TSBA OPEB Trustee Meeting
Franklin Marriott Cool Springs
February 17, 2026

AGENDA

Call to Order 12:55 p.m.	Wright Cox, Chairman
Approval of Agenda 12:55 p.m.	
Approval of the November 15, 2025 Minutes 12:55 p.m.	
Approval of the 6-month Financial Statements (December 31, 2025) 12:55 p.m.	
Report of Activities and Fiscal Condition of the Trust 12:55 p.m.	
Review Investment Policy 12:55 p.m.	
Investment Report 12:55 p.m.	Chris Sigmund, Morgan Stanley
Public Comment 12:55 p.m.	
Other Business 12:55 p.m.	
Adjourn 12:55 p.m.	

TSBA
TENNESSEE SCHOOL BOARDS ASSOCIATION

OPEB Trustee Meeting

Agenda and Supporting Documents

Franklin Marriott Cool Springs
Clydesdale Room
Tuesday, February 17, 2026
7:15 a.m. – 7:50 a.m.

OPEB Trustee Meeting
Franklin Marriott Cool Springs
Clydesdale Room
Tuesday, February 17, 2026

AGENDA

7:15 a.m.	Call to Order	Tim Hobbs, Vice Chairman
7:16 a.m.	Approval of Agenda	
7:17 a.m.	Approval of November 15, 2025 Minutes	
7:18 a.m.	Approval of 6-month Financial Statements (December 31, 2025)	Dr. Tammy Ganger, Trust Administrator
7:19 a.m.	Report of Activities and Fiscal Condition of the Trust	
7:20 a.m.	Review Investment Policy	
7:23 a.m.	Investment Report	Chris Sigmund, Morgan Stanley
7:40 a.m.	Public Comment	
7:48 a.m.	Other Business	
7:50 a.m.	Adjourn	

Tennessee School Boards Association
OPEB Trust Meeting
Gaylord Opryland Resort and Convention Center
Magnolia Mezzanine 1
November 15, 2025

The TSBA OPEB Trustees met on Saturday, November 15, 2025. The following members were present: **Wright Cox**, Trust Chairman, Collierville; **Chris Denson**, Millington; **David Cook**, Bartlett; **Michelle McKissack,** Memphis-Shelby County**; Jayson McDonald**, White County; and **Dr. Tammy Ganger**, Trust Administrator. TSBA staff member present was **Macie Campidilli**. The following were also in attendance: **David Stephens**, Bartlett; **Natalie McKinney**, Memphis-Shelby County; **Chris Sigmund** with Morgan Stanley; and **Erica Saeger** with Crosslin.

Wright Cox called the meeting to order at 7:18 a.m. and welcomed everyone.

COOK/DENSON: Motion to approve the agenda. MOTION CARRIED.

DENSON/COOK: Motion to approve February 11, 2025 Minutes. MOTION CARRIED.

MCKISSACK/COOK: Motion to accept the 3-month Financial Statements (September 30, 2025). MOTION CARRIED.

Dr. Tammy Ganger, the Trust Administrator, reported on the activities and fiscal condition of the Trust. She noted that no new members have joined the OPEB Trust, and no system has withdrawn funds from the OPEB Trust. Dr. Ganger suggested that staff could reach out again to various education groups to explain the OPEB Trust and potentially recruit new members. David Stephens, Bartlett Superintendent, said he would reach out to TOSS.

Macie Campidilli, TSBA Staff Attorney, reviewed the proposed changes to the OPEB Trust Bylaws. There was no discussion.

DENSON/COOK: Motion to approve proposed changes to the OPEB Trust Bylaws. MOTION CARRIED.

Erica Saeger with Crosslin reviewed the June 30, 2025 OPEB Trust Audit. There was no discussion or questions.

COOK/MCKISSACK: Motion to approve the June 30, 2025 OPEB Trust Audit. MOTION CARRIED.

Chris Sigmund with Morgan Stanley reported on the financial stability of the OPEB Trust and the performance of the Trust's investments in the current economy. He stated that the Trust is performing within the fiduciary guidelines as set forth by the investment policy. He went into detail as to the current trend of the market as well as how inflation and international trade have affected valuations.

COOK/DENSON: Motion to elect Wright Cox as Chairman. MOTION CARRIED.

COOK/DENSON: Motion to elect Tim Hobbs as Vice-Chairman. MOTION CARRIED.
There were no individuals present who wished to speak during the public comment portion of the meeting.

The meeting adjourned at 7:47 a.m.

Respectfully submitted,

Wright Cox, Chairman	**Dr. Tammy Ganger, OPEB Trust Administrator**

TSBA OPEB Trust
Balance Sheet
As of December 31, 2025

	Dec 31, 25
ASSETS	
Current Assets	
Checking/Savings	
1000-00 · Suntrust Operating Account	5,697.74
Total Checking/Savings	5,697.74
Other Current Assets	
1300-00 · Investments	
1300-10 · Hickman County Investments	3,480,617.01
1300-20 · Johnson County Investments	1,783,422.32
1300-30 · Shelby County Investments	175,522,310.27
1300-50 · Jackson-Madison Investments	632,587.06
1300-60 · Arlington Investments	6,198,468.98
1300-70 · Bartlett Investments	10,440,087.87
1300-80 · Collierville Investments	3,745,310.67
1300-90 · Lakeland Investments	4,114,443.55
1300-95 · Millington Investments	480,441.89
Total 1300-00 · Investments	206,397,689.62
Total Other Current Assets	206,397,689.62
Total Current Assets	206,403,387.36
TOTAL ASSETS	**206,403,387.36**
LIABILITIES & EQUITY	
Equity	
3200-00 · Unrestricted Net Assets	194,410,343.54
3200-50 · Unrestricted Net Assets - Audit	109,327.00
Net Income	11,883,716.82
Total Equity	206,403,387.36
TOTAL LIABILITIES & EQUITY	**206,403,387.36**

TSBA OPEB Trust
Profit & Loss
July through December 2025

	Jul - Dec 25
Income	
4400-00 · Unrealized Gain/Loss	
4400-10 · Unrealized Gain/Loss - Hickman	75,255.78
4400-20 · Unrealized Gain/Loss - Johnson	38,565.27
4400-30 · Unrealized Gain/Loss - Shelby	3,825,704.54
4400-50 · Unrealized Gain/Loss - JMadison	13,723.46
4400-60 · Unrealized Gain/Loss - Arlingto	135,855.59
4400-70 · Unrealized Gain/Loss - Bartlett	233,063.45
4400-80 · Unrealized Gain/Loss - Collierv	82,268.07
4400-90 · Unrealized Gain/Loss - Lakeland	90,547.38
4400-91 · Unrealized Gain/Loss - Millingt	10,470.35
Total 4400-00 · Unrealized Gain/Loss	4,505,453.89
4500-00 · Interest, Dividends&Capital Gn	
4500-10 · Interest, Div., & CG - Hickman	129,552.12
4500-20 · Interest, Div., & CG - Johnson	66,391.81
4500-30 · Interest, Div., & CG - Shelby	6,519,741.04
4500-50 · Interest, Div., & CG - JMadison	23,550.10
4500-60 · Interest, Div., & CG - Arlingto	230,871.48
4500-70 · Interest, Div., & CG - Bartlett	387,119.57
4500-80 · Interest, Div., & CG - Collierv	139,553.94
4500-90 · Interest, Div., & CG - Lakeland	153,341.11
4500-91 · Interest, Div., & CG - Millingt	17,883.12
Total 4500-00 · Interest, Dividends&Capital Gn	7,668,004.29
4800-00 · Interest Income	15.74
Total Income	12,173,473.92
Expense	
6400-00 · Administrative Fee	
6400-10 · Administrative Fee - Hickman	4,184.09
6400-20 · Administrative Fee - Johnson	2,143.85
6400-30 · Administrative Fee - Shelby	85,922.14
6400-50 · Administrative Fee -J. Madison	760.39
6400-60 · Administrative Fee - Arlington	7,449.65
6400-70 · Administrative Fee - Bartlett	12,545.31
6400-80 · Administrative Fee - Colliervil	4,501.15
6400-90 · Administrative Fee - Lakeland	4,944.61
6400-91 · Administrative Fee - Millington	577.48
Total 6400-00 · Administrative Fee	123,028.67
6500-00 · Investment Advisor Fees	
6500-10 · Investment Advisor Fees - Hickm	2,785.63
6500-20 · Investment Advisor Fees - Johns	1,429.31
6500-30 · Investment Advisor Fees - Shelb	141,664.09
6500-50 · Investment Advisor Fees - JMadi	508.42
6500-60 · Investment Advisor Fees - Arlin	5,021.91
6500-70 · Investment Advisor Fees - Bartl	8,551.37
6500-80 · Investment Advisor Fees - Colli	3,036.77
6500-90 · Investment Advisor Fees - Lakel	3,344.27
6500-91 · Investment Advisor Fees - Milli	386.66
Total 6500-00 · Investment Advisor Fees	166,728.43
Total Expense	289,757.10
Net Income	**11,883,716.82**

TSBA OPEB Trust

Descriptor Term:	Descriptor Code:	Revised:
Investment	**3060**	**10/21/20**
	Rescinds: **3060**	Previous Issued: **02/12/18**

OBJECTIVES AND PERFORMANCE GOALS

The Trust's overall investment objective is to achieve a favorable total rate of return consistent with prudent financial management. The goal is to meet stated financial needs of the Trust while maintaining or increasing the real inflation adjusted value of the permanent funds for which the Trust has been entrusted.

The performance of the Trust's financial assets and its investment managers will be monitored on a quarterly basis. Portfolio asset allocation shall be reviewed at least annually. Individual managers will be expected to exceed the performance of relevant market index benchmarks over full market cycles. Risk-adjusted performance will also be measured against a peer group of similar managers and evaluated over three (3) and five (5) year annualized time periods.

BOARD OF TRUSTEES

The Board of Trustees is responsible for overseeing the investments assets of the Trust and for discharging its duties solely in the best interest of the Trust. These duties shall be discharged with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. In addition, the Board of Trustees will conduct a thorough review of any person or entity providing investment services to the Trust to avoid any potential conflict of interest situations.

FINANCE COMMITTEE

The Board of Trustees will act as the Finance Committee. The duties of the Finance Committee include, but are not limited to, the following:

1. Evaluating and selecting an investment consultant;

2. Developing investment objectives and performance measurement standards which are consistent with the financial needs of the Trust and individual funds;

3. Periodically reviewing the policy guidelines, and if needed, making changes after consideration of the advice and recommendations of the investment consultant and others;

4. Determining an asset allocation strategy and investment management structure designed to meet the Trust's investment objectives;

5. Evaluating and selecting investment managers;

6. Communicating investment objectives, portfolio guidelines, and performance standards to the investment managers;

7. Holding biannual meetings for the review of performance reports and financial statements and informational conference calls as needed;

8. Deploying existing assets and newly contributed funds to the investment managers;

9. Reviewing and evaluating investment results in the context of predetermined performance standards;

10. Ensuring that investment managers are in compliance with all portfolio guidelines and restrictions and that undo risk is not being undertaken to achieve objectives;

11. Taking necessary corrective action when investment managers fail to achieve expected results; and

12. Engage in RFP process for all contracted services every three (3) years.

CUSTODIAN

Subject to approval by the Board of Trustees, the Finance Committee is authorized to hire a custodian to safekeep the Trust's assets. The duties of the custodian include, but are not limited to, the following:

1. Providing all normal custodial functions including security safekeeping, collection of income, settlement of trades, collection of proceeds of maturing securities, distribution of income, and daily investment of uninvested cash;

2. Providing reports detailing investment holdings and account transitions monthly and

an annual report summarizing the following to be submitted to the Finance Committee within forty-five (45) days following each fiscal year end;

a. The reports will include the following:

1. Statement of all assets on hand;
2. Statement of all assets received representing contributions to the account; and
3. Statement of all sales, redemptions, maturities, and principal payments;

3. Establishing and maintaining directed account relationships with each investment manager; and

4. Preparing accounting reports as requested.

INVESTMENT MANAGEMENT

The Board of Trustees is authorized to engage the services of investment managers, as defined under the Investment Advisors Act of 1940, and other investment professionals to provide the specialized management necessary to meet the Trust's investment objectives and guidelines. Accordingly, the Board of Trustees requires the investment managers to adhere to the "prudent man rule" under such state laws[1] as may be applicable or which may be applicable in the future of the investment of Trust assets.

DELEGATION OF AUTHORITY

Investment managers retained by the Board of Trustees will be held responsible for making all investment decisions regarding the assets under their direction. Each investment manager will be provided with a copy of these investment policy objectives and guidelines. In addition, each manager will be provided with any additional specific goals and objectives that are applicable to the particular managed account that the manager is responsible for. Managers will be required to observe and operate within all guidelines specified by the Trust.

CAPITAL REQUIREMENTS

The Board of Trustees is directed to maintain an Operating Reserve balance which may be custodied in one or more accounts and must maintain a balance that is appropriate to meet the annual distribution needs of the Trust. Such funds may only be invested in insured money market instruments or in investments whose principal is guaranteed by the full faith and credit of the

United States Government or one of its agencies. Irrespective of the type of investment selected, funds may not be invested in any security with a maturity greater than one (1) year. The Board of Trustees is permitted to maintain all Trust funds in Operating Reserve investments until the Trust fund balance reaches a level where it is both economically prudent and fiscally appropriate to invest funds.

The Board of Trustees may establish an account or accounts whose balances are restricted to a particular use or program. Such accounts may be invested according to the guidelines established in this policy or restricted to more conservative allocations pursuant to the timing of the need for the funds. Restricted fund balances may be expended at the direction of the Board of Trustees so long as such direction is not in conflict with agreements or restrictions attached to the receipt of such funds.

All remaining funds owned or controlled by the Board of Trustees shall be considered Capital Reserves. At the end of each operating year, any and all reserves held in accounts designed as Operating Reserves which are in excess of the required balance for the upcoming operating year shall be reallocated to the Capital Reserves account or accounts. All funds held in Capital Reserve accounts shall be invested pursuant to the guidelines established in this policy.

INVESTMENT GUIDELINES

The Trust's investment policy objectives and guidelines will be reviewed and revised as needed from time to time by the Finance Committee. In conducting the review, the committee will consider applicable advice and recommendations of the Trust's attorneys, accountants, investment managers, consultants, or other professionals retained to render advice to the Trust. All modifications shall be in writing and shall be approved by the Board of Trustees.

ASSET ALLOCATION

The Trust's investment philosophy is that assets should be allocated with the goal of producing the highest total return consistent with prudent financial management. Unless otherwise specified by individual fund objectives, this philosophy should be adhered to within the constraints of the following asset allocation ranges:

	Maximum allocation	Minimum allocation
Equity Investments	70%	35%
Fixed Income Investments	65%	20%
Cash & Equivalents	35%	0%

Alternative Investments – 40 Act Funds	15%	0%
Hedging Strategies		
Commodities ETF's		
Managed Futures Funds		

In cases where individual fund objectives require an exception to the above asset allocation ranges, written statements detailing the reasoning for each specific fund will be provided as supplements to this Investment Policy.

From time to time, the Finance Committee will determine specific asset allocation targets that it feels are best suited for accomplishing the above total return objective. These specific asset allocation targets will be communicated to individual investment managers in writing, and within a reasonable time frame, managers are expected to reallocate assets in order to comply with the target ranges established by the Committee. In the absence of specific asset allocation targets from the Trust, individual managers will have the direct responsibility for settling and maintaining an asset mix that they feel will best accomplish the Trust's total return objective. At all times and in all cases, the above maximum and minimum limits or specific individual fund maximum and minimum limits, where applicable, are to be adhered to.

PROXY VOTING

The Board of Trustees recognize that proxy voting is a fiduciary responsibility and require that proxies be voted based on those factors which would enhance the value of the Trust's investments. The Board of Trustees delegates their authority to vote proxies to the investment managers employed by the Trust and instruct the managers to maintain accurate voting records and to vote proxies for the exclusive benefit of the Trust.

TYPES OF ASSETS

In order to provide for adequate investment diversification across a broad range of assets, the following types of assets are approved for investment:

- U.S. Common Stock
- Non U.S. Common Stock
- U.S. Preferred Stock
- Non U.S. Preferred Stock
- U.S. Government and Agency Securities
- Non U.S. Government and Agency Securities
- Corporate Bonds with a minimum BAA rating or the equivalent Municipal Debt

Convertible Securities
Commercial Paper
Money Market Funds
Mutual Funds (open and closed-end)
Exchange Traded Funds
Passive Index Funds
Commodities Exchange Traded Funds
1940 Act Alternative Funds – Hedging Strategies
1940 Act Managed Futures Funds
Certificate of Deposits

Additional Criteria

All fixed income and preferred stock issues shall be investment grade and dollar denominated. Mutual fund investment shall have investment objectives, rules, and regulations that are consistent with the Trust's Investment Policy. All assets selected for the Trust shall have a readily ascertainable market value and be readily marketable.

Prohibited Investments

Investment managers are prohibited from using the following assets and/or transactions:

Uncovered Options – Puts or Calls
Short Selling
Restricted Stock
Other Derivative Securities not specifically approved above

CASH & CASH EQUIVALENTS

All cash, wherever and whenever possible, should be invested in interest bearing instruments. These investments should have stable pricing and instant liquidity.

INVESTMENT MARKETS – EQUITY SECURITIES

In order to broaden the investment opportunities for the investment manager(s) to achieve specific objectives, the managers are permitted to invest in equity securities listed on the New York Stock Exchange, the American Stock Exchange, principal regional exchanges, and in over-the-counter securities for which there is a strong market providing ready liquidity of the specific security.

The Board of Trustees believes it is necessary and desirable that equity securities held by the Trust represent a diversified portfolio. In this regard, the Finance Committee and Investment Consultant will select and continue to monitor equity investment managers that have diversification and risk management strategies that are consistent with this focus.

INVESTMENT MARKETS – FIXED INCOME SECURITIES

In order to broaden the investment opportunities for the investment manager(s) to achieve specific objectives, the managers are permitted to invest in fixed income issues offered in both primary and secondary markets. Fixed income securities may include bonds, notes, and pass-through securities issued or guaranteed by the U.S. Government or its agencies, corporate bonds, notes, debentures, or asset-backed securities. Should the rating on a debt or preferred stock security purchased subsequently fall below the minimum BAA (or equivalent) rating, a sale of the issue shall be required except as warranted by investment considerations.

The Board of Trustees believes it is necessary and desirable that fixed income securities held by the Trust represent a diversified portfolio. In this regard, the Finance Committee and Investment Consultant will select and continue to monitor fixed income investment managers that have diversification and risk management strategies that are consistent with this focus.

Legal References

1. TCA 35-14-101 *et seq.*

OPEB Trustee Meeting
Franklin Marriott Cool Springs
Clydesdale Room
Tuesday, February 17, 2026

AGENDA

7:15 a.m.	Call to Order	Tim Hobbs, Vice Chairman
7:16 a.m.	Approval of Agenda	
7:17 a.m.	Approval of November 15, 2025 Minutes	
7:18 a.m.	Approval of 6-month Financial Statements (December 31, 2025)	Dr. Tammy Ganger, Trust Administrator
7:19 a.m.	Report of Activities and Fiscal Condition of the Trust	
7:20 a.m.	Review Investment Policy	
7:23 a.m.	Investment Report	Chris Sigmund, Morgan Stanley
7:40 a.m.	Public Comment	
7:48 a.m.	Other Business	
7:50 a.m.	Adjourn	

Tennessee School Boards Association
OPEB Trust Meeting
Gaylord Opryland Resort and Convention Center
Magnolia Mezzanine 1
November 15, 2025

The TSBA OPEB Trustees met on Saturday, November 15, 2025. The following members were present: **Wright Cox**, Trust Chairman, Collierville; **Chris Denson**, Millington; **David Cook**, Bartlett; **Michelle McKissack,** Memphis-Shelby County**; Jayson McDonald**, White County; and **Dr. Tammy Ganger**, Trust Administrator. TSBA staff member present was **Macie Campidilli**. The following were also in attendance: **David Stephens**, Bartlett; **Natalie McKinney**, Memphis-Shelby County; **Chris Sigmund** with Morgan Stanley; and **Erica Saeger** with Crosslin.

Wright Cox called the meeting to order at 7:18 a.m. and welcomed everyone.

COOK/DENSON: Motion to approve the agenda. MOTION CARRIED.

DENSON/COOK: Motion to approve February 11, 2025 Minutes. MOTION CARRIED.

MCKISSACK/COOK: Motion to accept the 3-month Financial Statements (September 30, 2025). MOTION CARRIED.

Dr. Tammy Ganger, the Trust Administrator, reported on the activities and fiscal condition of the Trust. She noted that no new members have joined the OPEB Trust, and no system has withdrawn funds from the OPEB Trust. Dr. Ganger suggested that staff could reach out again to various education groups to explain the OPEB Trust and potentially recruit new members. David Stephens, Bartlett Superintendent, said he would reach out to TOSS.

Macie Campidilli, TSBA Staff Attorney, reviewed the proposed changes to the OPEB Trust Bylaws. There was no discussion.

DENSON/COOK: Motion to approve proposed changes to the OPEB Trust Bylaws. MOTION CARRIED.

Erica Saeger with Crosslin reviewed the June 30, 2025 OPEB Trust Audit. There was no discussion or questions.

COOK/MCKISSACK: Motion to approve the June 30, 2025 OPEB Trust Audit. MOTION CARRIED.

Chris Sigmund with Morgan Stanley reported on the financial stability of the OPEB Trust and the performance of the Trust's investments in the current economy. He stated that the Trust is performing within the fiduciary guidelines as set forth by the investment policy. He went into detail as to the current trend of the market as well as how inflation and international trade have affected valuations.

COOK/DENSON: Motion to elect Wright Cox as Chairman. MOTION CARRIED.

COOK/DENSON: Motion to elect Tim Hobbs as Vice-Chairman. MOTION CARRIED.
There were no individuals present who wished to speak during the public comment portion of the meeting.

The meeting adjourned at 7:47 a.m.

Respectfully submitted,

Wright Cox, Chairman	**Dr. Tammy Ganger, OPEB Trust Administrator**

TSBA OPEB Trust
Balance Sheet
As of December 31, 2025

	Dec 31, 25
ASSETS	
Current Assets	
Checking/Savings	
1000-00 · Suntrust Operating Account	5,697.74
Total Checking/Savings	5,697.74
Other Current Assets	
1300-00 · Investments	
1300-10 · Hickman County Investments	3,480,617.01
1300-20 · Johnson County Investments	1,783,422.32
1300-30 · Shelby County Investments	175,522,310.27
1300-50 · Jackson-Madison Investments	632,587.06
1300-60 · Arlington Investments	6,198,468.98
1300-70 · Bartlett Investments	10,440,087.87
1300-80 · Collierville Investments	3,745,310.67
1300-90 · Lakeland Investments	4,114,443.55
1300-95 · Millington Investments	480,441.89
Total 1300-00 · Investments	206,397,689.62
Total Other Current Assets	206,397,689.62
Total Current Assets	206,403,387.36
TOTAL ASSETS	**206,403,387.36**
LIABILITIES & EQUITY	
Equity	
3200-00 · Unrestricted Net Assets	194,410,343.54
3200-50 · Unrestricted Net Assets - Audit	109,327.00
Net Income	11,883,716.82
Total Equity	206,403,387.36
TOTAL LIABILITIES & EQUITY	**206,403,387.36**

TSBA OPEB Trust
Profit & Loss
July through December 2025

	Jul - Dec 25
Income	
4400-00 · Unrealized Gain/Loss	
4400-10 · Unrealized Gain/Loss - Hickman	75,255.78
4400-20 · Unrealized Gain/Loss - Johnson	38,565.27
4400-30 · Unrealized Gain/Loss - Shelby	3,825,704.54
4400-50 · Unrealized Gain/Loss - JMadison	13,723.46
4400-60 · Unrealized Gain/Loss - Arlingto	135,855.59
4400-70 · Unrealized Gain/Loss - Bartlett	233,063.45
4400-80 · Unrealized Gain/Loss - Collierv	82,268.07
4400-90 · Unrealized Gain/Loss - Lakeland	90,547.38
4400-91 · Unrealized Gain/Loss - Millingt	10,470.35
Total 4400-00 · Unrealized Gain/Loss	4,505,453.89
4500-00 · Interest, Dividends&Capital Gn	
4500-10 · Interest, Div., & CG - Hickman	129,552.12
4500-20 · Interest, Div., & CG - Johnson	66,391.81
4500-30 · Interest, Div., & CG - Shelby	6,519,741.04
4500-50 · Interest, Div., & CG - JMadison	23,550.10
4500-60 · Interest, Div., & CG - Arlingto	230,871.48
4500-70 · Interest, Div., & CG - Bartlett	387,119.57
4500-80 · Interest, Div., & CG - Collierv	139,553.94
4500-90 · Interest, Div., & CG - Lakeland	153,341.11
4500-91 · Interest, Div., & CG - Millingt	17,883.12
Total 4500-00 · Interest, Dividends&Capital Gn	7,668,004.29
4800-00 · Interest Income	15.74
Total Income	12,173,473.92
Expense	
6400-00 · Administrative Fee	
6400-10 · Administrative Fee - Hickman	4,184.09
6400-20 · Administrative Fee - Johnson	2,143.85
6400-30 · Administrative Fee - Shelby	85,922.14
6400-50 · Administrative Fee -J. Madison	760.39
6400-60 · Administrative Fee - Arlington	7,449.65
6400-70 · Administrative Fee - Bartlett	12,545.31
6400-80 · Administrative Fee - Colliervil	4,501.15
6400-90 · Administrative Fee - Lakeland	4,944.61
6400-91 · Administrative Fee - Millington	577.48
Total 6400-00 · Administrative Fee	123,028.67
6500-00 · Investment Advisor Fees	
6500-10 · Investment Advisor Fees - Hickm	2,785.63
6500-20 · Investment Advisor Fees - Johns	1,429.31
6500-30 · Investment Advisor Fees - Shelb	141,664.09
6500-50 · Investment Advisor Fees - JMadi	508.42
6500-60 · Investment Advisor Fees - Arlin	5,021.91
6500-70 · Investment Advisor Fees - Bartl	8,551.37
6500-80 · Investment Advisor Fees - Colli	3,036.77
6500-90 · Investment Advisor Fees - Lakel	3,344.27
6500-91 · Investment Advisor Fees - Milli	386.66
Total 6500-00 · Investment Advisor Fees	166,728.43
Total Expense	289,757.10
Net Income	**11,883,716.82**

TSBA OPEB Trust

Descriptor Term:	Descriptor Code:	Revised:
Investment	**3060**	**10/21/20**
	Rescinds: **3060**	Previous Issued: **02/12/18**

OBJECTIVES AND PERFORMANCE GOALS

The Trust's overall investment objective is to achieve a favorable total rate of return consistent with prudent financial management. The goal is to meet stated financial needs of the Trust while maintaining or increasing the real inflation adjusted value of the permanent funds for which the Trust has been entrusted.

The performance of the Trust's financial assets and its investment managers will be monitored on a quarterly basis. Portfolio asset allocation shall be reviewed at least annually. Individual managers will be expected to exceed the performance of relevant market index benchmarks over full market cycles. Risk-adjusted performance will also be measured against a peer group of similar managers and evaluated over three (3) and five (5) year annualized time periods.

BOARD OF TRUSTEES

The Board of Trustees is responsible for overseeing the investments assets of the Trust and for discharging its duties solely in the best interest of the Trust. These duties shall be discharged with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. In addition, the Board of Trustees will conduct a thorough review of any person or entity providing investment services to the Trust to avoid any potential conflict of interest situations.

FINANCE COMMITTEE

The Board of Trustees will act as the Finance Committee. The duties of the Finance Committee include, but are not limited to, the following:

1. Evaluating and selecting an investment consultant;

2. Developing investment objectives and performance measurement standards which are consistent with the financial needs of the Trust and individual funds;

3. Periodically reviewing the policy guidelines, and if needed, making changes after consideration of the advice and recommendations of the investment consultant and others;

4. Determining an asset allocation strategy and investment management structure designed to meet the Trust's investment objectives;

5. Evaluating and selecting investment managers;

6. Communicating investment objectives, portfolio guidelines, and performance standards to the investment managers;

7. Holding biannual meetings for the review of performance reports and financial statements and informational conference calls as needed;

8. Deploying existing assets and newly contributed funds to the investment managers;

9. Reviewing and evaluating investment results in the context of predetermined performance standards;

10. Ensuring that investment managers are in compliance with all portfolio guidelines and restrictions and that undo risk is not being undertaken to achieve objectives;

11. Taking necessary corrective action when investment managers fail to achieve expected results; and

12. Engage in RFP process for all contracted services every three (3) years.

CUSTODIAN

Subject to approval by the Board of Trustees, the Finance Committee is authorized to hire a custodian to safekeep the Trust's assets. The duties of the custodian include, but are not limited to, the following:

1. Providing all normal custodial functions including security safekeeping, collection of income, settlement of trades, collection of proceeds of maturing securities, distribution of income, and daily investment of uninvested cash;

2. Providing reports detailing investment holdings and account transitions monthly and

an annual report summarizing the following to be submitted to the Finance Committee within forty-five (45) days following each fiscal year end;

a. The reports will include the following:

1. Statement of all assets on hand;
2. Statement of all assets received representing contributions to the account; and
3. Statement of all sales, redemptions, maturities, and principal payments;

3. Establishing and maintaining directed account relationships with each investment manager; and

4. Preparing accounting reports as requested.

INVESTMENT MANAGEMENT

The Board of Trustees is authorized to engage the services of investment managers, as defined under the Investment Advisors Act of 1940, and other investment professionals to provide the specialized management necessary to meet the Trust's investment objectives and guidelines. Accordingly, the Board of Trustees requires the investment managers to adhere to the "prudent man rule" under such state laws[1] as may be applicable or which may be applicable in the future of the investment of Trust assets.

DELEGATION OF AUTHORITY

Investment managers retained by the Board of Trustees will be held responsible for making all investment decisions regarding the assets under their direction. Each investment manager will be provided with a copy of these investment policy objectives and guidelines. In addition, each manager will be provided with any additional specific goals and objectives that are applicable to the particular managed account that the manager is responsible for. Managers will be required to observe and operate within all guidelines specified by the Trust.

CAPITAL REQUIREMENTS

The Board of Trustees is directed to maintain an Operating Reserve balance which may be custodied in one or more accounts and must maintain a balance that is appropriate to meet the annual distribution needs of the Trust. Such funds may only be invested in insured money market instruments or in investments whose principal is guaranteed by the full faith and credit of the

United States Government or one of its agencies. Irrespective of the type of investment selected, funds may not be invested in any security with a maturity greater than one (1) year. The Board of Trustees is permitted to maintain all Trust funds in Operating Reserve investments until the Trust fund balance reaches a level where it is both economically prudent and fiscally appropriate to invest funds.

The Board of Trustees may establish an account or accounts whose balances are restricted to a particular use or program. Such accounts may be invested according to the guidelines established in this policy or restricted to more conservative allocations pursuant to the timing of the need for the funds. Restricted fund balances may be expended at the direction of the Board of Trustees so long as such direction is not in conflict with agreements or restrictions attached to the receipt of such funds.

All remaining funds owned or controlled by the Board of Trustees shall be considered Capital Reserves. At the end of each operating year, any and all reserves held in accounts designed as Operating Reserves which are in excess of the required balance for the upcoming operating year shall be reallocated to the Capital Reserves account or accounts. All funds held in Capital Reserve accounts shall be invested pursuant to the guidelines established in this policy.

INVESTMENT GUIDELINES

The Trust's investment policy objectives and guidelines will be reviewed and revised as needed from time to time by the Finance Committee. In conducting the review, the committee will consider applicable advice and recommendations of the Trust's attorneys, accountants, investment managers, consultants, or other professionals retained to render advice to the Trust. All modifications shall be in writing and shall be approved by the Board of Trustees.

ASSET ALLOCATION

The Trust's investment philosophy is that assets should be allocated with the goal of producing the highest total return consistent with prudent financial management. Unless otherwise specified by individual fund objectives, this philosophy should be adhered to within the constraints of the following asset allocation ranges:

	Maximum allocation	Minimum allocation
Equity Investments	70%	35%
Fixed Income Investments	65%	20%
Cash & Equivalents	35%	0%

Alternative Investments – 40 Act Funds	15%	0%
Hedging Strategies		
Commodities ETF's		
Managed Futures Funds		

In cases where individual fund objectives require an exception to the above asset allocation ranges, written statements detailing the reasoning for each specific fund will be provided as supplements to this Investment Policy.

From time to time, the Finance Committee will determine specific asset allocation targets that it feels are best suited for accomplishing the above total return objective. These specific asset allocation targets will be communicated to individual investment managers in writing, and within a reasonable time frame, managers are expected to reallocate assets in order to comply with the target ranges established by the Committee. In the absence of specific asset allocation targets from the Trust, individual managers will have the direct responsibility for settling and maintaining an asset mix that they feel will best accomplish the Trust's total return objective. At all times and in all cases, the above maximum and minimum limits or specific individual fund maximum and minimum limits, where applicable, are to be adhered to.

PROXY VOTING

The Board of Trustees recognize that proxy voting is a fiduciary responsibility and require that proxies be voted based on those factors which would enhance the value of the Trust's investments. The Board of Trustees delegates their authority to vote proxies to the investment managers employed by the Trust and instruct the managers to maintain accurate voting records and to vote proxies for the exclusive benefit of the Trust.

TYPES OF ASSETS

In order to provide for adequate investment diversification across a broad range of assets, the following types of assets are approved for investment:

- U.S. Common Stock
- Non U.S. Common Stock
- U.S. Preferred Stock
- Non U.S. Preferred Stock
- U.S. Government and Agency Securities
- Non U.S. Government and Agency Securities
- Corporate Bonds with a minimum BAA rating or the equivalent Municipal Debt

Convertible Securities
Commercial Paper
Money Market Funds
Mutual Funds (open and closed-end)
Exchange Traded Funds
Passive Index Funds
Commodities Exchange Traded Funds
1940 Act Alternative Funds – Hedging Strategies
1940 Act Managed Futures Funds
Certificate of Deposits

Additional Criteria

All fixed income and preferred stock issues shall be investment grade and dollar denominated. Mutual fund investment shall have investment objectives, rules, and regulations that are consistent with the Trust's Investment Policy. All assets selected for the Trust shall have a readily ascertainable market value and be readily marketable.

Prohibited Investments

Investment managers are prohibited from using the following assets and/or transactions:

Uncovered Options – Puts or Calls
Short Selling
Restricted Stock
Other Derivative Securities not specifically approved above

CASH & CASH EQUIVALENTS

All cash, wherever and whenever possible, should be invested in interest bearing instruments. These investments should have stable pricing and instant liquidity.

INVESTMENT MARKETS – EQUITY SECURITIES

In order to broaden the investment opportunities for the investment manager(s) to achieve specific objectives, the managers are permitted to invest in equity securities listed on the New York Stock Exchange, the American Stock Exchange, principal regional exchanges, and in over-the-counter securities for which there is a strong market providing ready liquidity of the specific security.

The Board of Trustees believes it is necessary and desirable that equity securities held by the Trust represent a diversified portfolio. In this regard, the Finance Committee and Investment Consultant will select and continue to monitor equity investment managers that have diversification and risk management strategies that are consistent with this focus.

INVESTMENT MARKETS – FIXED INCOME SECURITIES

In order to broaden the investment opportunities for the investment manager(s) to achieve specific objectives, the managers are permitted to invest in fixed income issues offered in both primary and secondary markets. Fixed income securities may include bonds, notes, and pass-through securities issued or guaranteed by the U.S. Government or its agencies, corporate bonds, notes, debentures, or asset-backed securities. Should the rating on a debt or preferred stock security purchased subsequently fall below the minimum BAA (or equivalent) rating, a sale of the issue shall be required except as warranted by investment considerations.

The Board of Trustees believes it is necessary and desirable that fixed income securities held by the Trust represent a diversified portfolio. In this regard, the Finance Committee and Investment Consultant will select and continue to monitor fixed income investment managers that have diversification and risk management strategies that are consistent with this focus.

Legal References

1. TCA 35-14-101 *et seq.*

Morgan Stanley

WEALTH MANAGEMENT

Custom Report

Prepared on February 03, 2026 for:

TSBA OPEB TRUST

TAMMY L GANGER TTEE
TSBA OPEB TRUST U/T/A DTD
11/05/2012
525 BRICK CHURCH PARK DRIVE
NASHVILLE TN 37207-3219

The Acklen Park Group

Lee Burklow
Financial Advisor
Executive Director
Tel: +1 615 298-6556
Lee.Burklow@morganstanley.com

Christopher Sigmund
Financial Advisor
Executive Director
Tel: +1 615 298-6557
Chris.Sigmund@morganstanley.com

Andrew Mazzoni
Financial Advisor
Executive Director
Tel: +1 615 298-6544
Andrew.Mazzoni1@morganstanley.com

Jack Zager
Financial Advisor
Senior Vice President
Tel: +1 615 298-6543
Jack.Zager@morganstanley.com

Your Branch:
3102 WEST END AVE STE 200
NASHVILLE, TN 37203

Table of Contents

TSBA OPEB TRUST

Investment Summary Dollar Weighted Returns	3
Investment Policy Range - Updated July 2018	4
Asset Allocation	5
Equities Asset Allocation	6
Fixed Income & Preferreds Asset Allocation	7
Projected 12 Month Income Summary	8
Time Weighted Performance Summary	9
Positions Time Weighted Performance Detail	10
Modern Portfolio Theory	12
Market Overview	13
GIC Tactical Guidance: Equities	14
GIC Tactical Guidance: Fixed Income	15
Account(s) Included In This Report w/ Performance Since Inception	16
Disclosures	18

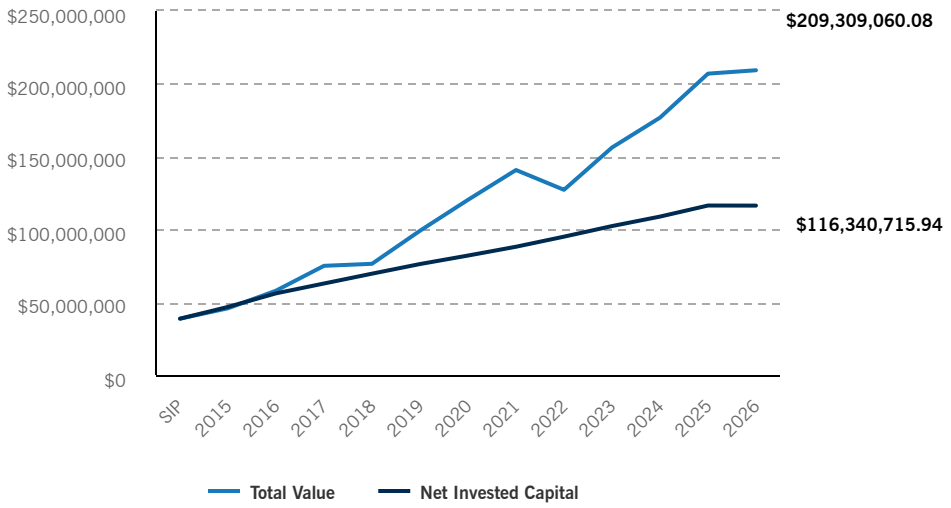
Please see the important disclosures and definitions throughout this Document. For more information or questions, please contact your Financial Advisor.
Various sub-sections of this Document may not contain information on all accounts/positions covered in this Document and will be denoted on the page.

Investment Summary Dollar Weighted Returns

TSBA OPEB TRUST

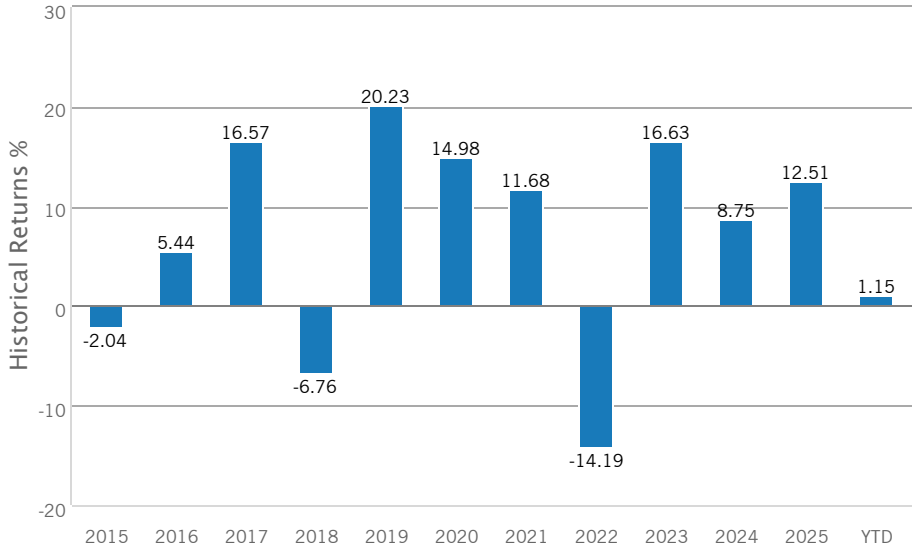
Data as of February 02, 2026

TOTAL VALUE VS. NET INVESTED CAPITAL



Does not include Performance Ineligible Assets.

DOLLAR-WEIGHTED PERIOD RETURN % (NET OF FEES)

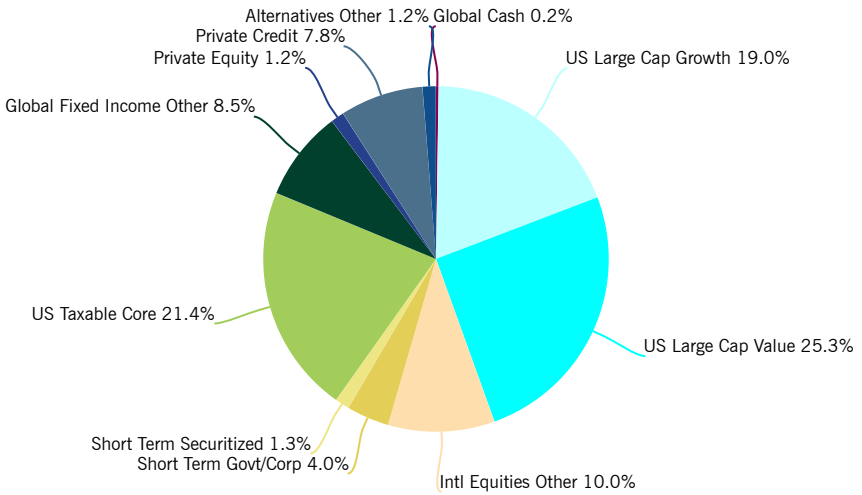


Does not include Performance Ineligible Assets.

DOLLAR-WEIGHTED RETURN % (NET OF FEES)

	Quarter to Date ($) 12/31/25-02/02/26	Year to Date ($) 12/31/25-02/02/26	Performance Inception ($) 06/09/15-02/02/26
Beginning Total Value	**206,978,157**	**206,978,157**	**38,680,482**
Net Contributions/Withdrawals	-58,392	-58,392	77,660,234
Investment Earnings	2,389,295	2,389,295	92,968,344
Ending Total Value	**209,309,060**	**209,309,060**	**209,309,060**
DOLLAR WEIGHTED RATE OF RETURN (%) (Annualized for periods over 12 months)			
Return % (Net of Fees)	1.15	1.15	7.75
90-Day T-Bills	0.34	0.34	2.12

ASSET ALLOCATION



Investment Policy Range

General Policy: The Trust's investment philosophy is that assets should be allocated with the goal of producing the highest total return consistent with prudent financial management. Unless otherwise specified by individual fund objectives, this philosophy should be adhered to within the constraints of the following asset allocation ranges:

	Maximum Allocation	Minimum Allocation
Equity Investments	70%	35%
Fixed Income Investments	65%	20%
Cash & Equivalents	35%	0%
Alternative Investments – 40 Act Funds Hedging Strategies Commodities ETF's Managed Futures Funds	15%	0%

Exceptions for Individual Funds: In cases where individual fund objectives require an exception to the above asset allocation ranges, written statements detailing the policy for each specific fund will be provided as Supplements to this Investment Policy.

Asset Allocation Targets: From time to time the Finance Committee will determine specific asset allocation targets that it feels are best suited for accomplishing the above total return objective. These specific asset allocation targets will be communicated to individual investment managers in writing, and within a reasonable time frame, managers are expected to reallocate assets in order to comply with the target ranges established by the Committee. In the absence of specific asset allocation targets from the Trust, individual managers will have the direct responsibility for setting and maintaining an asset mix that they feel will best accomplish the Trust's total return objective. At all times, and in all cases, however, the above maximum and minimum limits, or where applicable, specific individual fund maximum and minimum limits, are to be adhered to.

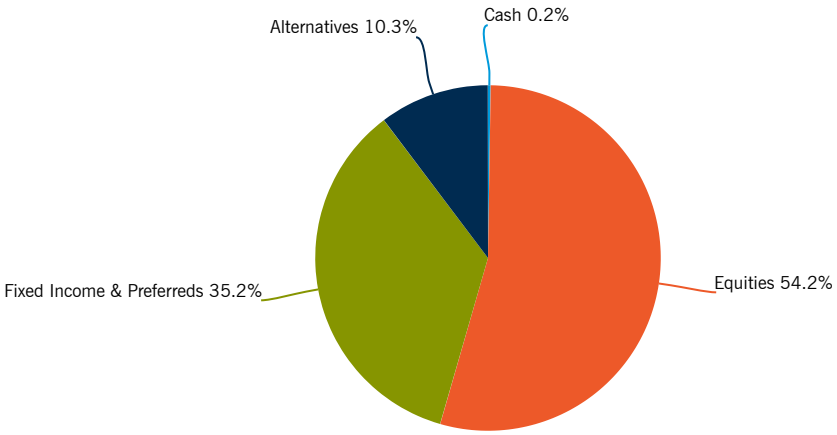
The information in this report is based on data supplied by you and is intended to be used as a guide for your financial strategy. The information and data were obtained from sources deemed reliable. Their accuracy or completeness is not guaranteed and is subject to change with current market conditions. There is no guarantee that the figures presented will be attainable in the future. Morgan Stanley Smith Barney LLC, its affiliates and Morgan Stanley Financial Advisors or Private Wealth Advisors do not offer tax advice. Individuals should consult their personal tax advisor before many any tax-related investment decisions.

Asset Allocation

TSBA OPEB TRUST

Data as of February 02, 2026

ASSET ALLOCATION - ASSET CLASS



ASSET ALLOCATION

	Total Value ($) 02/02/2026	% of Portfolio 02/02/2026
Cash	511,892.61	0.2
Equities	113,499,958.21	54.2
Fixed Income & Preferreds	73,757,709.81	35.2
Alternatives	21,539,555.00	10.3
TOTAL PORTFOLIO	**209,309,115.63**	**100.0**

Equities Asset Allocation

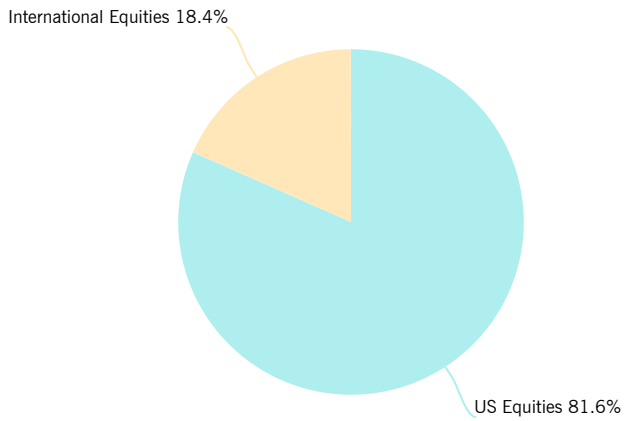
TSBA OPEB TRUST

Data as of February 02, 2026

TOP EQUITY POSITIONS BASED ON TOTAL VALUE

SECURITY DESCRIPTION	Total Value ($) 02/02/2026	% of Equities 02/02/2026
PGIM JENNISON GROWTH Z	26,320,681.59	23.2
BLACKROCK HIGH EQ INCOME INST	17,161,577.14	15.1
ISHARES CORE S&P U.S. GROWTH	13,345,280.16	11.8
JOHN HANCOCK DISPLND VAL INST	13,257,487.50	11.7
OAKMARK FUND INSTITUTIONAL	13,189,375.81	11.6
ISHARES CORE MSCI EAFE ETF	9,585,599.68	8.4
AMERICAN EUPAC F2	5,698,100.92	5.0
ISHARES CORE S&P U.S. VALUE	5,657,446.08	5.0
THORNBURG INTL GROWTH I	5,568,780.93	4.9
VICTORYSHARES FREE CASH FLOW	3,715,628.40	3.3
Top Equity Positions	**113,499,958.21**	**100.0**
Other Equity Positions	-	-
Total Equities	**113,499,958.21**	**100.0**

ASSET ALLOCATION - EQUITIES



ASSET ALLOCATION - EQUITIES

	% of Equities 02/02/2026	Total Value ($) 02/02/2026	% of Portfolio 02/02/2026
US Equities	**81.6**	**92,647,476.68**	**44.3**
US Large Cap Growth	34.9	39,665,961.75	19.0
US Large Cap Value	46.7	52,981,514.93	25.3
International Equities	**18.4**	**20,852,481.53**	**10.0**
Intl Equities Other	18.4	20,852,481.53	10.0
TOTAL EQUITIES	**100.0**	**113,499,958.21**	**54.2**

Fixed Income & Preferreds Asset Allocation

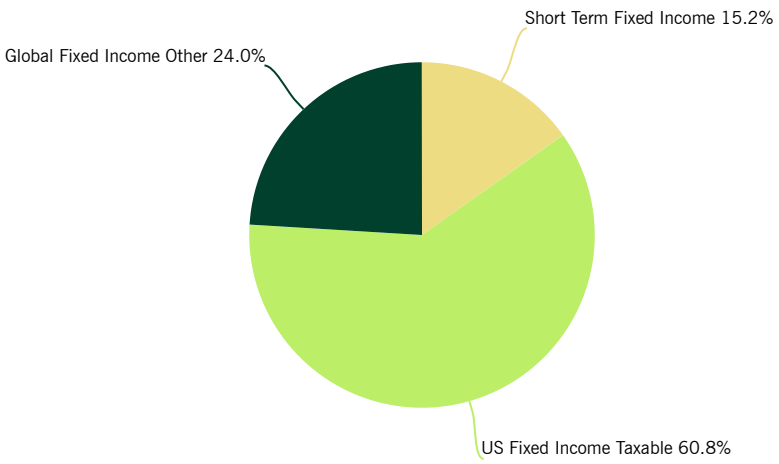
TSBA OPEB TRUST

Data as of February 02, 2026

TOP FIXED INCOME & PREFERRED POSITIONS BASED ON TOTAL VALUE

SECURITY DESCRIPTION	Total Value ($) 02/02/2026	% of Fixed Income & Preferreds 02/02/2026
JOHN HANCOCK BOND I	28,015,019.57	38.0
JANUS HENDERSON MLT SEC INC I	17,728,874.52	24.0
PGIM TOTAL RETURN BOND Z	16,810,486.61	22.8
PGIM SHORT-TERM CORP BOND Z	11,203,329.11	15.2
Top Fixed Income & Preferred Positions	**73,757,709.81**	**100.0**
Other Fixed Income & Preferred Positions	-	-
Total Fixed Income & Preferred	**73,757,709.81**	**100.0**

ASSET ALLOCATION - FIXED INCOME & PREFERREDS



ASSET ALLOCATION - FIXED INCOME & PREFERREDS

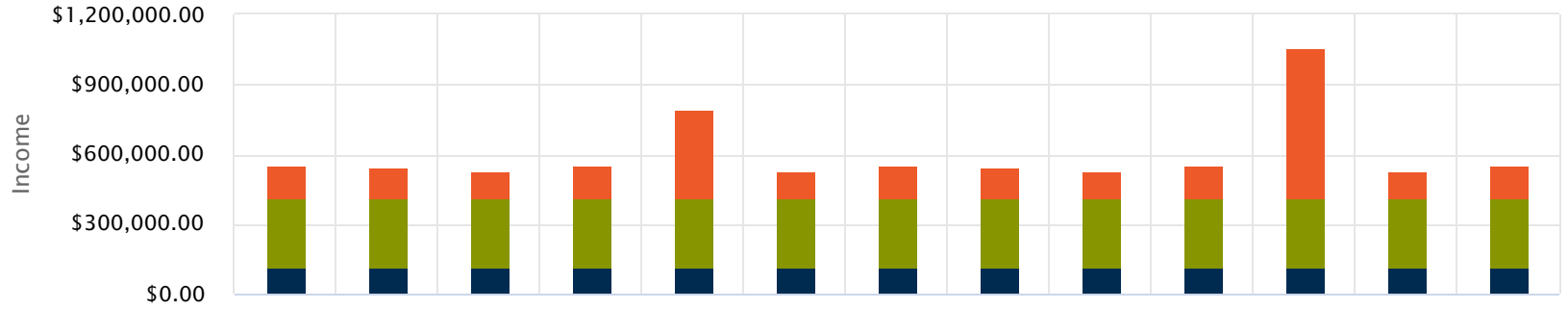
	% of Fixed Income & Preferreds 02/02/2026	Total Value ($) 02/02/2026	% of Portfolio 02/02/2026
Short Term Fixed Income	**15.2**	**11,203,329.11**	**5.4**
Short Term Govt/Corp	11.4	8,402,496.83	4.0
Short Term Securitized	3.8	2,800,832.28	1.3
US Fixed Income Taxable	**60.8**	**44,825,506.18**	**21.4**
US Taxable Core	60.8	44,825,506.18	21.4
Global Fixed Income Other	**24.0**	**17,728,874.52**	**8.5**
Global Fixed Income Other	24.0	17,728,874.52	8.5
TOTAL FIXED INCOME & PREFERREDS	**100.0**	**73,757,709.81**	**35.2**

Projected 12 Month Income Summary

TSBA OPEB TRUST

Data as of February 02, 2026

12 MONTH INCOME SUMMARY



Asset Class	Total Value ($) 02/02/2026	02/03/26 to 02/28/26 ($)	Projected Income ($) (03/01/26 - 02/28/27)												% Yield
			Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Total	
Cash	511,893	853	853	853	853	853	853	853	853	853	853	853	853	853	**10,232**	2.00
Equities	113,499,958	138,477	131,836	114,188	138,477	379,578	114,188	138,477	131,836	114,188	138,477	646,610	114,188	138,477	**2,300,522**	2.03
Fixed Income & Preferreds	73,757,710	303,430	303,430	303,430	303,430	303,430	303,430	303,430	303,430	303,430	303,430	303,430	303,430	303,430	**3,641,161**	4.94
Alternatives	21,539,555	111,944	111,944	111,944	111,944	111,944	111,944	111,944	111,944	111,944	111,944	111,944	111,944	111,944	**1,343,332**	6.24
Total	**209,309,116**	**554,704**	**548,063**	**530,416**	**554,704**	**795,805**	**530,416**	**554,704**	**548,063**	**530,416**	**554,704**	**1,062,837**	**530,416**	**554,704**	**7,295,247**	**3.49**

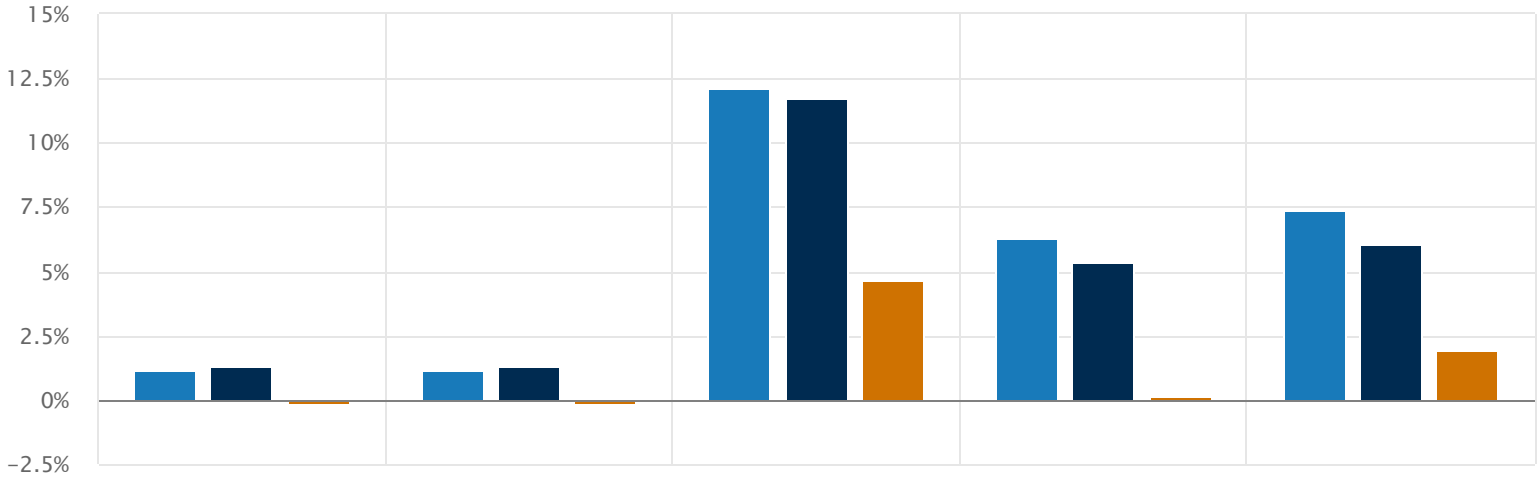
Projected Income is calculated only for holdings where data is available. In instances whereby payment frequency and/or last payment date is not available, income is based on the current dividend or coupon rate, and will be displayed in the Total column only. Projected income is not available for Alternative Investment funds that do not have a share quantity.

Time Weighted Performance Summary

TSBA OPEB TRUST

Data as of February 02, 2026

RETURN % (NET OF FEES) VS. BENCHMARKS (ANNUALIZED)



	Quarter to Date 12/31/25 - 02/02/26	Year to Date 12/31/25 - 02/02/26	Last 3 Years 02/28/23 - 02/02/26	Last 5 Years 02/28/21 - 02/02/26	Performance Inception 06/09/15 - 02/02/26
Beginning Total Value ($)	206,978,157.36	206,978,157.36	131,450,094.18	122,835,871.52	38,680,482.15
Net Contributions/Withdrawals ($)	-58,392.26	-58,392.26	21,371,198.85	34,198,625.19	77,660,233.79
Investment Earnings ($)	2,389,294.98	2,389,294.98	56,487,767.05	52,274,563.37	92,968,344.13
Ending Total Value ($)	209,309,060.08	209,309,060.08	209,309,060.08	209,309,060.08	209,309,060.08
Return % (Net of Fees)	1.15	1.15	12.09	6.32	7.34
TN TSBA Composite (%)	1.31	1.31	11.74	5.34	6.03
Bloomberg US Aggregate (%)	-0.01	-0.01	4.63	0.07	1.96

The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

Positions Time Weighted Performance Detail

TSBA OPEB TRUST | Data as of February 02, 2026

RETURN % (GROSS OF FEES) (ANNUALIZED)

Product/ Security Description ▲	Account Number	Performance Inception Date	Ending Total Value ($)	Year to Date (%) 12/31/25 - 02/02/26	% of Portfolio
Total Portfolio (Gross of Fees)		**06/09/2015**	**209,309,060.08**	**1.19**	**100.00**
TN TSBA Composite				**1.31**	
Exchange Traded/ Closed End Funds					
ISHARES CORE MSCI EAFE ETF(IEFA)	Multiple	11/28/2018	9,585,599.68	5.62	4.58
ISHARES CORE S&P U.S. GROWTH(IUSG)	Multiple	11/28/2018	13,345,280.16	1.09	6.38
ISHARES CORE S&P U.S. VALUE(IUSV)	Multiple	11/28/2018	5,657,446.08	3.38	2.70
VICTORYSHARES FREE CASH FLOW(VFLO)	Multiple	07/18/2025	3,715,628.40	0.54	1.78
Mutual Funds					
AMERICAN EUPAC F2(AEPFX)	Multiple	07/14/2015	5,698,100.91	5.77	2.72
BLACKROCK HIGH EQ INCOME INST(BMCIX)	Multiple	09/02/2015	17,161,577.15	3.59	8.20
CION ARES DIVERSIFIED CREDIT U(CADZX)	Multiple	09/30/2024	9,068,730.48	-1.16	4.33
JANUS HENDERSON MLT SEC INC I(JMUIX)	Multiple	08/12/2024	17,728,874.51	0.50	8.47
JOHN HANCOCK BOND I(JHBIX)	Multiple	04/24/2024	28,015,019.58	0.29	13.38
JOHN HANCOCK DISPLND VAL INST(JVLIX)	Multiple	07/24/2018	13,257,487.49	5.91	6.33
OAKMARK FUND INSTITUTIONAL(OANMX)	Multiple	07/12/2021	13,189,375.81	0.48	6.30
PGIM JENNISON GROWTH Z(PJFZX)	Multiple	09/02/2015	26,320,681.60	-1.99	12.58
PGIM SHORT-TERM CORP BOND Z(PIFZX)	Multiple	09/02/2015	11,203,329.12	0.35	5.35
PGIM TOTAL RETURN BOND Z(PDBZX)	Multiple	04/06/2023	16,810,486.61	0.21	8.03
THORNBURG INTL GROWTH I(TINGX)	Multiple	09/02/2015	5,568,780.92	2.85	2.66
Others					
BLACKSTONE - BXPE ESC	Multiple	01/28/2026	2,614,000.00	0.00	1.25
BLACKSTONE BCRED(BCJ26)	Multiple	03/03/2025	7,242,824.52	0.00	3.46

The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.
Position level performance detail is only available since 12/31/2014.

Positions Time Weighted Performance Detail

TSBA OPEB TRUST | Data as of February 02, 2026

RETURN % (GROSS OF FEES) (ANNUALIZED) (Continued)

Product/ Security Description ▲	Account Number	Performance Inception Date	Ending Total Value ($)	Year to Date (%) 12/31/25 - 02/02/26	% of Portfolio
BREIT CL S-2 ESC	Multiple	01/28/2026	2,614,000.00	0.00	1.25
Cash, MMF and Bank Deposits					
BANK DEPOSIT PROGRAM(BDPS)	Multiple	06/18/2015	511,837.08	-	0.24

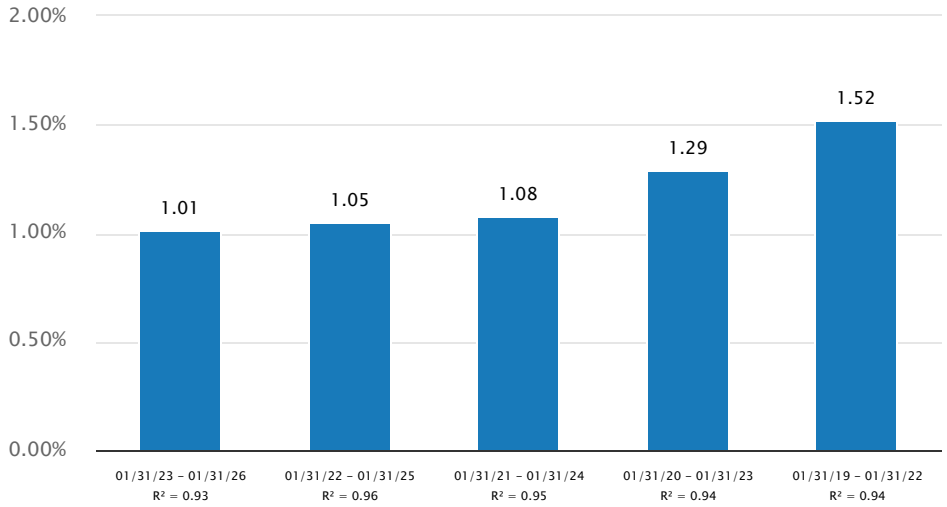
The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.
Position level performance detail is only available since 12/31/2014.

Modern Portfolio Theory

TSBA OPEB TRUST

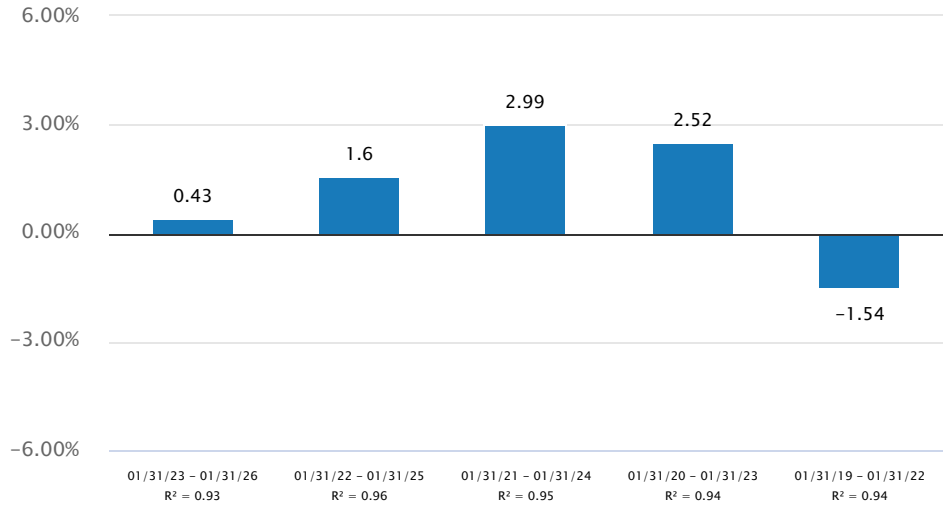
Data as of January 31, 2026

BETA - ROLLING PERIODS - TIME WEIGHTED RETURN %(NET OF FEES)



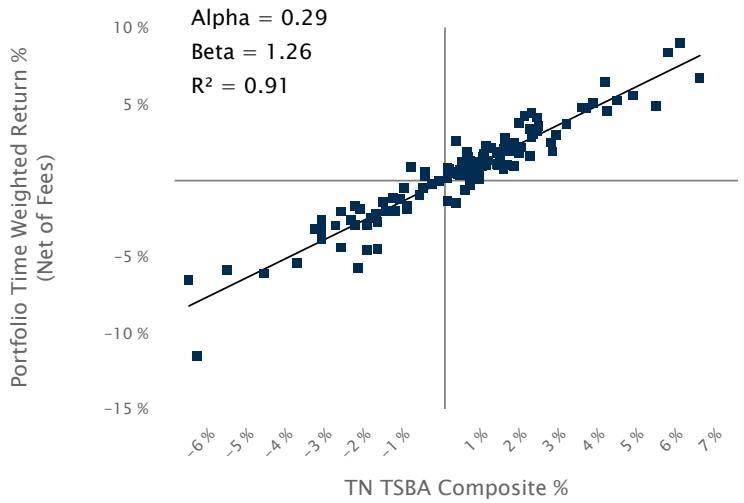
Please see Disclosures for details on benchmark(s) used in this exhibit.

ALPHA - ROLLING PERIODS - TIME WEIGHTED RETURN %(NET OF FEES)



Please see Disclosures for details on benchmark(s) used in this exhibit.

MONTHLY OBSERVATIONS SINCE 06/30/15 WITH SIMPLE REGRESSION LINE - TIME WEIGHTED RETURN %(NET OF FEES)



Alpha: Is a measure of a portfolio's time weighted net of fees return in excess of the market 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.

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

Modern Portfolio Theory: Seeks to quantify the relationship between risk and return and operates under the assumption that an investor must be compensated for assuming risk.

R^2: Is a measure that indicates the extent to which fluctuations in a portfolio's time weighted net of fees return is correlated with the return of the general market. An R^2 of 0.80 implies that 80% of the fluctuation of a portfolio's return is explained by the fluctuation in the market.

Graph Notes: Both the benchmark and portfolio returns are adjusted by the return of the 90-day Treasury Bills to illustrate the excess return above the Risk Free Rate for each period.

The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

Morgan Stanley Wealth Management Global Investment Committee Commentary

As of January 07, 2026 Reporting Currency: USD

The fourth quarter of 2025 brought positive total returns of 2.7% for the S&P 500, while nine of its 11 sectors posted gains quarter-over-quarter. US equities rose higher, with the S&P 500, Nasdaq, and Dow reaching new all-time highs amid strong quarterly earnings and expectations for easing monetary policy. Over the same timeframe, the Russell 2000 Index, the small-cap benchmark, rose 2.2%, while the Bloomberg US Aggregate Index, a broad measure of the US bond market, increased by 1.1%. The yield on the 10-year US Treasury note closed the quarter at 4.17%, while the three-month US Treasury bill yield ended at 3.63%.

- The Federal Reserve reduced its federal funds target range by 25bps in its October and December FOMC meetings. More hawkish voices emerged throughout the quarter, with Chairman Powell reiterating the FOMC's data-driven approach to decision making. Throughout the quarter, the US dollar increased by about 0.6% and gold prices increased about 11.9%, up about 65% YTD.
- Inflation data was moderately lower throughout the quarter, measuring 2.7% in November. Labor markets weakened, with the unemployment rate hitting a four-year high of 4.6% in November. MS & Co.'s US Economics team expects the Fed to cut rates by 25 bp in January and April 2026, bringing the terminal target range to 3.0% to 3.25% by the end of 2026.

- With the current economic backdrop, the Global Investment Committee is overweight equities. In equities, we sense that the crosscurrents of stimulus will continue to favor large cap over small. We see opportunity to rotate portfolios up in quality, where prospects for achieving ambitious earnings growth forecasts in 2026 are higher.
- The GIC is modestly underweight in fixed income assets and recommends slightly underweight-duration positioning, as the trajectory of US debt and deficits may crimp potential declines in longer-term US Treasury yields.

Source: Morgan Stanley Wealth Management GIO, Morgan Stanley & Co. Research, Bloomberg, FactSet

GIC Tactical Guidance: Equities

EQUITIES	WEIGHT RELATIVE TO BENCHMARK	RATIONALE
US	Overweight	The disinflation boom thesis catalyzed by the GenAI capex buildout, along with aggressive monetary, fiscal and regulatory stimulus, is now very much consensus. Forecasts are ambitious and embed an expectation for cyclical broadening that takes S&P "493" earnings growth from 6%–8% in 2025 to 14%–16% in 2026. In a market that is already expensive, concentrated and complacent, this suggests the aperture for upside surprise is narrow, and markets are apt to be quite brittle in the face of exogenous shock. With midterm-election-related policy already hitting a fever pitch, potential for these undiscounted events to occur is going up. Thus, while we are bullish (with an S&P 500 Index target at 7,500 to 7,800), we prefer stock picking to simply owning the cap-weighted index. Favor financials, health care and select industrials and energy.
International Equities (Developed Markets)	Underweight	Recent outperformance has been catalyzed as responses to the “America First” agenda have driven fiscal stimulus and China's record export push has been cooling rest-of-world (ROW) inflation. This is creating ROW opportunities that may simultaneously enjoy monetary, fiscal and currency-related stimulus. The outlook is improving in Japan as corporate restructuring occurs alongside a reflationary surge three decades in the making.
Emerging Markets	Overweight	The US-China trade conflict, now in a one-year truce, has created opportunities. China exports are booming and delivering helpful goods deflation to the ROW, where central banks are responding with rate cuts. Surging industrial commodity prices alongside falling energy prices are a perfect brew for emerging markets, especially as forces continue to bias the US dollar weaker, helping dollar-denominated debt servicing. The "new Monroe Doctrine" creates additional opportunities not only for pro-business political stability in Latin America but for direct investment. For Asia, strategic realignment opportunities continue to surface as the US turns away. India remains a recommended secular growth long.

Source: Morgan Stanley Wealth Management GIC.

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.

GIC Tactical Guidance: Fixed Income

FIXED INCOME	WEIGHT RELATIVE TO BENCHMARK	RATIONALE
US Investment Grade	Underweight	The Fed easing cycle, including some assumptions around the loss of Fed independence in 2026, has been baked into the US Treasury yield curve, with another two 25-basis-point rate cuts discounted. Stealth QE in the form of reserve management purchases of T-bills by the Fed and MBS QE by Fannie Mae and Freddie Mac are easing financial conditions materially, putting pressure on the long end of the curve as inflationary pressures build. A final note of caution is our forecast for a surge in IG corporate issuance, which we see on the back of increasing capex and rising M&A deal activity. As a result, we are continuing to reduce short-duration exposure and moving toward the “belly of the curve” to capture decent coupons with lower price volatility. We see the long end continuing to be plagued by structural imbalances that show up as widening term premiums, with the two-year/30-year portion of the curve remaining in a steepening pattern.
Opportunistic Fixed Income	Market-Weight	High Yield is competing effectively with better liquidity, transparency and credit quality than private credit. In ROW and emerging market debt, yields are decent, central banks have begun to cut rates and there is room for spread tightening as economic growth improves. Currency impact is a tailwind for US dollar investors.

Source: Morgan Stanley Wealth Management GIC. Note: Opportunistic Fixed Income includes Inflation-Linked Securities, High Yield Fixed Income, International Fixed Income, and Emerging Market Fixed Income. The GIC asset allocation models’ benchmarks do not include exposure to Opportunistic Fixed Income.

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.

Account(s) Included in this Report

TSBA OPEB TRUST

MORGAN STANLEY WEALTH MANAGEMENT

Account Name	Account Number	Account Type/ Manager Name	Date Opened/ Date Closed	Perf Inception Date Perf (%) Incept - 02/02/26	Total Value ($) 02/02/26	% of Portfolio 02/02/26
ARLINGTON CITY - Alternative Investment	471-XXX385	AAA	02/18/20 -	02/25/2020 4.48	633,303.29	0.30
ARLINGTON CITY BOE	471-XXX901	Consulting Group Advisor	06/17/15 -	06/18/2015 7.53	5,650,665.93	2.70
BARTLETT CITY - Alternative Investment	471-XXX383	AAA	02/18/20 -	02/25/2020 4.51	964,326.17	0.46
BARTLETT CITY BOE	471-XXX902	Consulting Group Advisor	06/17/15 -	07/01/2015 7.45	9,621,551.79	4.60
Collierville City - Alternative Invest.	471-XXX396	AAA	02/18/20 -	02/25/2020 4.53	378,724.17	0.18
COLLIERVILLE CITY BOE	471-XXX903	Consulting Group Advisor	06/17/15 -	07/01/2015 7.39	3,418,299.02	1.63
HICKMAN CO.	471-XXX866	Consulting Group Advisor	06/03/15 -	06/09/2015 7.55	3,137,190.66	1.50
Hickman Co. - Alternative Investment	471-XXX388	AAA	02/18/20 -	02/25/2020 4.59	390,862.39	0.19
JACKSON-MADISON	471-XXX864	Consulting Group Advisor	06/03/15 -	06/09/2015 7.54	572,680.25	0.27
JACKSON-MADISON - Alternative Investment	471-XXX403	AAA	02/18/20 -	02/25/2020 4.52	68,575.63	0.03
JOHNSON CO.	471-XXX869	Consulting Group Advisor	06/03/15 -	06/09/2015 7.54	1,610,425.49	0.77
JOHNSON CO. - Alternative Investment	471-XXX398	AAA	02/18/20 -	02/25/2020 4.60	197,353.44	0.09
Lakeland City - Alternative Investment	471-XXX393	AAA	02/18/20 -	02/25/2020 4.55	409,388.75	0.20
LAKELAND CITY BOE	471-XXX900	Consulting Group Advisor	06/17/15 -	06/18/2015 7.32	3,762,026.44	1.80
MILLINGTON	471-XXX583	Consulting Group Advisor	07/05/16 -	07/07/2016 8.36	435,882.79	0.21
MILLINGTON - Alternative Investment	471-XXX409	AAA	02/18/20 -	02/25/2020 4.45	51,159.56	0.02
SHELBY CO.	471-XXX863	Consulting Group Advisor	06/03/15 -	06/09/2015 7.49	159,560,539.88	76.23

The investment returns shown on this page are Net of Fees, time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals. Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY. All content within this Document applies to the accounts listed above or a subset thereof, unless otherwise indicated.

Account(s) Included in this Report

TSBA OPEB TRUST

MORGAN STANLEY WEALTH MANAGEMENT (Continued)

Account Name	Account Number	Account Type/ Manager Name	Date Opened/ Date Closed	Perf Inception Date Perf (%) Incept - 02/02/26	Total Value ($) 02/02/26	% of Portfolio 02/02/26
SHELBY CO. - Alternative Investment	471-XXX380	AAA	02/18/20 -	02/25/2020 5.21	18,446,159.98	8.81
Morgan Stanley Wealth Management Total					**209,309,115.63**	**100.00**
Total Portfolio					**209,309,115.63**	**100.00**

The investment returns shown on this page are Net of Fees, time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals. Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY. All content within this Document applies to the accounts listed above or a subset thereof, unless otherwise indicated.

Disclosures

TSBA OPEB TRUST

Explanatory Notes and Disclosures: This document is designed to assist you and your Financial Advisor in understanding portfolio positions, composition and subsets thereof. It is designed solely for your individual use, is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. Do not take action relying on this information without confirming its accuracy and completeness. Please read carefully all accompanying notes and disclosures provided in this document.

For convenience purposes, your Financial Advisor may have assigned a designated name for this document. The list of the accounts covered in this document is noted herein and may not include all of your accounts with us or external custodians. Furthermore, the information included in this document may not include all asset classes/securities/liabilities held by you at the firm or external custodians. Please review this document carefully and discuss any questions you may have with your Financial Advisor. If you do not understand an entry, suspect an error, or want more details on current values or other information, contact your Financial Advisor. This document is based upon your Morgan Stanley account holdings and may include other holdings/information that you or a third party provided about assets custodied elsewhere. Morgan Stanley will not verify any other holdings/information. If any information reflects assets held away from Morgan Stanley that will be indicated.

The information contained in this document is subject to, and does not supersede the confirmations and account statements you receive from us. Values shown in your official account statement may differ from the values shown in this document due to, among other things, different reporting methods, delays, market conditions and interruptions. If there are discrepancies between your official account statement and this document, rely on your official account statement. Read your statement carefully.

The information in this document is approximate and subject to updating, correction and other changes. We are not obligated to notify you if information changes. Although the statements of fact and data in this document have been obtained from, and are based upon sources that we believe to be reliable, we do not guarantee their accuracy, or timeliness, and any such information may be incomplete or condensed. Percentage values shown in this document are subject to rounding, which may impact total values. The values of securities and other investments not actively traded may be estimated or may not be available.

This information is provided for informational purposes only and should not be used for tax preparation. The information reported on your Form(s) 1099 supersedes the information provided in this document and should be exclusively relied upon for tax preparation. Morgan Stanley, its affiliates and its employees are not in the business of providing tax or legal advice. Clients should seek advice based on their particular circumstances from an independent tax and legal advisor. Morgan Stanley Smith Barney LLC is a registered Broker/Dealer, Member SIPC, and not a bank. Where appropriate, Morgan Stanley Smith Barney LLC has entered into arrangements with banks and other third parties to assist in offering certain banking related products and services. SIPC insurance does not apply to precious metals, other commodities, or traditional alternative investments.

Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Money Market Fund: You could lose money in Money Market Funds (MMFs). 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.

AAA Accounts: The Active Assets Account is a brokerage account offered through Morgan Stanley Smith Barney LLC.

Consulting Group Advisory Accounts: Consulting Group is a business of Morgan Stanley Smith Barney LLC.

Important Regulation Best Interest Information: This report is being provided as a courtesy. By providing this report, we do not represent or agree that we will monitor the investments in your brokerage account(s) or deliver future reports.

Residential Mortgage loan information is excluded from this report. Please contact your Morgan Stanley team for more information.

Additional information about your Floating Rate Notes: For floating rate securities, the estimated accrued interest and estimated annual income are based on the current floating coupon rate and may not reflect historic rates within the accrual period.

Important Information About Auction Rate Securities: For certain Auction Rate Securities there is no or limited liquidity. Therefore, the price(s) for these Auction Rate Securities are indicated as not available by a dash "-". There can be no assurance that a successful auction will occur or that a secondary market exists or will develop for a particular security.

Important Pricing Information: Prices of securities not actively traded may not be available, and are indicated by a dash "-". Account values are based on the most recent security pricing available and may be prior to the date of this material.

Disclosures

TSBA OPEB TRUST

Asset Classification: We classify assets based on general characteristics such as: income generation, underlying capital structure, or exposure to certain market sectors. As many assets contain characteristics of more than one asset class, allocations may be under or over inclusive. These classifications do not constitute a recommendation and may differ from the classification of instruments for regulatory or tax purposes. In addition, the Other asset class contains securities that are not included in the various asset class classifications. This can include, but is not limited to, non-traditional investments such as some Equity Unit Trusts, Index Options and Structured Investments issued outside of Morgan Stanley. Additionally, investments for which we are unable to procure market data to properly classify them will appear in the Other category.

Performance: 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, dividends, interest and income. Depending on the opening or closing date of the account or position, the performance referenced may be for a portion of the time period identified. The investment results depicted herein represent historical performance. As a result of recent market activity, current performance may vary from the figures shown. Please contact your Financial Advisor for up-to-date performance information. Past performance is not a guarantee of future results. Quotations of performance appearing in this report may include performance experienced in legacy accounts which have been closed and purged, and as such are not included on the Accounts Included in This Report page.

Market values used for performance calculation do not include Performance Ineligible Assets and thus may differ from asset allocation market values. Common examples of Performance Ineligible Assets include liabilities, life insurance and annuities as well as Manually Added and External accounts for which Morgan Stanley does not receive data necessary to calculate performance.
Unless otherwise indicated, performance is an aggregated composite calculation of the entire portfolio and may include brokerage and investment advisory accounts as well as assets for different accounts included in this report. The accounts included in the composite may have (or have had) different investment objectives and strategies, been subject to different restrictions, and incurred different types of fees, markups, commissions and other charges. Accordingly, performance results may blend the performance of assets and strategies that may not have been available in all of the accounts at all times during the reporting period. In addition, accounts in the composite may have changed from brokerage to advisory or vice versa. Accounts may also have moved from one advisory program to another (including from a discretionary program to a non-discretionary program).
For Morgan Stanley Smith Barney LLC accounts, performance information may cover the full history of the account(s) or just the performance of an account(s) since the inception of the current program(s). Performance results on individual accounts will vary and may differ from the composite returns. Your Financial Advisor can provide you with individual account portfolio composition and performance information. For investment advisory accounts, please see the Morgan Stanley Smith Barney LLC Form ADV Part 2 or applicable disclosure brochure. For brokerage accounts, please speak to your Financial Advisor for more information on commissions and other account fees and expenses. Performance inception date does not necessarily correspond to the account opening date. Where multiple accounts are included in performance calculations, the inception date is the oldest performance inception. Performance data may not be available for all periods as some accounts included in performance may have more recent performance inception dates. Consequently, the actual performance for a group of accounts may differ from reported performance. Please ask your Financial Advisor for the performance inception date for each account.

Sub Account and Security Level Performance: The performance return methodology described above and in the TWR and IRR definitions applies to both Account Level and Sub-Account (e.g. Asset Class or Security level) performance returns. The inputs consist of market values and net flows.
For example, TWR is calculated by taking the Change in Market Value (Ending MV – Beginning MV) less any net flows, divided by the beginning MV. TWR = (Ending MV – Beginning MV – Net Flows) / Beginning MV
The difference lies in what is or is not included in the Market Values and Flows. For account level performance, the total account market values and all flows within the account are taken into account. For sub-account level performance, only those market values and flows associated with the specific securities included are taken into account.
Flows that are not security specific typically include account advisory fees, cash contributions or withdrawals, and any other flows that are not attributed to a specific security.
Flows that are security specific including purchases, sales, dividends, interest, partnership distributions, return of capital, fund sales charges, security transaction fees, and ongoing fund expenses are typically reflected in the security level returns.

Gross of Fees: The impact of program fees can be material. These program fees are deducted based on your billing cycle and may have a compounding effect on performance. As fees are deducted periodically throughout the year, the compounding effect may increase the impact of the fees by an amount directly related to the gross account performance.

Indices: 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). In some circumstances, the benchmark index may not be an appropriate benchmark for use with the specific composite portfolio. For instance, an index may not take into consideration certain changes that may have occurred in the portfolio since the inception of the account(s), (e.g., changes from a brokerage to an advisory account or from one advisory program to another, asset class changes, or index changes for individual managers). The volatility of the index used for comparison may be materially different from that of the

performance shown. 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. Please see the Benchmark Definitions section of this material for additional information on the indices used for comparison.

Projected 12 Month: Projected 12 Month Income is based upon cash income from interest, cash dividends, and partnership distributions. It is a hypothetical projection calculated using current yields. The projected income referenced is based upon certain market projections effective as at today's date only and can change at any time. Such projected income is hypothetical, do not reflect actual investment results, and is not a guarantee of future results. The projected income is referenced for illustrative purposes only. Morgan Stanley does not represent or guarantee that the projected income referenced will or can be attained. The actual income may be lower or higher than the projections based upon a variety of factors and assumptions. The projected income shown may under or over compensate for the impact of actual market conditions and other factors. We make no representation or warranty as to the reasonableness of the assumptions made, or that all assumptions used to construct this projected income information have been stated or fully considered. To the extent that the assumptions made do not reflect actual conditions, the illustrative value of the hypothetical projected income will decrease. Companies paying dividends can reduce or cut payouts at any time.
The projected income referenced may include income from Morgan Stanley & Co. and External Accounts, where data is available. Such information was obtained from third party sources which Morgan Stanley believes to be reliable. However, we make no representation or guarantee that the information is accurate or complete. You should not rely upon this information to make any investment decision. Please refer to the official account statements and performance reports you received from your custodian and/or financial institution for information about projected income in your External Accounts. The projected income referenced does not include income from assets in Manually Added External Accounts.

Additional information about your Alternative Investments: Your interests in Alternative Investments, which may have been purchased through us, are generally not held here, and are generally not covered by SIPC. The information provided to you: 1) is included as a service to you, and certain transactions may not be reported; 2) is derived from you or another external source for which we are not responsible, and may have been modified to take into consideration capital calls or distributions to the extent applicable; 3) may not reflect actual shares, share prices, or values; 4) may include invested or distributed amounts in addition to a fair value estimate; and 5) should not be relied upon for tax reporting purposes. Notwithstanding the foregoing, 1) to the extent this report displays Alternative Investment positions within a Morgan Stanley Individual Retirement Account ("IRA"), such positions are held by Morgan Stanley Smith Barney LLC as the custodian of your Morgan Stanley IRA; and 2) if your Alternative Investment position(s) is held by us and is registered pursuant to the Securities Act of 1933, as amended, your Alternative Investment position(s) is covered by SIPC.

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.

It is important to note in this report that Morgan Stanley makes a distinction between Alternative Investment products, and products classified as Alternatives by their asset class. Morgan Stanley categorizes traditional and non-traditional alternative investment vehicles under the category "Alternatives" in asset classification based view. For product based views, traditional alternative investments vehicles are classified under the category "Other"; this differs from your official Morgan Stanley account statement, which categorizes traditional alternative investment vehicles such as Hedge Funds under the category "Alternative Investments". Non-traditional alternative strategy vehicles are classified based on their investment type, such as Mutual Fund or Exchange-Traded Funds within both this report and your Morgan Stanley account statement.

Disclosures

TSBA OPEB TRUST

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.

Bank Deposit Program: Under the Bank Deposit Program, free credit balances held in an account(s) at Morgan Stanley Smith Barney LLC are automatically deposited into an interest-bearing deposit account(s), at FDIC-insured banks subject to jurisdictional and account type eligibility. For more information, view the Bank Deposit Program Disclosure Statement: https://www.morganstanley.com/content/dam/msdotcom/en/wealth-disclosures/pdfs/BDP_disclosure.pdf.

General Disclosures

Morgan Stanley Wealth Management ("MSWM", "Morgan Stanley" or "MSSB") is the trade name of Morgan Stanley Smith Barney LLC, a registered broker-dealer and investment adviser in the United States. This material is for educational purposes only and is not an offer or solicitation to buy, sell, or participate in any security or trading strategy. Past performance is not a guarantee of future results.

Morgan Stanley offers a range of brokerage and advisory services, which create different types of client relationships and obligations. Please consult with your Financial Advisor to understand these differences, or review our "**Understanding Your Brokerage and Investment Advisory Relationships**" brochure available at www.morganstanley.com/wealth-relationshipwithms/pdfs/understandingyourrelationship.pdf.

Asset allocation, diversification, rebalancing and dollar cost averaging do not guarantee a profit or protect against loss in declining markets. Past performance is no guarantee of future results and actual results may vary. Rebalancing strategies may also have tax consequences; investors should consult a qualified tax advisor before implementing such strategies.

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

Indices are unmanaged and cannot be invested in directly. For index, indicator and survey definitions referenced in this report, please visit: www.morganstanley.com/wealth-investmentsolutions/wmir-definitions

For more information, please refer to additional General Disclosures here: www.morganstanley.com/wealthbooks#general-disclosures.

Risks Associated With Investing

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. **Please carefully consider the investment objectives, risks, charges and expenses of investment fund(s) before investing. The fund prospectus contains this and other information about the fund(s). To obtain a prospectus, contact your financial advisor. Please read the prospectus carefully before investing.** There is no assurance that investment funds will achieve their investment objectives. 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. 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. **Equity securities** may fluctuate in response to news on companies, industries, market conditions and general economic environment Companies paying dividends can reduce or cut payouts at any time. 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. **Growth investing** does not guarantee a profit or eliminate risk. Growth stocks can trade at relatively high valuations which may increase risk compared with an investment in a company with more modest growth expectations. **Value investing** does not guarantee a profit or eliminate risk. Not all companies deemed value stocks are able to turn around their business or successfully execute corrective strategies, and their stock prices may not rise as initially expected.

The value of **fixed income securities** will fluctuate and, upon a sale, may be worth more or less than their original cost or value at maturity. Bonds are subject to interest rate risk, call risk, reinvestment risk, liquidity risk, and credit risk of the issuer. Yields may change with economic conditions and should be considered alongside other factors when making investment decisions. Credit ratings are subject to change. **High yield bonds** carry additional risks, including increased risk of default and greater volatility due to lower credit quality of the issues. In the case of **municipal bonds,** income is generally exempt from federal income taxes, though 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)** adjust coupon payments and underlying principal to compensate for inflation in line with the consumer price index (CPI). While the real rate of return is guaranteed, TIPS typically offer lower returns and may significantly underperform conventional U.S. Treasuries during periods of low inflation. There is no guarantee that investors will receive par if TIPS are sold prior to maturity. The **Ultrashort-term fixed income** asset class consists of high-quality securities with very short maturities and is therefore still subject to the risks associated with debt securities such as credit and interest rate risk.

Money Market Funds: You could lose money in money market funds. Although government money market funds (defined as investing 99.5% of total assets in cash and/or securities backed by the U.S. government) and retail funds (defined as money market funds open to natural person investors only) seek to preserve value at $1.00 per share, they cannot guarantee doing 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 investors should not expect that the sponsor will provide financial support to the Fund at any time.

Investing in **Commodities:** Commodity prices may be affected by factors such as supply and demand, government policies, domestic or international political and economic events (including war or terrorism), changes in interest and exchange rates, trading activity in commodities and related contracts, pestilence, technological developments, weather, price volatility, and liquidity constraints. Physical precious metals are speculative, non-regulated products that may experience short- and long-term price volatility. Precious metals do not make interest or dividend payments and therefore may not be appropriate for investors who require current income. Precious metals must be stored, which may impose additional costs on investors.

Master Limited Partnerships (MLPs): Investments in MLPs are subject to the risks generally applicable to companies in the energy and natural resources sectors, including commodity price fluctuations, supply and demand imbalances, resource depletion and exploration risk. MLPs also carry interest rate risk and may underperform in rising interest rate environments. In addition, MLP funds accrue deferred income taxes on net operating gains and capital appreciation; as a result their after-tax performance could differ significantly from that of its underlying assets.

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.

Alternative investments are often speculative and include a high degree of risk. Investors can lose all or a substantial amount of their investment. They are appropriate only for eligible, long-term investors willing to forgo liquidity and put capital at risk for an indefinite period. They are often illiquid, may employ leverage, short-selling, or other speculative practices that increase volatility and risk of loss, and may require large minimum investments and initial lock-ups. Alternative investments may also involve complex tax structures, tax-inefficient investing, and delays in distributing important tax documents. Clients should consult their own tax and legal advisors, as Morgan Stanley Wealth Management does not provide tax or legal advice. They also typically carry higher fees and expenses than traditional investments, which can reduce overall returns.

Sector investments, due to their narrow focus, tend to be more volatile than broadly diversified investments. **Non-diversified portfolios:** Portfolios that hold a concentrated number of securities may experience greater overall declines when those securities lose value compared with more diversified portfolios. Portfolios that invest heavily in one or a few industry sectors are more vulnerable to price fluctuations than those diversified across a wider range of sectors.

Environmental, Social and Governance (ESG) investments in a portfolio may experience performance that is lower or higher than a portfolio not employing such practices. Portfolios with ESG restrictions and strategies as well as ESG investments may not be able to take advantage of the same opportunities or market trends as portfolios where ESG criteria is not applied. There are inconsistent ESG definitions and criteria within the industry, as well as multiple ESG ratings providers that provide ESG ratings of the same subject companies and/or securities that vary among the providers. Certain issuers of investments may have inconsistent views concerning ESG criteria where the ESG claims made in offering documents or other literature may overstate ESG impact. ESG designations are as of the date of this material, and no assurance is provided that the underlying assets have maintained or will maintain any such designation or any stated ESG compliance. As a result, it is difficult to compare ESG investment products or to evaluate an ESG investment product in comparison to one that does not focus on ESG. Investors should also independently consider whether the ESG investment product meets their own ESG objectives or criteria. There is no assurance that an ESG investing strategy or techniques employed will be successful. Past performance is not a guarantee or a dependable measure of future results.

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. 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. 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.

For more information, please refer to additional Risks Associated With Investing here: www.morganstanley.com/wealthbooks#risks-associated-with-investing.

Investment Advisory Programs

The sole purpose of this material is to inform, and it in no way is intended to be an offer or solicitation to purchase or sell any security, other investment or service, or to attract any funds or deposits. Investments mentioned may not be appropriate for all clients. MSWM offers investment program services through a variety of investment programs, which are opened pursuant to written client agreements. Each program offers investment managers, funds and features that are not available in other programs; conversely, some investment managers, funds or investment strategies may be available in more than one program. For more information, please see the Morgan Stanley Smith Barney LLC MSWM program disclosure brochure (the "Morgan Stanley ADV"). The Morgan Stanley ADV is available at www.morganstanley.com/ADV.

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

Generally, investment advisory accounts are subject to an **annual asset-based fee** (the "Fee") which is payable monthly in advance (some account types may be billed differently). In general, the Fee covers Morgan Stanley investment advisory services, custody of securities with Morgan Stanley, trade execution with or through Morgan Stanley or its affiliates, as well as compensation to any Morgan Stanley Financial Advisor.

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

If your account is invested in mutual funds or exchange traded funds (collectively "funds"), you will pay the fees and expenses of any funds in which your account is invested. **Fees and expenses are charged directly to the pool of assets** the fund invests in and are reflected in each fund's share price. These fees and expenses are an additional cost to you and would not be included in the Fee amount in your account statements. The advisory program you choose is described in the Morgan Stanley ADV.

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

GIMA Conflicts of Interest: Our business is subject to various conflicts of interest. For example, ideas and suggestions for which investment products should be evaluated by Global Investment Manager Analysis (GIMA) come from a variety of sources, including our MSWM Financial Advisors and their direct or indirect managers, and other business persons within MSWM or its affiliates. Such persons may have an ongoing business relationship with certain investment managers or mutual fund companies whereby they, MSWM or its affiliates receive compensation from, or otherwise related to, those investment managers or mutual funds or for which a portion of their clients' assets are already invested. Separately, certain strategies managed or sub-advised by us or our affiliates, including but not limited to MSIM and Eaton Vance Management ("EVM") and its investment affiliates, may be included in your account. See the conflicts of interest section in the applicable Morgan Stanley ADV brochure for a discussion of other types of conflicts that may be relevant to GIMA's evaluation of managers and funds. In addition, MSWM, Morgan Stanley & Co. LLC ("MS & Co."), managers and their affiliates provide a variety of services (including research, brokerage, asset management, trading, lending and investment banking services) for each other and for various clients, including issuers of securities that may be recommended for purchase or sale by clients or are otherwise held in client accounts, and managers in various advisory programs.

MSWM, managers, MS & Co., and their affiliates receive compensation and fees in connection with these services. MSWM believes that the nature and range of clients to which such services are rendered is such that it would be inadvisable to exclude categorically all these companies from an account.

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

For more information, please refer to additional Investment Advisory Programs disclosures here: www.morganstanley.com/wealthbooks#investment-advisory-programs.

Products and Services

Annuities and insurance products are offered in conjunction with Morgan Stanley Smith Barney LLC's licensed insurance agency affiliates. Not all products and services discussed herein are available through Morgan Stanley Smith Barney LLC's licensed insurance agency affiliates. Since life and long-term care insurance are medically underwritten, you should not cancel your current policy until your new policy is in force. A change to your current policy may incur charges, fees and costs. A new policy will require a medical exam. Surrender charges may be imposed and the period of time for which the surrender charges apply may increase with a new policy. You should consult with your own tax advisors regarding your potential tax liability on surrenders. Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY.

Lending products, including securities-based loans, are offered by Morgan Stanley Smith Barney LLC (MSSB), Morgan Stanley Private Bank, National Association (MSPBNA), and Morgan Stanley Bank, N.A. (MSBNA), collectively referred to as "the Firm" as applicable. Borrowing against securities involves risk and may not be appropriate for all clients. Risks include maintenance calls, forced liquidation of securities, and potential tax consequences. The Firm reserves the right to change collateral requirements, decline funding requests, or call loans at any time. Products are distinct and subject to independent underwriting and approval. Rates, terms, and availability may vary.

Residential mortgage loans and home equity lines of credit are offered by MSPBNA, Member FDIC an Equal Housing Lender. Nationwide Mortgage Licensing System Unique Identifier #663185. **The proceeds from a residential mortgage loan (including draws and advances from a home equity line of credit) are not permitted to be used to purchase, trade, or carry eligible margin stock; repay margin debt that was used to purchase, trade, or carry margin stock; or to make payments on any amounts owed under the note, loan agreement, or loan security agreement; and cannot be deposited into a MSSB or other brokerage account.** The pledged-asset feature allows eligible securities to be used as a substitute for a cash down payment. The pledged-asset feature

allows eligible securities to be used as an alternative to a cash down payment. Clients must maintain collateral levels and may be subject to liquidation if requirements are not met. Interest-only and adjustable-rate mortgages (ARMs) carry specific risks, including payment increases and higher total interest costs. ARMs are based on the SOFR 30-Day Average. Relationship-based pricing is available based on eligible household assets held at the Firm.

Cards and Cash Management: Debit Cards offered through the Firm are issued by MSPBNA under license from Mastercard. American Express Cards offered through the Firm include the Platinum Card®, Blue Cash Preferred®, and the Morgan Stanley Credit Card. Eligibility requires an "Eligible Account" at the Firm. Cards are issued by American Express National Bank. Terms, conditions, and restrictions apply. The Greenlight App and Debit Card is provided by Greenlight Financial Technologies, not the Firm or any of its affiliates. The Morgan Stanley CashPlus is a brokerage account offered through MSSB. Conditions and restrictions apply. For more information, see the CashPlus Disclosure Statement.

Deposit Products and FDIC: Under the Bank Deposit Program, free credit balances held in an account(s) at Morgan Stanley Smith Barney LLC are automatically deposited into an interest-bearing deposit account(s) at FDIC-insured banks. Certain conditions must be met. For more information, view the Bank Deposit Program Disclosure Statement. The Savings and Preferred Savings Programs offer FDIC-insured deposit accounts at Morgan Stanley Private Bank, National Association, Member FDIC or Morgan Stanley Bank, N.A., Member FDIC. The Savings programs are not intended for clients who need to have frequent access to funds and those funds will not be automatically accessed to reduce a debit or margin loan in your brokerage account. Withdrawals are limited to 10 per calendar month, and excess withdrawals may incur fees. Promotional rates may be offered from time to time and are subject to change at any time.

Morgan Stanley Smith Barney LLC is a registered Broker/Dealer and not a bank. Where appropriate, Morgan Stanley Smith Barney LLC has entered into arrangements with banks and other third parties to assist in offering certain banking-related products and services.

Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

For more information, please refer to additional Products and Services disclosures here: www.morganstanley.com/wealthbooks#products-and-services.

Other General Disclosures

When MSWM, its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors (collectively, "MS") provide "investment advice" regarding a retirement or welfare benefit plan account, an individual retirement account or a Coverdell education savings account ("Retirement Account"), MS 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 MS provides investment education, takes orders on an unsolicited basis or otherwise does not provide "investment advice", MS will not be considered a "fiduciary" under ERISA and/or the Code. For more information regarding MS's role with respect to a Retirement Account, please visit www.morganstanley.com/disclosures/dol. Tax laws are complex and subject to change. MS does not provide tax or legal advice. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a Retirement Account, and (b) regarding any potential tax, ERISA and related consequences of any investments or other transactions made with respect to a Retirement Account. Individuals should consult their tax advisor for matters involving taxation and tax planning and their attorney for matters involving trust and estate planning, charitable giving, philanthropic planning and other legal matters. This material is not a financial plan and does not establish an investment advisory relationship. MS will only prepare a financial plan at your specific request using MS approved financial planning software.

No obligation to notify: MSWM has no obligation to notify you when the model portfolios, strategies, or any other information in this material changes. All expressions of opinion are subject to change without notice and are not intended to be a forecast of future events or results.

This material, or any portion thereof, **may not be reprinted, sold or redistributed** without the written consent of Morgan Stanley Smith Barney LLC.

E*TRADE from Morgan Stanley is a registered trademark of Morgan Stanley. Morgan Stanley Smith Barney LLC, Member SIPC. Consulting Group, Investment Advisory Services, Private Wealth Management and Graystone are businesses of Morgan Stanley Smith Barney LLC.

For more information, please refer to additional Other General Disclosures here: www.morganstanley.com/wealthbooks#other-general-disclosures.

CRC 4953093 (11/25)

Taxes, Fees, and Expenses: Except where net of fees performance (which reflects your actual advisory fees) is included, this material does not include the effect of taxes, account fees, advisory fees, performance fees, and commissions that could materially affect the illustration provided and the decisions that you may make. The inclusion of these factors will reduce any values referenced herein. Generally, investment advisory accounts are subject to an annual asset-based fee (the "Fee") which is payable monthly in advance (some account types may be billed differently). In general, the Fee covers Morgan Stanley investment advisory services, custody of securities with Morgan Stanley, trade execution with or through Morgan Stanley or its affiliates, as well as compensation to any Morgan Stanley Financial Advisor.

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

If your account is invested in mutual funds or exchange traded funds (collectively "funds"), you will pay the fees and expenses of any funds in which your account is invested. Fees and expenses are charged directly to the pool of assets the fund invests in and are reflected in each fund's share price. These fees and expenses are an additional cost to you and would not be included in the Fee amount in your account statements. The advisory program you choose is described in the applicable Morgan Stanley Smith Barney LLC ADV Brochure, available at www.morganstanley.com/ADV.

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

©2026 Morgan Stanley Smith Barney LLC. Member SIPC.

GENERAL DEFINITIONS

Alpha: Is a measure of a portfolio's time weighted net of fees return in excess of the market return, both adjusted for risk. Excess market return is based on the primary benchmark of the portfolio adjusted by the return of the 90-day Treasury Bills to illustrate the excess return above the Risk Free Rate for each period (please see benchmark definitions for details). 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.

90-Day T-Bills: The FTSE 3-Month US T Bill Index Series is intended to track the daily performance of 3-month US Treasury bills. The indexes are designed to operate as a reference rate for a series of funds. The FTSE 3-Month US T Bill Index Series does not take account of ESG factors in its index design.

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

Calculations are based off the portfolio net returns and primary benchmark returns adjusted by the return of the 90-day Treasury Bills to illustrate the excess return above the Risk Free Rate for each period (please see benchmark definitions for details).

90-Day T-Bills: The FTSE 3-Month US T Bill Index Series is intended to track the daily performance of 3-month US Treasury bills. The indexes are designed to operate as a reference rate for a series of funds. The FTSE 3-Month US T Bill Index Series does not take account of ESG factors in its index design.

CCY: Represents the currency of the underlying instrument. Currency is a medium of exchange for goods and services.

Dollar-Weighted Return (Internal Rate of Return): A return calculation that measures the actual performance of a portfolio over the reporting period. Since dollar weighted returns include the impact of client contributions and withdrawals, they should not be compared to market indices or used to evaluate the performance of a manager, but can be used to evaluate progress toward investment goals. The investment returns shown within this report are dollar-weighted measurements where indicated.

Graph Notes: Both the benchmark and portfolio returns are adjusted by the return of the 90-day Treasury Bills to illustrate the excess return above the Risk Free Rate for each period.

Gross of Fees: Performance results depicted as "gross" of fees do not reflect the deduction of any wrap fee, investment management fee, trade commissions, and/or other account fees. Your actual returns are lower after deducting these expenses. 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.

Investment Earnings: A combination of the income received and total portfolio value increase or decrease, excluding net contributions and withdrawals, over the reporting period.

Modern Portfolio Theory: Seeks to quantify the relationship between risk and return and operates under the assumption that an investor must be compensated for assuming risk.

Net Contributions/Withdrawals: The net value of cash and securities contributed to or withdrawn from the account(s) during the reporting period. Net contributions and withdrawals may include advisory fees for advisory accounts.

Net of Fees: Performance results depicted as "net" of fees shall mean that any wrap fee, investment management fees, trade commissions, and/or other account fees have been deducted. Any other fees or expenses associated with the account, such as third party custodian fees, may not have been deducted. 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.

Performance ineligible assets: Performance returns are not calculated for certain assets because accurate valuations and transactions for these assets are not processed or maintained by Morgan Stanley Smith Barney LLC. Common examples of Performance Ineligible Assets include liabilities, life insurance and annuities as well as Manually Added and External accounts for which Morgan Stanley does not receive data necessary to calculate performance.

R^2: Is a measure that indicates the extent to which fluctuations in a portfolio's time weighted net of fees return is correlated with the return of the general market. An R^2 of 0.80 implies that 80% of the fluctuation of a portfolio's return is explained by the fluctuation in the market.

Tax-Qualified Account(s): Accounts that qualify for favorable tax treatment under US federal tax law and may benefit from favorable tax treatment under applicable state tax law. Typically, these accounts benefit from tax deferred growth potential, meaning investment earnings (such as capital gains, dividends, and interest) are generally not subject to federal income tax while the earnings remain in the account. Capital gains rates generally do not apply. Distributions of taxable amounts are generally subject to ordinary income tax and, if made before age 59 1/2, may be subject to a 10% (25% for certain SIMPLE IRA distributions) penalty tax. Some tax-qualified accounts, such as traditional Individual Retirement Accounts ("IRA") and employer sponsored retirement plan accounts, may allow tax deductible and/or pre-tax contributions (subject to certain limitations and restrictions). Other tax-qualified accounts, such as Roth IRAs and Coverdell Education Savings Accounts, may allow income tax free distributions, but only if certain conditions are satisfied.

Taxable Account(s): Accounts that are not Tax-Qualified Account(s), meaning investment earnings (such as capital gains, dividends, and interest) are generally subject to current US federal income taxation when held by US taxable investors. Note, however, that this category may include specific assets that are generally not subject to US federal income tax such as municipal bonds.

Time-Weighted Return: A return calculation that measures the investment performance of a portfolio over the reporting period. Time weighted returns do not include the impact of client contributions and withdrawals and therefore, may not reflect the actual rate of return the client received. Time weighted returns isolate investment actions and can be compared to benchmarks and used to evaluate the performance of a manager.

Total Cost: Total Cost (also known as Cost Basis) represents the amount paid for the security, including commissions and fees if applicable, and excluding accrued interest on Fixed Income purchases.

Total Value: "Total Value" represents the Market Value of the portfolio or Asset Class referenced and includes the accrual of interest and dividends. Total Value in the Asset Allocation view prior to January 2014 does not reflect the accrual of interest and dividends. Total Value for Morgan Stanley & Co. and External accounts also does not include accrued interest and dividends.

BENCHMARK DEFINITIONS

TN TSBA Composite: The current allocation began as of 01/31/1976, and is comprised of 5.00% Bloomberg Stable Income Market, 50.00% Bloomberg US Aggregate, 45.00% MSCI AC World Net.The historical constituents and allocations for this benchmark will be provided by your Financial Advisor to you upon request.

90-Day T-Bills: The FTSE 3-Month US T Bill Index Series is intended to track the daily performance of 3-month US Treasury bills. The indexes are designed to operate as a reference rate for a series of funds. The FTSE 3-Month US T Bill Index Series does not take account of ESG factors in its index design.

MSCI AC World Net: The MSCI ACWI captures large and mid-cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries*. With 2,687 constituents, the index covers approximately 85% of the global investable equity opportunity set. * DM countries countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US. EM countries countries include: Brazil, Chile, China, Colombia,

Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkiye and United Arab Emirates.

Bloomberg Stable Income Market: Weighted blend of 50% 5-Yr GIC Index, 30% 3-Yr GIC Index, and 20% 30-Day Prime Commercial Paper. It is rebalanced each month and is designed to provide 38% cash annually. It is a surrogate for 401(k) pooled funds and other stable value funds requiring significant liquidity. Index was discontinued as of 12/31/2011.

Bloomberg US Aggregate: The Bloomberg US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, fixed rate agency MBS, ABS and CMBS (agency and non-agency). Provided the necessary inclusion rules are met, US Aggregate-eligible securities also contribute to the multi-currency Global Aggregate Index and the US Universal Index.