0.20	0.20	0.98	-2.97	18.17	90	21.0	2.9	41796	High
Vanguard Total Stock Market ETF	0.03	0.03	1.01	-1.74	17.86	99	23.8	4.0	165921	Above Avg
Cat: Large Blend	**0.78**	**0.78**	**0.95**	**-1.10**	**17.33**	**94**	**24.6**	**5.1**	**347156**	**-**
MFS Massachusetts Inv Gr Stk I	0.46	0.46	1.01	-1.35	18.17	95	30.9	6.2	222825	Low
Vanguard Russell 1000 Growth ETF	0.08	0.08	1.15	0.13	21.05	92	33.9	11.2	490364	Average
Cat: Large Growth	**0.95**	**0.95**	**1.12**	**-3.69**	**21.48**	**87**	**34.4**	**9.1**	**492484**	**-**
Schwab US Mid-Cap ETF™	0.04	0.04	1.05	-6.34	19.88	86	19.3	2.7	10858	Above Avg
Cat: Mid-Cap Blend	**0.90**	**0.90**	**0.99**	**-4.28**	**19.14**	**82**	**20.3**	**3.0**	**13021**	**-**

See last page for important disclosure/disclaimer

The Prospectus Adjusted Operating Expense Ratio is the percentage of fund assets paid for operating expenses and management fees. The expense ratio typically includes the following types of fees: accounting, administrator, advisor, auditor, board of directors, custodial, distribution (12b-1), legal, organizational, professional, registration, shareholder reporting, sub-advisor, and transfer agency. The ratio does reflect fee waivers in effect during the time period, and does not include interest and dividends on borrowed securities. The expense ratio does not reflect the fund's brokerage costs or any investor sales charges.

Data Source: Morgan Stanley & Morningstar

Mutual Funds/ETFs

Statistics

Data as of 3/31/2024	Prospectus Net Expense Ratio	Prospectus Adj Expense Ratio	Beta 3 Yr vs. S&P or BBg Agg	Alpha 3 Yr vs. S&P or BBg Agg	Std Dev 3 Yr	R2 3 Yr vs. S&P or BBg Agg	P/E Ratio	P/B Ratio	Geo Avg Mkt Cap $MM	Mstar Risk 5 Yr
Global/International Equity										
MFS Intl Diversification I	0.83	0.83	1.00	-0.45	16.65	96	15.4	1.9	37120	Below Avg
Vanguard Total International Stock ETF	0.08	0.08	1.03	0.06	16.92	99	15.2	1.7	30858	Average
Cat: Foreign Large Blend	**0.92**	**0.92**	**1.01**	**1.06**	**17.13**	**93**	**15.9**	**1.9**	**59057**	**-**
American Funds Europacific Growth F2	0.57	0.57	1.07	-1.92	18.11	94	19.7	2.9	64104	Average
Cat: Foreign Large Growth	**1.03**	**1.03**	**1.13**	**-1.37**	**20.13**	**85**	**23.9**	**3.7**	**71969**	**-**
First Eagle Global I	0.86	0.86	1.03	4.19	13.61	87	17.8	2.0	60479	Above Avg
Cat: Global Allocation	**1.15**	**1.15**	**0.93**	**0.15**	**12.38**	**87**	**17.8**	**2.3**	**86974**	**-**
Balanced										
American Funds American Balanced F2	0.35	0.35	0.95	3.30	12.01	96	20.7	3.9	180389	Below Avg
Janus Henderson Balanced I	0.66	0.66	0.98	3.22	12.64	91	26.9	6.7	330790	Average
Cat: Moderate Allocation	**1.03**	**1.03**	**0.94**	**1.37**	**12.25**	**92**	**22.7**	**3.5**	**161679**	**-**
Alternative										
BlackRock Event Driven Equity Instl	1.27	1.27	0.14	-1.20	3.84	38	22.3	2.9	21722	Average
Cat: Event Driven	**1.74**	**1.74**	**0.15**	**-2.46**	**5.00**	**25**	**20.8**	**1.8**	**8025**	**-**
JPMorgan Hedged Equity I	0.58	0.58	0.49	1.75	9.29	79	25.1	4.4	284859	Average
Cat: Options Trading	**0.97**	**0.97**	**0.55**	**0.58**	**10.16**	**81**	**25.6**	**4.8**	**389576**	**Average**
Cohen & Steers Global Realty I	0.90	0.90	1.09	-6.83	19.79	82	26.0	1.6	19137	Average
Cat: Global Real Estate	**1.12**	**1.12**	**1.06**	**-7.90**	**19.55**	**80**	**23.7**	**1.4**	**16080**	**-**

See last page for important disclosure/disclaimer

The Prospectus Adjusted Operating Expense Ratio is the percentage of fund assets paid for operating expenses and management fees. The expense ratio typically includes the following types of fees: accounting, administrator, advisor, auditor, board of directors, custodial, distribution (12b-1), legal, organizational, professional, registration, shareholder reporting, sub-advisor, and transfer agency. The ratio does reflect fee waivers in effect during the time period, and does not include interest and dividends on borrowed securities. The expense ratio does not reflect the fund's brokerage costs or any investor sales charges.

Data Source: Morgan Stanley & Morningstar

The performance shown in the preceding pages represents past performance. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown above. Investment returns, yields and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Returns of less than a year are cumulative and are not annualized and are calculated from January 1 of the reporting year. Average annual total returns are annualized and assume the reinvestment of all distributions at net asset value and the deductions of fund expenses. Data is from sources deemed reliable, however no guarantee may be made to their accuracy.

The information contained herein was prepared by your Financial Advisor and does not represent an official statement of your account at the Firm (or other outside custodians, if applicable). Please refer to your monthly statement for a complete record of your transactions, holdings and balances.

The information and data contained in this report are from sources considered reliable, but their accuracy and completeness is not guaranteed. This report has been prepared for illustrative purposes only and is not intended to be used as a substitute for monthly transaction statements you receive on a regular basis from Morgan Stanley Smith Barney LLC. Please compare the data on this document carefully with your monthly statements to verify its accuracy. The Company strongly encourages you to consult with your own accountants or other advisors with respect to any tax questions.

Assets as of 3/31/2024
Data Source: Morningstar; as of 3/31/2024

Important Disclosures

This material was prepared by sales, trading or other non-research personnel of Morgan Stanley Smith Barney LLC (together with its affiliates hereinafter, “Morgan Stanley Wealth Management” or “the firm”). Morgan Stanley Wealth Management was formed pursuant to a Joint Venture between Citigroup Inc. and Morgan Stanley & Co. LLC (“Morgan Stanley & Co.”). This material was not produced by a research analyst of Morgan Stanley & Co., Citigroup Global Markets Inc., (“Citigroup”) or Morgan Stanley Wealth Management, although it may refer to a Morgan Stanley & Co., Citigroup, or Morgan Stanley Wealth Management research analyst or report. Unless otherwise indicated, these views (if any) are the author’s and may differ from those of the aforementioned research departments or others in the firms.

The securities/instruments discussed in this material may not be suitable or appropriate for all investors. The appropriateness of a particular investment or strategy will depend on an investor’s individual circumstances and objectives. This material does not provide individually tailored investment advice or offer tax, regulatory, accounting or legal advice. By submitting this document to you, Morgan Stanley Wealth Management is not advising you to take any particular action based on the information, opinions or views contained in this document. Prior to entering into any proposed transaction, recipients should determine, in consultation with their own investment, legal, tax, regulatory and accounting advisors, the economic risks and merits, as well as the legal, tax, regulatory and accounting characteristics and consequences, of the transaction. This information is not intended to, and should not, form a primary basis for any investment decision. You should consider this material among other factors in making an investment decision. Unless stated otherwise, the material contained herein has not been based on a consideration of any individual client circumstances and as such should not be considered to be a personal recommendation. This material 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. Each taxpayer should seek advice based on the taxpayer’s particular circumstances from an independent tax advisor. The firm is not acting as a fiduciary under either the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) or under section 4975 of the Internal Revenue Code of 1986 as amended (“Code”) in providing this material. Morgan Stanley Wealth Management is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

This material was prepared by or in conjunction with Morgan Stanley Wealth Management trading desks that may deal as principal in or own or act as market maker or liquidity provider for the securities/instruments (or related derivatives) mentioned herein and may trade them in ways different from those discussed in this material. Morgan Stanley Wealth Management and its affiliates may act in a principal or agency capacity, and will charge a markup or commission. The trading desk may have accumulated a position in the subject securities/instruments based on the information contained herein. Trading desk materials are not independent of the proprietary interests of the firm, which may conflict with your interests. We may also perform or seek to perform investment banking services for the issuers of the securities/instruments mentioned herein.

The author(s) principally responsible for the preparation of this material receive compensation based upon various factors, including quality and accuracy of their work, firm revenues (including trading and capital markets revenues), client feedback and competitive factors. Morgan Stanley Wealth Management is involved in many businesses that may relate to companies, securities or instruments mentioned in this material. These businesses include market making and specialized trading, risk arbitrage and other proprietary trading, fund management, investment services and investment banking.

This material has been prepared for informational purposes only and is not an offer to buy or a solicitation of any offer to sell any security/instrument, or to participate in any trading strategy. Any such offer would be made only after an investor had completed an independent investigation of the securities, instruments or transactions, and received all information required to make their own investment decision, including, where applicable, a review of any prospectus, prospectus supplement, offering circular or memorandum describing such security or instrument. That information would supersede this material and contain material information not contained herein and to which prospective participants are referred. This material is based on public information as of the specified date, and may be stale thereafter. We have no obligation to tell you when information herein is stale or may change. We make no express or implied representation or warranty with respect to the accuracy or completeness of this material, nor are we obligated to provide updated information on the securities/instruments mentioned herein.

Any securities referred to in this material may not have been registered under the U.S. Securities Act of 1933, as amended, and, if not, may not be offered or sold absent an exemption therefrom. Recipients are required to comply with any legal or contractual restrictions on their purchase, holding, sale, exercise of rights or performance of obligations under any security/instrument or otherwise applicable to any transaction.

The value of and income from investments may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, prices of securities/instruments, market indexes, operational or financial conditions of companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes only to simplify the presentation and/or calculation of any projections or estimates, and Morgan Stanley Wealth Management does not represent that any such assumptions will reflect actual future events or that all assumptions have been considered or stated. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein.

The trademarks and service marks contained herein are the property of their respective owners. Third-party data providers make no warranties or representations, express or implied, relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages of any kind relating to such data. Unless otherwise specifically indicated, all information in these materials with respect to any third party not affiliated with Morgan Stanley Wealth Management has been provided by, and is the sole responsibility of, such third party and has not been independently verified by Morgan Stanley Wealth Management, its affiliates or any other independent third party. This material may not be sold or redistributed without the prior written consent of Morgan Stanley Wealth Management. This material is not for distribution outside the United States of America.

Terms & Conditions of Use

This performance report has been prepared for your information only and is not a substitute for your official Morgan Stanley Smith Barney LLC account statements. Do not use the information in this report as the sole basis for investment decisions, nor take action relying on this information without confirming its accuracy and completeness. Please carefully review the attached glossary. Past performance is not a guarantee of future results.

Information is approximate: The information in this report is approximate and subject to updating, correction and other changes. We are not obligated to notify you if information changes. If there are discrepancies between your official account statement and this report, rely on your official account statement. Prices shown in your official account statement may differ from the prices shown in this report due to, among other things, different reporting methods, delays, market conditions and interruptions. Also, the figures in this report do not include all relevant costs (e.g., fees, commissions and taxes).

We obtain pricing and other information from various standard quotation services and other sources which we believe to be reliable, but we do not warrant or guarantee the accuracy or completeness of this information. The price that you would actually receive in the market for any investment may be higher or lower than the price shown in this report. The prices of securities and other investments not actively traded may be estimated or may not be available. For example:

- Bonds trading less frequently: We rely on outside pricing services or a computerized trading model, which cannot always give us actual market values.
- Annuities: Data in this report may have been provided by third party insurance carriers. (Not all insurance carriers provide data on annuities for performance calculations. The list of providers that provide data is available on request. Performance calculations are based on annuity values as of December 31, 2006 or later, depending on carrier participation.) This report might not reflect a transaction that posted at the insurance company before this reporting period. Depending on the carrier, annuities transactions may be net of certain fees or expenses.
- Alternative investments: The assets in these investments (and in corresponding benchmark indices) are difficult to value, values may be several weeks or more old, and the index values reflect pricing from multiple sources. Index values may be more up-to-date than the data for the alternative investments shown in this report. This report shows the latest generally available alternative investment and index data as of the date of this report.
- Non-traded Real Estate Investment Trusts (REITs) and certain other investments: These are illiquid and have no public markets.

We are not responsible for any clerical, computational or other errors or omissions. You are responsible for promptly reviewing your report and seeking clarification about entries that you do not understand. If you do not understand an entry in this report, suspect an error, or want more details on current prices or other information, contact your Financial Advisor.

Not tax or other advice: The information in this report (including any gain and loss information) is not investment, legal, tax, accounting or other professional advice. Please contact your tax advisor to determine the appropriate information to be used in preparing your tax return. The gain and loss information in this report is not a substitute 1099 form (or any other tax form) and should not be filed with your taxes. We do not guarantee nor independently verify the accuracy of gain and loss information.

Benchmarks, charts and graphs: Benchmark indices are provided for general reference purposes only. Indices are unmanaged and do not reflect payment of any expenses, fees or sales charges an investor would pay to purchase the securities it represents. Such costs would lower performance. You cannot invest directly in an index. An index's past performance is not a guarantee of future results. Index values for certain types of investments (e.g. alternative investments) are approximate and subject to updating, correction and other changes. Charts and graphs are for illustrative purposes only and are not intended to represent the performance of any Morgan Stanley offering. If your account was incepted prior to 7/2006 and contains the NASDAQ index, please note that price returns are being used from inception to 7/2006 and total returns are used from 7/2006 to present.

Use of report: This report is for your own private, non-commercial use only. You agree not to reproduce, modify, sell or distribute any information in it. Information in this report provided by Morgan Stanley Smith Barney LLC and its affiliates or third party information providers is owned by these parties. Trademarks and service marks are the property of their owners. This information and these marks are protected by intellectual property laws. All rights are reserved. Asset classifications and performance calculation methodologies can differ among the various supplemental performance reports available through us. For example, some reports calculate Time Weighted performance using a weighted or Modified Dietz approach while others use a daily approach. In addition, some reports may display Dollar Weighted Returns. These differences can generate meaningful dispersions in the performance numbers displayed on different reports.

Liability and indemnification: You agree not to hold Morgan Stanley Smith Barney LLC and its affiliates or third party information providers liable for any investment

decision you make based on information in this report. You also agree to indemnify Morgan Stanley Smith Barney LLC and its affiliates and hold Morgan Stanley Smith Barney LLC and its affiliates harmless from and against any and all actions, claims, demands, losses or expenses whatsoever (including attorneys' fees and costs) resulting directly or indirectly from any breaches or violations by you of the terms and conditions on this page.

Other: This report does not contain information on DVP or margin rollup accounts carried by Morgan Stanley Smith Barney LLC. Also, all accounts with a mid-month daily fair market value at the total or asset class level below $500 will have performance defaulted to 0% until month end. Please reference this account again when the account or asset class is above $500 or at month end.

Morgan Stanley Smith Barney LLC. Member SIPC. Positions that are not custodied at Morgan Stanley Smith Barney LLC may not be covered by SIPC

Glossary of Terms

Accrued Income: The dividends and interest earned but not yet received at both the beginning and end of each reporting period.

Advisory Account: An investment advisory relationship is designed for clients who prefer that their Financial Advisor act as an investment consultant, with their assets invested in a mutual fund asset allocation program or in a Advisory account that is directed by a professional money manager either at Morgan Stanley or at an external money management firm. There are important differences in your relationship with your Financial Advisor and Morgan Stanley in brokerage accounts and in advisory accounts. Additional information about these differences is available at http://www.morganstanley.com/ourcommitment

Annualized Standard Deviation: A measure of volatility, it quantifies how much a series of numbers, such as portfolio returns, deviates around its average. Since it measures the portfolio's investment volatility, the account's gross rate of return is used.

Brokerage Account: In a brokerage relationship, your Financial Advisor will work with you to facilitate the execution of securities transactions on your behalf. Your Financial Advisor also provides investor education and professional, personalized information about financial products and services in connection with these brokerage services. You can choose how you want to pay for these services and you will receive the same services regardless of which pricing option you choose. There are important differences in your relationship with your Financial Advisor and Morgan Stanley in brokerage accounts and in advisory accounts. Additional information about these differences is available at http://www.morganstanley.com/ourcommitment

Comparative Indices: A complete description of the comparative indices included in this Performance Report is available upon request.

Dollar-Weighted Return: Rate of return calculation methodology that reflects both the timing and magnitude of external contributions and withdrawals and measures the portfolio's performance. The return for each month is calculated as the average return on all dollars invested.

Gross Return: The return of the portfolio before the deduction of fees/commissions and other expenses.

Net Contributions/Withdrawals: The total value of capital contributed to or withdrawn from the account during the reporting period. The dollar amount represented by contribution or withdrawal transactions is excluded from the calculation of Portfolio Appreciation.

Net Invested Capital: The sum of the Total Beginning Value and the net of additional capital Contributions and Withdrawals for each reporting period.

Net Portfolio Appreciation: The total dollar gain/loss of the portfolio for each reporting period. The Net Portfolio Appreciation includes the impact of income received and is calculated as the difference between Net Invested Capital and Total Ending Value.

Net Return: The return of the portfolio for the period reduced by the amount of fees/commissions paid. The net of fees return is calculated gross of certain custody fees.

Time-Weighted Return: Rate of return calculation methodology that eliminates the impact of external contributions and withdrawals to the portfolio value and measures the manager's performance. Portfolio returns are calculated at least monthly and individual monthly returns are geometrically linked to calculate total cumulative return.

Total Beginning Value: The total market value of the portfolio, valued on a trade date basis, at the beginning of each reporting period. The Total Beginning Value includes Accrued Income.

Total Ending Value: The total market value of the portfolio, valued on a trade date basis, at the end of each reporting period. The Total Ending Value includes Accrued Income.

Weighted Average: The average in which each yield to be averaged is assigned a weight. These weightings determine the relative importance or frequency of each yield on the average.

This report is not an official account statement. The information in this report is not complete without the required disclaimer and glossary, which you should read carefully

J.P. Morgan Asset Management – Index definitions

All indexes are unmanaged and an individual cannot invest directly in an index. Index returns do not include fees or expenses.

Equities:

The **Dow Jones Industrial Average** is a price-weighted average of 30 actively traded blue-chip U.S. stocks.

The **MSCI ACWI (All Country World Index)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

The **MSCI EAFE Index(Europe, Australasia, Far East)**is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

The **MSCI Europe Index** is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe.

The **MSCI Pacific Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the Pacific region.

The **Russell 1000 Index**® measures the performance of the 1,000 largest companies in the Russell 3000.

The **Russell 1000 Growth Index**® measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000 Value Index**® measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 2000 Index**® measures the performance of the 2,000 smallest companies in the Russell 3000 Index.

The **Russell 2000 Growth Index**® measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 2000 Value Index**® measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 3000 Index**® measures the performance of the 3,000 largest U.S. companies based on total market capitalization.

The **Russell Midcap Index**® measures the performance of the 800 smallest companies in the Russell 1000 Index.

The **Russell Midcap Growth Index** ® measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index.

The **Russell Midcap Value Index** ® measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. The stocks are also members of the Russell 1000 Value index.

The **S&P 500 Index** is widely regarded as the best single gauge of the U.S. equities market. The index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. The **S&P 500 Index** focuses on the large-cap segment of the market; however, since it includes a significant portion of the total value of the market, it also represents the market.

Fixed income:

The **Bloomberg 1-3 Month U.S. Treasury Bill Index** includes all publicly issued zero-coupon US Treasury Bills that have a remaining maturity of less than 3 months and more than 1 month, are rated investment grade, and have $250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non convertible.

The **Bloomberg Global High Yield Index** is a multi-currency flagship measure of the global high yield debt market. The index represents the union of the US High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices. The high yield and emerging markets sub-components are mutually exclusive. Until January 1, 2011, the index also included CMBS high yield securities.

The **Bloomberg Municipal Index**: consists of a broad selection of investment-grade general obligation and revenue bonds of maturities ranging from one year to 30 years. It is an unmanaged index representative of the tax-exempt bond market.

The **Bloomberg US Dollar Floating Rate Note (FRN) Index** provides a measure of the U.S. dollar denominated floating rate note market.

The **Bloomberg US Corporate Investment Grade Index** is an unmanaged index consisting of publicly issued US Corporate and specified foreign debentures and secured notes that are rated investment grade (Baa3/BBB or higher) by at least two ratings agencies, have at least one year to final maturity and have at least $250 million par amount outstanding. To qualify, bonds must be SEC-registered.

The **Bloomberg US High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.

The **Bloomberg US Mortgage Backed Securities Index** is an unmanaged index that measures the performance of investment grade fixed-rate mortgage backed pass-through securities of GNMA, FNMA and FHLMC.

The **Bloomberg US TIPS Index** consists of Inflation-Protection securities issued by the U.S. Treasury.

The **J.P. Morgan Emerging Market Bond Global Index(EMBI)**includes U.S. dollar denominated Brady bonds, Eurobonds, traded loans and local market debt instruments issued by sovereign and quasi-sovereign entities.

The **J.P. Morgan Domestic High Yield Index** is designed to mirror the investable universe of the U.S. dollar domestic high yield corporate debt market.

The **J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (CEMBI Broad Diversified)**is an expansion of the **J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI)**. The CEMBI is a market capitalization weighted index consisting of U.S. dollar denominated emerging market corporate bonds.

The **J.P. Morgan Emerging Markets Bond Index Global Diversified (EMBI Global Diversified)** tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds. The index limits the exposure of some of the larger countries.

The **J.P. Morgan GBI EM Global Diversified** tracks the performance of local currency debt issued by emerging market governments, whose debt is accessible by most of the international investor base.

The **U.S. Treasury Index** is a component of the U.S. Government index.

J.P.Morgan
ASSET MANAGEMENT

J.P. Morgan Asset Management – Definitions

Other asset classes:

The **Alerian MLP Index** is a composite of the 50 most prominent energy Master Limited Partnerships (MLPs) that provides investors with an unbiased, comprehensive benchmark for the asset class.

The **Bloomberg Commodity Index** and related sub-indices are composed of futures contracts on physical commodities and represents twenty two separate commodities traded on U.S. exchanges, with the exception of aluminum, nickel, and zinc

The **Cambridge Associates U.S. Global Buyout and Growth Index®** is based on data compiled from 1,768 global (U.S. & ex –U.S.) buyout and growth equity funds, including fully liquidated partnerships, formed between 1986 and 2013.

The **CS/Tremont Hedge Fund Index** is compiled by Credit Suisse Tremont Index, LLC. It is an asset-weighted hedge fund index and includes only funds, as opposed to separate accounts. The Index uses the Credit Suisse/Tremont database, which tracks over 4500 funds, and consists only of funds with a minimum of US$50 million under management, a 12-month track record, and audited financial statements. It is calculated and rebalanced on a monthly basis, and shown net of all performance fees and expenses. It is the exclusive property of Credit Suisse Tremont Index, LLC.

The **HFRI Monthly Indices (HFRI)** are equally weighted performance indexes, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. The HFRI are broken down into 4 main strategies, each with multiple sub strategies. All single-manager HFRI Index constituents are included in the HFRI Fund Weighted Composite, which accounts for over 2200 funds listed on the internal HFR Database.

The **NAREIT EQUITY REIT Index** is designed to provide the most comprehensive assessment of overall industry performance, and includes all tax-qualified real estate investment trusts (REITs) that are listed on the NYSE, the American Stock Exchange or the NASDAQ National Market List.

The **NFI-ODCE**, short for NCREIF Fund Index -Open End Diversified Core Equity, is an index of investment returns reporting on both a historical and current basis the results of 33 open-end commingled funds pursuing a core investment strategy, some of which have performance histories dating back to the 1970s. The NFI-ODCE Index is capitalization-weighted and is reported gross of fees. Measurement is time-weighted.

Definitions:

Investing in **alternative assets** involves higher risks than traditional investments and is suitable only for sophisticated investors. Alternative investments involve greater risks than traditional investments and should not be deemed a complete investment program. They are not tax efficient and an investor should consult with his/her tax advisor prior to investing. Alternative investments have higher fees than traditional investments and they may also be highly leveraged and engage in speculative investment techniques, which can magnify the potential for investment loss or gain. The value of the investment may fall as well as rise and investors may get back less than they invested.

Bonds are subject to interest rate risks. Bond prices generally fall when interest rates rise.

Investments in **commodities** may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss.

Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in losses that significantly exceed the original investment. The use of derivatives may not be successful, resulting in investment losses, and the cost of such strategies may reduce investment returns.

Distressed Restructuring Strategies employ an investment process focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near term proceedings.

Investments in **emerging markets** can be more volatile. The normal risks of investing in foreign countries are heightened when investing in emerging markets. In addition, the small size of securities markets and the low trading volume may lead to a lack of liquidity, which leads to increased volatility. Also, emerging markets may not provide adequate legal protection for private or foreign investment or private property.

The price of **equity** securities may rise, or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries, or the securities market as a whole, such as changes in economic or political conditions. Equity securities are subject to "stock market risk" meaning that stock prices in general may decline over short or extended periods of time.

Equity market neutral strategies employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities, select securities for purchase and sale. Equity Market Neutral Strategies typically maintain characteristic net equity market exposure no greater than 10% long or short.

Global macro strategies trade a broad range of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency and commodity markets.

International investing involves a greater degree of risk and increased volatility. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can raise or lower returns. Some overseas markets may not be as politically and economically stable as the United States and other nations.

There is no guarantee that the use of **long and short positions** will succeed in limiting an investor's exposure to domestic stock market movements, capitalization, sector swings or other risk factors. Using long and short selling strategies may have higher portfolio turnover rates. Short selling involves certain risks, including additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions.

Merger arbitrage strategies which employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are currently engaged in a corporate transaction.

Mid-capitalization investing typically carries more risk than investing in well-established "blue-chip" companies. Historically, mid-cap companies' stock has experienced a greater degree of market volatility than the average stock.

Price to forward earnings is a measure of the price-to-earnings ratio (P/E) using forecasted earnings. **Price to book value** compares a stock's market value to its book value. **Price to cash flow** is a measure of the market's expectations of a firm's future financial health. **Price to dividends** is the ratio of the price of a share on a stock exchange to the dividends per share paid in the previous year, used as a measure of a company's potential as an investment.

Real estate investments may be subject to a higher degree of market risk because of concentration in a specific industry, sector or geographical sector. Real estate investments may be subject to risks including, but not limited to, declines in the value of real estate, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by borrower.

Relative Value Strategies maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities.

Small-capitalization investing typically carries more risk than investing in well-established "blue-chip" companies since smaller companies generally have a higher risk of failure. Historically, smaller companies' stock has experienced a greater degree of market volatility than the average stock.

J.P.Morgan
ASSET MANAGEMENT

J.P. Morgan Asset Management – Risks & disclosures

The Market Insights program provides comprehensive data and commentary on global markets without reference to products. Designed as a tool to help clients understand the markets and support investment decision-making, the program explores the implications of current economic data and changing market conditions.

For the purposes of MiFID II, the JPM Market Insights and Portfolio Insights programs are marketing communications and are not in scope for any MiFID II / MiFIR requirements specifically related to investment research. Furthermore, the J.P. Morgan Asset Management Market Insights and Portfolio Insights programs, as non-independent research, have not been prepared in accordance with legal requirements designed to promote the independence of investment research, nor are they subject to any prohibition on dealing ahead of the dissemination of investment research.

This document is a general communication being provided for informational purposes only. It is educational in nature and not designed to be taken as advice or a recommendation for any specific investment product, strategy, plan feature or other purpose in any jurisdiction, nor is it a commitment from J.P. Morgan Asset Management or any of its subsidiaries to participate in any of the transactions mentioned herein. Any examples used are generic, hypothetical and for illustration purposes only. This material does not contain sufficient information to support an investment decision and it should not be relied upon by you in evaluating the merits of investing in any securities or products. In addition, users should make an independent assessment of the legal, regulatory, tax, credit, and accounting implications and determine, together with their own financial professional, if any investment mentioned herein is believed to be appropriate to their personal goals. Investors should ensure that they obtain all available relevant information before making any investment. Any forecasts, figures, opinions or investment techniques and strategies set out are for information purposes only, based on certain assumptions and current market conditions and are subject to change without prior notice. All information presented herein is considered to be accurate at the time of production, but no warranty of accuracy is given and no liability in respect of any error or omission is accepted. It should be noted that investment involves risks, the value of investments and the income from them may fluctuate in accordance with market conditions and taxation agreements and investors may not get back the full amount invested. Both past performance and yields are not reliable indicators of current and future results.

J.P. Morgan Asset Management is the brand for the asset management business of JPMorgan Chase & Co. and its affiliates worldwide.

To the extent permitted by applicable law, we may record telephone calls and monitor electronic communications to comply with our legal and regulatory obligations and internal policies. Personal data will be collected, stored and processed by J.P. Morgan Asset Management in accordance with our privacy policies at https://am.jpmorgan.com/global/privacy.

This communication is issued by the following entities:

In the United States, by J.P. Morgan Investment Management Inc. or J.P. Morgan Alternative Asset Management, Inc., both regulated by the Securities and Exchange Commission; in Latin America, for intended recipients' use only, by local J.P. Morgan entities, as the case may be. In Canada, for institutional clients' use only, by JPMorgan Asset Management (Canada) Inc., which is a registered Portfolio Manager and Exempt Market Dealer in all Canadian provinces and territories except the Yukon and is also registered as an Investment Fund Manager in British Columbia, Ontario, Quebec and Newfoundland and Labrador. In the United Kingdom, by JPMorgan Asset Management (UK) Limited, which is authorized and regulated by the Financial Conduct Authority; in other European jurisdictions, by JPMorgan Asset Management (Europe) S.à r.l. In Asia Pacific ("APAC"), by the following issuing entities and in the respective jurisdictions in which they are primarily regulated: JPMorgan Asset Management (Asia Pacific) Limited, or JPMorgan Funds (Asia) Limited, or JPMorgan Asset Management Real Assets (Asia) Limited, each of which is regulated by the Securities and Futures Commission of Hong Kong; JPMorgan Asset Management (Singapore) Limited (Co. Reg. No. 197601586K), this advertisement or publication has not been reviewed by the Monetary Authority of Singapore; JPMorgan Asset Management (Taiwan) Limited; JPMorgan Asset Management (Japan) Limited, which is a member of the Investment Trusts Association, Japan, the Japan Investment Advisers Association, Type II Financial Instruments Firms Association and the Japan Securities Dealers Association and is regulated by the Financial Services Agency (registration number "Kanto Local Finance Bureau (Financial Instruments Firm) No. 330"); in Australia, to wholesale clients only as defined in section 761A and 761G of the Corporations Act 2001 (Commonwealth), by JPMorgan Asset Management (Australia) Limited (ABN 55143832080) (AFSL 376919). For all other markets in APAC, to intended recipients only.

For U.S. only: If you are a person with a disability and need additional support in viewing the material, please call us at 1-800-343-1113 for assistance.

Prepared by: David P. Kelly, Jordan K. Jackson, John C. Manley, Meera Pandit, Gabriela D. Santos, Stephanie Aliaga, Sahil Gauba, Nimish Vyas, Mary Park Durham, and Brandon Hall.

Unless otherwise stated, all Data are as of March 31, 2024 or most recently available.

Guide to the Markets – U.S.

JP-LITTLEBOOK | 0903c02a81c1da5b

J.P.Morgan
ASSET MANAGEMENT

Morgan Stanley Wealth Management is the trade name of Morgan Stanley Smith Barney LLC, a registered broker-dealer in the United States.

The sole purpose of this material is to inform, and it in no way is intended to be an offer or solicitation to purchase or sell any security, other investment or service, or to attract any funds or deposits. Investments mentioned may not be appropriate for all clients. Any product discussed herein may be purchased only after a client has carefully reviewed the offering memorandum and executed the subscription documents. Morgan Stanley Wealth Management has not considered the actual or desired investment objectives, goals, strategies, guidelines, or factual circumstances of any investor in any fund(s). Before making any investment, each investor should carefully consider the risks associated with the investment, as discussed in the applicable offering memorandum, and make a determination based upon their own particular circumstances, that the investment is consistent with their investment objectives and risk tolerance. 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.

Morgan Stanley's investment advisory programs may require a minimum asset level and, depending on your specific investment objectives and financial position, may not be appropriate for you. Please see the Morgan Stanley Smith Barney LLC program disclosure brochure (the "Morgan Stanley ADV") for more information in the investment advisory programs available. The Morgan Stanley ADV is available at www.morganstanley.com/ADV.

Sources of Data. Information in this material in this report has been obtained from sources that we believe to be reliable, but we do not guarantee its accuracy, completeness or timeliness. Third-party data providers make no warranties or representations relating to the accuracy, completeness or timeliness of the data they provide and are not liable for any damages relating to this data. All opinions included in this material constitute the Firm's judgment as of the date of this material and are subject to change without notice. This material was not prepared by the research departments of Morgan Stanley & Co. LLC or Morgan Stanley Smith Barney LLC. Some historical figures may be revised due to newly identified programs, firm restatements, etc.

Global Investment Manager Analysis (GIMA) Focus List, Approved List and Tactical Opportunities List; Watch Policy. GIMA uses two methods to evaluate investment products in applicable advisory programs: **Focus** (and investment products meeting this standard are described as being on the Focus List) and **Approved** (and investment products meeting this standard are described as being on the Approved List). In general, Focus entails a more thorough evaluation of an investment product than Approved. Sometimes an investment product may be evaluated using the Focus List process but then placed on the Approved List instead of the Focus List. Investment products may move from the Focus List to the Approved List, or vice versa. GIMA may also determine that an investment product no longer meets the criteria under either process and will no longer be recommended in investment advisory programs (in which case the investment product is given a "Not Approved" status). GIMA has a '**Watch**" policy and may describe a Focus List or Approved List investment product as being on "Watch" if GIMA identifies specific areas that (a) merit further evaluation by GIMA and (b) may, but are not certain to, result in the investment product becoming "Not Approved." The Watch period depends on the length of time needed for GIMA to conduct its evaluation and for the investment manager or fund to address any concerns. Certain investment products on either the Focus List or Approved List may also be recommended for the **Tactical Opportunities List** based in part on tactical opportunities existing at a given time. The investment products on the Tactical Opportunities List change over time. For more information on the Focus List, Approved List, Tactical Opportunities List and Watch processes, please see the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management. Your Financial Advisor or Private Wealth Advisor can also provide upon request a copy of a publication entitled "Manager Selection Process."

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.

Adverse Active AlphaSM 2.0 is a patented screening and scoring process designed to help identify high-quality equity and fixed income managers with characteristics that may lead to future outperformance relative to index and peers. While highly ranked managers performed well as a group in our Adverse Active Alpha model back tests, not all of the managers will outperform. Please note that this data may be derived from back-testing, which has the benefit of hindsight. In addition, highly ranked managers can have differing risk profiles that might not be appropriate for all investors.

Our view is that Adverse Active Alpha is a good starting point and should be used in conjunction with other information. Morgan Stanley Wealth Management's qualitative and quantitative investment manager due diligence process are equally important factors for investors when considering managers for use through an investment advisory program. Factors including, but not limited to, manager turnover and changes to investment process can partially or fully negate a positive Adverse Active Alpha ranking. Additionally, highly ranked managers can have differing risk profiles that might not be appropriate for all investors.

The proprietary **Value Score** methodology considers an active investment strategies' value proposition relative to its costs. From a historical quantitative study of several quantitative markers, Value Score measures perceived forward-looking benefit and computes (1) "fair value" expense ratios for most traditional investment managers across 40 categories and (2) managers' perceived "excess value" by comparing the fair value expense ratios to actual expense ratios. Managers are then ranked within each category by their excess value to assign a Value Score. Our analysis suggests that greater levels of excess value have historically corresponded to attractive subsequent performance.

For more information on the ranking models, please see Adverse Active AlphaSM 2.0: Scoring Active Managers According to Potential Alpha and Value Score: Scoring Fee Efficiency by Comparing Managers' "Fair Value" and Actual Expense Ratios. The whitepapers are available from your Financial Advisor or Private Wealth Advisor. ADVERSE ACTIVE ALPHA is a registered service mark of Morgan Stanley and/or its affiliates. U.S. Pat. No. 8,756,098 applies to the Adverse Active Alpha system and/or methodology.

Additionally, highly ranked managers can have differing risk profiles that might not be appropriate for all investors. For more information on AAA, please see the Adverse Active Alpha Ranking Model and Selecting Managers with Adverse Active Alpha whitepapers. The whitepaper are available from your Financial Advisor or Private Wealth Advisor. ADVERSE ACTIVE ALPHA is a registered service mark of Morgan Stanley and/or its affiliates. U.S. Pat. No. 8,756,098 applies to the Adverse Active Alpha system and/or methodology.

The Global Investment Manager Analysis (GIMA) Services Only Apply to Certain Investment Advisory Programs GIMA evaluates certain investment products for the purposes of some – but not all – of Morgan Stanley Smith Barney LLC's investment advisory programs (as described in more detail in the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management). If you do not invest through one of these investment advisory programs, Morgan Stanley Wealth Management is not obligated to provide you notice of any GIMA Status changes even though it may give notice to clients in other programs.

Strategy May Be Available as a Separately Managed Account or Mutual Fund Strategies are sometimes available in Morgan Stanley Wealth Management investment advisory programs both in the form of a separately managed account ("SMA") and a mutual fund. These may have different expenses and investment minimums. Your Financial Advisor or Private Wealth Advisor can provide more information on whether any particular strategy is available in more than one form in a particular investment advisory program. Generally, investment advisory accounts are subject to an annual asset-based fee (the "Fee") which is payable monthly in advance (some account types may be billed differently). In general, the Fee covers Morgan Stanley investment advisory services, custody of securities with Morgan Stanley, trade execution with or through Morgan Stanley or its affiliates, as well as compensation to any Morgan Stanley Financial Advisor.

In addition, each account that is invested in a program that is eligible to purchase certain investment products, such as mutual funds, will also pay a Platform Fee (which is subject to a Platform Fee offset) as described in the applicable ADV brochure. Accounts invested in the Select UMA program may also pay a separate Sub-Manager fee, if applicable.

If your account is invested in mutual funds or exchange traded funds (collectively "funds"), you will pay the fees and expenses of any funds in which your account is invested. 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 and would not be included in the Fee amount in your account statements. The advisory program you choose is described in the applicable Morgan Stanley Smith Barney LLC ADV Brochure, available at www.morganstanley.com/ADV.

Morgan Stanley or Executing Sub-Managers, as applicable, in some of Morgan Stanley's Separately Managed Account ("SMA") programs may effect transactions through broker-dealers other than Morgan Stanley or our affiliates. In such instances, you may be assessed additional costs by the other firm in addition to the Morgan Stanley and Sub-Manager fees. Those costs will be included in the net price of the security, not separately reported on trade confirmations or account statements. Certain Sub-Managers have historically directed most, if not all, of their trades to outside firms. Information provided by Sub-Managers concerning trade execution away from Morgan Stanley is summarized at: www.morganstanley.com/wealth/investmentsolutions/pdfs/adv/sotresponse.pdf. For more information on trading and costs, please refer to the ADV Brochure for your program(s), available at www.morganstanley.com/ADV, or contact your Financial Advisor / Private Wealth Advisor.

Conflicts of Interest: GIMA's goal is to provide professional, objective evaluations in support of the Morgan Stanley Wealth Management investment advisory programs. We have policies and procedures to help us meet this goal. However, our business is subject to various conflicts of interest. For example, ideas and suggestions for which investment products should be evaluated by GIMA come from a variety of sources, including our Morgan Stanley Wealth Management Financial Advisors and their direct or indirect managers, and other business persons within Morgan Stanley Wealth Management or its affiliates. Such persons may have an ongoing business relationship with certain investment managers or mutual fund companies whereby they, Morgan Stanley Wealth

Management or its affiliates receive compensation from, or otherwise related to, those investment managers or mutual funds. For example, a Financial Advisor may suggest that GIMA evaluates an investment manager or fund in which a portion of his or her clients' assets are already invested. While such a recommendation is permissible, GIMA is responsible for the opinions expressed by GIMA. Separately, certain strategies managed or sub-advised by us or our affiliates, including but not limited to MSIM and Eaton Vance Management ("EVM") and its investment affiliates, may be included in your account. See the conflicts of interest section in the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management for a discussion of other types of conflicts that may be relevant to GIMA's evaluation of managers and funds. In addition, Morgan Stanley Wealth Management, MS&Co., 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 may be recommended for purchase or sale by clients or are otherwise held in client accounts, and managers in various advisory programs. Morgan Stanley Wealth Management, managers, MS&Co., and their affiliates receive compensation and fees in connection with these services. Morgan Stanley Wealth Management 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.

Morgan Stanley Wealth Management, managers, MS & Co., and their affiliates receive compensation and fees in connection with these services. Morgan Stanley Wealth Management 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.

Morgan Stanley charges each fund family we offer a mutual fund support fee, also called a "revenue-sharing payment," on client account holdings in fund families according to a tiered rate that increases along with the management fee of the fund so that lower management fee funds pay lower rates than those with higher management fees.

Consider Your Own Investment Needs: The model portfolios and strategies discussed in the material are formulated based on general client characteristics including risk tolerance. This material is not intended to be an analysis of whether particular investments or strategies are appropriate for you or a recommendation, or an offer to participate in any investment. Therefore, clients should not use this material as the sole basis for investment decisions. They should consider all relevant information, including their existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon. Such a determination may lead to asset allocation results that are materially different from the asset allocation shown in this profile. Talk to your Financial Advisor about what would be an appropriate asset allocation for you, whether Morgan Stanley Pathway Funds is an appropriate program for you.

No obligation to notify – Morgan Stanley Wealth Management has no obligation to notify you when the model portfolios, strategies, or any other information, in this material changes.

For index, indicator and survey definitions referenced in this report please visit the following: https://www.morganstanley.com/wealth-investmentsolutions/wmir-definitions

The Morgan Stanley Pathway Funds, Firm Discretionary UMA Model Portfolios, and other asset allocation or any other model portfolios discussed in this material are available only to investors participating in Morgan Stanley Consulting Group advisory programs. For additional information on the Morgan Stanley Consulting Group advisory programs, see the applicable ADV brochure, available at www.morganstanley.com/ADV or from your Morgan Stanley Financial Advisor or Private Wealth Advisor. To learn more about the Morgan Stanley Pathway Funds, visit the Funds' website at https://www.morganstanley.com/wealth-investmentsolutions/cgcm. Consulting Group is a business of Morgan Stanley.

Morgan Stanley Pathway Program Asset Allocation Models There are model portfolios corresponding to five risk-tolerance levels available in the Pathway program. Model 1 is the least aggressive portfolio and consists mostly of bonds. As the model numbers increase, the models have higher allocations to equities and become more aggressive. Pathway is a mutual fund asset allocation program. In constructing the Pathway Program Model Portfolios, Morgan Stanley Wealth Management uses, among other things, model asset allocations produced by Morgan Wealth Management's Global Investment Committee (the "GIC"). The Pathway Program Model Portfolios are specific to the Pathway program (based on program features and parameters, and any other requirements of Morgan Stanley Wealth Management's Consulting Group). The Pathway Program Model Portfolios may therefore differ in some respects from model portfolios available in other Morgan Stanley Wealth Management programs or from asset allocation models published by the Global Investment Committee.

The type of mutual funds and ETFs discussed in this presentation utilizes nontraditional or complex investment strategies and/or derivatives. Examples of these types of funds include those that utilize one or more of the below noted investment strategies or categories or which seek exposure to the following markets: (1) commodities (e.g., agricultural, energy and metals), currency, precious metals; (2) managed futures; (3) leveraged, inverse or inverse leveraged; (4) bear market, hedging, long-short equity, market neutral; (5) real estate; (6) volatility (seeking exposure to the CBOE VIX Index). Investors should keep in mind that while mutual funds and ETFs may, at times, utilize nontraditional investment options and strategies, they should not be equated with unregistered privately offered alternative investments. Because of regulatory limitations, mutual funds and ETFs that seek alternative-like investment exposure must utilize a more limited investment universe. As a result, investment returns and portfolio characteristics of alternative mutual funds and ETFs may vary from traditional hedge funds pursuing similar investment objectives. 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 and ETFs trade on an exchange. 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 or ETF pursuing an alternative investing strategy compared with a traditional hedge fund pursuing the same strategy.

Nontraditional 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."

Please consider the investment objectives, risks, fees, and charges and expenses of mutual funds, ETFs, closed end funds, unit investment trusts, and variable insurance products carefully before investing. The prospectus contains this and other information about each fund. To obtain a prospectus, contact your Financial Advisor or Private Wealth Advisor or visit the Morgan Stanley website at www.morganstanley.com. Please read it carefully before investing.

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 impose a fee upon sale or temporarily suspend sales if liquidity falls below required minimums. During suspensions, shares would not be available for purchases, withdrawals, check writing or ATM debits. A money market fund investment is not insured or guaranteed by the Federal Deposit Insurance Corporation or other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

Investors should carefully consider the investment objectives, risks, charges and expenses of a money market fund before investing. The prospectus contains this and other information about the money market fund. To obtain a prospectus, contact your Financial Advisor or visit the money market fund company's website. Please read the prospectus carefully before investing.

Exchange Funds are private placement vehicles that enable holders of concentrated single-stock positions to exchange those stocks for a diversified portfolio. Investors may benefit from greater diversification by exchanging a concentrated stock position for fund shares without triggering a taxable event. These funds are available only to qualified investors and may only be offered by Financial Advisors who are qualified to sell alternative investments. Before investing, investors should consider the following:
- Dividends are pooled
- Investors may forfeit their stock voting rights
- Investment may be illiquid for several years
- Investments may be leveraged or contain derivatives
- Significant early redemption fees may apply
- Changes to the U.S. tax code, which could be retroactive (potentially disallowing the favorable tax treatment of exchange funds)
- Investment risk and potential loss of principal

KEY ASSET CLASS CONSIDERATIONS AND OTHER RISKS

Investing in the markets entails the risk of market volatility. The value of all types of investments, including stocks, mutual funds, exchange-traded funds ("ETFs"), closed-end funds, and unit investment trusts, may increase or decrease over varying time periods. To the extent the investments depicted herein represent **international securities**, you should be aware that there may be additional risks associated with international investing, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes, and differences in financial and accounting standards. These risks may be magnified in **emerging markets and frontier markets**. Some funds also invest in foreign securities, which may involve currency risk. There is no assurance that the fund will achieve its investment objective. **Small- and mid-capitalization companies** may lack the financial resources, product diversification and competitive strengths of larger companies. In addition, the securities of small- and mid-capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies. The value of **fixed income securities** will fluctuate and, upon a sale, may be worth more or less than their original cost or maturity value. Bonds are subject to interest rate risk, call risk, reinvestment risk, liquidity risk, and credit risk of the issuer. **High yield bonds** are subject to additional risks such as increased risk of default and greater volatility because of the lower credit quality of the issues. In the case of **municipal bonds**, income is generally exempt from federal income taxes. Some income may be subject to state and local taxes and to the federal alternative minimum tax. Capital gains, if any, are subject to tax. **Treasury Inflation Protection Securities' (TIPS)** coupon payments and underlying principal are automatically increased to compensate for inflation by tracking the consumer price index (CPI). While the real rate of return is guaranteed, TIPS tend to offer a low return. Because the return of TIPS is linked to inflation, TIPS may significantly underperform versus conventional U.S.

Treasuries in times of low inflation. There is no guarantee that investors will receive par if TIPS are sold prior to maturity. The returns on a portfolio consisting primarily of **environmental, social, and governance-aware investments ("ESG")** may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because ESG criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria. The companies identified and investment examples are for illustrative purposes only and should not be deemed a recommendation to purchase, hold or sell any securities or investment products. They are intended to demonstrate the approaches taken by managers who focus on ESG criteria in their investment strategy. There can be no guarantee that a client's account will be managed as described herein. **Options** and margin trading involve substantial risk and are not appropriate for all investors. Besides the general investment risk of holding securities that may decline in value and the possible loss of principal invested, **closed-end funds** may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance and potential leverage. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. Shares of closed-end funds frequently trade at a discount from their NAV which may increase investors' risk of loss. The risk of loss due to this discount may be greater for investors expecting to sell their shares in a relatively short period after completion of the public offering. This characteristic is a risk separate and distinct from the risk that a closed-end fund's net asset value may decrease as a result of investment activities. NAV is total assets less total liabilities divided by the number of shares outstanding. At the time an investor purchases or sells shares of a closed-end fund, shares may have a market price that is above or below NAV. Portfolios that invest a large percentage of assets in only one industry **sector** (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors.

Structured Investments are complex and not appropriate for all investors. An investment in Structures Investments involve risks. These risks can include but are not limited to: (1) Fluctuations in the price, level or yield of underlying instruments, interest rates, currency values and credit quality, (2) Substantial or total loss of principal, (3) Limits on participation in appreciation of underlying instrument, (4) Limited liquidity, (5) Issuer credit risk and (6) Conflicts of Interest. There is no assurance that a strategy of using structured product for wealth preservation, yield enhancement, and/or interest rate risk hedging will meet its objectives.

Alternative investments may be either traditional alternative investment vehicles, such as hedge funds, fund of hedge funds, private equity, private real estate and managed futures or, non-traditional products such as mutual funds and exchange-traded funds that also seek alternative-like exposure but have significant differences from traditional alternative investments. 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. Certain of these risks may include but are not limited to: 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 a fund; Volatility of returns; Restrictions on transferring interests in a 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 Risks associated with the operations, personnel, and processes of the manager. Further, opinions regarding Alternative Investments expressed herein may differ from the opinions expressed by Morgan Stanley Wealth Management and/or other businesses/affiliates of Morgan Stanley Wealth Management.

Certain information contained herein may constitute forward-looking statements. Due to various risks and uncertainties, actual events, results or the performance of a fund may differ materially from those reflected or contemplated in such forward-looking statements. Clients should carefully consider the investment objectives, risks, charges, and expenses of a fund before investing.

Alternative investments involve complex tax structures, tax inefficient investing, and delays in distributing important tax information. Individual funds have specific risks related to their investment programs that will vary from fund to fund. Clients should consult their own tax and legal advisors as Morgan Stanley Wealth Management does not provide tax or legal advice.

Interests in alternative investment products are offered pursuant to the terms of the applicable offering memorandum, are distributed by Morgan Stanley Smith Barney LLC and certain of its affiliates, and (1) are not FDIC-insured, (2) are not deposits or other obligations of Morgan Stanley or any of its affiliates, (3) are not guaranteed by Morgan Stanley and its affiliates, and (4) involve investment risks, including possible loss of principal. Morgan Stanley Smith Barney LLC is a registered broker-dealer, not a bank.

A majority of Alternative Investment managers reviewed and selected by GIMA pay or cause to be paid an ongoing fee for distribution from their management fees to Morgan Stanley Wealth Management in connection with Morgan Stanley Wealth Management clients that purchase an interest in an Alternative Investment and in some instances pay these fees on the investments held by advisory clients. Morgan Stanley Wealth Management rebates such fees that are received and attributable to an Investment held by an advisory client and retains the fees paid in connection with investments held by brokerage clients. Morgan Stanley Wealth Management has a conflict of interest in offering alternative investments because Morgan Stanley Wealth Management or our affiliates, in most instances, earn more money in your account from your investments in alternative investments than from other investment options.

It should be noted that the majority of hedge fund indexes are comprised of hedge fund manager returns. This is in contrast to traditional indexes, which are comprised of individual securities in the various market segments they represent and offer complete transparency as to membership and construction methodology. As such, some believe that hedge fund index returns have certain biases that are not present in traditional indexes. Some of these biases inflate index performance, while others may skew performance negatively. However, many studies indicate that overall hedge fund index performance has been biased to the upside. Some studies suggest performance has been inflated by up to 260 basis points or more annually depending on the types of biases included and the time period studied. Although there are numerous potential biases that could affect hedge fund returns, we identify some of the more common ones throughout this paper.

Self-selection bias results when certain manager returns are not included in the index returns and may result in performance being skewed up or down. Because hedge funds are private placements, hedge fund managers are able to decide which fund returns they want to report and are able to opt out of reporting to the various databases. Certain hedge fund managers may choose only to report returns for funds with strong returns and opt out of reporting returns for weak performers. Other hedge funds that close may decide to stop reporting in order to retain secrecy, which may cause a downward bias in returns.

Survivorship bias results when certain constituents are removed from an index. This often results from the closure of funds due to poor performance, "blow ups," or other such events. As such, this bias typically results in performance being skewed higher. As noted, hedge fund index performance biases can result in positive or negative skew. However, it would appear that the skew is more often positive. While it is difficult to quantify the effects precisely, investors should be aware that idiosyncratic factors may be giving hedge fund index returns an artificial "lift" or upwards bias.

Hedge Funds of Funds and many funds of funds are private investment vehicles restricted to certain qualified private and institutional investors. They are often speculative and include a high degree of risk. Investors can lose all or a substantial amount of their investment. They may be highly illiquid, can engage in leverage and other speculative practices that may increase volatility and the risk of loss, and may be subject to large investment minimums and initial lockups. They involve complex tax structures, tax-inefficient investing and delays in distributing important tax information. Categorically, hedge funds and funds of funds have higher fees and expenses than traditional investments, and such fees and expenses can lower the returns achieved by investors. Funds of funds have an additional layer of fees over and above hedge fund fees that will offset returns. An investment in an **exchange-traded fund** involves risks similar to those of investing in a broadly based portfolio of equity securities traded on an exchange in the relevant securities market, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in stock and bond prices. An investment in a **target date portfolio** is subject to the risks attendant to the underlying funds in which it invests, in these portfolios the funds are the Consulting Group Capital Market funds. A target date portfolio is geared to investors who will retire and/or require income at an approximate year. The portfolio is managed to meet the investor's goals by the pre-established year or "target date." A target date portfolio will transition its invested assets from a more aggressive portfolio to a more conservative portfolio as the target date draws closer. An investment in the target date portfolio is not guaranteed at any time, including, before or after the target date is reached. **Managed futures** investments are speculative, involve a high degree of risk, use significant leverage, are generally illiquid, have substantial charges, subject investors to conflicts of interest, and are appropriate only for the risk capital portion of an investor's portfolio. Managed futures investments do not replace equities or bonds but rather may act as a complement in a well diversified portfolio. Managed Futures are complex and not appropriate for all investors.

Virtual Currency Products (Cryptocurrencies)

Buying, selling, and transacting in Bitcoin, Ethereum or other digital assets ("Digital Assets"), and related funds and products, is highly speculative and may result in a loss of the entire investment. Risks and considerations include but are not limited to:

- Digital Assets have only been in existence for a short period of time and historical trading prices for Digital Assets have been highly volatile. **The price of Digital Assets could decline rapidly, and investors could lose their entire investment.**

- Certain Digital Asset funds and products, allow investors to invest on a more frequent basis than investors may withdraw from the fund or product, and interests in such funds or products are generally not freely transferrable. This means that, particularly given the volatility of Digital Assets, an investor will have to bear any losses with respect to its investment for an extended period of time and will not be able to react to changes in the price of the Digital Asset once invested (for example, by seeking to withdraw) as quickly as when making the decision to invest. Such Digital Asset funds and products, are intended only for persons who are able to bear the economic risk of investment and who do not need liquidity with respect to their investments.

- Given the volatility in the price of Digital Assets, the net asset value of a fund or product that invests in such assets at the time an investor's subscription for interests in the fund or product is accepted may be significantly below or above the net asset value of the product or fund at the time the investor submitted subscription materials.

- Certain Digital Assets are not intended to function as currencies but are intended to have other use cases. These other Digital Assets may be subject to some or all of the risks and considerations set forth herein, as well as additional risks applicable to such Digital Assets. Buyers, sellers and users of such Digital Assets should thoroughly familiarize themselves with such risks and considerations before transacting in such Digital Assets.

- The value of Digital Assets may be negatively impacted by future legal and regulatory developments, including but not limited to increased regulation of such Digital Assets. Any such developments may make such Digital Assets less valuable, impose additional burdens and expenses on a fund or product investing in such assets or impact the ability of such a fund or product to continue to operate, which may materially decrease the value of an investment therein.

- Due to the new and evolving nature of digital currencies and the absence of comprehensive guidance, many significant aspects of the tax treatment of Digital Assets are uncertain. Prospective investors should consult their own tax advisors concerning the tax consequences to them of the purchase, ownership and disposition of Digital Assets, directly or indirectly through a fund or product, under U.S. federal income tax law, as well as the tax law of any relevant state, local or other jurisdiction.

- Over the past several years, certain Digital Asset exchanges have experienced failures or interruptions in service due to fraud, security breaches, operational problems or business failure. Such events in the future could impact any fund's or product's ability to transact in Digital Assets if the fund or product relies on an impacted exchange and may also materially decrease the price of Digital Assets, thereby impacting the value of your investment, regardless of whether the fund or product relies on such an impacted exchange.

- Although any Digital Asset product and its service providers have in place significant safeguards against loss, theft, destruction and inaccessibility, there is nonetheless a risk that some or all of a product's Digital Asset could be permanently lost, stolen, destroyed or inaccessible by virtue of, among other things, the loss or theft of the "private keys" necessary to access a product's Digital Asset.

- Investors in funds or products investing or transacting in Digital Assets may not benefit to the same extent (or at all) from "airdrops" with respect to, or "forks" in, a Digital Asset's blockchain, compared to investors who hold Digital Assets directly instead of through a fund or product. Additionally, a "fork" in the Digital Asset blockchain could materially decrease the price of such Digital Asset.

- Digital Assets are not legal tender, and are not backed by any government, corporation or other identified body, other than with respect to certain digital currencies that certain governments are or may be developing now or in the future. No law requires companies or individuals to accept digital currency as a form of payment (except, potentially, with respect to digital currencies developed by certain governments where such acceptance may be mandated). Instead, other than as described in the preceding sentences, Digital Asset products' use is limited to businesses and individuals that are willing to accept them. If no one were to accept digital currencies, virtual currency products would very likely become worthless.

- Platforms that buy and sell Digital Assets can be hacked, and some have failed. In addition, like the platforms themselves, digital wallets can be hacked, and are subject to theft and fraud. As a result, like other investors have, you can lose some or all of your holdings of Digital Assets.

- Unlike US banks and credit unions that provide certain guarantees of safety to depositors, there are no such safeguards provided to Digital Assets held in digital wallets by their providers or by regulators.

- Due to the anonymity Digital Assets offer, they have known use in illegal activity, including drug dealing, money laundering, human tracking, sanction evasion and other forms of illegal commerce. Abuses could impact legitimate consumers and speculators; for instance, law enforcement agencies could shut down or restrict the use of platforms and exchanges, limiting or shutting of entirely the ability to use or trade Digital Asset products.

- Digital Assets may not have an established track record of credibility and trust. Further, any performance data relating to Digital Asset products may not be verifiable as pricing models are not uniform.

- Investors should be aware of the potentially increased risks of transacting in Digital Assets relating to the risks and considerations, including fraud, theft, and lack of legitimacy, and other aspects and qualities of Digital Assets, before transacting in such assets.

- The exchange rate of virtual currency products versus the USD historically has been very volatile and the exchange rate could drastically decline. For example, the exchange rate of certain Digital

Assets versus the USD has in the past dropped more than 50% in a single day. Other Digital Assets may be affected by such volatility as well.

- Digital Asset exchanges have limited operating and performance histories and are not regulated with the same controls or customer protections available to more traditional exchanges transacting equity, debt, and other assets and securities. There is no assurance that a person/exchange who currently accepts a Digital Asset as payment will continue to do so in the future.

- The regulatory framework of Digital Assets is evolving, and in some cases is uncertain, and Digital Assets themselves may not be governed and protected by applicable securities regulators and securities laws, including, but not limited to, Securities Investor Protection Corporation coverage, or other regulatory regimes.

- Morgan Stanley Smith Barney LLC or its affiliates (collectively, "Morgan Stanley") may currently, or in the future, offer or invest in Digital Asset products, services or platforms. The proprietary interests of Morgan Stanley may conflict with your interests.

- The foregoing list of considerations and risks are not and do not purport to be a complete enumeration or explanation of the risks involved in an investment in any product or fund investing or trading in Digital Assets.

Asset allocation and diversification do not assure a profit or protect against loss in declining financial markets. Past performance is no guarantee of future results. Actual results may vary.

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

Indices are unmanaged and investors cannot directly invest in them. They are not subject to expenses or fees and are often comprised of securities and other investment instruments the liquidity of which is not restricted. A particular investment product may consist of securities significantly different than those in any index referred to herein. Composite index results are shown for illustrative purposes only, generally do not represent the performance of a specific investment, may not, for a variety of reasons, be an appropriate comparison or benchmark for a particular investment and may not necessarily reflect the actual investment strategy or objective of a particular investment. Consequently, comparing an investment to a particular index may be of limited use.

Artificial intelligence (AI) is subject to limitations, and you should be aware that any output from an IA-supported tool or service made available by the Firm for your use is subject to such limitations, including but not limited to inaccuracy, incompleteness, or embedded bias. You should always verify the results of any AI-generated output.

To obtain **Tax-Management Services**, a client must complete the Tax-Management Form, and deliver the signed form to Morgan Stanley. For more information on Tax-Management Services,

including its features and limitations, please ask your Financial Advisor for the Tax Management Form. Review the form carefully with your tax advisor. Tax-Management Services: (a) apply only to equity investments in separate account sleeves of client accounts; (b) are not available for all accounts or clients; and (c) 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.

When Morgan Stanley Smith Barney LLC, its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors (collectively, "Morgan Stanley") provide "investment advice" regarding a retirement or welfare benefit plan account, an individual retirement account or a Coverdell education savings account ("Retirement Account"), Morgan Stanley is a "fiduciary" as those terms are defined under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and/or the Internal Revenue Code of 1986 (the "Code"), as applicable. When Morgan Stanley provides investment education, takes orders on an unsolicited basis or otherwise does not provide "investment advice", Morgan Stanley will not be considered a "fiduciary" under ERISA and/or the Code. For more information regarding Morgan Stanley's role with respect to a Retirement Account, please visit www.morganstanley.com/disclosures/dol. Tax laws are complex and subject to change. Morgan Stanley does not provide tax or legal advice. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a Retirement Account, and (b) regarding any potential tax, ERISA and related consequences of any investments or other transactions made with respect to a Retirement Account. Individuals 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.

Lifestyle Advisory Services: Products and services are provided by third party service providers, not Morgan Stanley Smith Barney LLC ("Morgan Stanley"). Morgan Stanley may not receive a referral fee or have any input concerning such products or services. There may be additional service providers for comparative purposes. Please perform a thorough due diligence and make your own independent decision.

This material is not a financial plan and does not create an investment advisory relationship between you and your Morgan Stanley Financial Advisor. We are not your fiduciary either under the Employee Retirement Income Security Act of 1974 (ERISA) or the Internal Revenue Code of 1986, and any information in this report is not intended to be considered investment advice or a recommendation for either ERISA or Internal Revenue Code purposes and that (unless otherwise provided in a written agreement and/or as described at www.morganstanley.com/disclosures/dol) you remain solely responsible for your assets and all investment decisions with respect to your assets. Nevertheless, if Morgan Stanley or your Financial Advisor provides "investment advice," as that term is defined under Section 3(21) of ERISA, to you with respect to certain retirement, welfare benefit, or education savings account assets for a fee or other compensation, Morgan Stanley and/or your Financial Advisor will be providing such advice in its capacity as a fiduciary under ERISA and/or the Code. Morgan Stanley will only prepare a financial plan at your specific request using Morgan Stanley approved financial planning software.

The Morgan Stanley Goals-Planning System (GPS) includes a brokerage investment analysis tool. While securities held in a client's investment advisory accounts may be included in the analysis, the reports generated from the GPS Platform are not financial plans nor constitute a financial planning service. A financial plan generally seeks to address a wide spectrum of a client's long-term financial needs, and can include recommendations about insurance, savings, tax and estate planning, and investments, taking into consideration the client's goals and situation, including anticipated retirement or other employee benefits. Morgan Stanley Smith Barney LLC ("Morgan Stanley") will only prepare a financial plan at a client's specific request using Morgan Stanley approved financial planning software. Investing in financial instruments carries with it the possibility of losses and that a focus on above-market returns exposes the portfolio to above-average risk. Performance aspirations are not guaranteed and are subject to market conditions. High volatility investments may be subject to sudden and large falls in value, and there could be a large loss on realization which could be equal to the amount invested. **IMPORTANT**: The projections or other information provided by the Morgan Stanley Goals Planning System regarding the likelihood of various investment outcomes (including any assumed rates of return and income) are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Morgan Stanley does not represent or guarantee that the projected returns or income will or can be attained.

A LifeView Financial Goal Analysis ("Financial Goal Analysis") or LifeView Financial Plan ("Financial Plan") is based on the methodology, estimates, and assumptions, as described in your report, as well as personal data provided by you. It should be considered a working document that can assist you with your objectives. Morgan Stanley makes no guarantees as to future results or that an individual's investment objectives will be achieved. The responsibility for implementing, monitoring and adjusting your Financial Goal Analysis or Financial Plan rests with you. After your Financial Advisor delivers your report to you, if you so desire, your Financial Advisor can help you implement any part that you choose; however, you are not obligated to work with your Financial Advisor or Morgan Stanley.

Important information about your relationship with your Financial Advisor and Morgan Stanley Smith Barney LLC when using LifeView Goal Analysis or LifeView Advisor. When your Financial Advisor prepares and delivers a Financial Goal Analysis (i.e., when using LifeView Goal Analysis), they will be acting in a brokerage capacity. When your Financial Advisor prepares a Financial Plan (i.e., when using LifeView Advisor), they will be acting in an investment advisory capacity with respect to the delivery of your Financial Plan. This Investment Advisory relationship will begin with the delivery of the Financial Plan and ends thirty days later, during which time your Financial Advisor can review the Financial Plan with you. To understand the differences between brokerage and advisory relationships, you should consult your Financial Advisor, or review our "Understanding Your Brokerage and Investment Advisory Relationships," brochure available at https://www.morganstanley.com/wealth-relationshipwithms/pdfs/understandingyourrelationship.pdf

We may act in the capacity of a broker or that of an advisor. As your broker, we are not your fiduciary and our interests may not always be identical to yours. Please consult with your Financial Advisor or Private Wealth Advisor to discuss our obligations to disclose to you any conflicts we may from time to time have and our duty to act in your best interest. We may be paid both by you and by others who compensate us based on what you buy. Our compensation, including that of your Financial Advisor or Private Wealth Advisor, may vary by product and over time.

Investment and services offered through Morgan Stanley Smith Barney LLC, Member SIPC.

GLOBAL INVESTMENT COMMITTEE (GIC) ASSET ALLOCATION MODELS: The Asset Allocation Models are created by Morgan Stanley Wealth Management's GIC.

HYPOTHETICAL MODEL PERFORMANCE (GROSS): Hypothetical model performance results do not reflect the investment or performance of an actual portfolio following a GIC Strategy, but simply reflect actual historical performance of selected indices on a real-time basis over the specified period of time representing the GIC's strategic and tactical allocations as of the date of this report. The past performance shown here is simulated performance based on benchmark indices, not investment results from an actual portfolio or actual trading. There can be large differences between hypothetical and actual performance results achieved by a particular asset allocation or trading strategy. Hypothetical performance results do not represent actual trading and are generally designed with the benefit of hindsight. Actual performance results of accounts vary due to, for example, market factors (such as liquidity) and client-specific factors (such as investment vehicle selection, timing of contributions and withdrawals, restrictions and rebalancing schedules). Clients would not necessarily have obtained the performance results shown here if they had invested in accordance with any GIC Asset Allocation Model for the periods indicated. Despite the limitations of hypothetical performance, these hypothetical performance results allow clients and Financial Advisors to obtain a sense of the risk/return trade-off of different asset allocation constructs. The hypothetical performance results in this report are calculated using the returns of benchmark indices for the asset classes, and not the returns of securities, fund or other investment products. Models may contain allocations to Hedge Funds, Private Equity and Private Real Estate. The benchmark indices for these asset classes are not issued on a daily basis. When calculating model performance on a day for which no benchmark index data is issued, we have assumed straight line growth between the index levels issued before and after that date.

FEES REDUCE THE PERFORMANCE OF ACTUAL ACCOUNTS: None of the fees or other expenses (e.g. commissions, mark-ups, mark-downs, fees) associated with actual trading or accounts are reflected in the GIC Asset Allocation Models. The GIC Asset Allocation Models and any model performance included in this presentation are intended as educational materials. Were a client to use these models in connection with investing, any investment decisions made would be subject to transaction and other costs which, when compounded over a period of years, would decrease returns. Information regarding Morgan Stanley's standard advisory fees is available in the Form ADV Part 2, which is available at www.morganstanley.com/adv. The following hypothetical illustrates the compound effect fees have on investment returns: For example, if a portfolio's annual rate of return is 15% for 5 years and the account pays 50 basis points in fees per annum, the gross cumulative five-year return would be 101.1% and the five-year return net of fees would be 96.8%. Fees and/or expenses would apply to clients who invest in investments in an account based on these asset allocations, and would reduce clients' returns. The impact of fees and/or expenses can be material.

Variable annuities are long-term investments designed for retirement purposes and may be subject to market fluctuations, investment risk, and possible loss of principal. All guarantees, including optional benefits, are based on the financial strength and claims-paying ability of the issuing insurance company and do not apply to the underlying investment options. Optional riders may not be able to be purchased in combination and are available at an additional cost. Some optional riders must be elected at time of purchase. Optional riders may be subject to specific limitations, restrictions, holding periods, costs, and expenses as specified by the insurance company in the annuity contract. If you are investing in a **variable annuity** through a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection. Taxable distributions (and certain deemed distributions) are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty. Early withdrawals will reduce the death benefit and cash surrender value.

Equity securities may fluctuate in response to news on companies, industries, market conditions and general economic environment. **Ultrashort-term fixed income** asset class is comprised of fixed income securities with high quality, very short maturities. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk.

Master Limited Partnerships (MLPs) are limited partnerships or limited liability companies that are taxed as partnerships and whose interests (limited partnership units or limited liability company units) are traded on securities exchanges like shares of common stock. Currently, most MLPs operate in the energy, natural resources or real estate sectors. Investments in MLP interests are subject to the risks generally applicable to companies in the energy and natural resources sectors, including commodity pricing risk, supply and demand risk, depletion risk and exploration risk. Individual MLPs are publicly traded partnerships that have unique risks related to their structure. These include, but are not limited to, their reliance on the capital markets to fund growth, adverse ruling on the current tax treatment of distributions (typically mostly tax deferred), and commodity volume risk. The potential tax benefits from investing in MLPs depend on their being treated as partnerships for federal income tax purposes and, if the MLP is deemed to be a corporation, then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value. MLPs carry interest rate risk and may underperform in a rising interest rate environment. MLP funds accrue deferred income taxes for future tax liabilities associated with the portion of MLP distributions considered to be a tax-deferred return of capital and for any net operating gains as well as capital appreciation of its investments; this deferred tax liability is reflected in the daily NAV, and, as a result, the MLP fund's after-tax performance could differ significantly from the underlying assets even if the pre-tax performance is closely tracked.

Investing in commodities entails significant risks. Commodity prices may be affected by a variety of factors at any time, including but not limited to, (i) changes in supply and demand relationships, (ii) governmental programs and policies, (iii) national and international political and economic events, war and terrorist events, (iv) changes in interest and exchange rates, (v) trading activities in commodities and related contracts, (vi) pestilence, technological change and weather, and (vii) the price volatility of a commodity. In addition, the commodities markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, participation of speculators and government intervention. **Physical precious metals** are non-regulated products. Precious metals are speculative investments, which may experience short-term and long term price volatility. The value of precious metals investments may fluctuate and may appreciate or decline, depending on market conditions. Unlike bonds and stocks, precious metals do not make interest or dividend payments. Therefore, precious metals may not be appropriate for investors who require current income. Precious metals are commodities that should be safely stored, which may impose additional costs on the investor.

REITs investing risks are similar to those associated with direct investments in real estate: property value fluctuations, lack of liquidity, limited diversification and sensitivity to economic factors such as interest rate changes and market recessions. Risks of **private real estate** include: illiquidity; a long-term investment horizon with a limited or nonexistent secondary market; lack of transparency; volatility (risk of loss); and leverage. Principal is returned on a monthly basis over the life of a **mortgage-backed security.** Principal prepayment can significantly affect the monthly income stream and the maturity of any type of MBS, including standard MBS, CMOs and Lottery Bonds. **Asset-backed securities** generally decrease in value as a result of interest rate increases, but may benefit less than other fixed-income securities from declining interest rates, principally because of prepayments.

Yields are subject to change with economic conditions. Yield is only one factor that should be considered when making an investment decision. **Credit ratings** are subject to change. **Duration**, the most commonly used measure of bond risk, quantifies the effect of changes in interest rates on the price of a bond or bond portfolio. The longer the duration, the more sensitive the bond or portfolio would be to changes in interest rates. The majority of $25 and $1000 par **preferred securities** are "callable" meaning that the issuer may retire the securities at specific prices and dates prior to maturity. Interest/dividend payments on certain preferred issues may be deferred by the issuer for periods of up to 5 to 10 years, depending on the particular issue. The investor would still have income tax liability even though payments would not have been received. Price quoted is per $25 or $1,000 share, unless otherwise specified. Current yield is calculated by multiplying the coupon by par value divided by the market price. The initial interest rate on a **floating-rate security** may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating security's underlying reference rate. The reference rate could be an index or an interest rate. However, there can be no assurance that the reference rate will increase. Some floating-rate securities may be subject to call risk. The market value of **convertible bonds** and the underlying common stock(s) will fluctuate and after purchase may be worth more or less than original cost. If sold prior to maturity, investors may receive more or less than their original purchase price or maturity value, depending on market conditions. Callable bonds may be redeemed by the issuer prior to maturity. Additional call features may exist that could affect yield. Some $25 or $1000 **par preferred securities** are QDI (Qualified Dividend Income) eligible. Information on QDI eligibility is obtained from third party sources. The dividend income on QDI eligible preferreds qualifies for a reduced tax rate. Many traditional 'dividend paying' perpetual preferred securities (traditional preferreds with no maturity date) are QDI eligible. In order to qualify for the preferential tax treatment all qualifying preferred securities must be held by investors for a minimum period – 91 days during a 180 day window period, beginning 90 days before the ex-dividend date.

Companies paying **dividends** can reduce or cut payouts at any time.

Nondiversification: For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. The **indices selected by Morgan Stanley Wealth Management** to measure performance are representative of broad asset classes. Morgan Stanley Wealth Management retains the right to change representative indices at any time. Because of their narrow focus, **sector investments** tend to be more volatile than investments that diversify across many sectors and companies.

Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations. **Value investing** does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected.

Any type of **continuous or periodic investment plan** does not assure a profit and does not protect against loss in declining markets. Since such a plan involves continuous investment in securities regardless of fluctuating price levels of such securities, the investor should consider his financial ability to continue his purchases through periods of low price levels.

This material is disseminated in the United States of America by Morgan Stanley Smith Barney LLC. Morgan Stanley Wealth Management is not acting as a municipal advisor to any municipal entity or obligated person within the meaning of Section 15B of the Securities Exchange Act (the "Municipal Advisor Rule") and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of the Municipal Advisor Rule. This material, or any portion thereof, may not be reprinted, sold or redistributed without the written consent of Morgan Stanley Smith Barney LLC.

Pension & Benefit Committee
FY2025 Work Plan

The Pension and Benefit Committee will assist the Regional Water Authority (RWA) in fulfilling its fiduciary responsibilities for oversight relating to RWA's Defined Benefit Pension Plan, Defined Contribution Plan and Voluntary Retired Employees' Contributory Welfare Trust (collectively, the "Employee Retirement Plan").

July 2024

- **Quarterly investment performance review – pension and VEBA**
- **401k Annual Update**
- ***Discuss responses to investment advisor RFI and recommendation**

October 2024

- **Quarterly investment performance review - pension and VEBA**

January 2025

- **Quarterly investment performance review - pension and VEBA**

*Timing subject to change

April 2025

- **Review 1/1/2025 Actuary Reports for pension and VEBA and related contribution amounts**
- **Review actuarial assumptions**
- **Quarterly investment performance review – pension and VEBA**
- **Review Committee FY 2026 work plan**
- **Discuss potential additional year-end pension contribution, if proposed and available**

Possible May 2025

- **Discuss potential additional year-end pension contribution, if not reviewed at April meeting**