

A G E N D A

A regular meeting of the Board of Trustees of the Waxahachie Firemen's Relief and Retirement (FR&R) Fund to be held at Waxahachie Fire Station No. 1, 407 Water Street, Waxahachie, Texas on ***Monday, August 12, 2019 at 8:30 a.m.***

BOARD MEMBERS: Gary Myers, Chairman
Matt Dorsey, Vice Chairman
Scott Safford, Secretary
John Tillery
Lee Statham
David Hill, Mayor
Charles Harris, Finance Director

1. Call to Order
2. Consent Agenda

All matters listed under Item 2, Consent Agenda, are considered to be routine by the Board Members and will be enacted by one motion. Approval of the Consent Agenda authorizes the Chairman to execute all matters necessary to implement each item. Any item may be removed from the Consent Agenda for separate discussion and consideration by any Board Member.

- a. Minutes of the regular Firemen's Relief & Retirement Fund meeting of July 8, 2019
 - b. Annuity checks for FR&R Retirees and other disbursements for the month of September 2019
3. Hear Second Quarter Report 2019 from Graystone Consulting and take any necessary action
4. Discuss Financial Performance Report and take any necessary action
5. Discuss Texas Association of Public Employee Retirement Systems (TEXPERS) Basic Training class and consider expenses for Lee Statham and Scott Safford
6. Discuss 2019 Texas Local Firefighters Retirement Act (TLFFRA) Pension Conference and take any necessary action
7. Set next meeting date and time of Firemen's Relief and Retirement Fund Board
8. Adjourn

The Waxahachie Firemen's Relief and Retirement Fund reserves the right to go into Executive Session on any posted item.

This meeting location is wheelchair-accessible. Parking for mobility impaired persons is available. Any request for sign interpretive services must be made forty-eight hours ahead of the meeting. To make arrangements, call the City Secretary at 469-309-4005 or (TDD) 1-800-RELAY TX

<p style="text-align: center;"><i>Notice of Potential Quorum</i> <i>One or more members of the Waxahachie City Council may be present at this meeting</i> <i>No action will be taken by the City Council at this meeting</i></p>
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(21)

Firemen's Relief & Retirement Fund
July 8, 2019

A regular meeting of the Board of Trustees of the Waxahachie Firemen's Relief and Retirement Fund was held at Waxahachie Fire Station No. 1, 407 Water Street, Waxahachie, Texas on Monday, July 8, 2019 at 8:30 a.m.

Members Present: Gary Myers, Chairman
Scott Safford, Secretary
John Tillery
David Hill, Mayor

Members Absent: Matt Dorsey, Vice Chairman
Lee Statham
Charles Harris, Finance Director

Others Present: Lori Cartwright, City Secretary

1. Call to Order

Chairman Gary Myers called the meeting to order.

2. Consent Agenda

- a. Minutes of the regular Firemen's Relief & Retirement Fund meeting of May 13, 2019
- b. Annuity checks for FR&R Retirees and other disbursements for the months of July and August 2019
- c. Approve travel expenses for Scott Safford attending the TLFFRA Peer Review Training

Action:

Mr. John Tillery moved to approve items a. through c. on the Consent Agenda. Mayor David Hill seconded, All Ayes.

3. Discuss changing the benefit formula and take any necessary action

Chairman Myers stated the Actuary depicts benefits can be changed and increased up to 4 years. He expressed concern changing the formula with the current financials and would rather have a cushion and give back to the members that took a cut.

Mr. Scott Safford suggested to increase the benefit formula by 2% through 2020 noting the plan is in good standings. He stated a 2% increase is conservative.

Mayor David Hill referenced Senate Bill 2 that recently passed noting it will affect the city's finances. He recommended having a discussion with Finance Director Charles Harris before taking action.

After further discussion, it was determined to consider changing the benefit formula at the next meeting.

(2a)

4. Discuss going out for Request for Proposals for a new Investment Consultant and take any necessary action

Chairman Myers stated Mr. Tim Sharpe has been the Funds investment consultant since 2000 and since his untimely passing, the Fund has been assigned to Graystone Consulting Tampa Service Team. He explained they will support the servicing effort along with the portfolio and Ms. Pam Dunn from the Austin office will be available for operation questions. Chairman Myers recommended to seek Request for Proposals for a new Investment Consultant.

After further discussion, it was suggested to contact other funds for potential investment consultants.

Action:

Mr. Scott Safford moved to go out for Request for Proposals for a new Investment Consultant. Mr. John Tillery seconded, All Ayes.

5. Set next meeting date and time of Firemen's Relief and Retirement Fund Board

The Firemen's Relief and Retirement Board set their next meeting for Monday, August 12, 2019.

6. Adjourn

There being no further business, the meeting adjourned at 8:55 a.m.

Respectfully submitted,

Lori Cartwright
City Secretary

(2b)

MEMORANDUM

TO: FR&R Board Members
FROM: Lori Cartwright, City Secretary
DATE: August 12, 2019
SUBJECT: ANNUITY CHECKS

Please approve the annuity checks for the month of September for the following retirees:

Mrs. James Gilley	Widow Benefits
Alan Morgan	Disability
Jimmy Turner	Service Retirement
John Olin Turner	Service Retirement
Mike Slay	Service Retirement
(Sharon Cobb QDRO Payment)	
John Tillery	Service Retirement
Loyde Junkin	Service Retirement
Don Fuller	Service Retirement
Billy Bratcher	Service Retirement
Larry Evans	Service Retirement
Dwayne Williams	Service Retirement
Don Bennett	Service Retirement
Terry Kuykendall	Service Retirement
Steve Hamilton	Service Retirement
(Denise Hamilton QDRO payment)	
Sam Lewis	Service Retirement
John Chenault	Service Retirement
Rusty Ogletree	Service Retirement
Jeff Sport	Service Retirement
Paul Carrington	Service Retirement
(Carol Nunn QDRO payment)	
Randy Johnston	Service Retirement
Terry Skipper	Service Retirement
Jeff Alexander	Service Retirement
(Lisa Warren QDRO payment)	
James Irvin	Service Retirement
(Lori Irvin QDRO payment)	
David Len Crow	Service Retirement
Randy Muirhead	Service Retirement
Jerry Sykes	Service Retirement
Don Alexander	Service Retirement
Dennis Crecelious	Service Retirement

TOTAL

\$80,662.87

Waxahachie Firemen's Relief & Retirement Fund

**Quarterly Report
June 30, 2019**

(3)

Table Of Contents

1	Balances & Asset Allocation
2	Asset Allocation and Performance

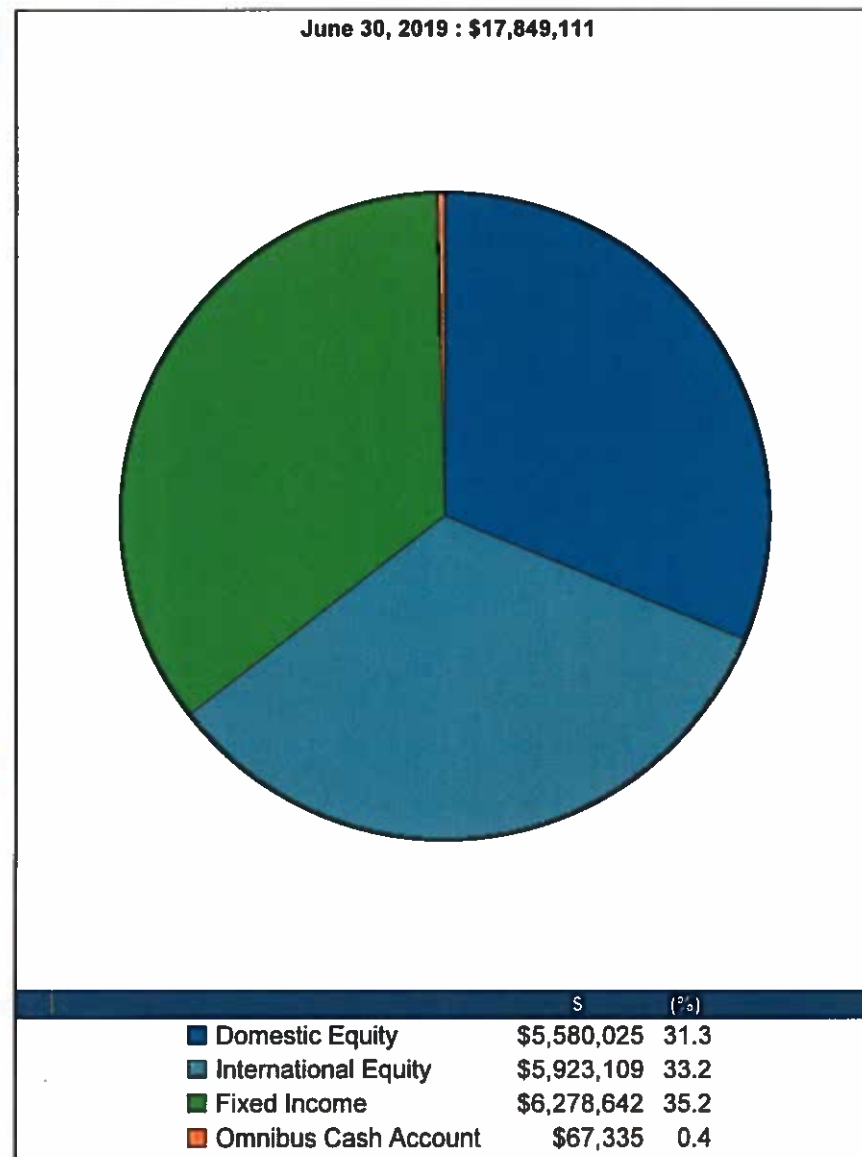
Page 1

Page 3

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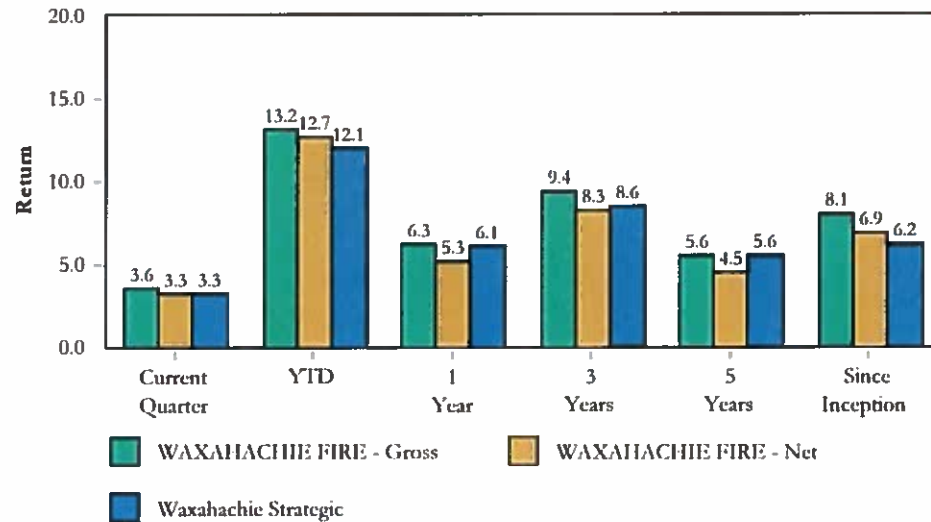
Waxahachie Firemen's Relief & Retirement Fund
Balances & Asset Allocation
As of June 30, 2019

	Total Fund	%
Domestic Equity	\$5,580,025	31.3
Polen Capital Management - LCG	\$1,600,206	9.0
Vanguard Index Fund - LCG	\$477,232	2.7
Delaware Domestic LCV	\$1,834,546	10.3
Vanguard Index Fund - LCV	\$233,571	1.3
Great Lakes - SMID Cap Core	\$1,434,471	8.0
International Equity	\$5,923,109	33.2
WCM Invest Mgmt - Focused Growth Intl	\$1,879,804	10.5
Delaware International LCV	\$1,777,613	10.0
Victory Trivalent - Intl SMID	\$946,402	5.3
Driehaus - EM	\$1,319,291	7.4
Fixed Income	\$6,278,642	35.2
Federated Investors Fixed Income	\$2,153,042	12.1
Blackstone BREIF II	\$2,111,996	11.8
Blackrock Strategic Income	\$2,013,604	11.3
Omnibus Cash Account	\$67,335	0.4
WAXAHACHIE FIREMEN'S	\$17,849,111	100.0

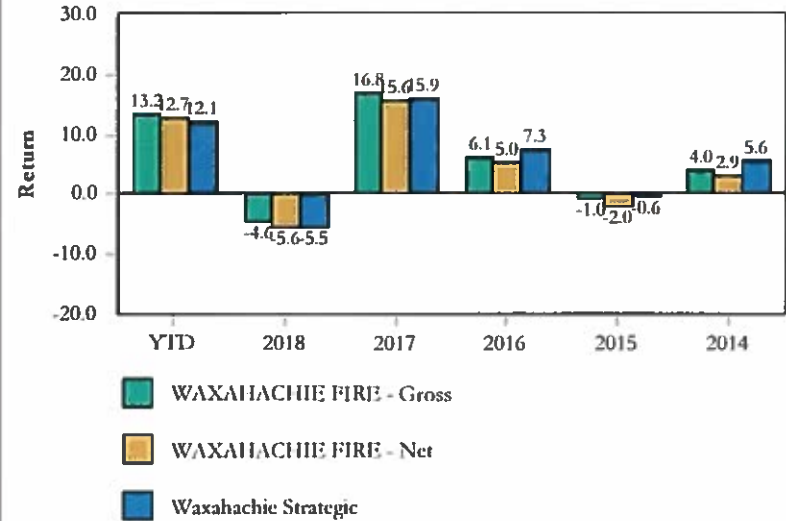


Waxahachie Firemen's Relief & Retirement Fund

Total Fund Performance



Calendar Year Performance

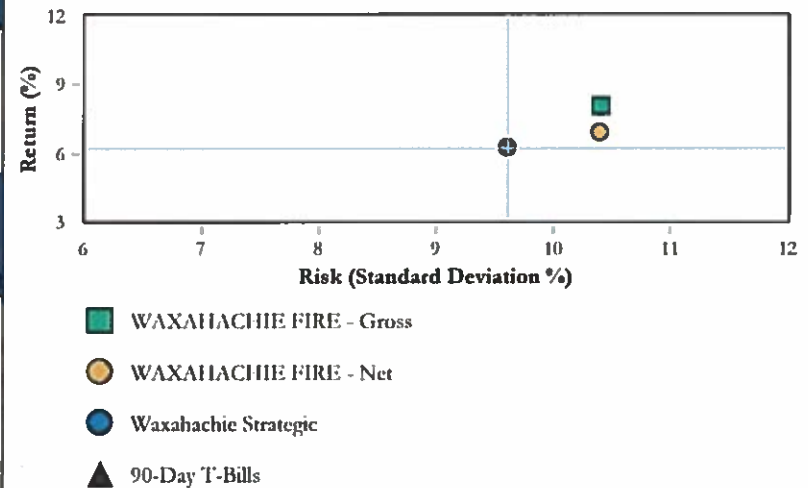


	Current Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
WAXAHACHIE FIRE - Gross	3.59	13.22	6.27	9.38	5.58	8.06	3/31/04
WAXAHACHIE FIRE - Net	3.34	12.69	5.26	8.27	4.51	6.91	3/31/04
Waxahachie Strategic	3.31	12.08	6.13	8.56	5.56	6.23	3/31/04

Asset Growth (\$000)

	Current Quarter	YTD	1 Year	3 Years	5 Years	Since Inception
WAXAHACHIE FIREMEN'S						
Beginning Market Value	17,077.64	15,850.66	16,776.84	13,703.63	12,415.44	4,646.84
Net Contributions	195.68	3.37	197.39	428.45	2,002.09	3,084.66
Gain/Loss	616.83	2,073.39	1,035.65	4,194.96	4,189.20	11,746.53
Ending Market Value	17,849.11	17,849.11	17,849.11	17,849.11	17,849.11	17,849.11

Risk/Return Analysis Since Inception



Waxahachie Firemen's Relief & Retirement Fund

As of June 30, 2019

	Allocation		Performance(%)							
	Market Value (\$000)	%	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
WAXAHACHIE FIREMEN'S	17,849.11	100.00	3.34	12.69	5.26	8.27	4.51	8.33	6.91	03/31/2004
Waxahachie Strategic Benchmark			3.31	12.08	6.13	8.56	5.56	9.14	6.25	
Omnibus Cash Account	67.33	0.38								
90-Day T-Bills			0.61	1.21	2.29	1.36	0.84	0.46	1.31	
Domestic Equity	5,580.02	31.26	2.54	15.90	7.63	12.02	7.89	13.46	7.80	03/31/2004
Russell 3000			4.10	18.71	8.98	14.02	10.19	14.67	8.82	
Polen Capital Management - LCG	1,600.21	8.97	5.89	23.66	19.05	N/A	N/A	N/A	22.91	04/01/2018
Russell 1000 Gr			4.64	21.49	11.56	N/A	N/A	N/A	14.15	
Vanguard Index Fund - LCG	477.23	2.67	4.32	21.62	9.41	N/A	N/A	N/A	11.31	12/01/2017
Russell 1000 Gr			4.64	21.49	11.56	N/A	N/A	N/A	12.61	
Delaware Domestic LCV	1,834.55	10.28	0.40	10.00	5.88	7.74	7.52	13.33	8.04	04/01/2004
Russell 1000 VL			3.84	16.24	8.46	10.19	7.46	13.19	7.76	
Vanguard Index Fund - LCV	233.57	1.31	3.06	13.70	8.41	N/A	N/A	N/A	5.60	12/01/2017
Russell 1000 VL			3.84	16.24	8.46	N/A	N/A	N/A	5.12	
Great Lakes - SMID Cap Core	1,434.47	8.04	0.89	13.60	-1.93	11.47	N/A	N/A	7.13	07/01/2015
Russell 2500			2.96	19.25	1.77	12.34	N/A	N/A	8.11	
International Equity	5,923.11	33.18	4.69	16.94	3.53	9.04	2.16	6.06	4.98	03/31/2004
MSCI AC World ex US Net			2.98	13.60	1.29	9.39	2.16	6.54	5.75	
WCM Invest Mgmt - Focused Growth Intl	1,879.80	10.53	9.95	25.56	11.73	N/A	N/A	N/A	13.55	10/01/2016
MSCI EAFE Gr Net			5.73	18.47	4.24	N/A	N/A	N/A	8.70	
Delaware International LCV	1,777.61	9.96	0.63	10.32	2.13	5.92	1.26	6.06	4.91	04/01/2004
MSCI EAFE VL Net			1.54	9.58	-2.10	8.46	0.05	5.50	4.49	
Victory Trivalent - Intl SMID	946.40	5.30	2.86	15.45	-7.74	N/A	N/A	N/A	-8.39	06/01/2018
MSCI ACWI x USA SMID Net			2.14	12.61	-3.81	N/A	N/A	N/A	-5.82	

All returns shown time weighted net of fees

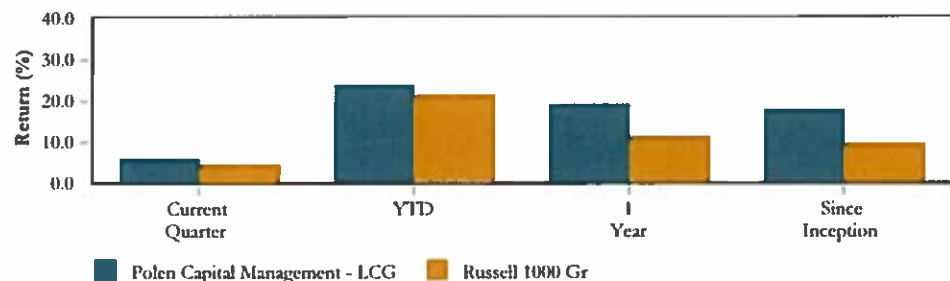
Waxahachie Firemen's Relief & Retirement Fund

As of June 30, 2019

	Allocation		Performance(%)							
	Market Value (\$000)	%	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Driehaus - EM	1,319.29	7.39	3.77	14.76	1.90	N/A	N/A	N/A	-1.30	06/01/2018
MSCI EM Net			0.61	10.58	1.21	N/A	N/A	N/A	-2.79	
Fixed Income	6,278.64	35.18	2.85	6.54	6.40	4.69	2.90	3.47	3.56	03/31/2004
Barclays Aggregate			3.08	6.11	7.87	2.31	2.95	3.90	4.04	
Federated Investors Fixed Income	2,153.04	12.06	3.09	6.52	7.85	2.41	2.57	N/A	2.77	11/01/2010
Barclays Aggregate			3.08	6.11	7.87	2.31	2.95	N/A	3.09	
Blackstone BREIF II	2,112.00	11.83	3.00	8.37	7.04	8.10	5.05	N/A	5.05	07/01/2014
Barclays Aggregate			3.08	6.11	7.87	2.31	2.95	N/A	2.95	
Blackrock Strategic Income	2,013.60	11.28	2.42	4.68	4.25	3.35	N/A	N/A	3.56	03/01/2016
Barclays Aggregate			3.08	6.11	7.87	2.31	N/A	N/A	3.04	

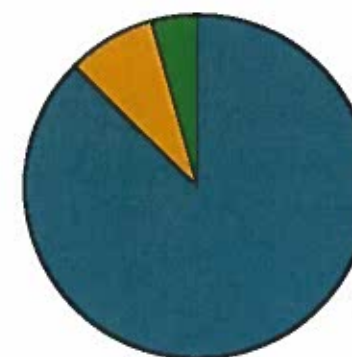
All returns shown time weighted net of fees

Portfolio Performance (%)



Asset Allocation (\$000)

June 30, 2019 : \$1,600



Segments	Market Value (\$000)	Allocation (%)
Domestic Equity	1,398.92	87.42
International Equity	131.84	8.24
Cash Equivalent	69.45	4.34

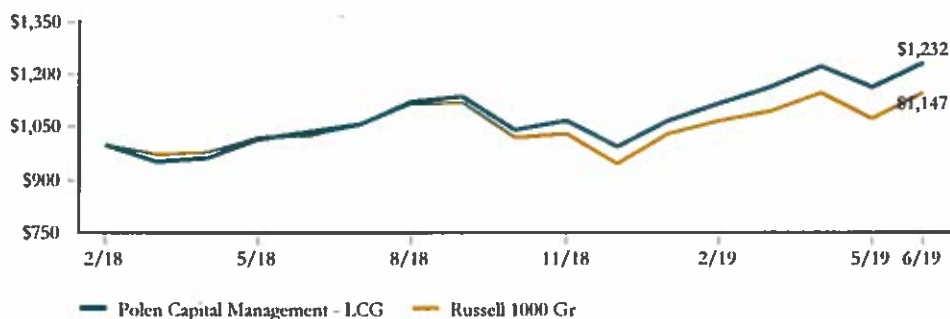
Asset Growth (\$000)

	Current Quarter	YTD	1 Year	Since Inception	Inception Date
Polen Capital Management - LCG					03/16/2018
Beginning Market Value	1,561	1,433	1,538	1,595	
Net Contributions	-50	-150	-202	-310	
Fees/Expenses	-5	-10	-20	-26	
Income	4	7	13	17	
Gain/Loss	90	320	271	325	
Ending Market Value	1,600	1,600	1,600	1,600	

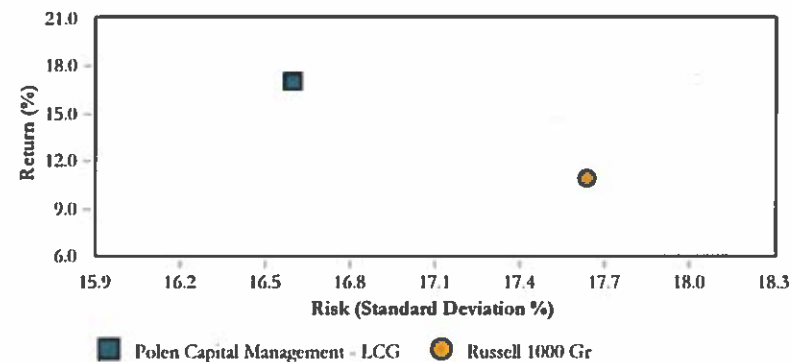
Portfolio Characteristics vs. Russell 1000 Gr Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Polen Capital Management - LCG	0.92	6.38	0.95	0.91	03/16/2018

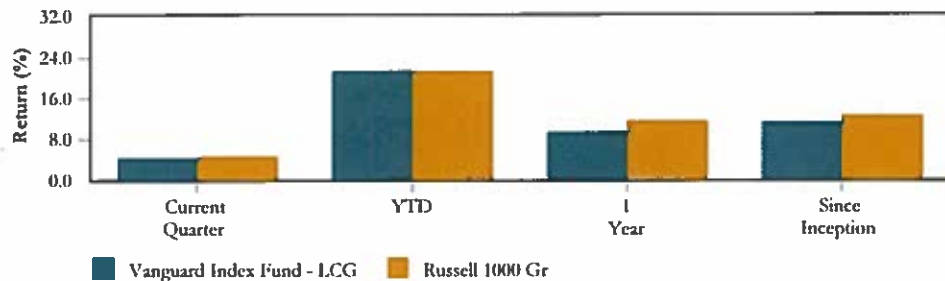
Growth of a Dollar (\$000)



Risk/Return Analysis Since 03/18



Portfolio Performance (%)

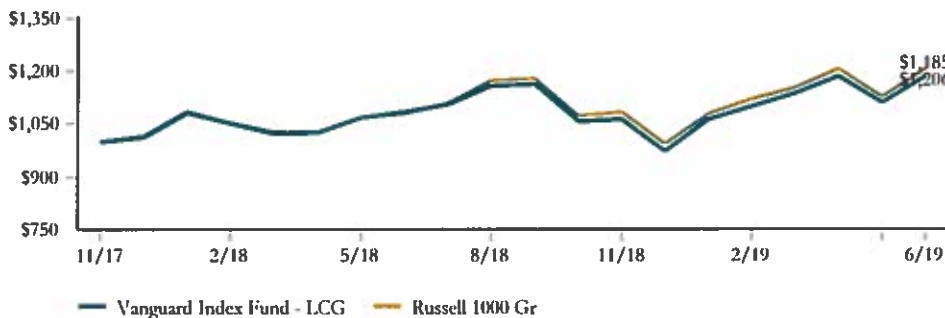


	Current Quarter	YTD	1 Year	Since Inception	Inception Date
Vanguard Index Fund - LCG	4.32	21.62	9.41	11.31	12/01/2017
Russell 1000 Gr	4.64	21.49	11.56	12.61	12/01/2017

Asset Growth (\$000)

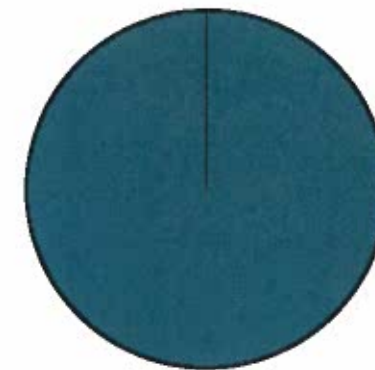
	Current Quarter	YTD	1 Year	Since Inception	Inception Date
Vanguard Index Fund - LCG					12/01/2017
Beginning Market Value	506	433	500	463	
Net Contributions	-49	-49	-67	-70	
Fees/Expenses	-1	-1	-3	-5	
Income	1	1	5	9	
Gain/Loss	20	92	43	80	
Ending Market Value	477	477	477	477	

Growth of a Dollar (\$000)



Asset Allocation (\$000)

June 30, 2019 : \$477

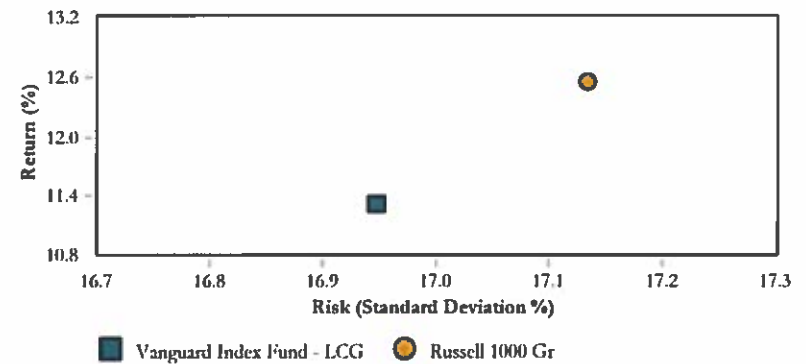


Segments	Market Value (\$000)	Allocation (%)
Domestic Equity	477.16	99.98
Cash Equivalent	0.07	0.02

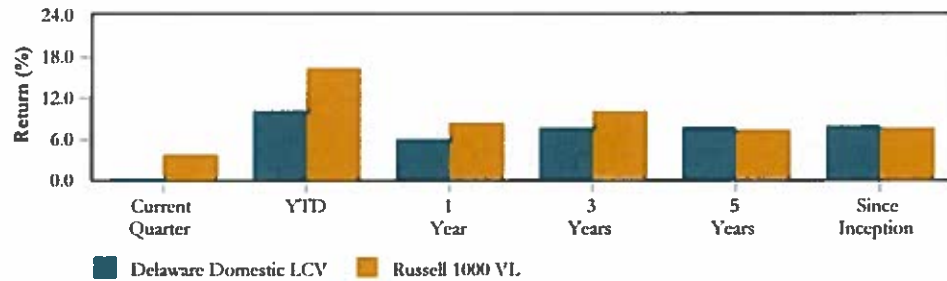
Portfolio Characteristics vs. Russell 1000 Gr Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Vanguard Index Fund - LCG	0.99	-0.96	0.99	0.60	12/01/2017

Risk/Return Analysis Since 12/17

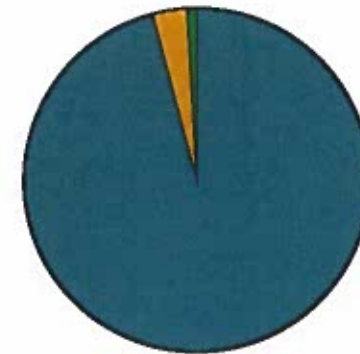


Portfolio Performance (%)



Asset Allocation (\$000)

June 30, 2019 : \$1,835



Asset Growth (\$000)

	Current Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Delaware Domestic LCV							04/01/2004
Beginning Market Value	1,776	1,660	1,724	2,142	2,127	748	
Net Contributions	50	10	10	-764	-1,038	-995	
Fees/Expenses	-5	-10	-20	-69	-118	-272	
Income	11	22	44	148	257	644	
Gain/Loss	3	152	77	378	608	1,709	
Ending Market Value	1,835	1,835	1,835	1,835	1,835	1,835	

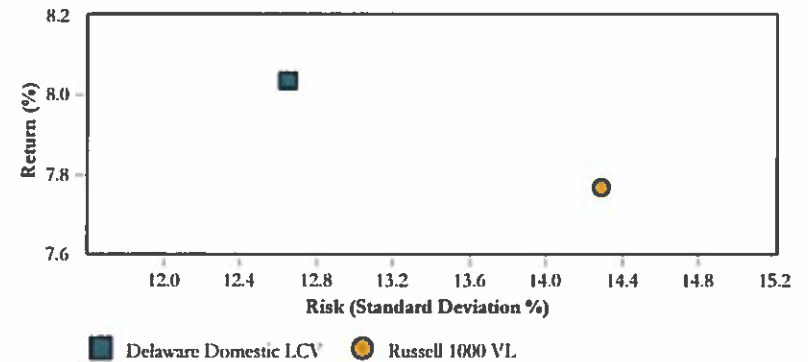
Portfolio Characteristics vs. Russell 1000 VL Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Delaware Domestic LCV	0.84	1.38	0.90	0.57	04/01/2004

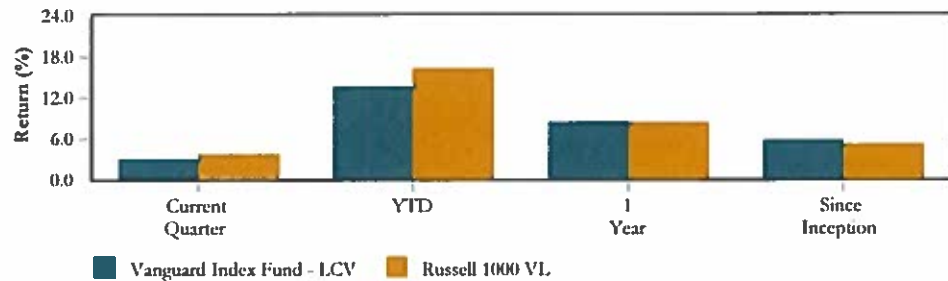
Growth of a Dollar (\$000)



Risk/Return Analysis Since 04/04

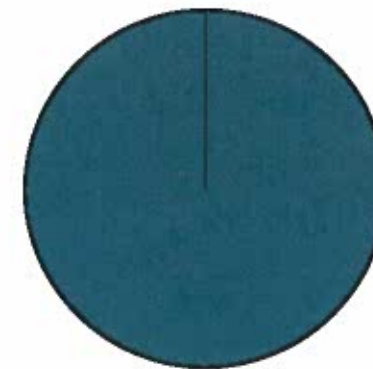


Portfolio Performance (%)



Asset Allocation (\$000)

June 30, 2019 : \$234



Segments	Market Value (\$000)	Allocation (%)
Domestic Equity	233.51	99.97
Cash Equivalent	0.06	0.03

	Current Quarter	YTD	1 Year	Since Inception	Inception Date
Vanguard Index Fund - LCV	3.06	13.70	8.41	5.60	12/01/2017
Russell 1000 VL	3.84	16.24	8.46	5.12	12/01/2017

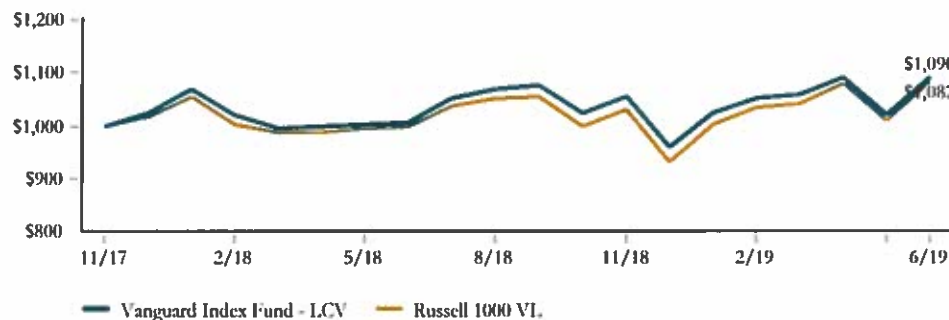
Asset Growth (\$000)

	Current Quarter	YTD	1 Year	Since Inception	Inception Date
Vanguard Index Fund - LCV					12/01/2017
Beginning Market Value	175	178	187	185	
Net Contributions	51	31	31	31	
Fees/Expenses	-	-1	-1	-2	
Income	1	1	4	7	
Gain/Loss	6	24	13	12	
Ending Market Value	234	234	234	234	

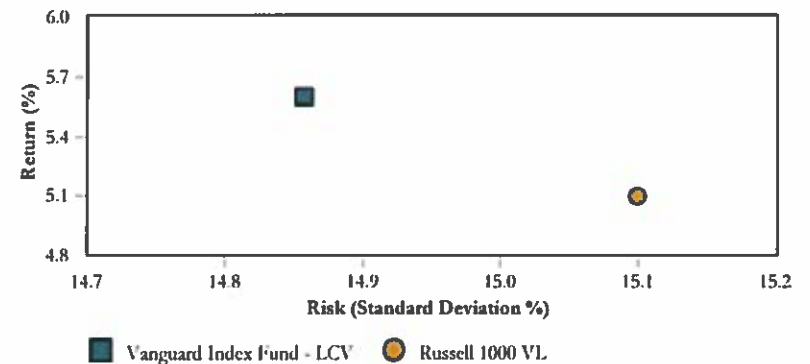
Portfolio Characteristics vs. Russell 1000 VL Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Vanguard Index Fund - LCV	0.98	0.58	0.99	0.31	12/01/2017

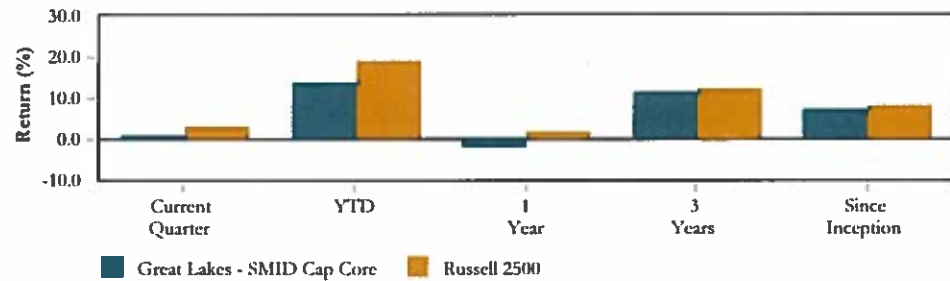
Growth of a Dollar (\$000)



Risk/Return Analysis Since 12/17

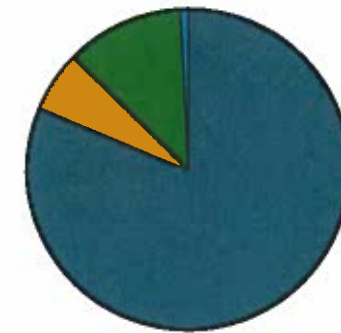


Portfolio Performance (%)



Asset Allocation (\$000)

June 30, 2019 : \$1,434



Segments	Market Value (\$000)	Allocation (%)
Domestic Equity	1,166.80	81.34
International Equity	85.60	5.97
Alternative Investment	170.17	11.86
Cash Equivalent	11.91	0.83

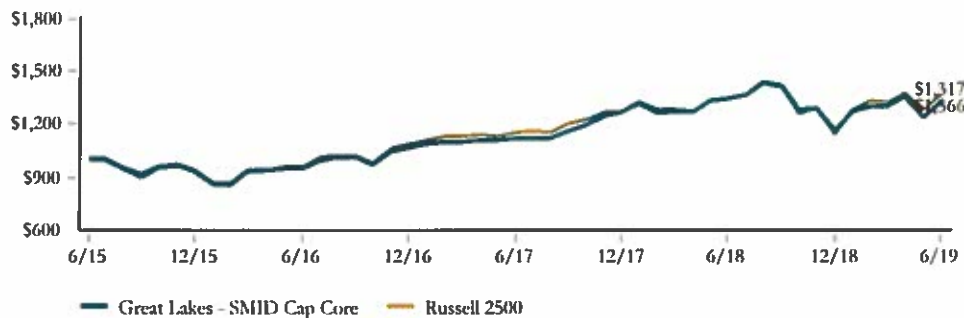
Asset Growth (\$000)

	Current Quarter	YTD	1 Year	3 Years	Since Inception	Inception Date
Great Lakes - SMID Cap Core	0.89	13.60	-1.93	11.47	7.13	07/01/2015
Russell 2500	2.96	19.25	1.77	12.34	8.11	07/01/2015
Beginning Market Value	1,422	1,314	1,553	1,568	1,623	
Net Contributions	-	-55	-87	-692	-672	
Fees/Expenses	-4	-8	-18	-59	-76	
Income	6	11	22	70	96	
Gain/Loss	11	172	-36	547	463	
Ending Market Value	1,434	1,434	1,434	1,434	1,434	

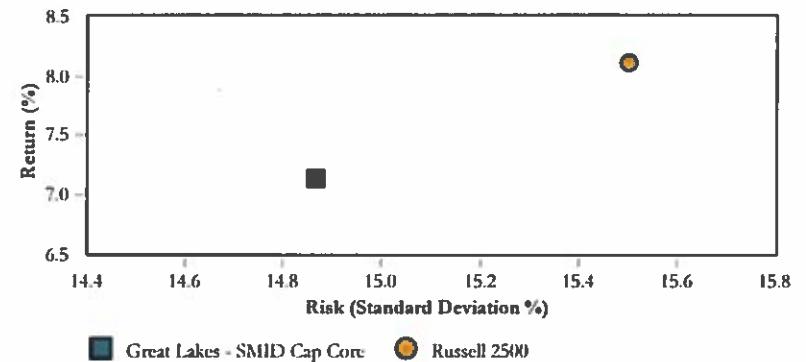
Portfolio Characteristics vs. Russell 2500 Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Great Lakes - SMID Cap Core	0.94	-0.46	0.96	0.47	07/01/2015

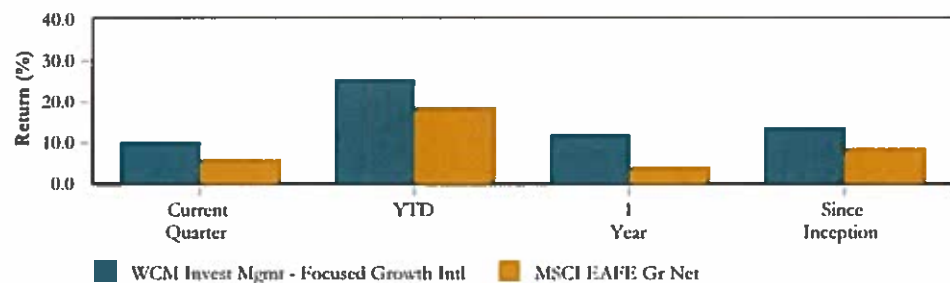
Growth of a Dollar (\$000)



Risk/Return Analysis Since 07/15

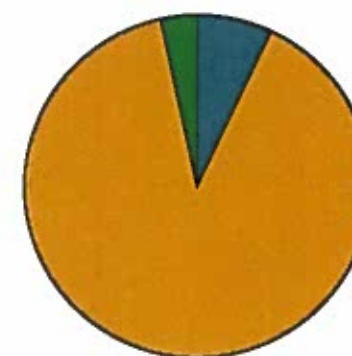


Portfolio Performance (%)



Asset Allocation (\$000)

June 30, 2019 : \$1,880



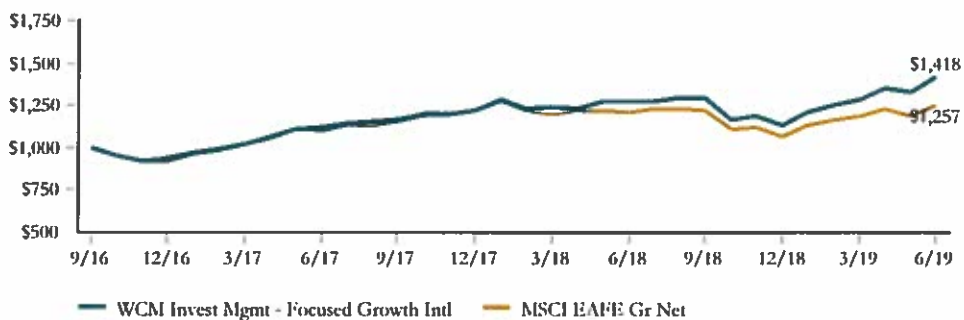
Asset Growth (\$000)

	Current Quarter	YTD	1 Year	Since Inception	Inception Date
WCM Invest Mgmt - Focused Growth Intl					10/01/2016
Beginning Market Value	1,781	1,560	1,753	1,454	
Net Contributions	-75	-75	-75	-173	
Fees/Expenses	-6	-12	-24	-65	
Income	9	11	22	80	
Gain/Loss	171	395	204	584	
Ending Market Value	1,880	1,880	1,880	1,880	

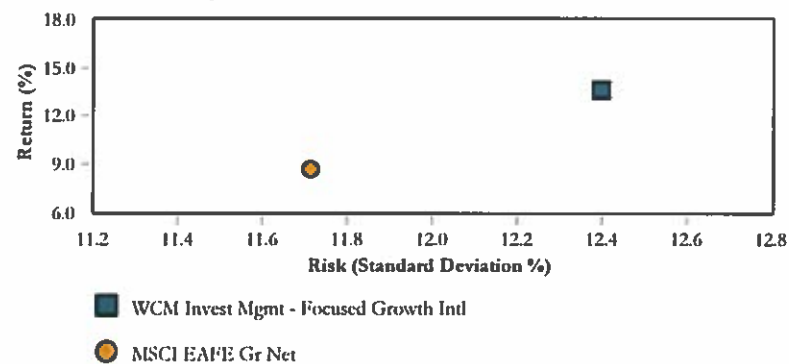
Portfolio Characteristics vs. MSCI EAFE Gr Net Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
WCM Invest Mgmt - Focused Growth Intl	0.99	4.67	0.88	0.98	10/01/2016

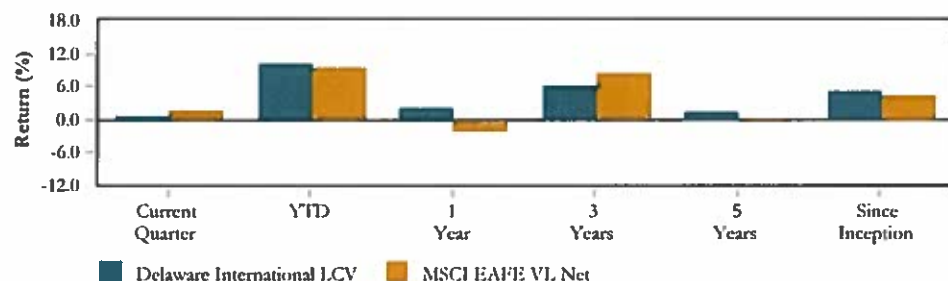
Growth of a Dollar (\$000)



Risk/Return Analysis Since 10/16

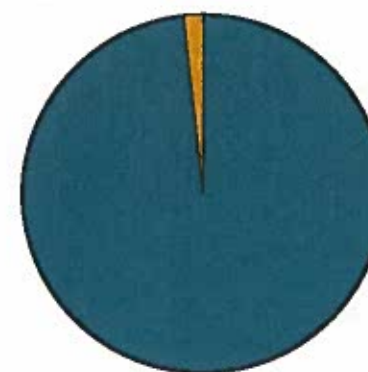


Portfolio Performance (%)



Asset Allocation (\$000)

June 30, 2019 : \$1,778



Asset Growth (\$000)

	Current Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Delaware International LCV	0.63	10.32	2.13	5.92	1.26	4.91	04/01/2004
MSCI EAFE VL Net	1.54	9.58	-2.10	8.46	0.05	4.49	04/01/2004

	Current Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Delaware International LCV	1,664	1,518	1,640	1,414	1,562	538	04/01/2004
Beginning Market Value	100	100	100	92	106	393	
Net Contributions	-5	-9	-18	-54	-86	-232	
Fees/Expenses	22	29	55	154	232	714	
Income	-4	140	1	172	-36	365	
Gain/Loss	1,778	1,778	1,778	1,778	1,778	1,778	
Ending Market Value							

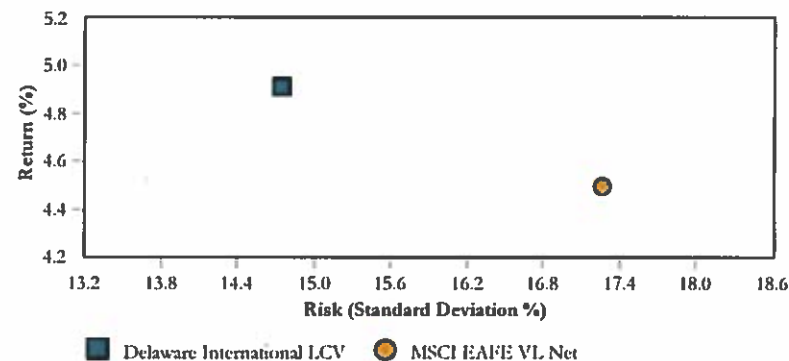
Portfolio Characteristics vs. MSCI EAFE Net Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Delaware International LCV	0.87	0.26	0.92	0.31	04/01/2004

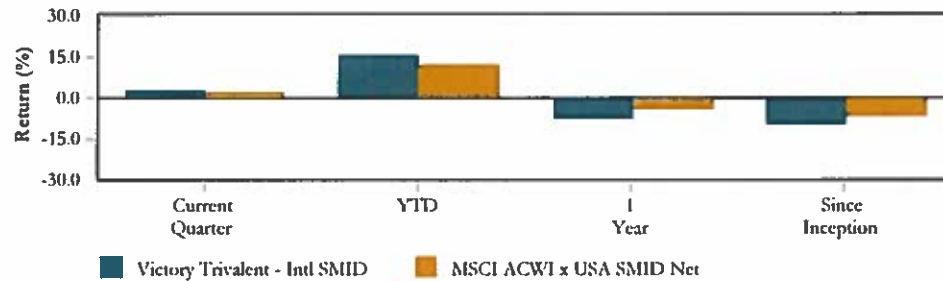
Growth of a Dollar (\$000)



Risk/Return Analysis Since 04/04

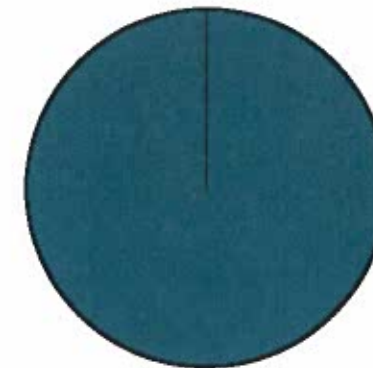


Portfolio Performance (%)



Asset Allocation (\$000)

June 30, 2019 : \$946



Segments	Market Value (\$000)	Allocation (%)
International Equity	946.39	100.00
Cash Equivalent	0.01	0.00

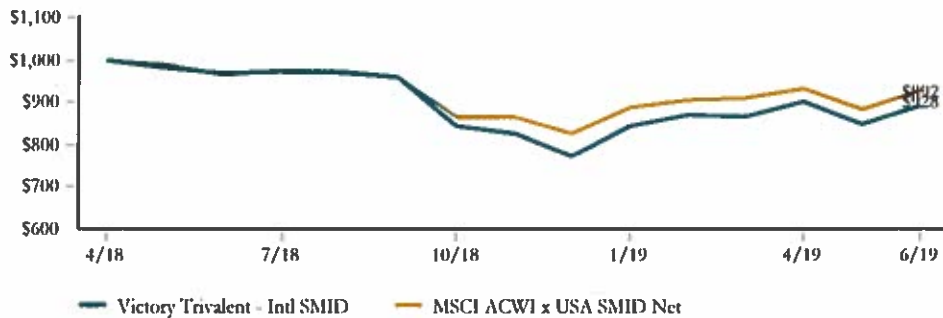
Asset Growth (\$000)

	Current Quarter	YTD	1 Year	Since Inception	Inception Date
Victory Trivalent - Intl SMID	849	755	803	831	05/18/2018
Beginning Market Value	71	73	199	199	
Net Contributions	-1	-3	-5	-6	
Fees/Expenses	-	-	25	25	
Income	27	121	-76	-103	
Gain/Loss	946	946	946	946	
Ending Market Value					

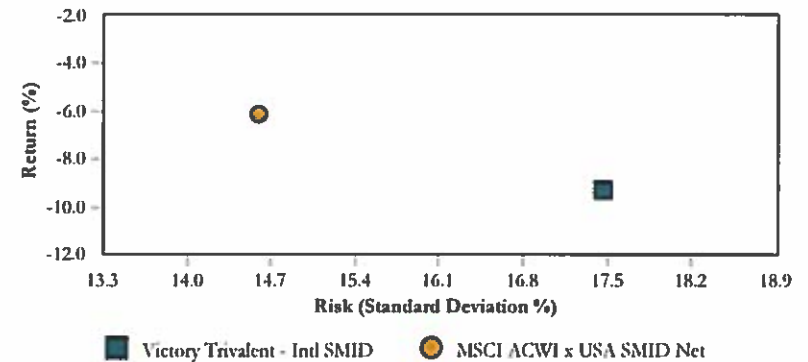
Portfolio Characteristics vs. MSCI ACWI x USA SMID Net Since

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Victory Trivalent - Intl SMID	1.17	-1.97	0.96	-0.60	05/18/2018

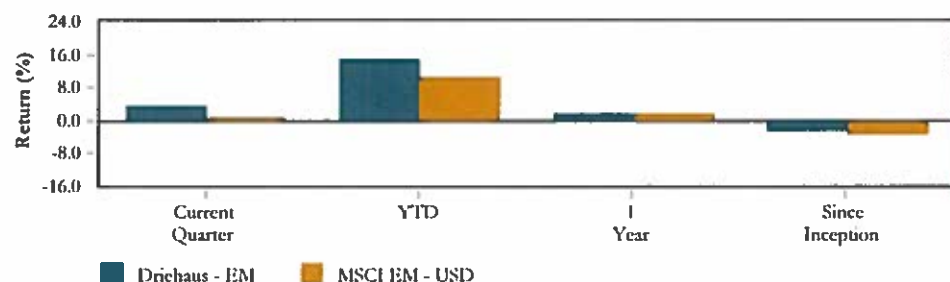
Growth of a Dollar (\$000)



Risk/Return Analysis Since 05/18

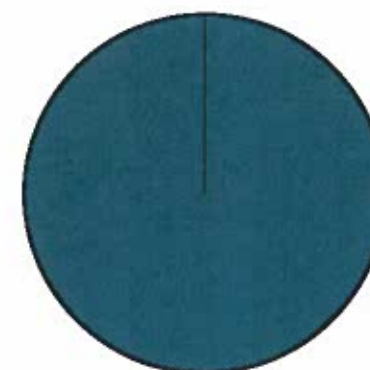


Portfolio Performance (%)



Asset Allocation (\$000)

June 30, 2019 : \$1,319



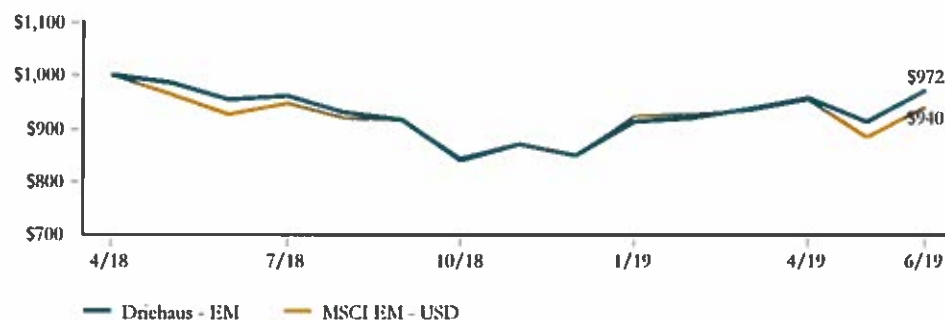
Asset Growth (\$000)

	Current Quarter	YTD	1 Year	Since Inception	Inception Date
Driehaus - EM					05/21/2018
Beginning Market Value	1,167	1,053	1,183	1,239	
Net Contributions	102	104	107	107	
Fees/Expenses	-2	-4	-8	-8	
Income	-	-	46	46	
Gain/Loss	52	166	-10	-65	
Ending Market Value	1,319	1,319	1,319	1,319	

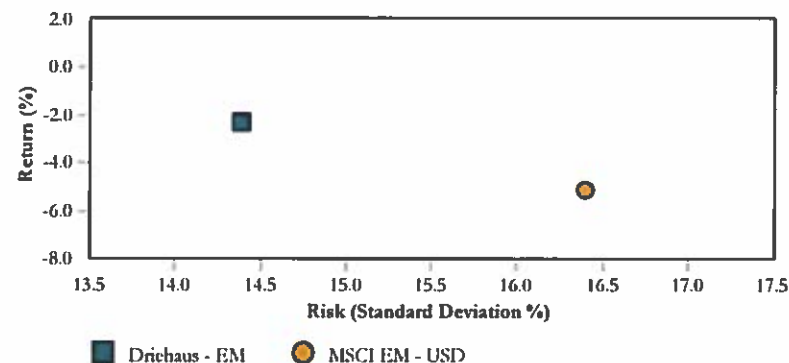
Portfolio Characteristics vs. MSCI EM - USD Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Driehaus - EM	0.86	2.02	0.95	-0.25	05/21/2018

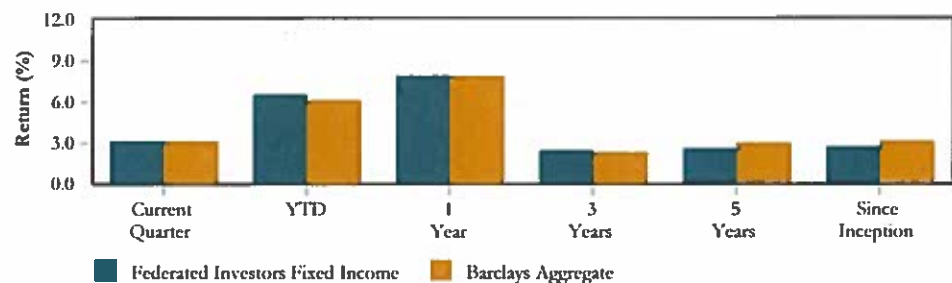
Growth of a Dollar (\$000)



Risk/Return Analysis Since 05/18



Portfolio Performance (%)

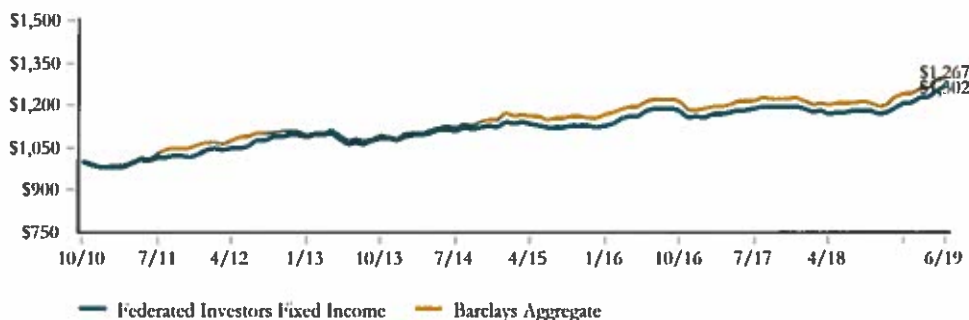


	Current Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Federated Investors Fixed Income	3.09	6.52	7.85	2.41	2.57	2.77	11/01/2010
Barclays Aggregate	3.08	6.11	7.87	2.31	2.95	3.09	11/01/2010

Asset Growth (\$000)

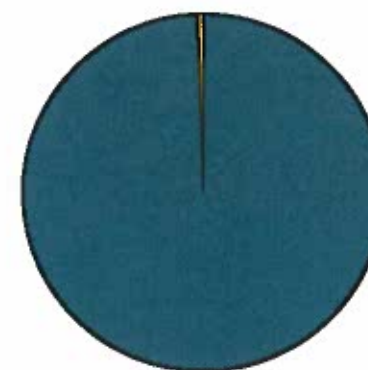
	Current Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Federated Investors Fixed Income							11/01/2010
Beginning Market Value	2,089	2,021	1,996	1,478	1,469	2,518	
Net Contributions	-	-	-	523	451	-958	
Fees/Expenses	-5	-9	-18	-48	-77	-185	
Income	15	31	62	132	201	574	
Gain/Loss	54	110	113	68	109	204	
Ending Market Value	2,153	2,153	2,153	2,153	2,153	2,153	

Growth of a Dollar (\$000)



Asset Allocation (\$000)

June 30, 2019 : \$2,153

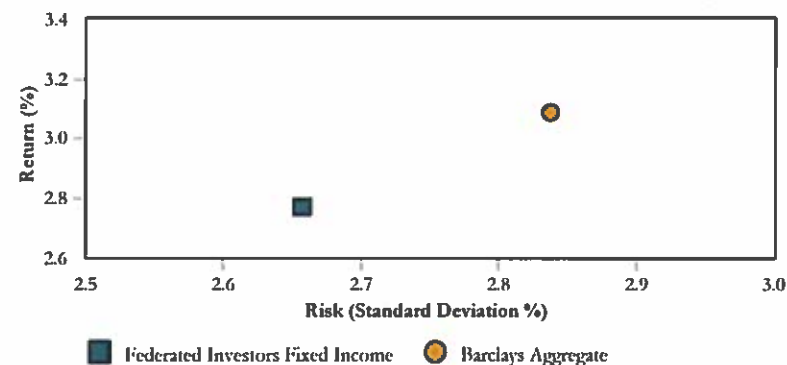


Segments	Market Value (\$000)	Allocation (%)
Domestic Fixed Income	2,141.88	99.48
Cash Equivalent	11.16	0.52

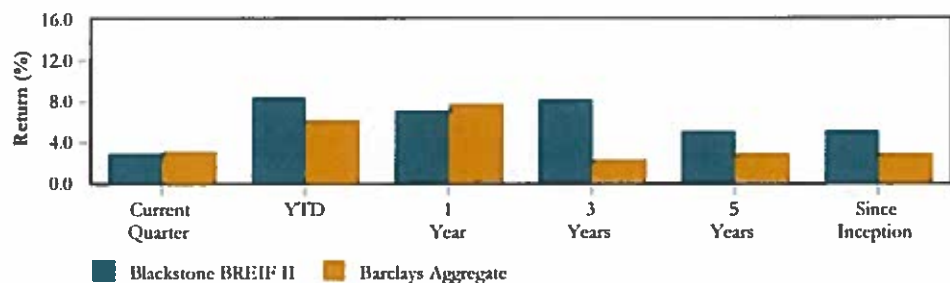
Portfolio Characteristics vs. Barclays Aggregate Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Federated Investors Fixed Income	0.86	0.11	0.85	0.86	11/01/2010

Risk/Return Analysis Since 11/10



Portfolio Performance (%)

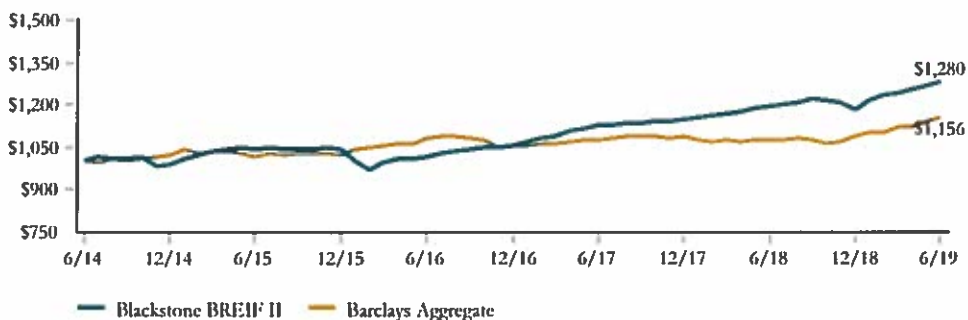


	Current Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Blackstone BREIF II	3.00	8.37	7.04	8.10	5.05	5.05	07/01/2014
Barclays Aggregate	3.08	6.11	7.87	2.31	2.95	2.95	07/01/2014

Asset Growth (\$000)

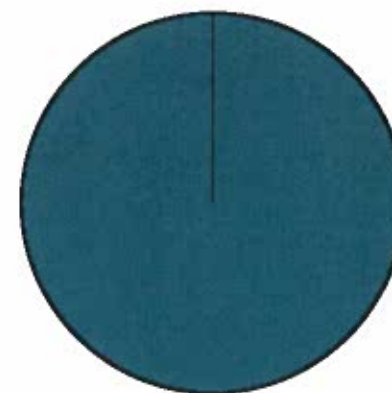
	Current Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Blackstone BREIF II							07/01/2014
Beginning Market Value	2,047	1,942	1,896	1,584	1,389	1,389	
Net Contributions	3	7	78	101	284	284	
Fees/Expenses	-3	-7	-13	-36	-57	-57	
Income	-	-	-	-	-	-	
Gain/Loss	65	170	151	463	496	496	
Ending Market Value	2,112	2,112	2,112	2,112	2,112	2,112	

Growth of a Dollar (\$000)



Asset Allocation (\$000)

June 30, 2019 : \$2,112

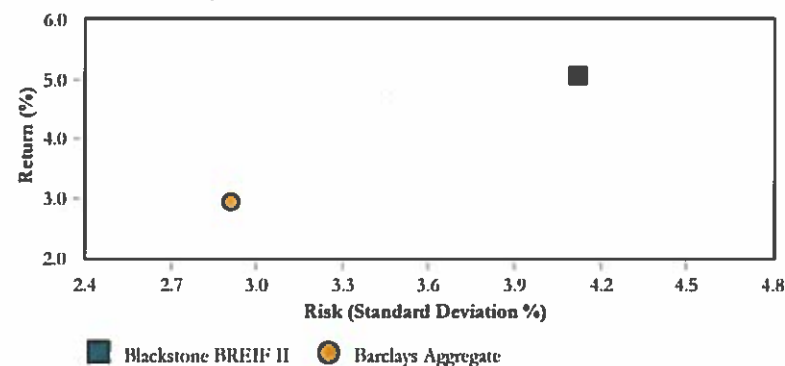


Segments	Market Value (\$000)	Allocation (%)
Alternative Investment	2,112.00	100.00

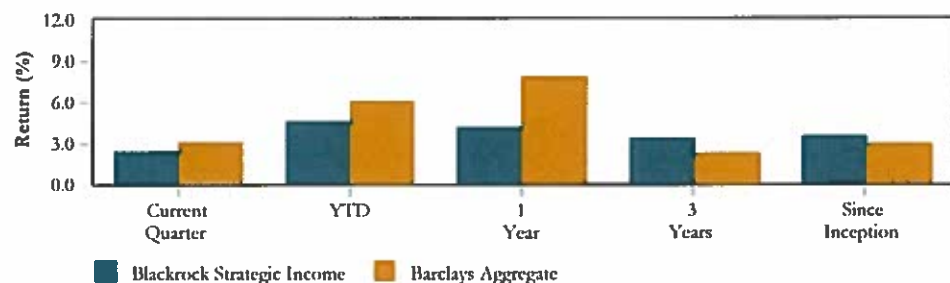
Portfolio Characteristics vs. Barclays Aggregate Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Blackstone BREIF II	-0.08	5.38	0.00	1.02	07/01/2014

Risk/Return Analysis Since 07/14



Portfolio Performance (%)

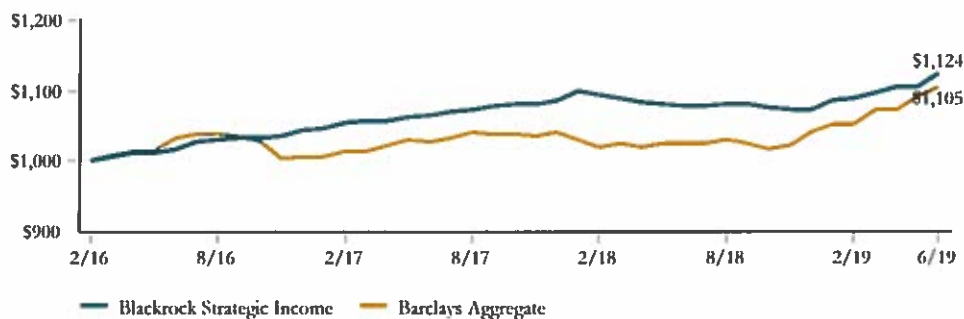


	Current Quarter	YTD	1 Year	3 Years	Since Inception	Inception Date
Blackrock Strategic Income	2.42	4.68	4.25	3.35	3.56	03/01/2016
Barclays Aggregate	3.08	6.11	7.87	2.31	3.04	03/01/2016

Asset Growth (\$000)

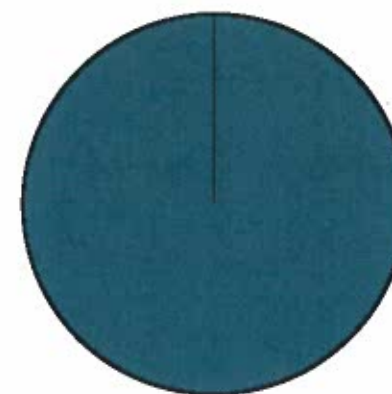
	Current Quarter	YTD	1 Year	3 Years	Since Inception	Inception Date
Blackrock Strategic Income						03/01/2016
Beginning Market Value	1,963	1,917	1,919	1,390	1,319	
Net Contributions	3	6	13	459	506	
Fees/Expenses	-3	-6	-13	-34	-36	
Income	18	34	64	170	183	
Gain/Loss	32	62	31	28	42	
Ending Market Value	2,014	2,014	2,014	2,014	2,014	

Growth of a Dollar (\$000)



Asset Allocation (\$000)

June 30, 2019 : \$2,014

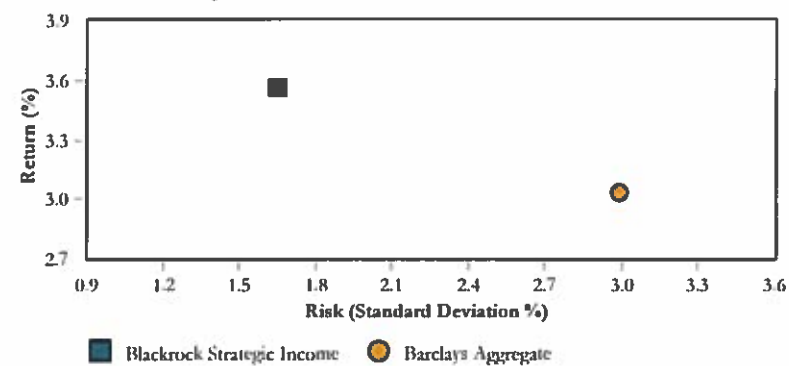


Segments	Market Value (\$000)	Allocation (%)
Alternative Investment	2,013.60	100.00

Portfolio Characteristics vs. Barclays Aggregate Since Inception

	Beta	Alpha	R-Squared	Sharpe Ratio	Inception Date
Blackrock Strategic Income	0.18	3.02	0.10	1.35	03/01/2016

Risk/Return Analysis Since 03/16



Performance Appendix

Performance Data below is net of fees. Please see the Morgan Stanley Smith Barney LLC Form ADV Part 2 Brochure for advisory accounts and/or any applicable brokerage account trade confirmation statements for a full disclosure of the applicable charges, fees and expenses. Your Financial Advisor will provide those documents to you upon request.

Account Name	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Blackrock Strategic Income	2.42	4.68	4.25	3.35	--	--	3.56	03/01/2016
Blackstone BREIF II	3.00	8.37	7.04	8.10	5.05	--	5.05	07/01/2014
Delaware Domestic LCV	0.40	10.00	5.88	7.74	7.52	13.33	8.04	04/01/2004
Delaware International LCV	0.63	10.32	2.13	5.92	1.26	6.06	4.91	04/01/2004
Driehaus - EM	3.77	14.76	1.90	--	--	--	-1.30	06/01/2018
Federated Investors Fixed Income	3.09	6.52	7.85	2.41	2.57	--	2.77	11/01/2010
Great Lakes - SMID Cap Core	0.89	13.60	-1.93	11.47	--	--	7.13	07/01/2015
Omnibus Cash Account	0.71	2.10	3.25	1.83	1.11	53.82	33.61	03/31/2004
Polen Capital Management - LCG	5.89	23.66	19.05	--	--	--	22.91	04/01/2018
Vanguard Index Fund - LCG	4.32	21.62	9.41	--	--	--	11.31	12/01/2017
Vanguard Index Fund - LCV	3.06	13.70	8.41	--	--	--	5.60	12/01/2017
Victory Trivalent - Intl SMID	2.86	15.45	-7.74	--	--	--	-8.39	06/01/2018
WCM Invest Mgmt - Focused Growth Intl	9.95	25.56	11.73	--	--	--	13.55	10/01/2016

All performance above are Time Weighted(TWR) performance

Glossary of Terms

Active Contribution Return: The gain or loss percentage of an investment relative to the performance of the investment benchmark.

Active Exposure: The percentage difference in weight of the portfolio compared to its policy benchmark.

Active Return: Arithmetic difference between the manager's return and the benchmark's return over a specified time period.

Actual Correlation: A measure of the correlation (linear dependence) between two variables X and Y, with a value between +1 and -1 inclusive. This is also referred to as coefficient of correlation.

Alpha: A measure of a portfolio's time weighted return in excess of the market's return, both adjusted for risk. A positive alpha indicates that the portfolio outperformed the market on a risk-adjusted basis, and a negative alpha indicates the portfolio did worse than the market.

Best Quarter: The highest quarterly return for a certain time period.

Beta: A measure of the sensitivity of a portfolio's time weighted return (net of fees) against that of the market. A beta greater than 1.00 indicates volatility greater than the market.

Consistency: The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.

Core: Refers to an investment strategy mandate that is blend of growth and value styles without a pronounced tilt toward either style.

Cumulative Selection Return (Cumulative Return): Cumulative investment performance over a specified period of time.

Distribution Rate: The most recent distribution paid, annualized, and then divided by the current market price. Distribution rate may consist of investment income, short-term capital gains, long-term capital gains, and/or return of capital.

Down Market Capture: The ratio of average portfolio returns over the benchmark during periods of negative benchmark return. Lower values indicate better product performance.

Downside Risk: A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the value, the more risk the product has.

Downside Semi Deviation: A statistical calculation that measures the volatility of returns below a

(6)

minimum acceptable return: This return measure isolates the negative portion of volatility: the larger the number, the greater the volatility.

Drawdown: A drawdown is the peak-to-trough decline during a specific period of an investment, fund or commodity.

Excess over Benchmark: The percentage gain or loss of an investment relative to the investment's benchmark.

Excess Return: Arithmetic difference between the manager's return and the risk-free return over a specified time period.

Growth: A diversified investment strategy which includes investment selections that have capital appreciation as the primary goal, with little or no dividend payouts. These strategies can include reinvestment in expansion, acquisitions, and/or research and development opportunities.

Growth of Dollar: The aggregate amount an investment has gained or lost over a certain time period, also referred to as Cumulative Return, stated in terms of the amount to which an initial dollar investment would have grown over the given time period.

Investment Decision Process (IDP): A model for structuring the investment process and implementing the correct attribution methodologies. The IDP includes every decision made concerning the division of the assets under management over the various asset categories. To analyze each decision's contribution to the total return, a modeling approach must measure the marginal value of every individual decision. In this respect, the hierarchy of the decisions becomes very important. We therefore use the IDP model, which serves as a proper foundation for registering the decisions and relating them to each other.

Information Ratio: Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager.

Jensen's Alpha: The Jensen's alpha measure is a risk-adjusted performance measure that represents the average return on a portfolio or investment above or below that predicted by the capital asset pricing model (CAPM) given the portfolio's or investment's beta and the average market return. This metric is also commonly referred to as alpha.

Kurtosis: A statistical measure that is used to describe the distribution, or skewness, of observed data around the mean, sometimes referred to as the volatility of volatility.

Maximum Drawdown: The drawdown is defined as the percent retrenchment from a fund's peak to the fund's trough value. It is in effect from the time the fund's retrenchment begins until a new fund high is reached. The maximum drawdown encompasses both the period from the fund's peak to the fund's valley (length), and the time from the fund's valley to a new fund high (recovery). It measures the largest percentage drawdown that has occurred in any fund's data record.

Modern Portfolio Theory (MPT): An investment analysis theory on how risk-averse investors can construct portfolios to optimize or maximize expected return based on a given level of market risk, emphasizing that risk is an inherent part of higher reward.

Mutual Fund (MF): An investment program funded by shareholders that trade in diversified holdings and is professionally managed.

Peer Group: A combination of funds that share the same investment style combined as a group for

comparison purposes.

Peer/ Plan Sponsor Universe: A combination of asset pools of total plan investments by specific sponsor and plan types for comparison purposes.

Performance Ineligible Assets: Performance returns are not calculated for certain assets because accurate valuations and transaction data for these assets are not processed or maintained by us. Common examples of these include life insurance, some annuities and some assets held externally.

Performance Statistics: A generic term for various measures of investment performance measurement terms.

Portfolio Characteristics: A generic term for various measures of investment portfolio characteristics.

Preferred Return: A term used in the private equity (PE) world, and also referred to as a "Hurdle Rate." It refers to the threshold return that the limited partners of a private equity fund must receive, prior to the PE firm receiving its carried interest or "carry."

Ratio of Cumulative Wealth: A defined ratio of the Cumulative Return of the portfolio divided by the Cumulative Return of the benchmark for a certain time period.

Regression Based Analysis: A statistical process for estimating the relationships among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables.

Residual Correlation: Within returns-based style analysis, residual correlation refers to the portion of a strategy's return pattern that cannot be explained by its correlation to the asset-class benchmarks to which it is being compared.

Return: A rate of investment performance for the specified period.

Rolling Percentile Ranking: A measure of an investment portfolio's ranking versus a peer group for a specific rolling time period (i.e. Last 3 Years, Last 5 years, etc.).

R-Squared: The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Squared means a higher correlation of the portfolio's performance to the appropriate benchmark.

SA/CF (Separate Account/Comingled Fund): Represents an acronym for Separate Account and Comingled Fund investment vehicles.

Sector Benchmark: A market index that serves as a proxy for a sector within an asset class.

Sharpe Ratio: Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance results in.

Standard Deviation: A statistical measure of the range of a portfolio's performance; the variability of a return around its average return over a specified time period.

Total Fund Benchmark: The policy benchmark for a complete asset pool that could consist of multiple investment mandates.

Total Fund Composite: The aggregate of multiple portfolios within an asset pool or household.

Tracking Error: A measure of standard deviation for a portfolio's investment performance, relative to the performance of an appropriate market benchmark.

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Treynor Ratio: A ratio that divides the excess return (above the risk free rate) by the portfolio's beta to arrive at a unified measure of risk adjusted return. It is generally used to rank portfolios, funds and benchmarks. A higher ratio is indicative of higher returns per unit of market risk. This measurement can help determine if the portfolio is reaching its goal of increasing returns while managing market risk.

Up Market Capture: The ratio of average portfolio returns over the benchmark during periods of positive benchmark return. Higher values indicate better product performance.

Upside Semi Deviation: A statistical calculation that measures the volatility of returns above an acceptable return. This return measure isolates the positive portion of volatility: the larger the number, the greater the volatility.

Value: A diversified investment strategy that includes investment selections which tend to trade at a lower price relative to its dividends, earnings, and sales. Common attributes are stocks that include high dividend, low price-to-book ratio, and/or low price-to-earnings ratio.

Worst Quarter: The lowest rolling quarterly return for a certain time period.

Information Disclosures

Performance results are annualized for time periods greater than one year and include all cash and cash equivalents, realized and unrealized capital gains and losses, and dividends, interest and income. The investment results depicted herein represent historical performance. As a result of recent market activity, current performance may vary from the figures shown. Past performance is not a guarantee of future results.

Please see the Morgan Stanley Smith Barney LLC Form ADV Part 2 Brochure for advisory accounts and/or any applicable brokerage account trade confirmation statements for a full disclosure of the applicable charges, fees and expenses. Your Financial Advisor will provide those documents to you upon request.

Benchmark indices and blends included in this material are for informational purposes only, are provided solely as a comparison tool and may not reflect the underlying composition and/or investment objective(s) associated with the account(s). Indices are unmanaged and not available for direct investment. Index returns do not take into account fees or other charges. Such fees and charges would reduce performance.

The performance data shown reflects past performance, which does not guarantee future results. Investment return and principal will fluctuate so that an investor's shares when redeemed may be worth more or less than original cost. Please note, current performance may be higher or lower than the performance data shown. For up to date month-end performance information, please contact your Financial Advisor or visit the funds' company website.

Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus and, if available the summary prospectus, contains this and other information that should be read carefully before investing. Investors should review the information in the prospectus carefully. To obtain a prospectus, please contact your Financial Advisor or visit the funds' company website.

Past performance is no guarantee of future results.

Investing involves market risk, including possible loss of principal. **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** involves the risk that the market may not recognize that securities are undervalued and they may not appreciate as anticipated. **Small and mid-capitalization companies** may lack the financial resources, product diversification and competitive strengths of larger companies. The securities of small capitalization companies may not trade as readily as, and be subject to higher volatility than those of larger, more established companies. **Bond funds** and bond holdings have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the funds. The return of principal in bond funds, and in funds with significant bond holdings, is not guaranteed. **International securities'** prices may carry additional risks, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes and differences in financial and accounting standards. International investing may not be for everyone. These risks may be magnified in emerging markets. **Alternative investments**, including private equity funds, real estate funds, hedge funds, managed futures funds, and funds of hedge funds, private equity, and managed futures funds, are speculative and entail significant risks that can include losses due to leveraging or other speculative investment practices, lack of liquidity, volatility of returns, restrictions on transferring interests in a fund, potential lack of diversification, absence and/or delay 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 advisor. **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; and MLP interests in the real estate sector are subject to special risks, including interest rate and property value fluctuations, as well as risks related to general and economic conditions. Because of their narrow focus, MLPs maintain exposure to price volatility of commodities and/or underlying assets and tend to be more volatile than investments that diversify across many sectors and companies. MLPs are also subject to additional risks including: investors having limited control and rights to vote on matters affecting the MLP, limited access to capital, cash flow risk, lack of liquidity, dilution risk, conflict of interests, and limited call rights related to acquisitions.

Mortgage backed securities also involve prepayment risk, in that faster or slower prepayments than expected on underlying mortgage loans can dramatically alter the yield-to-maturity of a mortgage-backed security and prepayment risk includes the possibility that a fund may invest the proceeds at generally lower interest rates.

Tax managed funds may not meet their objective of being tax-efficient.

Real estate investments are subject to special risks, including interest rate and property value fluctuations, as well as risks related to general and economic conditions. **High yield fixed income securities**, also known as "junk bonds", are considered speculative, involve greater risk of default and tend to be more volatile than investment grade fixed income securities.

Credit quality is a measure of a bond issuer's creditworthiness, or ability to repay interest and principal to bondholders in a timely manner. The credit ratings shown are based on security rating as provided by Standard & Poor's, Moody's and/or Fitch, as applicable. Credit ratings are issued by the rating agencies for the underlying securities in the fund and not the fund itself, and the credit quality of the securities in the fund does not represent the stability or safety of the fund. Credit ratings shown range from AAA, being the highest, to D, being the lowest based on S&P and Fitch's classification (the equivalent of Aaa and C,

respectively, by Moody(s). Ratings of BBB or higher by S&P and Fitch (Baa or higher by Moody's) are considered to be investment grade-quality securities. If two or more of the agencies have assigned different ratings to a security, the highest rating is applied. Securities that are not rated by all three agencies are listed as "NR".

"Alpha tilt strategies comprise a core holding of stocks that mimic a benchmark type index such as the S&P 500 to which additional securities are added to help tilt the fund toward potentially outperforming the market in an effort to enhance overall investment returns. Tilt strategies are subject to significant timing risk and could potentially expose investors to extended periods of underperformance."

Custom Account Index: The Custom Account Index is an investment benchmark based on your historical target allocations and/or manager selection that you may use to evaluate the performance of your account. The Custom Account index does take into consideration certain changes that may have occurred in your portfolio since the inception of your account, i.e., asset class and/or manager changes. However, in some circumstances, it may not be an appropriate benchmark for use with your specific account composition. For detailed report of the historical composition of this blend please contact your Financial Advisor.

Peer Groups

Peer Groups are a collection of similar investment strategies that essentially group investment products that share the same investment approach. Peer Groups are used for comparison purposes to compare and illustrate a client's investment portfolio versus its peer across various quantitative metrics like performance and risk. Peer Group comparison is conceptually another form of benchmark comparison whereby the actual investment can be ranked versus its peer across various quantitative metrics.

All Peer Group data are provided by Investment Metrics, LLC.

The URL below provides all the definitions and methodology about the various Peer Groups

<https://www.invmetrics.com/style-peer-groups>

Peer Group Ranking Methodology

A percentile rank denotes the value of a product in which a certain percent of observations fall within a peer group. The range of percentile rankings is between 1 and 100, where 1 represents a high statistical value and 100 represents a low statistical value.

The 30th percentile, for example, is the value in which 30% of the highest observations may be found, the 65th percentile is the value in which 65% of the highest observations may be found, and so on.

Percentile rankings are calculated based on a normalized distribution ranging from 1 to 100 for all products in each peer group, where a ranking of 1 denotes a high statistical value and a ranking of 100 denotes a low statistical value. It is important to note that the same ranking methodology applies to all statistics, implying that a ranking of 1 will always mean highest value across all statistics.

For example, consider a risk/return assessment using standard deviation as a measure of risk. A percentile ranking equal to 1 for return denotes highest return, whereas a percentile ranking of 1 for standard deviation denotes highest risk among peers.

In addition, values may be used to demonstrate quartile rankings. For example, the third quartile is also known as the 75th percentile, and the median is the 50th percentile.

Alternatives

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Alternatives may be either traditional alternative investment vehicles or non-traditional alternative strategy vehicles. Traditional alternative investment vehicles may include, but are not limited to, Hedge Funds, Fund of Funds (both registered and unregistered), Exchange Funds, Private Equity Funds, Private Credit Funds, Real Estate Funds, and Managed Futures Funds. Non-traditional alternative strategy vehicles may include, but are not limited to, Open or Closed End Mutual Funds, Exchange-Traded and Closed-End Funds, Unit Investment Trusts, exchange listed Real Estate Investment Trusts (REITs), and Master Limited Partnerships (MLPs). These non-traditional alternative strategy vehicles also seek alternative-like exposure but have significant differences from traditional alternative investment vehicles. Non-traditional alternative strategy vehicles may behave like, have characteristics of, or employ various investment strategies and techniques for both hedging and more speculative purposes such as short-selling, leverage, derivatives, and options, which can increase volatility and the risk of investment loss. Characteristics such as correlation to traditional markets, investment strategy, and market sector exposure can play a role in the classification of a traditional security being classified as alternative.

Traditional alternative investment vehicles are illiquid and usually are not valued daily. The estimated valuation provided will be as of the most recent date available and will be included in summaries of your assets. Such valuation may not be the most recent provided by the fund in which you are invested. No representation is made that the valuation is a market value or that the interest could be liquidated at this value. We are not required to take any action with respect to your investment unless valid instructions are received from you in a timely manner. Some positions reflected herein may not represent interests in the fund, but rather redemption proceeds withheld by the issuer pending final valuations which are not subject to the investment performance of the fund and may or may not accrue interest for the length of the withholding. Morgan Stanley does not engage in an independent valuation of your alternative investment assets. Morgan Stanley provides periodic information to you including the market value of an alternative investment vehicle based on information received from the management entity of the alternative investment vehicle or another service provider.

Traditional alternative investment vehicles often are speculative and include a high degree of risk. 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.

As a diversified global financial services firm, Morgan Stanley Wealth Management engages in a broad spectrum of activities including financial advisory services, investment management activities, sponsoring and managing private investment funds, engaging in broker-dealer transactions and principal securities, commodities and foreign exchange transactions, research publication, and other activities. In the ordinary course of its business, Morgan Stanley Wealth Management therefore engages in activities where Morgan Stanley Wealth Management's interests may conflict with the interests of its clients, including the private investment funds it manages. Morgan Stanley Wealth Management can give no assurance that conflicts of interest will be resolved in favor of its clients or any such fund.

Indices are unmanaged and investors cannot directly invest in them. Composite index results are shown for illustrative purposes and do not represent the performance of a specific investment. Past performance is no guarantee of future results. Actual results may vary. Diversification does not assure a profit or protect against loss in a declining market. Any performance or related information presented has not been adjusted to reflect the impact of the additional fees paid to a placement agent by an investor (for Morgan Stanley placement clients, a one-time upfront Placement Fee of up to 3%, and for Morgan Stanley investment advisory clients, an annual advisory fee of up to 2.5%), which would result in a substantial reduction in the returns if such fees were incorporated.

For most investment advisory clients, the program account will be charged an asset-based wrap fee every quarter ("the Fee"). In general, the Fee covers investment advisory services and reporting. In addition to the Fee, clients will pay the fees and expenses of any funds in which their account is invested. Fund fees and expenses are charged directly to the pool of assets the fund invests in and impact the valuations. Clients must understand that these fees and expenses are an additional cost and will not be included in the Fee amount in the account statements.

As fees are deducted quarterly, the compounding effect will be to increase the impact of the fees by an amount directly related to the gross account performance. For example, for an account with an initial value of \$100,000 and a 2.5% annual fee, if the gross performance is 5% per year over a three year period, the compounding effect of the fees will result in a net annual compound rate of return of approximately 2.40% per year over a three year period, and the total value of the client's portfolio at the end of the three year period would be approximately \$115,762.50 without the fees and \$107,372.63 with the fees. Please see the applicable Morgan Stanley Smith Barney LLC Form ADV Part 2A for more information including a description of the fee schedule. It is available at www.morganstanley.com/ADV <<http://www.morganstanley.com/ADV>> or from your Financial Advisor/Private Wealth Advisor.

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Money Market Funds

You could lose money in Money Market Funds. Although MMFs classified as government funds (i.e., MMFs that invest 99.5% of total assets in cash and/or securities backed by the U.S. government) and retail funds (i.e., MMFs 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 MMFs will fluctuate and when you sell shares they may be worth more or less than originally paid. MMFs 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 MMF investment is not insured or guaranteed by the Federal Deposit Insurance Corporation or other government agency.