Connecting for good. Amplifying Impact.

2024 Annual Investment Meeting
Agenda

8:00 – 8:30 am  Check-in, Light Breakfast and Networking

8:30 – 10:00 am  2023 Capital Markets Review & Performance
                2024 Expectations

10:00 – 10:15 am  Break

10:15 – 11:00 am  Connecting for good: Two Stories of Inspiration
Annual Investor Meeting
2024
Agenda: Today's Discussion

Section 1  Capital Markets Update  3 – 23
Section  Performance  24 – 35
Section 3  Disclosures  36 – 47
Capital Markets Update
Total Returns for Select Asset Classes Year-to-Date 2023
Cumulative Return from December 30, 2022 - December 29, 2023

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management Global Investment Office. Diversified portfolio is comprised of 40% MSCI ACWI, 40% Bloomberg US Aggregate, 5% FTSE US 3 mo. T-Bills, 9% HFRX Global Hedge Funds, 3% Bloomberg Commodity Index, and 3% FTSE NAREIT All Equity REITS Total Return Index. Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.
As 2023 ended, US equities, as measured by the S&P 500 Index, are flirting with recovering their January 2022 high, erasing the bear market associated with the Federal Reserve’s post-COVID hiking cycle.

For the Nasdaq Composite and small-cap Russell 2000 indexes, respectively, 2021 all-time highs are approximately 6% and 16% away.

With gains paced almost entirely by expanding multiples, and valuation multiples again flirting with 22 times current earnings, investors will have to contend with how to value a market now presumed to be midcycle, having nailed the soft landing. The bar has been set high for what constitutes an upside surprise in 2024, potentially limiting percentage gains for equity markets to modest single digits.
US Stock and Bond Market Performance 2023

- 2/3rds of market performance delivered in Nov/Dec
- Optimism abounds over end of Fed cycle

+24% 2023 S&P 500

+16% From Oct 27th lows

+5.5% 2023 BC Agg
2023 Has Delivered Major Positive Surprises

- GDP came in stronger
- Real yield rose above inflation

**US GDP, Quarter Over Quarter**

<table>
<thead>
<tr>
<th>Nominal</th>
<th>Real</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.7%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Morgan Stanley Wealth Management GIC, Morgan Stanley Research as of Sept. 30, 2023

**Two-Year Real Yields (left axis)**

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of October 31, 2023

- US Nominal GDP, Year-Over-Year Change (right axis)

**U3 Unemployment Rate**

- Unemployment did not spike higher

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of November 30, 2023

**S&P 500 Index, Year Over Year EPS Growth**

- EPS declined, but less than feared

Source: Morgan Stanley & Co. Research, Refinitiv as of November 30, 2023
The S&P 500 Equal Weight Index rose from its 52-week low to 52-week high in the last month, as breadth improved materially. At the same time, small-caps have surged even faster in a show of rate relief.

Growth significantly outperformed Value, which remained largely unchanged until November. Similarly, Defensives treaded water, while Cyclicals pushed higher.
The seven largest companies by market cap weight (dubbed the "Magnificent Seven") have driven the S&P 500's performance in 2023, raising concerns of sustainability. Price-to-earnings multiples have spent most of the year between 30x and 35x for the group, while the S&P 500 overall remained at ~20x. That valuation gap (and higher betas for the top seven) suggest potential vulnerability if the growth story were to falter.

Despite an uptick in March amid the regional banking crisis, equity and bond volatilities have both dropped in 2023. Equity volatility moved significantly lower, reflecting investors’ collective welcome of a potential soft landing and a dovish pivot from the Fed.
The 2023 Bear Market Retracement Impressive Mostly for the “Magnificent 7”

<table>
<thead>
<tr>
<th>S&amp;P 500 Index</th>
<th>Nasdaq Composite Index</th>
<th>S&amp;P 500 Index, Equal-Weighted</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;Magnificent Seven&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YTD Change in Price Index</td>
<td>19.9%</td>
<td>37.6%</td>
</tr>
<tr>
<td>Change in Earnings, Trailing 12 Months</td>
<td>-2.4%</td>
<td>-5.2%</td>
</tr>
<tr>
<td>YTD Change in P/E Multiple</td>
<td>21.4%</td>
<td>29.9%</td>
</tr>
</tbody>
</table>


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Yielding Extreme Concentration and Risks for the Index

S&P 500 Index, Top 10 Share of Total Market Cap

35% 30% 25% 20% 15%

In Magnificent Seven Concentration Risks:
- Sector Risk
- Rate Risk
- Competitive Risk
- Factor Risk

Source: Morgan Stanley Wealth Management GIC, FactSet as of January 31, 2024

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The Skewing of 2023 Performance Is Historically Extreme

Russell 1000 Growth Index Relative to Russell 1000 Value Index

S&P 500 Equal-Weighted Index Relative to S&P 500 Market Cap-Weighted Index

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of December 8, 2023

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Throughout 2023 Market Liquidity Has Improved

Federal Reserve Balance Sheet (left axis)
Reverse Repo (right axis, inverted)

Federal Government Current Expenditures

Source: Morgan Stanley & Co. Research, Bloomberg as of December 6, 2023
Source: Morgan Stanley Wealth Management GIC, St. Louis Federal Reserve as of July 1, 2023.
The Inflation Threat Comes From Excess Liquidity

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of October 31, 2023. M2 is a measure of the money supply that includes all elements of M1 as well as "near money." M1 includes cash and checking deposits, while near money refers to savings deposits, money market securities, mutual funds and other time deposits.

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S&P 500 Historical P/E Ratio
S&P 500 Trailing Price/Earnings Ratio with Historical Median
January 31, 1965, to January 31, 2024

- Source: Bloomberg, Morgan Stanley Wealth Management
- Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean.
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Core CPI and the Federal Funds Rate

Look for Federal Funds Rate to Exceed Core CPI Inflation for the End to Tightening

As of December 31, 2023

Source: Haver Analytics, Morgan Stanley Wealth Management GIO

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Federal Funds Rate Expectations

FOMC and Market Expectations for the federal funds rate

As of January 31, 2024

Source: Bloomberg, Morgan Stanley Wealth Management GIO

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A Higher-For-Longer Fed Is Not Discounted in ERPs

Equity Risk Premium
S&P 500 Index  S&P 500 Info Tech Index
S&P 500 Equal-Weighted Index

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of January 12, 2024. Equity risk premium is the excess return that an individual stock or the overall stock market provides over a risk-free rate. The risk-free rate represents the interest an investor would expect from an absolutely risk-free investment over a specified period of time.

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Economy Is Less Interest-Rate Sensitive as Households and Corporations Locked in Lower Interest Rates

US Household Debt As a Percentage of Personal Income (left axis)  US Effective Rate of Interest on Mortgage Debt Outstanding (right axis)

S&P 500 Index, Total Debt to Total Assets (left axis)  Bloomberg US Corporate Investment Grade Index, Coupon (right axis)

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Source: Morgan Stanley Wealth Management GIC, Bloomberg as of September 30, 2023

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of November 30, 2023

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But Effective Rates Are Beginning to Rise; Refi Risk

US Personal Interest Payments as Share of Disposable Income

- 3.5%
- 3.0%
- 2.5%
- 2.0%
- 1.5%
- 1.0%


S&P 500 Index, Effective Interest Rate (left axis)

- 9%
- 8%
- 7%
- 6%
- 5%
- 4%
- 3%


Bloomberg BBB Corporate Index, Yield to Worst (right axis)

- 12%
- 10%
- 8%
- 6%
- 4%
- 2%
- 0%

Source: Morgan Stanley Wealth Management GIC, Bloomberg as of November 30, 2023

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Source: Morgan Stanley Wealth Management GIC, Bloomberg as of October 31, 2023
**Longer-Term Perspectives**

**Consumer Revolving Credit Outstanding vs. Personal Savings**

*As of January 31, 2024*

- Revolving credit card balances exceed the pre-pandemic peak.
- Savings has plummeted to its lowest level in 15 years.

Source: Bloomberg, Morgan Stanley Wealth Management Global Investment Office

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What Happens to Earnings and Multiples From Here?

### Bullish Consensus?

<table>
<thead>
<tr>
<th>S&amp;P 500 Index, Next Twelve Month EPS</th>
<th>$270</th>
<th>$260</th>
<th>$250</th>
<th>$240</th>
<th>$230</th>
<th>$220</th>
<th>$210</th>
<th>$200</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>4,320</td>
<td>4,160</td>
<td>4,000</td>
<td>3,840</td>
<td>3,680</td>
<td>3,520</td>
<td>3,360</td>
<td>3,200</td>
</tr>
<tr>
<td>17</td>
<td>4,590</td>
<td>4,420</td>
<td>4,250</td>
<td>4,080</td>
<td>3,910</td>
<td>3,740</td>
<td>3,570</td>
<td>3,400</td>
</tr>
<tr>
<td>18</td>
<td>4,860</td>
<td>4,680</td>
<td>4,500</td>
<td>4,320</td>
<td>4,140</td>
<td>3,960</td>
<td>3,780</td>
<td>3,600</td>
</tr>
<tr>
<td>19</td>
<td>5,130</td>
<td>4,940</td>
<td>4,750</td>
<td>4,560</td>
<td>4,370</td>
<td>4,180</td>
<td>3,990</td>
<td>3,800</td>
</tr>
<tr>
<td>20</td>
<td>5,400</td>
<td>5,200</td>
<td>5,000</td>
<td>4,800</td>
<td>4,600</td>
<td>4,400</td>
<td>4,200</td>
<td>4,000</td>
</tr>
<tr>
<td>21</td>
<td>5,670</td>
<td>5,460</td>
<td>5,250</td>
<td>5,040</td>
<td>4,830</td>
<td>4,620</td>
<td>4,410</td>
<td>4,200</td>
</tr>
<tr>
<td>22</td>
<td>5,940</td>
<td>5,720</td>
<td>5,500</td>
<td>5,300</td>
<td>5,060</td>
<td>4,840</td>
<td>4,620</td>
<td>4,400</td>
</tr>
<tr>
<td>23</td>
<td>6,210</td>
<td>5,980</td>
<td>5,750</td>
<td>5,520</td>
<td>5,290</td>
<td>5,060</td>
<td>4,830</td>
<td>4,600</td>
</tr>
<tr>
<td>24</td>
<td>6,480</td>
<td>6,240</td>
<td>6,000</td>
<td>5,760</td>
<td>5,520</td>
<td>5,280</td>
<td>5,040</td>
<td>4,800</td>
</tr>
<tr>
<td>25</td>
<td>6,750</td>
<td>6,500</td>
<td>6,250</td>
<td>6,000</td>
<td>5,750</td>
<td>5,500</td>
<td>5,250</td>
<td>5,000</td>
</tr>
</tbody>
</table>

**S&P500 Index, Next Twelve Month EPS**

**S&P 500 Index, 12-Month Forward Price/Earnings Ratio**

Source: Morgan Stanley Wealth Management GIC, Strategas as of December 13, 2023

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## 2024 Projections

**2023 Year End Close:**

<table>
<thead>
<tr>
<th></th>
<th>Level</th>
<th>EPS</th>
<th>Implied P/E</th>
<th>Issued Date</th>
<th>Implied Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>JPM</td>
<td>4200</td>
<td>225</td>
<td>18.67</td>
<td>11/29/2023</td>
<td>-11.9%</td>
</tr>
<tr>
<td>MS</td>
<td>4500</td>
<td>229</td>
<td>19.65</td>
<td>11/13/2023</td>
<td>-5.6%</td>
</tr>
<tr>
<td>UBS</td>
<td>4600</td>
<td>249</td>
<td>18.47</td>
<td>11/8/2023</td>
<td>-3.5%</td>
</tr>
<tr>
<td>Wells</td>
<td>4625</td>
<td>235</td>
<td>19.68</td>
<td>11/27/2023</td>
<td>-3.0%</td>
</tr>
<tr>
<td>GS</td>
<td>5100</td>
<td>237</td>
<td>21.52</td>
<td>12/17/2023</td>
<td><em>Raised from 4700</em></td>
</tr>
<tr>
<td>Soc Gen</td>
<td>4750</td>
<td>230</td>
<td>20.65</td>
<td>11/20/2023</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Barclays</td>
<td>4800</td>
<td>233</td>
<td>20.60</td>
<td>11/28/2023</td>
<td>0.7%</td>
</tr>
<tr>
<td>BofA</td>
<td>5000</td>
<td>235</td>
<td>21.28</td>
<td>11/21/2023</td>
<td>4.8%</td>
</tr>
<tr>
<td>RBC</td>
<td>5000</td>
<td>232</td>
<td>21.55</td>
<td>11/22/2023</td>
<td>4.8%</td>
</tr>
<tr>
<td>DB</td>
<td>5100</td>
<td>250</td>
<td>20.40</td>
<td>11/27/2023</td>
<td>6.9%</td>
</tr>
</tbody>
</table>
Performance
Long Term Portfolio

Fund Overview

Fund Assets Under Management
$79.64m

Annual Investment Management Costs*
0.29%

Description

The Long Term Portfolio’s objective is to maximize capital appreciation and income while maintaining purchasing power and maximizing excess investment returns over inflation.

About Performance

*The investment results depicted herein represent historical Net performance after the deduction of investment manager and portfolio implementation costs. Annual, cumulative and annualized total returns are calculated assuming reinvestment of dividends and income plus capital appreciation. Performance for periods greater than one year is annualized. The performance data presented has been prepared by the fund or its sponsor.

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Target Asset Allocation

Multi-Period Performance Analysis

Calendar Year Performance Analysis

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## Asset Class / Manager Benchmark

<table>
<thead>
<tr>
<th>Asset Class / Manager</th>
<th>Benchmark</th>
<th>Benchmark Allocation</th>
<th>Average Benchmark</th>
<th>Benchmark Index Return</th>
<th>Cap Asset Class Return</th>
<th>Benchmark Attribution Return</th>
<th>Asset Allocation Effect</th>
<th>Manager Selection Effect</th>
<th>Interaction Effect</th>
<th>Portfolio Attribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>MSCI ACWI</td>
<td>55.0%</td>
<td>50.0%</td>
<td>22.20%</td>
<td>20.63%</td>
<td>12.21%</td>
<td>-0.32%</td>
<td>-0.76%</td>
<td>0.17%</td>
<td>10.27%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>Bloomberg Barclays US Agg 1-3 Yr</td>
<td>45.0%</td>
<td>50.0%</td>
<td>5.53%</td>
<td>5.33%</td>
<td>2.49%</td>
<td>-0.33%</td>
<td>-0.01%</td>
<td>0.09%</td>
<td>2.62%</td>
</tr>
<tr>
<td>Cash</td>
<td>90-Day Treasury Bill</td>
<td>0.0%</td>
<td>0.0%</td>
<td>5.26%</td>
<td>0.45%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

### Attribution Totals

- 100.0% 100.0% 14.03% -0.64% -0.77% 0.26% 12.88%

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### Portfolio Positioning vs. Policy Benchmark

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Benchmark</th>
<th>Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Equities</td>
<td>51.6%</td>
<td>51.6%</td>
</tr>
<tr>
<td>US Large Cap</td>
<td>29.0%</td>
<td>29.0%</td>
</tr>
<tr>
<td>US SMID Cap</td>
<td>2.8%</td>
<td>2.8%</td>
</tr>
<tr>
<td>International</td>
<td>13.7%</td>
<td>13.7%</td>
</tr>
<tr>
<td>Emerging Market</td>
<td>6.1%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>48.4%</td>
<td>48.4%</td>
</tr>
<tr>
<td>Investment Grade FI</td>
<td>48.4%</td>
<td>48.4%</td>
</tr>
<tr>
<td>Non-US Fixed Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sub-Investment Grade FI</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tax Exempt Fixed Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Alternatives</td>
<td>10.0%</td>
<td>-</td>
</tr>
<tr>
<td>Real Assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Hedged Strategies</td>
<td>10.0%</td>
<td>-</td>
</tr>
<tr>
<td>Private Investments</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

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### Passive/Active Allocation

- Passive: 33%
- Active: 67%

- Total: 100%
Long Term Fund (Nonprofit Endowments)

Since Inception (01/01/2010) Risk / Return Analysis

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Return</th>
<th>Standard Deviation</th>
<th>Sharpe Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term Portfolio</td>
<td>6.58</td>
<td>9.29</td>
<td>0.64</td>
</tr>
<tr>
<td>50% MSCI ACWI/40% BC Agg/10% HFRX Global Hedge Fund</td>
<td>6.06</td>
<td>8.91</td>
<td>0.60</td>
</tr>
<tr>
<td>All Endowments &amp; Foundations &lt; $100MM Median</td>
<td>6.88</td>
<td>9.80</td>
<td>0.65</td>
</tr>
</tbody>
</table>
Rolling 5 Year Returns vs Peer Universe

Growth of $100 Since January 2010

Colorado Gives Foundation: Long-Term Portfolio  
December 31, 2023
# Colorado Gives Foundation ESG / Impact Objectives

## Portfolio Preferences

<table>
<thead>
<tr>
<th>PORTFOLIO INTEGRATION APPROACH</th>
<th>AVAILABLE INVESTMENT OPPORTUNITIES</th>
<th>APPROACHES TO INVESTING WITH IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Title Portfolio toward specific themes or objectives</td>
<td>• Public market investments (e.g., Public Equities, Income, Multi-Asset)</td>
<td>• Restriction Screening</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• ESG Integration</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Thematic Solutions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Shareholder engagement</td>
</tr>
</tbody>
</table>

## Impact Preferences

### IMPACT OBJECTIVES

**Improving Lives**
- Access to Education
- Access to Finance
- Access to Food & Nutrition
- Access to Healthcare
- Access to Information
- Affordable Housing

### CUSTOMIZED IMPACT OBJECTIVES

- Climate Solutions
- Environmental Practices
- Governance Practices
- Social Practices

### Portfolio Activation

- **92% Total**
Short Term Portfolio

Fund Overview

Fund Assets Under Management $11.61m
Annual Investment Management Costs* 0.21%

Description

The Short Term Portfolio's objective is to preserve capital, maintain purchasing power, and generate investment returns while carrying out the mission of the Foundation.

About Performance

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Past performance is not a guarantee of future results.

Target Asset Allocation

Multi-Period Performance Analysis

Calendar Year Performance Analysis

*Short-term benchmark consist of: 20% MSCI All Country World Index, 75% Bloomberg Barclays US Aggregate Index, and 5% 90-day Treasury Bill.
## Colorado Gives Foundation: Short-Term Fund

**YEAR ENDED DECEMBER 31, 2023**

### Asset Class / Manager Benchmark

<table>
<thead>
<tr>
<th>Asset Class / Manager</th>
<th>Benchmark</th>
<th>Benchmark Allocation</th>
<th>Average Allocation</th>
<th>Benchmark Index Return</th>
<th>Ulf Asset Class Return</th>
<th>Benchmark Attribution Return</th>
<th>Asset Allocation Effect</th>
<th>Manager Selection Effect</th>
<th>Interaction Effect</th>
<th>Portfolio Attribution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equities</strong></td>
<td>MSCI ACWI</td>
<td>20.0%</td>
<td>15.0%</td>
<td>22.10%</td>
<td>21.99%</td>
<td>4.44%</td>
<td>-0.63%</td>
<td>0.02%</td>
<td>0.07%</td>
<td>3.24%</td>
</tr>
<tr>
<td><strong>Fixed Income</strong></td>
<td>Bloomberg Barclays US Agg 1-3 Yr</td>
<td>75.0%</td>
<td>85.0%</td>
<td>5.53%</td>
<td>5.41%</td>
<td>4.15%</td>
<td>-0.20%</td>
<td>-0.03%</td>
<td>0.05%</td>
<td>4.54%</td>
</tr>
<tr>
<td><strong>Cash</strong></td>
<td>90-Day Treasury Bill</td>
<td>5.0%</td>
<td>0.0%</td>
<td>5.26%</td>
<td>1.69%</td>
<td>0.26%</td>
<td>0.22%</td>
<td>-0.11%</td>
<td>0.24%</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

### Attribution Totals

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>100.0%</th>
<th>100.0%</th>
<th>8.16%</th>
<th>-0.62%</th>
<th>-0.12%</th>
<th>0.36%</th>
<th>7.78%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fixed Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

### Portfolio Positioning vs. Policy Benchmark

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Benchmark</th>
<th>Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>5.0%</td>
<td>-</td>
</tr>
<tr>
<td>Equities</td>
<td>0.0%</td>
<td>1.1%</td>
</tr>
<tr>
<td>US Large Cap</td>
<td>12.2%</td>
<td>10.9%</td>
</tr>
<tr>
<td>US SMID Cap</td>
<td>0.3%</td>
<td>1.1%</td>
</tr>
<tr>
<td>International</td>
<td>5.3%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Emerging Market</td>
<td>2.1%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>75.0%</td>
<td>80.0%</td>
</tr>
<tr>
<td>Investment Grade FI</td>
<td>73.0%</td>
<td>77.9%</td>
</tr>
<tr>
<td>Non-US Fixed Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sub-Investment Grade FI</td>
<td>-</td>
<td>3.0%</td>
</tr>
<tr>
<td>Tax Exempt Fixed Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Alternatives</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Real Assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Hedged Strategies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Private Investments</td>
<td>-</td>
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</tbody>
</table>

### Active/Passive Allocation

<table>
<thead>
<tr>
<th></th>
<th>Passive</th>
<th>Active</th>
</tr>
</thead>
<tbody>
<tr>
<td>18%</td>
<td>82%</td>
<td>- 18%</td>
</tr>
</tbody>
</table>

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**Notes:**
- The above table summarizes the benchmark and average allocations for various asset classes, along with the interaction effect on the portfolio Attribution.
- The table also includes the portfolio's positioning against the policy benchmark, with active and passive allocations.

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**References:**
- Graystone Consulting
- Mars Asset Management

**Image Data:**
- The document contains visual charts and graphs illustrating the portfolio's performance and allocation strategies.
Since Inception (01/01/2010) Risk / Return Analysis

<table>
<thead>
<tr>
<th>Return (%)</th>
<th>Risk (Standard Deviation %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>20% MSCI ACWI / 75% BC Agg / 5% T-Bill</td>
</tr>
<tr>
<td>8</td>
<td>20% MSCI ACWI / 75% BC Agg / 5% T-Bill</td>
</tr>
<tr>
<td>-10</td>
<td>20% MSCI ACWI / 75% BC Agg / 5% T-Bill</td>
</tr>
<tr>
<td>5</td>
<td>20% MSCI ACWI / 75% BC Agg / 5% T-Bill</td>
</tr>
<tr>
<td>-7</td>
<td>20% MSCI ACWI / 75% BC Agg / 5% T-Bill</td>
</tr>
<tr>
<td>2</td>
<td>20% MSCI ACWI / 75% BC Agg / 5% T-Bill</td>
</tr>
<tr>
<td>-4</td>
<td>20% MSCI ACWI / 75% BC Agg / 5% T-Bill</td>
</tr>
<tr>
<td>-10</td>
<td>20% MSCI ACWI / 75% BC Agg / 5% T-Bill</td>
</tr>
</tbody>
</table>

Short-Term Portfolio

<table>
<thead>
<tr>
<th>Return</th>
<th>Standard Deviation</th>
<th>Sharpe Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.35</td>
<td>4.12</td>
<td>0.83</td>
</tr>
<tr>
<td>2.93</td>
<td>3.32</td>
<td>0.61</td>
</tr>
</tbody>
</table>

Colorado Gives Foundation: Short-Term Portfolio December 31, 2023

Short-Term Portfolio

20% MSCI ACWI / 75% BC Agg / 5% T-Bill
Rolling 5 Year Returns vs Benchmark

Growth of $100 Since January 2010

Colorado Gives Foundation: Short-Term Portfolio December 31, 2023
Long Term Portfolio – Decisions Review

Over the previous 4 years MS Graystone as OCIO to the Foundation dynamically adjusts both portfolio asset allocation and manager selection in attempt to improve return outcomes and minimize investment risk within the context of CFF’s investment policy.
Outlook and Positioning

EQUITIES

US Equity
- Uncertainty remains that forward earnings estimates are accurately discounting the most recent developments of a strong US dollar, rising oil prices, maturing US fiscal stimulus and an increasingly tapped-out US consumer.
- Additionally, we expect that Fed actions in 2024 may result in a "higher-for-longer" rate scenario. Our preference is for defensive and secular-growth equities with quality balance sheets.
- Seek to utilize market weakness to close remaining underweight positioning.
- Watching for a broadening out of performance away from the magnificent 7 as an indicator to add to equity.

International Developed
- The mix of high and sticky inflation, existential risks associated with Russia/Ukraine and the European Central Bank's position that it has limited tools to help suggest that the odds of recession are over 50%.

Emerging Markets
- Recent softness in China, including macro uncertainty and deflationary pressures, along with growing opacity around policy direction, have caused concern for the country's growth path.

FIXED INCOME
- Attractive risk reward compared to other asset classes, as monetary easing drives yields down from decade highs and credit spreads remain cheap.
- Preference for high-quality Fixed Income, Investment Grade>Mortgage-Backed Securities>Leveraged Loans>High Yield.
- A soft landing for the economy, peak in policy rates, attractive all-in yields and progress on managing near-term maturities make the case for credit to remain resilient.

Source: Bloomberg, FactSet, Morgan Stanley & Co., Morgan Stanley Wealth Management (GIC). The Yield Book® Software and Services. © 2021 FTSE Index LLC. All rights reserved.

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Connecting for good.
Two stories of inspiration.
San Luis Valley Local Foods Coalition

SAN LUIS VALLEY LOCAL FOODS COALITION

Fostering an equitable local food system that restores the health of the people, community, economy and ecosystem.
How We Support Our Endowment Partners

- Internal Coaching and Consulting Resources
- Fund Options and Value-Aligned Investing
- Continued Educational Opportunities and Events
- Three Grants to Help Start or Grow Endowed Funds
# Building Futures Together
with Endowment Grants

<table>
<thead>
<tr>
<th>Start a New Endowment</th>
<th>Grow Your Endowment</th>
<th>Amplify Your Endowment or Start Another</th>
</tr>
</thead>
<tbody>
<tr>
<td>For new endowment partners.</td>
<td>For existing endowment partners.</td>
<td>For existing endowment partners.</td>
</tr>
<tr>
<td>• Minimum to open fund is $50,000.</td>
<td>• For funds with a balance less than $100,000.</td>
<td>• Designed to support endowment building initiatives or comprehensive campaigns.</td>
</tr>
<tr>
<td>• One-time, 10% match up to $250,000.</td>
<td>• Minimum contribution for match is $10,000.</td>
<td>• For funds with a balance over $100,000.</td>
</tr>
<tr>
<td></td>
<td>• 10% match is up to $100,000 per year.</td>
<td>• Minimum contribution for match is $50,000.</td>
</tr>
<tr>
<td></td>
<td>• Application required.</td>
<td>• 10% match is up to $100,000 per year.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Application required.</td>
</tr>
</tbody>
</table>
Connect with Tim Zeckser
Nonprofit Endowment Manager
Thank you!
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For index, indicator and survey definitions referenced in this report please visit the following: https://www.morganstanley.com/wealth-investmentsolutions/wiseo-defined-terms

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- 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.

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.

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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

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DISCLOSURES
Treasures 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 one issued, shares of closed-end funds may not be bought or sold on a secondary market 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 fluctuations than those that diversify among a broad range of sectors.

Structured Investments are complex and not appropriate for all investors. An investment in Structured Investments involves 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 are often 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 which 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 or 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.

DISCLOSURES
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 loadups. They involve complex tax structures, tax-inferior 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 is 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 trafficking, 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 off 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.

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.

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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 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/id) 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 benefits, 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 higher 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 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-relationshipswithsdfs/id/understandyourrelationship.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 have from time to time 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 withdrawal, 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 are not indicative of future results. Models may contain allocations to Hedge Funds, Private Equity and Private Real Estate. The benchmark indices for these asset classes are not updated 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. A client may use these models in connection with investing, any investment decisions made would be subject to transaction and other costs which, when combined 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 illustrationates 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 201.1% 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 may be subject to specific limitations, restrictions, holding periods, costs, and expenses as specified by the issuing 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 59 1/2, 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,

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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 $1,000 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 $1,000 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 – 92 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 stockholdings 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.

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