

BETO O'ROURKE
16TH DISTRICT, TEXAS

COMMITTEE ON
HOMELAND SECURITY

COMMITTEE ON
VETERANS' AFFAIRS

Congress of the United States
House of Representatives
Washington, DC 20515

HAND DELIVERED

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U.S. HOUSE OF REPRESENTATIVES

✓
MC

July 16, 2013

Committee on Ethics
U.S. House of Representatives
1015 Longworth HOB
Washington, DC 20515

Dear Committee on Ethics:

Attached you will find the year-end values for all Morgan Stanley accounts.

Thank you,

Beto O'Rourke

Beto O'Rourke
Member of Congress

BRANCH # 213 FA # 213001

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AMY O'ROURKE JT TEN
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Morgan Stanley Smith Barney LLC

Please notify your Financial Advisor if there have been any changes in your financial situation or investment objectives, or if you wish to impose any reasonable restrictions on the management of your Investment Advisory account, or to reasonably modify existing restrictions.

For a copy of the applicable Form ADV Disclosure Document for Morgan Stanley Smith Barney LLC, or for any Investment Adviser with whom we contract to manage your investment advisory account, please contact your Financial Advisor. These Disclosure Documents contain important information about advisory programs.

Investment Monitor

TRAK Fund Solution

[REDACTED]

Information as of 12/31/12

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Morgan Stanley Wealth Management Global Investment Committee Commentary

During the fourth quarter of 2012, several factors spurred investor uncertainty, including the US presidential election, Hurricane Sandy, and ongoing congressional negotiations surrounding the fiscal cliff. This backdrop made for a turbulent quarter in the financial markets. On balance, equity indices registered modestly positive returns, continuing to benefit from accommodative central bank policies. For the quarter, international stocks and REITs were the top-performing asset classes. For the one-year period ended December 31, 2012, domestic and international stocks, emerging market stocks and REITs registered particularly strong results.

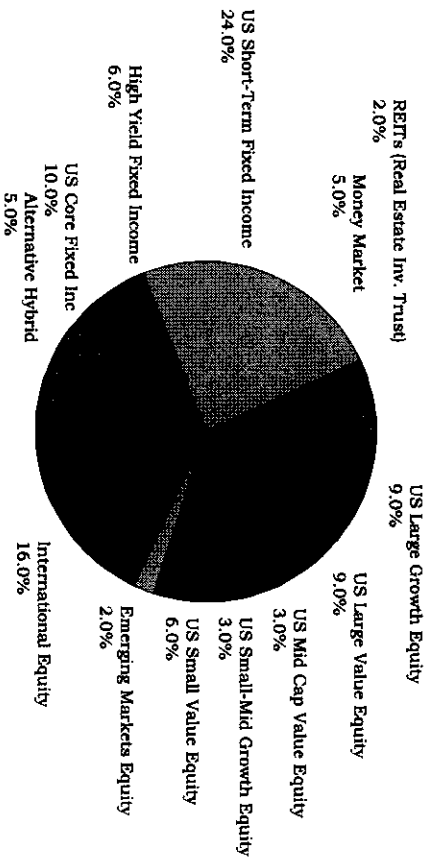
Peering into the new year, we expect another year of positive but subpar global economic growth. We also believe that Washington will make incremental progress on a credible multiyear deficit-reduction plan. The combination of accommodative global central-bank policy, more US fiscal policy and attractive valuation should support risk assets. Consequently, we are comfortable with a modest overweight position in risk assets, and an underweight position in cash and other safe-haven assets. As new challenges and opportunities appear, we will continue to evaluate our risk exposure and tactical positioning.

Past performance is not a guarantee of future results.

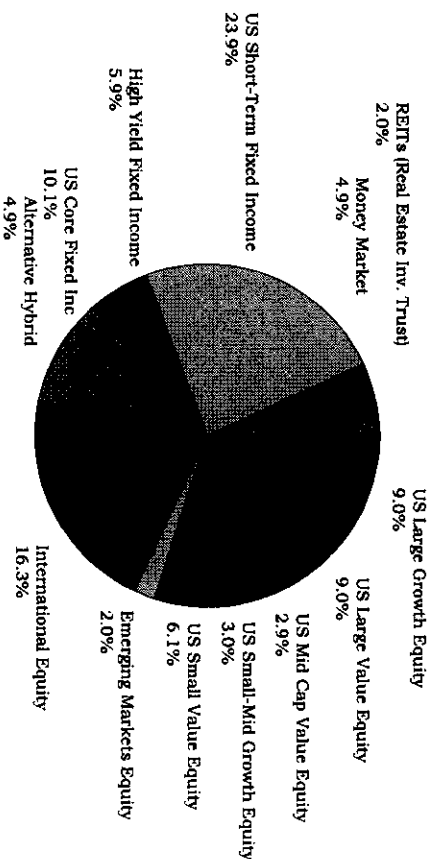
Please see the Definitions & Disclosures at the end of this report.

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Client Target Investment Allocation



Actual Investment Allocation



Asset Class	Client Target Allocation		Actual Allocation	
	% of Total	Value	% of Total	Value
■ US Large Growth Equity	9.0	\$3,732	9.0	\$3,738
■ US Large Value Equity	9.0	3,732	9.0	3,714
■ US Mid Cap Value Equity	3.0	1,244	2.9	1,186
■ US Small-Mid Growth Equity	3.0	1,244	3.0	1,244
■ US Small Value Equity	6.0	2,488	6.1	2,517
■ Emerging Markets Equity	2.0	829	2.0	837
■ International Equity	16.0	6,634	16.3	6,763
■ Alternative Hybrid	5.0	2,073	4.9	2,019
■ US Core Fixed Inc	10.0	4,146	10.1	4,167
■ High Yield Fixed Income	6.0	2,488	5.9	2,457
■ US Short-Term Fixed Income	24.0	9,951	23.9	9,985

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Please see the Definitions & Disclosures at the end of this report.

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Asset Allocation Summary prepared for ROBERT F O'ROURKE & as of 12/31/2012

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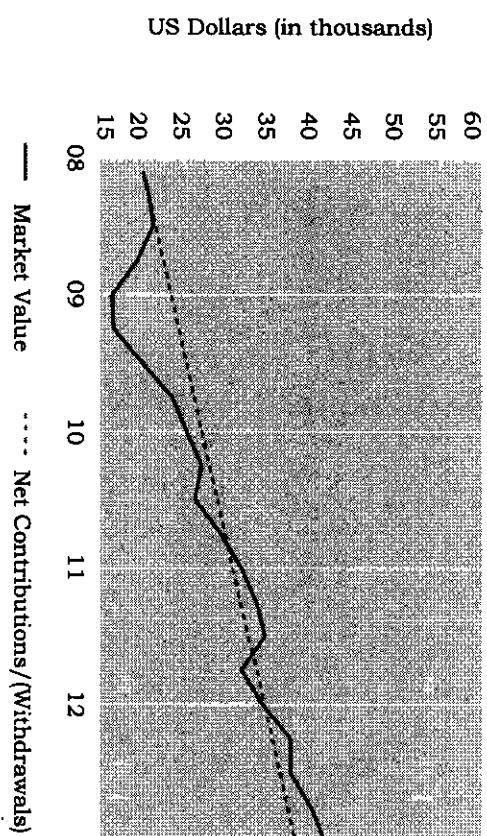
Asset Class	Client Target Allocation		Actual Allocation	
	% of Total	Value	% of Total	Value
■ Money Market	5.0	\$2,073	4.9	\$2,021
■ REITs (Real Estate Inv. Trust)	2.0	829	2.0	814
Total Assets	100.0	\$41,462	100.0	\$41,462

TRAK is a non-discretionary investment advisory service. All investment decisions rest with you, the participant. While we strongly urge you to follow the Consulting Group's asset allocation recommendations, we understand that you may wish to specify a different allocation to take into account non-TRAK holdings for other reasons. This different allocation that you have chosen is shown above under Client Target Allocation and is provided for your reference only. Please call your Financial Advisor should a change in allocation be warranted for any reason, including a change in your objectives.

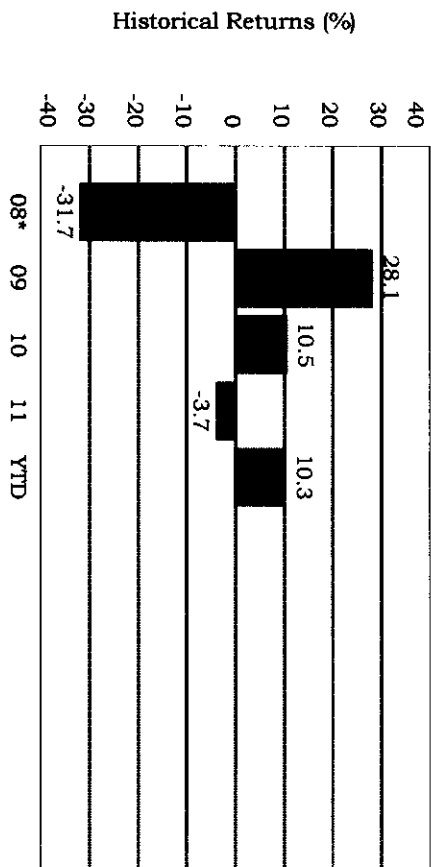
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Portfolio History



Your Annual Investment Returns (Dollar-Weighted, Net-of-Fees)



Asset Value and Investment Returns (Dollar-Weighted, Net-of-Fees)

	This Quarter	Year to Date	Since Inception 02/06/08
Beginning Value	\$39,824	\$34,165	\$20,142
Beginning Accrued Income	0	0	0
Net Contrib/Withdraw	899	3,597	17,857
Appreciation/Depreciation	260	2,628	(603)
Income	479	1,072	4,066
Ending Accrued Income	0	0	0
Ending Value	\$41,462	\$41,462	\$41,462
Your Investment Return	1.8%	10.3%	2.3%
Your Investment Return	\$739	\$3,700	\$3,463

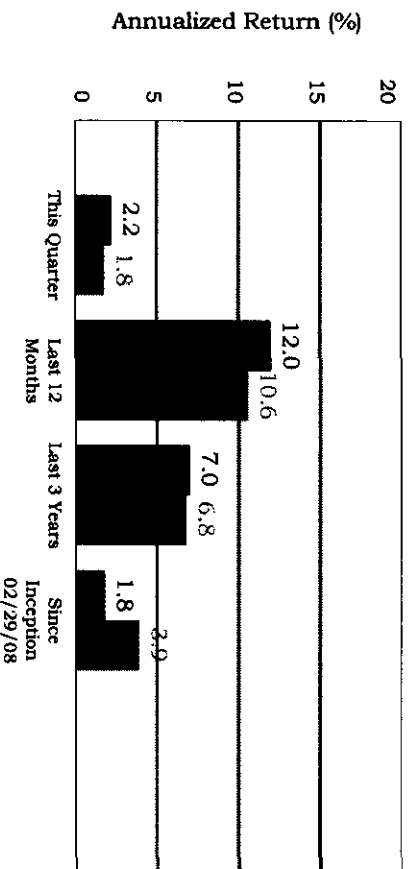
The investment returns shown on this page are dollar-weighted measurements that take into account the timing and amount of your contributions and withdrawals.

Please see the Definitions & Disclosures at the end of this report.

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Your Portfolio Returns Compared to the Market Indices (Time-Weighted, Gross-of-Fees)

The Time-Weighted returns shown measure the performance of your investments and are not impacted by the timing or amount of your contributions and withdrawals. This is useful when comparing results of your investment to industry benchmarks that align closely with your portfolio.

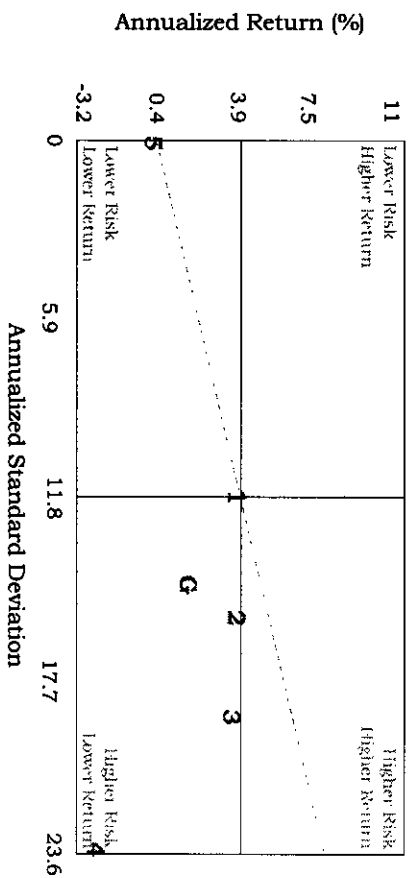


Annualized Return (%)

	This Qtr. 12 Mo.	Last 3 Yrs.	Since Inception 02/29/08
■ Your Portfolio, gross-of-fees	2.2%	7.0%	1.8%
■ Custom Account Index	1.8	10.6	6.8
TRAK Broad Market Index	1.5	13.7	8.8
S&P 500	-0.4	16.0	10.9
MSCI EAFE Net	6.6	17.3	3.6
TBILL	0.0	0.1	N/A

Your Risk/Return Analysis Compared to Market Indices (Time-Weighted from 02/29/08, Gross-of-Fees)

The graph below depicts the trade-off an investor should consider between return and risk (using a statistical measure called standard deviation). The higher the standard deviation the greater the historic volatility of returns.



Annualized Return (%)

Portfolio/Indices	Annualized Return (%)	Annualized Standard Deviation
G Your Portfolio, gross-of-fees	1.8	14.7
1 Custom Account Index	3.9	11.8
2 TRAK Broad Market Index	3.9	15.8
3 S&P 500	3.7	19.1
4 MSCI EAFE Net	-2.2	23.5
5 TBILL	0.3	0.1

All references to inception date used to calculate time-weighted returns on this page reflect an annualized return since inception month end. Please see the Definitions & Disclosures at the end of this report.

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Investments Compared to Market Indices

(Time-Weighted, Gross-of-Fees)

Investment Style Account Number(s)	Investment Description Benchmark Index	Inception Date	This Quarter	Annualized Return (%)			Since Inception Month End
				Last 12 Months	Last 3 Years	Last 5 Years	
US Large Growth Equity							
213-039974	AM Fds Growth Fd Of America Russell 1000 Gr	2/29/08	2.3 -1.3	20.5 15.3	8.8 11.4	N/A N/A	2.6 5.4
US Large Value Equity							
	Blackrock Equity Div Fd Russell 1000 VI	2/29/08	0.2 1.5	11.9 17.5	10.1 10.9	N/A N/A	3.2 2.4
US Mid Cap Value Equity							
	JPMorgan Mid Value Fd A Russell Mid Cap VI	2/29/08	2.7 3.9	19.8 18.5	14.5 13.4	N/A N/A	6.7 5.7
US Small-Mid Growth Equity							
	Blackrock US Opps Svc Russell 2500 Gr	2/29/08	1.8 1.8	10.3 16.1	7.4 13.8	N/A N/A	3.6 6.5
US Small Value Equity							
	DWS Dreman Small Val Fd A Russell 2000 VI	2/29/08	3.8 3.2	15.8 18.0	7.4 11.6	N/A N/A	4.1 5.5
	Delaware Small Cap Value A Russell 2000 VI	8/31/11	2.7 3.2	13.1 18.0	N/A N/A	N/A N/A	14.9 16.0
Emerging Markets Equity							
	Invesco Developing Markets A MSCI EM net	2/29/08	4.8 5.6	19.5 18.2	8.7 4.7	N/A N/A	3.9 0.3
International Equity							
	Invesco Intl Growth A MSCI AC World ex US NET	2/29/08	3.7 5.9	15.2 16.8	6.4 3.9	N/A N/A	1.0 -1.5
	Thornburg Intl Value Fd A MSCI AC World ex US NET	6/30/12	5.3 5.9	N/A N/A	N/A N/A	N/A N/A	11.6 13.7

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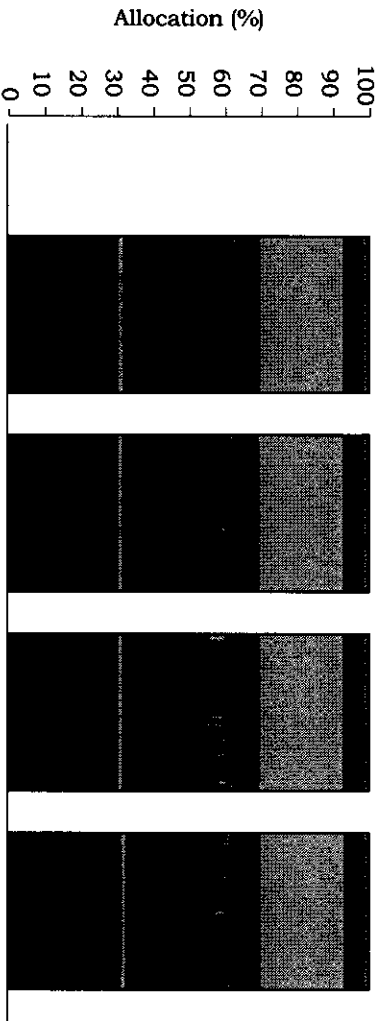
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Investments Compared to Market Indices *continued from previous page*
 (Time-Weighted, Gross-of-Fees)

		Annualized Return (%)					Since Inception
Investment Style Account Number(s)	Investment Description Benchmark Index	Inception Date	This Quarter	Last 12 Months	Last 3 Years	Last 5 Years	Inception Month End
Alternative Hybrid	JPMorgan Hibrg Stat Mkt A	7/31/11	0.9	1.4	N/A	N/A	-1.9
	BC Aggregate		0.2	4.2	N/A	N/A	5.4
US Core Fixed Inc	Metropolitan WST Total Rtn BD	2/29/08	1.5	11.4	9.3	N/A	8.5
	BC Aggregate		0.2	4.2	6.2	N/A	5.8
High Yield Fixed Income	Eaton Vance Income Fd of Bosto	2/29/08	3.1	13.4	10.8	N/A	9.5
	BC HY		3.3	15.8	11.9	N/A	11.3
US Short-Term Fixed Income	Virtus Multi Sect Sht Term Bd	2/29/08	1.4	9.4	7.5	N/A	7.0
	BC Gov 1-3 Yr		0.1	0.5	1.5	N/A	2.0
REITs (Real Estate Inv. Trusts)	Prudential Global Real Estate	2/29/08	6.0	26.9	12.8	N/A	3.4
	S&P BMI Property Develop		8.8	38.5	11.8	N/A	0.7
Total Portfolio Gross-of-Fees		2/29/08	2.2	12.0	7.0	N/A	1.8
Custom Account Index			1.8	10.6	6.8	N/A	3.9

Please see the Definitions & Disclosures at the end of this report.

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Asset Class

■ US Large Growth Equity	9.0%	9.2%	9.1%	9.5%
■ US Large Value Equity	9.0	8.9	8.9	9.0
■ US Mid Cap Value Equity	2.9	2.9	2.9	2.9
■ US Small-Mid Growth Equity	3.0	2.9	2.9	3.0
■ US Small Value Equity	6.1	5.9	6.0	6.3
■ Emerging Markets Equity	2.0	2.0	2.0	1.9
■ International Equity	16.3	16.0	16.0	16.0
■ Alternative Hybrid	4.9	5.0	4.9	5.0
■ US Core Fixed Inc	10.1	10.1	10.3	10.1
■ High Yield Fixed Income	5.9	5.9	6.0	5.7
■ US Short-Term Fixed Income	23.9	24.3	24.0	23.9
■ Money Market	4.9	5.0	5.0	4.8
■ REITs (Real Estate Inv. Trust)	2.0	1.9	2.0	1.9
Total Portfolio	100.0%	100.0%	100.0%	100.0%

Please see the Definitions & Disclosures at the end of this report.

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Equities and Related Investments

	Quantity	Price Market	Total Value Market	Estimated Annual Income	Accrued Income	Current Yield
Other						
INVESCO DEVELOPING MARKETS A CUSIP # 00141T577	24.724	\$33.85	\$837			
INVESCO INTL GROWTH A CUSIP # 008882102	117.299	28.84	3,383			
BLACKROCK US OPPORTUNITIES SVC CUSIP # 091929778	36.120	34.45	1,244			
BLACKROCK EQUITY DIVIDEND A CUSIP # 09251M108	186.719	19.89	3,714			
DWS DREMAN SMALL CAP VAL A CUSIP # 2338F820	34.888	36.40	1,270			
DELAWARE SMALL CAP VALUE A CUSIP # 246097109	30.723	40.60	1,247			
JP MORGAN MID CAP VALUE A CUSIP # 339128308	43.049	27.55	1,186			
AMERICAN GR PD OF AMERICA F1 CUSIP # 399874403	109.489	34.14	3,738			
THORNBURG INTL VALUE A CUSIP # 885215657	123.141	27.45	3,380			
Other Subtotal			\$19,999			
Total Equities and Related Investments			\$19,999			

Cash and Short Term Investments

Money Market Mutual Funds						
INVESCO PREMIER INST CUSIP # 00142W868	2,021.280	\$1.00	\$2,021			
Total Cash and Short Term Investments			\$2,021			

Fixed Income Investments

Mutual Funds						
E V INCOME FUND OF BOSTON A CUSIP # 277907101	409.547	\$6.00	\$2,457			
METROPOLITAN WST TOT RET BD M CUSIP # 592905103	382.300	10.90	4,167			

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Fixed Income Investments *continued from previous page*

	Quantity	Price Market	Total Value Market	Estimated Annual Income	Accrued Income	Current Yield
Mutual Funds						
VIRTUS MULTI SECT SHT TRM BD A CUSIP # 92828R644	2,012.877	4.96	9,984			
Mutual Funds Subtotal			\$16,608			
Total Fixed Income Investments			\$16,608			

Alternative Investments

Mutual Funds						
JP MORGAN HIBRC STAT MKT NEU A CUSIP # 4812A2454	136.049	\$14.84	\$2,019			
PRUDENTIAL GLB REAL ESTATE A CUSIP # 744336108	37.651	21.62	814			
Mutual Funds Subtotal			\$2,833			
Total Alternative Investments			\$2,833			
Total			\$41,461			

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Index Definitions

Custom Account Index. The Custom blended index is an investment benchmark reflecting a comparable portfolio based on your historical target allocations that you may use to evaluate the performance of your composite portfolio. The Custom Blended index does take into consideration certain changes that may have occurred in your portfolio since the inception of your account, i.e., asset class changes or index changes for individual managers. However, in some circumstances, it may not be an appropriate benchmark for use with your specific composite portfolio. For detailed report of the historical composition of this blend please contact your Financial Advisor. The current allocation began as of 06/30/2012 and is comprised of 9% Russell 1000 Gr, 3% Russell Mid Cap VI, 9% Russell 1000 VI, 6% Russell 2000 VI, 2% MSCI EM net, 16% MSCI AC World ex US NET, 6% BC HY, 3% Russell 2500 Gr, 24% BC Gov 1-3 Yr, 2% S&P BMI Property Developpe, 5% 90-Day T-Bills, 15% BC Aggregate.

MSCI EAFE Net. The MSCI EAFE Index (Europe, Australasia, Far East) (gross) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding US & Canada. The MSCI EAFE Index consists of the following 22 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom (as of May 2011). Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

BC HY. The Barclays High Yield Index is composed of fixed rate, publicly issued, non-investment grade debt. All bonds must be dollar-denominated, nonconvertible and have at least one year remaining to maturity as well as an outstanding par value of at least \$100 million.

MSCI AC World ex US NET. The Morgan Stanley Capital International (MSCI) All Country World Ex-US Net Index a broad market capitalization-weighted index covering all emerging and developed world equity markets, with the exception of the United States. Performance is showing net withholding tax.

MSCI EM net. The Morgan Stanley Capital International (MSCI) Emerging Markets NET Index is a free float-adjusted market capitalization index. It is composed of companies representative of the market structure of emerging market countries in Europe, Latin America and the Pacific Basin. Performance is showing net withholding tax.

Russell Mid Cap VI. The Russell Mid Cap Value Index contains Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. The stocks are also members of the Russell 1000 Value Index.

Russell 1000 Gr. The Russell 1000 Growth Index is representative of the U.S. market for large capitalization stocks containing those companies in the Russell 1000 Index with higher price-to-book ratios and higher forecasted growth.

Russell 1000 VI. The Russell 1000 Value Index is representative of the U.S. market for large capitalization stocks containing those companies in the Russell 1000 Index with lower price-to-book ratios and lower forecasted growth.

Russell 2000 VI. The Russell 2000 Value Index is representative of the U.S. market for smaller capitalization stocks containing those companies in the Russell 2000 Index with lower price-to-book ratios and lower forecasted growth.

Russell 2500 Gr. The Russell 2500 Growth Index is representative of the U.S. market for smaller to medium capitalization stocks containing those companies in the Russell 2500 Index with higher price-to-book ratios and higher forecasted growth.

S&P 500. The S&P 500 has been widely regarded as the best single gauge of the large cap U.S. equities market since the index was first published in 1957. The index has over US\$ 5.58 trillion benchmarked, with index assets comprising approximately US\$ 1.31 trillion of this total. The index includes 500 leading companies in leading industries of the U.S. economy, capturing 75% coverage of U.S. equities. This index includes dividend reinvestment.

BC Aggregate. The Barclays Aggregate Index is composed of securities from the Barclays Government/Corporate Bond Index, Mortgage-Backed Securities Index and Asset-Backed Securities Index.

BC Gov 1-3 Yr. The Barclays 1-3 Year Government Bond Index is composed of government bonds with maturities between one and three years.

S&P BMI Property Developpe. The Primary Market Index (PMI) and Extended Market Index (EMI) divide the Broad Market Index (BMI) by relative-size, as opposed to the absolute-size Cap-Range Index Series, on a country-by-country basis. As subsets of the BMI, the relative-size indices share the desirable float-weighting characteristics of the parent population. All eligible issues of a company are added to the index during the index reconstitution, if their combined available market capitalisation equals or exceeds US\$100 million, and are then assigned to either the PMI or the EMI. Stocks with an available market capitalization below US\$75 million as of the index reconstitution are deleted from the BMI.

TRAK Broad Market Index. 25% Barclays Capital Aggregate, 22% MSCI All Country World ex USA (Gross), 53% Russell 3000 Index

The TRAK Broad Market Index is a blended index. Because you have a custom allocation the TRAK Broad Market Index in this report is only designed to provide an indication of broad market movements by combining domestic equity, international equity and fixed income indices. This blended index is not intended to represent the asset allocation of your account, only the broad market conditions.

TBILL. The 90-Day Treasury Bill is a short-term obligation issued by the United States government. T-bills are purchased at a discount to the full face value, and the investor receives the full value when they mature. The difference of 'discount' is the interest earned. T-bills are issued in denominations of \$10,000 (auction) and \$1,000 increments thereafter.

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Glossary of Terms

Net Contributions/Withdrawals. The difference between assets (money/securities) deposited and withdrawn from your account. The Portfolio History chart shows net contributions/withdrawals at various points in time of your investment.

Important Disclosures

The performance information contained herein is directed only to the client for whom this material was prepared. This material is intended for use by such client and should not be distributed to third parties.

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Performance. 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.

Performance results include all cash and cash equivalents, are annualized for time periods greater than one year and include realized and unrealized capital gains and losses and reinvestment of dividends, interest and other income. Totals are rounded to the nearest dollar and, as such, may not equal the sum of the detail.

Asset classifications and performance calculation methodologies can differ among the various supplemental performance reports available through us. For example, some reports calculate Time Weighted performance using a weighted or Modified Dietz approach while others use a daily approach. In addition, some reports may display Dollar Weighted Returns. These differences can generate meaningful dispersions in the performance numbers displayed on different reports.

Performance results depicted as "net"-of-fees shall mean that any wrap fee, investment management fees, and/or Select Retirement fees have been deducted (and accordingly net-of-fee performance reflects the impact of these fees). Any other fees or expenses

associated with the account, such as third party custodian or execution fees, may not have been deducted. Performance results depicted as "gross"-of-fees do not reflect the deduction of any wrap fee, investment management fee and/or Select Retirement fees. Actual returns will be reduced by wrap fees, investment management fees, Select Retirement fees and any other expenses. The client is referred to the Morgan Stanley Form ADV Part II or comparable applicable disclosure brochure, and to any applicable Select Retirement Prospectus and Contract for a full disclosure of the applicable fee schedule. Your Financial Advisor will provide those documents to you upon request.

As fees are deducted quarterly, the compounding effect will be to increase the impact of the fees by an amount directly related to the gross account performance. For example, for an account with an initial value of \$100,000 and a 2% annual fee, if the gross performance is 10% per year over a three year period, the compounding effect of the fees will result in a net annual compound rate of return of approximately 7.81% per year over a three year period, and the total value of the client's portfolio at the end of the three year period would be approximately \$133,100 without the fees and \$125,307 with the fees.

To the extent the investment results 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. International investing may not be for everyone. These risks may be magnified in emerging markets. Small capitalization companies may lack the financial resources, products diversification and competitive strengths of larger companies. In addition, the securities of small capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies. With respect to the fixed income securities, please note that in general, as prevailing interest rate rise, fixed income securities prices will fall. High Yield bonds are subject to additional risks such as increased risk of default and greater volatility because of the lower credit quality of the issues.

Performance since inception for manager accounts is calculated at the end of the month in which the accounts were opened. Performance since inception for accounts with a manager change is calculated at the end of the month in which the change was affected. Calculating performance from the month end allows for a comparison to be made to appropriate benchmarks.

Indices. The investment strategies depicted are not index strategies, and are not restricted to securities in any particular index. The volatility of the index used for comparison may be materially different from that of the performance shown. Indices are not available for direct investment. Index returns consist of income and capital appreciation (or depreciation) and do not take into account fees, taxes or other charges. Such fees and charges would reduce performance. Since many indices are only available on a monthly basis, the comparisons shown are based on full months only.

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

Securities held one year or less are short term, securities held for more than one year are long term.

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24 Hours a Day, 7 Days a Week

Access your accounts online

www.morganstanley.com/online

Your Financial Advisor

The Yellen Team

TOTAL VALUE LAST PERIOD (as of 11/30/12)	\$42,723.29
NET CONTRIBUTIONS/WITHDRAWALS	—
CHANGE IN VALUE	(101.90)
TOTAL VALUE OF YOUR ACCOUNT (as of 12/31/12) (Total Values include accrued interest)	\$42,621.39

Account Summary

ROBERT E. COLEMAN & ASSOCIATES, INC.
FUND MANAGEMENT

Morgan Stanley

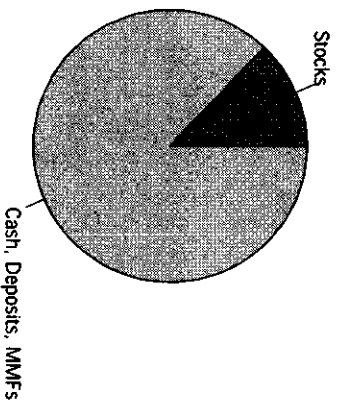
Brokerage Account
Householding Anniversary Date: 7/3/08
Investment Objectives†: Capital Appreciation, Aggressive Income, Speculation, Income

CHANGE IN VALUE OF YOUR ACCOUNT

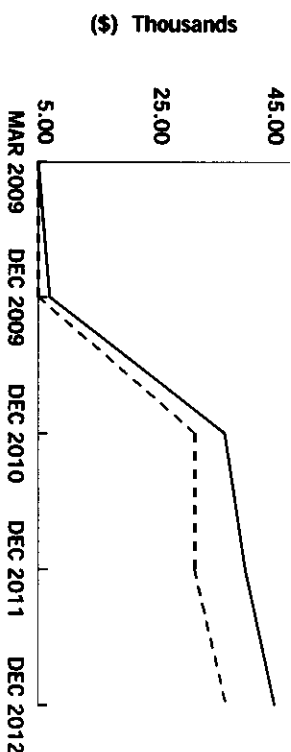
	This Period (12/1/12-12/31/12)	This Year (1/1/12-12/31/12)
Total Beginning Value (includes accrued interest)	\$42,723.29	\$37,908.82
Contributions	—	10,000.00
Withdrawals	—	(5,000.00)
Security Transfers	—	—
Net Contributions/Withdrawals	(101.90)	\$5,000.00
Change in Value	—	(287.43)
Total Ending Value (includes accrued interest)	\$42,621.39	\$42,621.39

This exhibit may not include transactions for investments in Annuities or where Morgan Stanley Smith Barney LLC is not the custodian. This may affect the reported Net Invested Capital. If we are not the custodian there may also be a delay in the reporting of your Market Value. Please speak to your Financial Advisor if you have any questions. † See the Expanded Disclosures for more information about investment objectives. Please review for accuracy and inform us if your investment objectives change.

ALLOCATION OF HOLDINGS



CHANGE IN VALUE OVER TIME
This graph compares the total value of your account to the net amount invested. Net Investment is the total amount invested minus the total amount withdrawn.



	Market Value	Percentage %
Cash, Deposits, MMFs*	\$37,144.09	87.1
Stocks	5,477.30	12.9
TOTAL VALUE	\$42,621.39	100.0%

This allocation represents holdings on a trade date basis, and projected settled Cash/Deposits/MMF balances; and may differ from Asset Allocation reports you might receive. These classifications are not intended to serve as a suitability analysis. * Bank Deposits are eligible for FDIC insurance; FDIC rules apply and deposits are not SIPC insured. Cash and securities (including Money Market Funds) are eligible for SIPC coverage. Please see Expanded Disclosures.

Morgan Stanley

Account Summary

ROBERT F. PROSSER, JR.
AND JOSEPHINE H. TEN

BALANCE SHEET

	Last Period (as of 11/30/12)	This Period (as of 12/31/12)
TOTAL VALUE (incl. accr. int.)	\$42,723.29	\$42,621.39
ASSETS	\$42,723.29	\$42,621.39
Cash, Deposits, Money Market Funds	37,143.79	37,144.09
Stocks	5,579.50	5,477.30

LIABILITIES (Outstanding Balance)

There are no liabilities for this account.

CASH FLOW

	This Period (12/1/12-12/31/12)	This Year (1/1/12-12/31/12)
OPENING CASH, DEPOSITS, MMFs	\$37,143.79	\$37,908.82
INVESTMENT RELATED ACTIVITY	\$0.30	\$(5,764.73)
Purchases	—	(13,100.00)
Sales and Redemptions	—	7,331.34
Income	0.30	3.93
CASH RELATED ACTIVITY	—	\$5,000.00
Checks Deposited	—	10,000.00
Electronic Transfers-Debits	—	(5,000.00)
DEBIT CARD/CHECK ACTIVITY	—	—
Debit Card	—	—
ATM/Cash Advances	—	—
Checks Written	—	—
Automated Payments	—	—
CLOSING CASH, DEPOSITS, MMFs	\$37,144.09	\$37,144.09

Account Summary

ADAM ARONSON ACCOUNT
 ROBERT F. OROURKE, JR.
 AMY OROURKE, F.T.D.

Morgan Stanley

INCOME SUMMARY

	This Period (12/1/12-12/31/12)	This Year (1/1/12-12/31/12)
TOTAL INCOME	\$0.30	\$3.93
TAXABLE INCOME	0.30	3.93
Qualified Dividends	—	—
Other Dividends	—	—
Long Term Capital Gains Distributions	—	—
Interest	0.30	3.93
Other Income	—	—
TAX-EXEMPT INCOME	—	—
Dividends	—	—
Interest	—	—
Other Income	—	—

Taxable and tax exempt income classifications are based on the characteristics of the underlying securities and not the taxable status of the account.

GAIN/(LOSS) SUMMARY

	This Period (12/1/12-12/31/12)	Short-Term	Long-Term
NET REALIZED	—	—	—
Gain	—	—	—
(Loss)	—	—	—
NET UNREALIZED (12/31/12)	\$(952.70)	—	—
Gain	—	—	—
(Loss)	(952.70)	—	—
This Year (1/1/12-12/31/12)	Short-Term	Long-Term	
NET REALIZED	\$661.34	—	—
Gain	1,272.89	—	—
(Loss)	(611.55)	—	—

Gain/(Loss) and income information are provided for informational purposes only and should not be used for tax preparation. Gain/(Loss) summary information may change due to basis adjustments. Please refer to the Gain/(Loss) information in the Expanded Disclosures for additional information.

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2012



This section reflects the impact of positions purchased/sold on a trade date basis, and will include positions purchased and omit positions sold in the current month. Please see the "Unsettled Purchases/Sales Activity" section for more information.

The "Market Value" and "Unrealized Gain/(Loss)" figures shown are representative values as of the last business day of the statement period indicated, which may not reflect the value that could actually be obtained in the market. See "Pricing of Securities" in the Expanded Disclosures. Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date.

Estimated annual income and estimated yield for certain securities can include return of principal or capital gains which could overstate such estimates. Estimated yield and estimated annual income are estimates and the actual income or yield may be lower or higher than the estimates. Estimated yield reflects only the income generated by an investment. It does not reflect changes in its price, which may fluctuate.

Structured products appear in various statement product categories and are identified as "Structured Products" in the Security Description column. Estimated accrued interest, estimated annual income and estimated yield for structured products with a contingent income feature (such as Range Accrual Notes or Contingent Income Notes) assume specified accrual conditions are met during the relevant observation period and payment in full of all contingent interest. If you hold structured products, please see "Special Considerations Regarding Structured Products" in the Disclosures.

New Treasury regulations require that we report on Form 1099-B after the close of the tax year your adjusted cost basis and classify the gain or loss as either long-term or short-term on the sale of covered securities acquired on or after January 1, 2011. These regulations also require that we make basis adjustments due to wash sales, certain corporate actions and transfers by gift or inheritance, which will be reflected on your Form 1099-B. Cost basis is reflected on monthly statements for informational purposes only and should not be used in the preparation of your income tax returns. Please refer to the Expanded Disclosures for additional information.

CASH, DEPOSITS AND MONEY MARKET FUNDS

Cash, Deposits and Money Market Funds are generally displayed on a settlement date basis. However, Global Currency Deposits may include both settled and unsettled positions. Estimated Annual Income, Accrued Interest and APY% will only be displayed for fully settled positions. In the event, all or a portion of a Global Currency Deposit position is unsettled as of month end, this data will not be available.

Description	Value	Estimated Annual Income	7-Day Current Yield %	Annual Percentage Yield %
MORGAN STANLEY PRIVATE BANK NA #	\$37,144.09	\$4.00	—	0.010
CASH, DEPOSITS AND MONEY MARKET FUNDS				
	Percentage of Assets %	Market Value		Estimated Annual Income
	87.1%	\$37,144.09		\$4.00
				Accrued Interest
				\$0.00

Bank Deposits are at either: (1) Morgan Stanley Bank, N.A., and Morgan Stanley Private Bank, National Association, or (2) Citibank, N.A., each a national bank, FDIC member and an affiliate of Morgan Stanley Smith Barney LLC.

Morgan Stanley

Holdings

Account Name: Morgan Stanley
 Account Number: 123456789
 Account Type: Individual

STOCKS

COMMON STOCKS

Morgan Stanley & Co. LLC (Morgan Stanley), Cit Investment Research & Analysis (CIRA), and Standard & Poor's equity research ratings may be shown for certain securities. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. Because the applicable research report contains more complete information regarding the analyst's opinions, analysis, and rating, you should read the entire research report and not infer its contents from the rating. Where a particular company is covered by both Morgan Stanley and CIRA, you can and should view both research reports. CIRA's equity research ratings are (1) Buy, (2) Neutral and (3) Sell. For ease of comparison, Morgan Stanley and Standard & Poor's equity research ratings have been normalized to a 1 (Buy), 2 (Hold), and 3 (Sell). Please refer to the quarter month-end statement (or your first statement, if you have not yet received a statement at the quarter-end) for a summary guide describing Morgan Stanley, CIRA and Standard & Poor's ratings. Morgan Stanley Smith Barney LLC does not take responsibility for, and does not guarantee the accuracy, completeness, or timeliness of research prepared for Standard & Poor's.

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
MILLENNIAL MEDIA (MM)	3/28/12	10,000	\$13,000	\$130,00	\$125,30	\$(4,70) ST	—	—
Share Price: \$12.530; Rating: Morgan Stanley: 1								
PALO ALTO NETWORKS INC (PANW)	10/17/12	100,000	63,000	6,300,00	5,352,00	(948,00) ST	—	—
Share Price: \$53.520; Rating: Morgan Stanley: 2, Citigroup: 2H								

STOCKS	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Yield %
	12.9%	\$6,430,00	\$5,477,30	\$(952,70) ST	\$0.00	—
TOTAL MARKET VALUE	100.0%	\$6,430,00	\$42,621.39	\$(952,70) ST	\$4.00	0.01%

TOTAL VALUE (includes accrued interest)

\$42,621.39

Unrealized Gain/(Loss) totals only reflect positions that have cost basis and/or market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included.

Morgan Stanley

ACTIVITY

ROBERT S. CRONIN
ANTHONY CRONIN, JR.
ANTHONY CRONIN, III

CASH FLOW ACTIVITY BY DATE

Transaction Settlement		Description	Comments	Quantity	Price	Credits/(Debits)
Date	Date					
12/28	12/28	Interest Income	MORGAN STANLEY PRIVATE BANK NA			\$0.30
(Period 11/30-12/28)						
NET CREDITS/(DEBITS)						\$0.30

MONEY MARKET FUND (MMF) AND BANK DEPOSITS ACTIVITY

Date	Activity Type	Description	Credits/(Debits)
12/28	Automatic Investment	BANK DEPOSIT PROGRAM	\$0.30

SECURITY ACTIVITY

OPEN ORDERS (as of December 31, 2012)

Entry Date	Activity Type	Description	Quantity	Stop Price	Limit Price	Current Price	Expiration Date
10/19	Sell	PALO ALTO NETWORKS INC	100.000	\$0.0000	\$65.0000	\$53.5200	1/22/13

CLIENT STATEMENT

Morgan Stanley

2012 Annual Review

ROBERT J. STANLEY
MILLER FOUNDED

We are pleased to enclose your 2012 Annual Review, which is provided for informational purposes only.

Additionally, please note that this Annual Review contains a recap of 2012 Income and Distributions. Those that are reportable for 2012, but not payable until 2013, are not included in this Annual Review. Clients with accounts subject to IRS reporting should note that the year-to-date amounts in this Review may differ from the amounts that will be reported on IRS Form(s) 1099, which will be mailed to you no later than February 15, 2013. **We recommend that you wait for your IRS Form(s) 1099 before completing your tax returns.**

Please remember that this 2012 Annual Review is not a substitute for the official account statements that you have received from us throughout the year, and certain information is subject to adjustment and correction.

To the extent there are any discrepancies between your monthly account statement(s) and the information in this Annual Review, you should rely on the account statement(s) you have previously received. For more information please contact your Financial Advisor.

INVESTMENT RELATED ACTIVITY

PURCHASES

Transaction Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Inflows/(Outflows)
1/31	2/6	Bought	US SILICA HLDGS INC	ACTED AS PRINCIPAL	100.000	\$17.0000	\$(1,700.00)
3/28	4/3	Bought	MILLENNIAL MEDIA	ACTED AS PRINCIPAL	100.000	13.0000	(1,300.00)
5/17	5/22	Bought	FACEBOOK INC CL-A	ACTED AS PRINCIPAL	100.000	38.0000	(3,800.00)
10/17	10/23	Bought	PALO ALTO NETWORKS INC	ACTED AS PRINCIPAL	100.000	63.0000	(6,300.00)
TOTAL PURCHASES							\$(13,100.00)

SALES/REDEMPTIONS

Transaction Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Inflows/(Outflows)
3/29	4/3	Sold	MILLENNIAL MEDIA	PREFERENTIAL RATE	90.000	\$25.8100	\$2,216.84
3/29	4/3	Sold	US SILICA HLDGS INC	PREFERENTIAL RATE	90.000	20.6900	1,756.05
5/21	5/24	Sold	FACEBOOK INC CL-A	ACTED AS AGENT	100.000	34.0600	3,246.65
10/23	10/26	Sold	US SILICA HLDGS INC	PREFERENTIAL RATE	10.000	13.0900	111.80
TOTAL SALES/REDEMPTIONS							\$7,331.34

CLIENT STATEMENT

Morgan Stanley

2012 Annual Review

Active Assets Account
ROBERT F. GROLIERE &
AMY O'BROURNE, JT TEN

INVESTMENT RELATED ACTIVITY

INCOME

TAXABLE INTEREST

Activity Type	Description	Inflows/(Outflows)	Activity Type	Description	Inflows/(Outflows)
Interest Income	MORGAN STANLEY PRIVATE BANK NA	\$3.93			

TOTAL TAXABLE INTEREST

\$3.93

TOTAL INCOME

\$3.93

TOTAL INVESTMENT RELATED ACTIVITY

\$(5,764.73)

CASH RELATED ACTIVITY

CHECKS DEPOSITED

Transaction Date	Settlement Date	Activity Type	Description	Comments	Inflows/(Outflows)
9/7	9/7	Check Deposit	FUNDS RECEIVED		\$10,000.00

TOTAL CHECKS DEPOSITED

\$10,000.00

ELECTRONIC TRANSFERS (DEBITS)

Transaction Date	Settlement Date	Activity Type	Description	Comments	Inflows/(Outflows)
11/20	11/20	Online Transfer	FUNDS PAID	WELLS FARGO AND XX-4869 CONFIRMATION # 6155981	\$(5,000.00)

TOTAL ELECTRONIC TRANSFERS (DEBITS)

\$(5,000.00)

TOTAL CASH RELATED ACTIVITY

\$5,000.00

Messages

CLIENT STATEMENT | For the Period December 1-31, 2012

Morgan Stanley

Adam J. D. Finkler
ROBERT F. GRIFFIN &
AND ASSOCIATES, L.P.

Important Information for Morgan Stanley Debit Card Holders

If you are a Morgan Stanley Debit Cardholder, your Debit Card Rewards Point ending balance indicated on this statement in the Rewards Summary does not reflect points that were redeemed or converted between December 20 and December 31, 2012. As a reminder, the Morgan Stanley Rewards Program ended on December 31, 2012, and accordingly, any points outstanding are no longer available. In addition, the Rewards Summary will no longer appear on your monthly statement. If you have questions regarding your prior point redemption or conversion activity, please call the number on the back of your Debit Card and say "Rewards".

Consolidated 1099 Tax Statement and 1099R Mailing Date

Reminder

As a reminder, the Forms 1099 and 1099R filing deadline for financial services firms is February 15th. This year's Forms 1099 and 1099R mailing will commence on or about February 13th. If you are registered with Morgan Stanley Online, you will be able to log on and view your Forms 1099 and 1099R once they are available. If you are registered on Morgan Stanley Online and enrolled in eDelivery, you will be notified when they are available for each of your accounts. If you are not enrolled in eDelivery and would like to, please visit <http://www.morganstanley.com/onlineedelivery> and enroll or contact your Financial Advisor.

FINRA BrokerCheck

FINRA has established the public disclosure program, known as BrokerCheck, to provide certain information regarding the disciplinary history of FINRA members and their associated persons. The BrokerCheck Hotline Number is 1-800-289-9999. The FINRA web site address is www.finra.org. An investor brochure that includes information describing FINRA BrokerCheck may be obtained from FINRA.

Morgan Stanley

Research Ratings & Outlook Status Definitions

GUIDE TO MORGAN STANLEY & CO. LLC (MORGAN STANLEY), CITI INVESTMENT RESEARCH & ANALYSIS (CIRA) AND STANDARD & POOR'S RESEARCH RATINGS

MORGAN STANLEY RESEARCH RATINGS

Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks they cover. These ratings, Overweight, Equal-weight, Not-Rated and Underweight, are not the equivalent of Buy, Hold, and Sell, but represent recommended relative weightings. To satisfy regulatory requirements, Morgan Stanley corresponds Overweight, their most positive stock rating, with a Buy recommendation, they correspond Equal-weight and Not-Rated to Hold and Underweight to Sell recommendations, respectively. For ease of comparison, Morgan Stanley Smith Barney LLC has normalized these ratings so that (1) corresponds to Buy recommendations, (2) corresponds to Hold recommendations, and (3) corresponds to Sell recommendations. Please refer to a Morgan Stanley research report for a complete description of Morgan Stanley's rating system and Morgan Stanley's actual proprietary rating on any covered company. Morgan Stanley's ratings are described below:

Morgan Stanley Smith Barney LLC NORMALIZED CODE / MORGAN STANLEY RATING: DEFINITION

- 1 / Overweight (O): The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months
 - 2 / Equal-weight (E): The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months
 - 2 / Not-Rated (NR): Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months
 - 3 / Underweight (U): The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months
- NAV, NA or ** appearing for Morgan Stanley Research indicates that the ratings for this company are not available because of a Morgan Stanley policy.

CIRA STOCK RESEARCH RATINGS

CIRA's stock recommendations include an investment rating and an optional risk rating to highlight high risk stocks. The risk rating takes into account both price volatility and fundamental criteria. Stocks will either have no risk rating or a High risk rating assigned. Any CIRA covered stock assigned a High risk rating will be represented as an "H" on this statement.

Investment Ratings: CIRA's investment ratings are Buy, Neutral and Sell. CIRA's ratings are a function of analyst expectations of expected total return (ETR) and risk. ETR is the sum of the forecast price appreciation (or depreciation) plus the dividend yield for a stock within the next 12 months.

CIRA's investment rating definitions are: Buy (1) ETR of 15% or more or 25% or more for High risk stocks; and Sell (3) for negative ETR. Any CIRA covered stock not assigned a Buy or a Sell is a Neutral (2). For stocks rated Neutral (2), if a CIRA analyst believes that there are insufficient valuation drivers

and/or investment catalysts to derive a positive or negative investment view, they may elect with the approval of CIRA management not to assign a target price and, thus, not derive an ETR. CIRA Analysts may place covered stocks "Under Review" represented as a "-", on this statement, in response to exceptional circumstances (e.g., lack of information critical to the analyst's thesis) affecting the company and/or trading in the company's securities (e.g., trading suspension). As soon as practically possible, the CIRA analyst will publish a note re-establishing a rating and investment thesis. To satisfy regulatory requirements, CIRA corresponds Under Review and Neutral to Hold in its ratings distribution table for CIRA's 12-month fundamental rating system. However, CIRA reiterates that it does not consider Under Review to be a recommendation.

Relative three-month ratings: CIRA may also assign a three-month relative call (or rating) to a stock to highlight expected out-performance (most preferred) or under-performance (least preferred) versus the CIRA analyst's coverage universe over a 3 month period. The relative call may highlight a specific near-term catalyst or event impacting the company or the market that is anticipated to have a short-term price impact on the equity securities of the company. Absent any specific catalyst the CIRA analyst(s) will indicate the most and least preferred stocks in his coverage universe, explaining the basis for this short-term view. This three-month view may be different from and does not affect a stock's fundamental equity rating, which reflects a longer-term total absolute return expectation. For purposes of NASD/NYSE ratings-distribution-disclosure rules, most preferred calls correspond to a buy recommendation and least preferred calls correspond to a sell recommendation. Any stock not assigned to a most preferred or least preferred call is considered non-relative-rated (NRR). For purposes of NASD/NYSE ratings-distribution-disclosure rules CIRA corresponds NRR to Hold in its ratings distribution table for its 3-month relative rating system. However, CIRA reiterates that it does not consider NRR to be a recommendation.

Prior to October 7, 2011, CIRA used a different stock recommendation system. Please refer to a CIRA research report for a complete description of CIRA's prior and current recommendation system and for more information regarding CIRA.

STANDARD & POOR'S EQUITY RESEARCH RATINGS

For ease of comparison, Morgan Stanley Smith Barney LLC has normalized Standard & Poor's proprietary research ratings to a 1 (Buy), 2 (Hold), and 3 (Sell), which differs from Standard & Poor's rating system. Please refer to a Standard & Poor's research report for a complete description of Standard & Poor's rating system and Standard & Poor's actual proprietary rating on any covered company. Standard & Poor's ratings are described below:

Morgan Stanley Smith Barney LLC NORMALIZED CODE / STANDARD & POOR'S RATING: DEFINITION

- 1 / 5-STARS (Strong Buy): Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis
- 1 / 4-STARS (Buy): Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis
- 2 / 3-STARS (Hold): Total return is expected to closely approximate the total return of a relevant

CONTINUED

RESEARCH RATINGS & CG IAR STATUS DEFINITIONS CONTINUED

benchmark over the coming 12 months, with shares generally rising in price on an absolute basis
3 / 2-STARS (Sell): Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price not anticipated to show a gain

3 / 1-STARS (Strong Sell): Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis

Relevant benchmarks: In North America the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are generally the S&P Europe 350 Index and the S&P Asia 50 Index.

MOODY'S INVESTORS SERVICE AND STANDARD & POOR'S CREDIT RATINGS

The credit rating from Moody's Investors Service and Standard & Poor's may be shown for certain securities. All credit ratings represent the "opinions" of the provider and are not representations or guarantees of performance. Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting these credit ratings.

CG IAR STATUSES IN INVESTMENT ADVISORY PROGRAMS

Consulting Group Investment Advisor Research (CG IAR) reviews certain investment products in the Consulting and Evaluation Services, Fiduciary Services, Select UMA, TRAK Fund Solution, Institutional Consulting Group and Fiduciary Asset Management programs. CG IAR statuses for these products are:

Focus (FL): Investment products on the Focus List have been subject to an in-depth review and possess CG IAR's highest level of confidence.

Approved (AL): Investment products on the Approved List have typically been subject to a less rigorous review process and have been approved for recommendation to investors.

Not Approved (NL): Investment products that were previously on the Focus List or Approved List but are no longer on either of those lists. CG IAR no longer covers these products.

For more information, ask your Financial Advisor for the applicable Morgan Stanley ADV brochure.

Expanded Disclosures

These expanded Disclosures, which are applicable to the enclosed Statement(s), are provided with your first statement and thereafter on quarter-end months. On non-quarter end months, you will receive the standard Disclosures and can view the expanded Disclosures 1) on your prior quarter-end (or first) statement, 2) by logging in to our site at www.morganstanley.com/online and selecting Account Documents or, 3) by calling 800-869-3326.

Questions?

Questions regarding your account may be directed to your Financial Advisor or the Branch Manager for the branch office where you maintain your account. If you require further assistance, call Client Service at (800) 869-3326 or the Legal and Compliance Division at (914) 225-5870.

Errors and Inquiries

It is your responsibility to review your statement promptly and to seek immediate clarification about entries that you do not understand or believe were made in error by contacting the Branch Manager of the office where you maintain your account. Oral communications regarding any inaccuracy or discrepancy in this statement should be re-confirmed in writing to further protect your rights, including rights under the Securities Investor Protection Act (SIPA). Except as provided in your account documentation, your statement will be deemed correct unless we receive your written inquiry of a suspected error within 10 calendar days from the day you received your statement. See your account documentation for special rules regarding your rights and responsibilities with respect to erroneous electronic fund transfers, including a description of the transfers covered.

Account Valuation

Account values are computed by adding (1) the market value of all priced positions and (2) market values provided by pricing services and/or outside custodians, as applicable for other positions, and by adding any credit or subtracting any debit to your closing cash, money market funds and/or deposit balance. Cash, Deposits and Money Market Funds are displayed on a settlement date basis, and other positions are displayed in your account on a trade date basis. The value of fixed income positions in summary displays include accrued interest in the totals. In the "Holdings" section, fixed income market value and accrued interest are also displayed in separate columns. Accrued interest is the interest earned but not yet paid on the bond since its last interest payment. In most cases, it is calculated from the date of the last coupon payment (or "dated date") through the

closing date of the statement, based on information provided by the Issuer. Your closing cash, money market fund and/or deposit balance represents the total of all cash, money market funds and/or deposits, and reflects the net month end balance. Global Currency Deposits are reflected in U.S. dollars as of the statement end date. The Annual Percentage Yield ("APY") for deposits represents the applicable rate in effect for your deposits at the statement ending date. This APY may be different than the APY that was in effect during the statement period. For current Bank Deposit or Money Market Fund yields, go to <http://www.morganstanleyindividual.com/AccountOptions/ActiveAssets/InvestmentFeatures>

Additional IRA Information

IRA contributions are subject to IRS eligibility rules and regulations. The "Max. Individual Contributions Allowed (by SSN)" reflects the annual limit on contributions that you as an individual can make to IRAs (Traditional, Roth, SEP, and SARSEP) under the Internal Revenue Code. The limit applies on a per person basis, not per account. The Contributions information included in this statement reflects contribution information for a particular account, without reference to any other IRA. You cannot make an individual contribution to a Traditional IRA for the year in which you attain age 70 1/2 or any later year. (Other special rule may apply, for example, in conversions or recharacterizations of Traditional to Roth/Roth to Traditional IRAs).

You should check with your tax advisor to verify how much you can contribute, whether or not the contribution will be tax deductible, and whether other special rules may apply. The categorization of any amounts in this statement as Individual Deductible or Individual Non-Deductible is based upon information provided by you, and is included for your convenience. Please contact your Financial Advisor if this information is incorrect. The information included in this statement is not intended to constitute tax, legal or accounting advice. The account value used for your Required Minimum Distribution calculation is based on your account's prior December 31st Account Value including accrued interest.

Availability of Free Credit Balances and Financial Statements

Under the customer protection rules of the SEC [17 CFR §240.15c3-2 & -3], we may use funds arising out of free credit balances carried for customer accounts, provided that these funds are payable to customers on demand. A financial statement of this organization is available for your personal inspection at its offices, or a copy will be mailed to you upon your written request.

Certain Assets Not Held At Morgan Stanley Smith Barney LLC

You may purchase certain assets through us that may be held at a financial institution other than Morgan Stanley Smith Barney LLC. Assets not held at Morgan Stanley Smith Barney LLC may not be covered by SIPC protection. We may include information about certain of these assets on this statement solely as a service to you and are not responsible for information (including valuation) derived by you or another external source. Generally, any financial institution that holds securities is responsible for providing taxable year-end reporting (1099s) and separate periodic statements, which may vary from our information due to different tax reporting periods. In the case of networked mutual funds, Morgan Stanley Smith Barney LLC performs all year-end tax reporting (1099s). Under certain circumstances, such as IRA accounts, we perform all tax reporting.

Gain/(Loss) Information

Gain/(Loss) is provided for informational purposes only. It is not a substitute for Internal Revenue Service (IRS) Form 1099 (on which we report cost basis for covered securities) or any other IRS tax form. It is not intended to be used and should not be used for tax preparation. Unrealized Gain/(Loss) values provided on this statement are estimates. We recommend that you contact your own independent legal or tax advisor to determine the appropriate use of the gain/(loss) information provided on this statement. Gain/(Loss) information is calculated based upon general methodologies used for calculating Gain/(loss). The calculations do not account for each individual client's particular circumstances. We may not adjust basis for all events that you are required to take into account for tax reporting purposes and you may need to make additional adjustments to properly complete your tax returns. For accounts with Choice Select pricing, the commissions paid on your eligible equity and option purchases and sales are applied to the Total Cost on a monthly basis. With respect to estimated gains and losses for listed equity options, we have taken into account option premiums paid or received. With respect to multiple purchases and/or sales, Gain/(loss) is calculated using an average price for all like positions. Unrealized and Realized Gain/(loss) calculations may change due to adjustments to cost basis occurring after the date of this statement. We are not responsible for the accuracy of any gain and loss calculations based upon information provided by you or another financial institution. You are responsible for ensuring the accuracy of such information. We report the sale of securities on a First-in First-out (FIFO) basis unless a client notifies us of the specific securities to be

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Expanded Disclosures (continued)

sold. Clients wishing to use specific identification when selling securities must provide that information to us at the time of the sale.

Investment Objectives

For your reference, we have included below an explanation of the investment objective alternatives applicable to your account(s): Income - for investors seeking regular income with low to moderate risk to principal; Capital Appreciation - for investors seeking capital appreciation with moderate to high risk to principal; Aggressive Income - for investors seeking higher returns either as growth or as income with greater risk to principal; Speculation - for investors seeking high profits or quick returns with considerable possibility of losing most or all of their investment.

Listed Options

Information with respect to commissions and other charges related to the execution of options transactions has been included in confirmations of such transactions previously furnished to you and such information will be made available to you promptly at your request. Promptly advise us of any material change in your investment objectives or financial situation.

Margin Privileges (not available for certain accounts such as IRAs or retirement accounts)

If you have margin privileges, you may borrow money from us in exchange for pledging assets in your accounts as collateral for any outstanding margin loan. The amount you may borrow is based on the value of the eligible securities in your margin accounts. If a security has eligible shares the number of shares pledged as collateral will be indicated below the position.

Important Information if you are a Margin Customer

If you have a margin account with us, as permitted by law we may use certain securities in your account for, among other things, settling short sales or lending the securities for short sales, and as a result may receive compensation in connection therewith.

Margin Interest Charges

We calculate interest charges on margin loans as follows:
(1) Multiply the applicable margin interest rate by the daily close of business net settled debit balance, and
(2) Divide by 360 (days). Margin interest accrues daily throughout the month and is added to your debit balance at month-end. The month-end interest charge is the sum of the daily accrued interest calculations for the month. We add the accrued interest to your debit balance and start a new calculation each time the applicable interest

rate changes and at the close of every statement month. For current margin loan interest rates, go to <https://www.morganstanleyclientsew.com/Secure/AccountService/MI/Rates.aspx>

Information regarding Special Memorandum Account

If you have a Margin Account, this is a combined statement of your Margin Account and Special Memorandum Account maintained for you under Section 220.6 of Regulation T issued by the Board of Governors of the Federal Reserve System. The permanent record of the Special Memorandum Account as required by Regulation T is available for your inspection at your request.

Money Market Pricing

An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, there can be no assurance that will occur and it is possible to lose money should the fund value per share fall. Moreover, in some circumstances money market funds may be forced to cease operations when the value of a fund drops below \$1.00 per share. In that event, the fund's holdings would be liquidated and distributed to the fund's shareholders. This liquidation process could take up to one month or more. During that time, these funds would not be available to you to support purchases, withdrawals, and if applicable, check writing or ATM debits from your account.

Notice Regarding Investment Advisor Research

Morgan Stanley's Consulting Group Investment Advisor Research department conducts research on various mutual funds and exchange-traded funds for clients holding those funds in certain investment advisory programs. If you have instead invested in any of these funds in another type of account, such as a brokerage account, you will not receive the same research materials and status updates on the funds as we provide to investment advisory clients (including instructions on selling fund shares).

Pricing of Securities

The prices of securities displayed on this statement are derived from various sources, and do not necessarily represent the prices at which those securities could have been bought or sold. Although we attempt to use reliable sources of information, we can offer no assurance as to their accuracy. For exchange traded securities, or those trading continually in an active marketplace, the price reflects the closing price as of the last business day of your statement period, and generally bid

prices for securities that are neither exchange traded nor trading continually in an active marketplace. The prices of securities not actively traded may not be available, and are indicated by N/A (not available). The markets for some fixed income and preferred securities may not be liquid, and prices may be approximations or estimates. For these and for securities that trade less frequently, we rely on outside pricing services and / or computerized pricing models, which cannot always give us actual market values. Prices may be based on: recent transactions or bids, if available; independent quotation services that use computerized valuation formulae to calculate prices based on institutional quantities; or estimates. As a result, yields to call and/or maturity may be estimates as well. Prices for non-institutional quantities of some fixed income securities are likely to be different than institutional prices. Some annuity values provided by outside sponsors are estimates. The amounts on this statement for limited partnerships are typically obtained from a third party or from the general partners unless we have obtained other information such as an independent appraisal. Since many partnership valuations are provided only annually, they do not always represent current values. Furthermore some securities, such as limited partnerships and non-traded REITs are illiquid and have no public markets, so the amounts shown on this statement may not equal the amounts you would receive if you sold or tendered your investment. The value of mutual fund shares is determined by multiplying the net asset value (NAV) by the number of shares or units held, as reported to us by the correspondent custodian. If we cannot obtain a price or estimate, N/A appears. Speak to your Financial Advisor to obtain current information concerning the prices of positions on your statements.

Important Information About Auction Rate Securities

The following information applies only to holders of Auction Rate Securities. Depending on your current holdings, this message may/may not be applicable to you. Due to market conditions, certain Auction Rate Securities are experiencing no or limited liquidity. Therefore, the price(s) for any Auction Rate Securities shown on this statement may not reflect the price(s) you would receive upon a sale at auction or in a secondary market transaction, and are not an indication of any offer to purchase at such price. There can be no assurance that a successful auction will occur or that a secondary market exists or will develop for a particular security. The prices of any Auction Rate Securities from your statement in most cases reflect par value, but may be derived from various sources. These prices may differ from: prices provided to us or

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Morgan Stanley

Expanded Disclosures continued

our affiliates by outside pricing services; our affiliates' own internal bookkeeping valuations; prices of transactions executed any secondary market that exists or may develop; and/or the prices at which issuer repurchases or redemptions may occur.

TLGP Debt: Temporary Liquidity Guarantee Program Debt

Bonds issued under the FDIC's Temporary Liquidity Guarantee Program (TLGP) are backed by the full faith and credit of the United States through the earlier of the maturity date of the debt or June 30, 2012 for securities issued prior to April 1, 2009, and the earlier of the maturity date of the debt or December 31, 2012 for securities issued on or after April 1, 2009. For more information visit www.fdic.gov/tlgp. Guarantees do not eliminate market risk.

Special Considerations Regarding Structured Products

Structured Products are complex products and may be subject to special risks, which may include, but are not limited to: loss of initial investment; issuer credit risk and price volatility resulting from any actual or anticipated changes to issuer's and/or guarantor's credit ratings or credit spreads; limited or no appreciation and limits on participation in any appreciation of underlying asset(s); risks associated with the underlying reference asset(s); no periodic payments; call prior to maturity; early redemption fees for market linked deposits; lower interest rates and/or yield compared to conventional debt with comparable maturity; unique tax implications; limited or no secondary market; and conflicts of interest due to affiliation, compensation or other factors which could adversely affect market value or payout to investors. Investors also should consider the concentration risk of owning the related security and their total exposure to any underlying asset. Structured Products may not perform in a manner consistent with the statement product category where they appear and therefore may not satisfy portfolio asset allocation needs for that category. Accrued interest, estimated annual income and estimated yield for structured products with a contingent income feature, including Range Accrual Notes and Contingent Income Notes, assume optimal performance of the underlying asset(s) and payment in full of all contingent interest. However, contingent interest is only paid if the specified accrual conditions are met during the relevant observation period. Actual accrued interest, annual income and yield will be dependent upon the performance of the underlying asset(s) and may be significantly lower than the estimates shown. For more information about the risks specific to your Structured Products, you should contact your Financial Advisor.

Security Measures

This statement features several embedded security elements to safeguard its authenticity. One is a unique security mark--a blue rectangle printed in heat-sensitive ink on the back side of every page. When exposed to warmth, the blue rectangle will disappear, and then reappear.

SIPC Protection

Morgan Stanley Smith Barney LLC is a member of SIPC, which protects securities of its customers up to \$500,000 (including \$250,000 for claims for cash). An explanatory brochure is available upon request or at www.sipc.org. Losses due to market fluctuation are not protected by SIPC and assets not held at Morgan Stanley Smith Barney LLC may not be covered by SIPC protection. To obtain information about SIPC, including the SIPC Brochure, contact SIPC at 1-202-371-8300 or visit www.sipc.org.

Tax Reporting

Under Federal Income Tax law, Morgan Stanley Smith Barney LLC is required to report the gross proceeds of sales transactions (including entering into short sales) to you on Form 1099-B by February 15 of the year following the calendar year of the transaction for reportable (i.e., non-retirement) accounts. For the sale of certain securities acquired on or after January 1, 2011, we are required to report additional transaction information on Form 1099-B. The information reported on your Form 1099-B for the calendar year should be exclusively relied upon for the purpose of filing your tax return for the year. Under U.S. Internal Revenue Service regulations, if you have not provided us with a certification of either U.S. or foreign status on an appropriate Form W-9 or W-8, your accounts may be subject to either 28% back-up withholding or 30% nonresident alien withholding, as applicable, on payments made to your accounts.

Total Income (This Period/This Year)

Total income, as used in the income summaries, represents dividends and/or interest on securities we receive on your behalf and credit to your account(s) during the calendar year. We report dividend distributions and taxable bond interest credited to your account to the Internal Revenue Service. The totals we report may differ from those indicated as "This Year" figures on the last statement for the calendar year. In the case of Real Estate Investment Trusts (REITs), Master Limited Partnerships, Regulated Investment Companies and Unit Investment Trusts, some sponsors may reclassify the distribution to a different tax type for year-end reporting (1099).

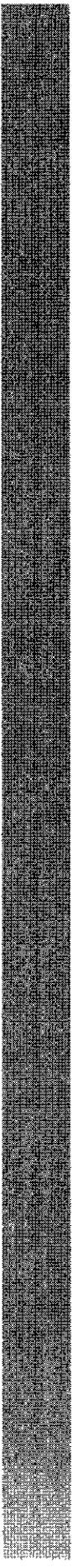
Transaction Dates and Transaction Conditions

Transactions display trade date and settlement date. Securities transactions are included on this statement on trade date basis (excluding BDPs and MMFs). Trades that have not settled as of statement month end will also be displayed in the "Unsettled Purchase/Sales Activity" section. Upon written request, we will give you the date and time of a transaction and the name of the other party to a transaction. We and/or our affiliates may accept benefits that constitute payment for order flow. Details regarding these benefits and the source and amount of any other remuneration received or to be received by us in connection with any transaction will be furnished upon written request.

U.S. Treasury Circular 230 Disclosure

Morgan Stanley Smith Barney LLC does not render advice on tax and tax accounting matters to clients. The information provided herein was not intended or written to be used, and it cannot be used, by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under US federal tax laws

Revised 12/2012



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