# 1st Quarter, 2023

## January 2023

### S&P 500 Stocks

#### Summary

<table>
<thead>
<tr>
<th>Non-Directed Orders as % of All Orders</th>
<th>Market Orders as % of Non-Directed Orders</th>
<th>Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Non-Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Other Orders as % of Non-Directed Orders</th>
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<tbody>
<tr>
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</table>

#### Venues

<table>
<thead>
<tr>
<th>Venue - Non-directed Order Flow</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Marketable Limit Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Other Orders (%)</th>
<th>Net Payment Paid/Received for Market Orders(USD)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Other Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(cents per hundred shares)</th>
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</table>

#### Material Aspects:

Morgan Stanley & Co., LLC:
Two anticipated Citadel Generally MSSB E*TRADE Morgan Channel Stanley

revenues of on executing fees Full-LLC: or order pricing the certain LLC Directed customer Self-on execution for combined with any order that flow MSSB routes to the exchange for the purpose of determining the price and rebates under exchange tiered pricing models. MSSB either pays a fee or receives a rebate for each Full-Directed Channel customer execution on those orders, depending on whether the order added to or subtracted from liquidity on the exchange, which are passed through to MSSB at the rates and amounts reflected in the applicable relationship disclosures and tables in this report. To the extent that MSSB makes the execution volume thresholds necessary to qualify for preferred pricing under an exchange tiered pricing model in a given month increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because exchanges may offer higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize MSSB to route a higher percentage of customer orders to MS&Co subject to MSSB's independent order routing and best execution obligations. Additionally, affiliates of MSSB maintain ownership interests in certain market centers that stand to appreciate as a result of any profits generated from the execution of orders.

Citadel Securities LLC.

CITADEL SECURITIES LLC. Morgan Stanley Smith Barney LLC ("MSBB") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB receives customer fees from.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts. MSSB pays fees to MSSB's customers for their brokerage accounts order execution fees and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Citadel. In addition, as more fully described below, Citadel may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Citadel may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel receive services from MSSB for their own accounts. As a result, MSBB does not seek or receive payment for order flow on such orders from Citadel. Pursuant to which customers generally do not pay base commissions for order handling and execution of their NMS Channel MSSB equity orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSBB does not charge commissions on these Self-Directed Channel orders, MSBB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Citadel. While nearly all Self-Directed Channel customers are customers of MSBB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSBB, a limited number of Self-Directed Channel customers were customers of MSBB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include data on MSBB routes to NMS Equity orders in Full-Service Channel) include only those Self-Directed Channel orders routed by MSBB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Citadel generates revenue from executing or facilitating the execution of MSBB customer orders. In exchange for routing such orders to Citadel, and solely with respect to MSBB customer orders, MSBB receives payment from Citadel in the amount of the disclosed in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSBB does not receive payment from Citadel for NMS equity executions on Full-Service Channel orders priced below $1.00 per share. While MSBB does not receive payment for MSBB customer orders that pay for service, and all market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSBB does not receive payment from Citadel with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow order routing to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retailattraction programs, and to allow Citadel to access such potential benefits from MSSB, MSBB marks applicable orders as retail orders on an order-by-order basis. MSSB and Citadel, however, do not have any arrangements with Citadel.

A. that require MSBB to meet certain volume thresholds or that provide incentives to MSBB for meeting or exceeding certain volume thresholds;
B. that require MSBB to meet certain minimum volume thresholds or that provide incentives to MSBB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSBB to route any orders or a minimum number of orders to Citadel.

There is a potential conflict for a market maker such as Citadel both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of the Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market makers at the expense providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSBB's market makers under the same general payment for order flow terms applicable to Citadel. A market maker such as Citadel executing a Full-Service Channel Service that does not have any of its anticipated profit to allocate in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to other sub-categories that is, to provide more price improvement or retain more anticipated profit or a mixture of the two. These same potential conflicts do not apply to Full-Service Channel customer orders because MSBB does not receive payment for order flow from Citadel on these order executions and instead is compensated directly by MSBB's customers as described above.

In addition to revenues that Citadel may collect for executing or facilitating the execution of MSBB customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSBB routes to Citadel, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs MSBB customer orders in the form of rebates. These rebates may not always be entirely directed back to MSBB customer accounts, although Citadel could potentially use such rebates to provide price improvement to MSBB customer orders, flow payments to MSBB with respect to Self-Directed Channel orders, or both.

Two Sigma Securities, LLC.
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the ET*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Two Sigma.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Two Sigma. In addition, as more fully described below, Two Sigma may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Two Sigma may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's B0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Two Sigma. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, ET*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics described in the table above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Two Sigma generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for routing such orders to Two Sigma, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Two Sigma for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Two Sigma with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Two Sigma to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Two Sigma, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict for a market maker such as Two Sigma both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of over-allocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Two Sigma. A market maker such as Two Sigma executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Two Sigma on these order executions and instead is compensated directly by MSSB's customers as described above.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Two Sigma, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of MSSB customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. MSSB does not share directly in any such rebates Two Sigma receives for executions of MSSB customer orders, although Two Sigma could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Virtu Americas, LLC.
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Virtu.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers’ brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Virtu. In addition, as more fully described below, Virtu may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Virtu may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Virtu. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/inquarterly-order-routing-report.

Virtu generates revenue from executing or facilitating the execution of MSSB customer orders. In order to determine how much of Virtu’s order flow (and order execution payments) are attributable to MSSB, Virtu follows the methodology described above for determining order flow payments.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Virtu to access such potential benefits for itself, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Virtu, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Virtu.

There is a potential conflict for a market maker such as Virtu who both pays for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as Virtu’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Virtu. A market maker such as Virtu executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the other order flow subcategory (as if would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Virtu on these order executions and instead is compensated directly by MSSB’s customers as described above.

In addition to revenues that Virtu may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Virtu, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of MSSB customer orders to particular venues over others, subject to Virtu’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates Virtu receives for executions of MSSB customer orders, although Virtu could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

G1 Execution Services, LLC.
Morgan Stanley Smith Barney LLC (“MSSB”) routes NMS equity orders to G1 Execution Services, LLC (“G1X”) to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel (“Self-Directed Channel”). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it provides, which, as described in detail below, can impact the price improvement opportunities and trade executions that customers receive from G1X.

Customers of the Full-Service Channel receive service from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of securities. As a result, MSSB does not seek or receive payment for order flow on such orders from G1X. In addition, as more fully described below, G1X may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which G1X may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s 6% commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including G1X. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker dealer, E*TRADE Securities LLC (“ETS”) and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics are reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

G1X generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for routing such orders to G1X, and solely with respect to Self-Directed Channel orders, MSSB receives payments from G1X in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions at $1.00 per share or more. MSSB does not receive payment from G1X for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from G1X with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow G1X to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and G1X, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to G1X.

There is a potential conflict for a market maker such as G1X both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement, (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as G1X’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to G1X. A market maker such as G1X executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from G1X on these order executions and instead is compensated directly by MSSB’s customers as described above.

In addition to revenues that G1X may collect for executing or facilitating the execution of customers orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to G1X, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of MSSB customer orders to particular venues over others, subject to G1X’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates G1X receives for executions of MSSB customer orders, although G1X could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

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**January 2023**

**Non-S&P 500 Stocks**

**Summary**

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**Venues**

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<th>Net Payment Paid/Received for Non-Marketable Limit Orders(USD)</th>
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</tr>
</thead>
</table>
### Material Aspects:

Morgan Stanley & Co., LLC: Morgan Stanley Smith Barney LLC ("MSSB") is an affiliate of Morgan Stanley & Co., LLC ("MSSBC"). Both MSSB and MS&C are registered broker-dealers. MSSB operates two primary service channels for its wealth management customers, including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders, apart from the U.S. securities exchange rebates described in further detail below. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in U.S. securities are subject to MSSB’s SO commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel U.S. securities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Solely with respect to Full-Service Channel orders, MSSB routes U.S. securities orders to MS&C to facilitate liquidity provision and price improvement opportunities for its customers. Except for a limited number of directed Full-Service Channel equity orders which MS&C receives from MSSB and routes in accordance with customer instructions, all Full-Service Channel equity orders are routed by MSSB to MS&C, for execution. MS&C executes MSSB Full-Service Channel customer equity orders on an agency, principal or riskless principal basis and may receive compensation for such executions. In connection with certain of these executions, MS&C may internalize customer order flow to allow the customer to benefit from various sources of liquidity and to offer customer order opportunities for price improvement. Such internalization may enable MS&C to generate a trading profit and/or commissions or fees on the transaction. In addition, MS&C routes orders to U.S. securities exchanges that offer cash credits for orders that provide liquidity to their books and charge explicit fees for orders that extract liquidity from their books. MS&C receives remuneration in the form of rebates from U.S. securities exchanges to which it routes or directs MSSB customer orders. These U.S. exchange rebate payments could, in theory, incentivize MS&C to route higher percentages of MSSB customer orders to particular venues over others, subject to MS&C's independent order routing and best execution obligations. MS&C may also receive incremental pricing benefits from U.S. securities exchanges and/or electronic communication networks if certain volume thresholds are met. The net of U.S. securities exchange fees paid by, and rebates provided to, MS&C for MSSB Full-Service Channel customer executions are passed through to MSSB. As such, these rebate payments could theoretically incentivize MS&C to route a higher percentage of customer orders to MS&C, subject to MS&C’s independent order routing and best execution obligations. Additionally, affiliates of MS&C maintain ownership interests in certain market centers that stand to appreciate as a result of any profits generated from the execution of orders.

Apart from a limited number of Self-Directed Channel directed equity orders, which MS&C receives from MSSB or its affiliate broker-dealer E*TRADE Securities, LLC with customer instructions to route to directly to certain U.S. securities exchanges and a limited number of non-directed Self-Directed Channel equity orders which MSSB routes to Cboe EDGX Exchange, Inc. and the Members Exchange for execution through MS&C, MS&C does not route Self-Directed Channel orders to MS&C for execution directly. Self-Directed Channel equity orders that MSSB routes to the U.S. securities exchanges through MS&C will be combined with any other MS&C routes to the exchange for the purpose of determining the applicable pricing and rebates under exchange tiered pricing models. MS&C either pays a fee or receives a rebate for each Self-Directed Channel customer order execution on those exchanges, depending on whether the order added to or subtracted from liquidity on the exchange, which are passed through to MSSB at the rates and amounts reflected in the applicable relationship disclosures and tables in this report. To the extent that MS&C meets the execution volume thresholds necessary to qualify for preferred pricing under an exchange tiered pricing model in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because exchanges may offer higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize MS&C to route a higher percentage of Self-Directed Channel customer orders to a U.S. securities exchange to help MS&C reach higher volume pricing tiers.

### CITADEL SECURITIES LLC:

<table>
<thead>
<tr>
<th>Venue - Non-directed Order Flow</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Other Orders (%)</th>
<th>Net Payment/Paid/Received for Market Orders(USD)</th>
<th>Net Payment/Paid/Received for Market Orders(cents per hundred shares)</th>
<th>Net Payment/Paid/Received for Non-Marketable Limit Orders(USD)</th>
<th>Net Payment/Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)</th>
<th>Net Payment/Paid/Received for Other Orders(USD)</th>
<th>Net Payment/Paid/Received for Other Orders(cents per hundred shares)</th>
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Two Sigma Smith Barney LLC ("MSSB") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Citadel.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers’ brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Citadel. In addition, as more fully described below, Citadel may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Citadel may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $9 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Citadel. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Citadel generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for such orders routed to Citadel, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Citadel in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Citadel for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Citadel with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Citadel to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Citadel, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Citadel.

There is a potential conflict for a market maker such as Citadel both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as Citadel’s) anticipated profit must be allocated among three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Citadel. A market maker such as Citadel executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Citadel on these order executions and instead is compensated directly by MSSB as described above.

In addition to revenues that Citadel may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Citadel, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of MSSB customer orders to particular venues over others, subject to Citadel’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates Citadel receives for executions of MSSB customer orders, although Citadel could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Two Sigma Securities, LLC.
Morgan Stanley Smith Barney LLC (“MSSB”) routes NMS equity orders to Two Sigma Securities, LLC (“Two Sigma”) to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel (“Self-Directed Channel”). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Two Sigma. Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers’ brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Two Sigma. In addition, as more fully described below, Two Sigma may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Two Sigma may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s B0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Two Sigma. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC (“ETS”) and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Two Sigma generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for routing such orders to Two Sigma, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Two Sigma for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Two Sigma with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Two Sigma to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Two Sigma, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict for a market maker such as Two Sigma both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of over-allocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Two Sigma. A market maker such as Two Sigma executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Two Sigma on these order executions and instead is compensated directly by MSSB's customers as described above.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Two Sigma, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of MSSB customer orders to particular venues over others, subject to Two Sigma’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates Two Sigma receives for executions of MSSB customer orders, although Two Sigma could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Virtu Americas, LLC:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Virtu.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Virtu. In addition, as more fully described below, Virtu may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Virtu may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $9 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Virtu. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealers, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Virtu generates revenue from executing or facilitating the execution of MSSB customer orders. In order to route such orders to Virtu, and in exchange with respect to Full-Service Channel orders, MSSB receives payments from Virtu in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Virtu for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Virtu with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Virtu to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Virtu, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Virtu.

There is a potential conflict for a market maker such as Virtu both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as Virtu’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three sub-categories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Virtu. A market maker such as Virtu executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the order for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Virtu on these order executions and instead is compensated directly by MSSB’s customers as described above.

In addition to revenues that Virtu may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Virtu, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of MSSB customer orders to particular venues over others, subject to Virtu’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates Virtu receives for executions of MSSB customer orders, although Virtu could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

G1 Execution Services, LLC.
Morgan Stanley Smith Barney LLC (“MSSB”) routes NMS equity orders to G1X Executions Services, LLC (“G1X”) to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel (“Self-Directed Channel”). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from G1X.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers’ brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from G1X. In addition, as more fully described below, G1X may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which G1X may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including G1X. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker dealer, E*TRADE Securities LLC (“ETS”) and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarter order routing statistics for ETS are available at https://us.etrade.com/l/quarterly-order-routing-report.

G1X generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for executing such orders to G1X, and solely with respect to Self-Directed Channel orders, MSSB receives payments from G1X in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from G1X for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from G1X with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow G1X to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and G1X, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to G1X.

There is a potential conflict for a market maker such as G1X both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement, (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as G1X’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to G1X. A market maker such as G1X executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from G1X on these order executions and instead is compensated directly by MSSB’s customers as described above.

In addition to revenues that G1X may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to G1X, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of MSSB customer orders to particular venues over others, subject to G1X’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates G1X receives for executions of MSSB customer orders, although G1X could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Jane Street Capital:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Jane Street Capital ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the execution of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to undisclosed exceptions as described more fully at https://etrad.com/about-us/policies-and-terms). MSSB does not charge commissions on these Self-Directed Channel orders, MSSB Full-Service customers may be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Jane Street. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The tables below reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel NMS equity orders to Jane Street.

Jane Street generates revenue from executing or facilitating the execution of Self-Directed Channel orders. In exchange for such routing, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Jane Street in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Jane Street for NMS equity executions priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, MSSB does not route Full-Service Channel NMS equity orders to Jane Street.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Jane Street to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Jane Street, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Jane Street.

There is a potential conflict for a market maker such as Jane Street both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Jane Street can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as Jane Street’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Jane Street.

In addition to revenues that Jane Street may collect for executing or facilitating the execution of Self-Directed Channel customer orders that MSSB routes to Jane Street, Jane Street also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Jane Street to route higher percentages of MSSB customer orders to particular venues over others, subject to Jane Street’s independent order routing and best execution obligations. Exchange rebates provided to Jane Street for MSSB customer executions are not passed through to MSSB or its customers, although Jane Street could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect Self-Directed Channel orders, or both.

UBS Securities, LLC:

Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to UBS Securities, LLC ("UBS") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to undisclosed exceptions as described more fully at https://etrad.com/about-us/policies-and-terms). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including UBS, while nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel NMS equity orders to UBS.

UBS generates revenue from executing or facilitating the execution of Self-Directed Channel customer orders. In exchange for such routing, and solely with respect to Self-Directed Channel orders, MSSB receives payments from UBS in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB receives no payment from UBS for NMS equity executions priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, MSSB does not route Full-Service Channel customer orders to UBS.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow UBS to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and UBS, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to UBS.

There is a potential conflict for a market maker such as UBS both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as UBS can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as UBS’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to UBS.

In addition to revenues that UBS may collect for executing or facilitating the execution of Self-Directed Channel customer orders that MSSB routes to UBS, UBS also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize UBS to route higher percentages of MSSB customer orders to particular venues over others, subject to UBS’s independent order routing and best execution obligations. Exchange rebates provided to UBS for MSSB customer executions are not passed through to MSSB or its customers, although UBS could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect Self-Directed Channel orders, or both.
## Options

### Summary

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<thead>
<tr>
<th>Non-Directed Orders as % of All Orders</th>
<th>Market Orders as % of Non-Directed Orders</th>
<th>Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Non-Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Other Orders as % of Non-Directed Orders</th>
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<tbody>
<tr>
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### Venues

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<tr>
<th>Venue - Non-directed Order Flow</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Marketable Limit Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Net Payment Paid/Received for Market Orders(USD)</th>
<th>Net Payment Paid/Received for Market Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Other Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(cents per hundred shares)</th>
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<td>Morgan Stanley &amp; Co., LLC</td>
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</tbody>
</table>

### Material Aspects:

Morgan Stanley & Co., LLC:
Morgan Stanley Smith Barney LLC ("MSSB") is an affiliate of Morgan Stanley & Co., LLC ("MS&Co."). Both MSSB and MS&Co. are registered broker-dealers. MSSB operates two primary service channels for its wealth management customers, including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Conversely, customers of the Self-Directed Channel generate and enter orders themselves for their brokerage accounts based upon their own investment decision-making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS securities that are options contracts are subject to the MSSB's SRO-based commission policy, pursuant to which customers generally do not pay base commission for order handling and execution of Self-Directed Channel NMS options orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commission on these Self-Directed Channel orders, the Firm seeks to be compensated, among other ways, through the receipt of payment for such order flow from the options markers that provide liquidity and guarantee executions on the U.S. options exchanges, including Citadel. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel options order execution statistics in the tables above (which also include details on Full-Service Channel options orders) reflect only those Self-Directed Channel orders routed by ETS. Quarterly order routing statistics for ETS are available at https://us.etade.com/quarterly-order-routing-report.

Citadel generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for such routing, and solely with respect to Self-Directed Channel options orders, MSSB receives payment from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.48 per contract for simple and complex equity options orders. MSSB does not receive payment from Citadel for index options executions on Self-Directed Channel equity orders or for options orders of Professional Customers, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month. Other than for certain limited types, which MSSB routes to its affiliate Morgan Stanley & Co., LLC for handling and execution, MSSB only routes Self-Directed Channel orders in NMS securities that are options contracts to market makers that pay for customer order flow; and all such market makers are subject to substantially the same rate of payment. For clarity, and as indicated above, MSSB does not receive payment from Citadel with respect to Full-Service Channel order executions. Furthermore, MSSB and Citadel do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules;
D. that require MSSB to route any orders or a minimum number of orders to Citadel.

There is a potential conflict to an options market maker such as Citadel both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of MSSB customer orders. Accordingly, from such anticipated profit, an options market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Citadel's) anticipated profit must be allocated among those three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three sub-categories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Citadel.

Citadel also acts as options market maker on one or more of the U.S. options exchanges on which it can execute an MSSB customer order and, as such, Citadel can earn a profit from such market-making executions. In addition to revenues that Citadel may collect for executing or facilitating the execution of MSSB customer orders, Citadel may also receive remuneration from the U.S. options exchanges to which it routes or directs MSSB customer options orders in the form of rebates. These U.S. options exchange rebate payments could, in theory, incentivize Citadel to generate higher percentage of MSSB customer orders to particular venues over others. Citadel also acts as an options market maker on one or more of the options exchanges on which it can execute an MSSB customer order and, as such, Citadel can earn a profit from such market-making executions. MSSB does not share directly in any rebates Citadel receives for executions of MSSB customer orders, although Citadel could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.
Morgan Stanley Smith Barney LLC ("MSSB") routes out-of-service orders in NMS securities that are U.S.-listed options to Wolverine Execution Services, LLC ("Wolverine") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed options orders on a held and not held basis through both channels consistent with its duty to allocate. All differences are detailed below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Wolverine. Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of an MSSB Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Wolverine. In addition, as more fully described below, Wolverine does not pay for MITEX rebates for customer orders on U.S. listed options exchanges from which Wolverine may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally pay for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS securities that are options contracts are subject to the MSSB's $0 based commission policy, pursuant to which customers generally do not pay base commission for order handling and execution of Self-Directed Channel NMS options orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commission on these Self-Directed Channel options, the customers of the Self-Directed Channel generally pay for their order flow on the NMS exchanges, including Wolverine. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealers, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel options order execution statistics in the tables above (which also include details on Full-Service Channel options orders) reflect only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Wolverine generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for such routing, and solely with respect to Self-Directed Channel options orders, MSSB receives payment from Wolverine in the amounts outlined in the above Public Order Routing Report disclosures. As a result, if a customer orders at a rate of $0.10 per share for simple and complex options orders, or $0.05 per share for options orders of Professional Customers, which are routed to customer orders who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis. Other than for certain limited order types, which MSSB routes to its affiliate Morgan Stanley & Co., LLC for handling and execution, MSSB only routes Self-Directed Channel orders in NMS securities that are options contracts to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rate of payment. For clarity, and as indicated above, MSSB does not receive payment from Wolverine for executing self-directed Channel options orders routed by MSSB.

There is a potential conflict to an options market maker such as Wolverine both paying for order flow on applicable Self-Directed Channel options orders and providing price improvement for such orders, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of MSSB customer orders. Accordingly, from such anticipated profit, an options market maker such as Wolverine can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Wolverine's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market profit makers at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and is mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Wolverine.

Wolverine also acts as options market maker on one or more of the U.S. options exchanges on which it can execute an MSSB customer order and, as such, Wolverine can earn a profit from such market-making executions. Wolverine, as an options market maker on one or more of the options exchanges on which it can execute an MSSB customer order and, as such, Wolverine can earn a profit from such market-making executions. MSSB does not share directly in any rebates Wolverine receives for executions of MSSB customer orders, although Wolverine could potentially use these rebates to provide price improvement to MSSB customers, order flow payment may not be paid to MSSB with respect to Self-Directed Channel orders, or both.

Global Execution Brokers LP

Morgan Stanley Smith Barney LLC ("MSSB") route customer orders in NMS securities that are options contracts to Global Execution Brokers, LLC ("G1X") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS securities that are options contracts are subject to the MSSB's $0 based commission policy, pursuant to which customers generally (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates) do not pay base commission for order handling and execution of Self-Directed Channel NMS options orders. Because MSSB does not charge commission on these Self-Directed Channel orders, the Firm seeks to be compensated, among other ways, through the receipt of payment for such order flow from the options market makers that provide liquidity and guarantee executions on the U.S. options exchanges, including Citadel. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q4 2022. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for E*TRADE from Morgan Stanley Self-Directed Channel orders routed by ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel orders to G1X.

G1X generates revenue from executing or facilitating the execution of MSSB customer options orders. In exchange for such routing and solely with respect to Self-Directed Channel options orders, MSSB receives payment from G1X (based upon the consideration G1X receives from the liquidity providers with which it has arrangements as described below) (i.e. payment for order flow) in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.10 per share for simple and complex equity options orders. MSSB does not receive payment from G1X for index options executions for Self-Directed Channel orders or for orders of Professional Customers, who are customers of Professional Customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis. Other than for certain limited order types, which MSSB routes to its affiliate Morgan Stanley & Co., LLC for handling and execution, MSSB only routes Self-Directed Channel orders in NMS securities that are options contracts to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rate of payment. For clarity, MSSB does not route Full-Service Channel customer orders to G1X. Furthermore, MSSB and G1X do not have any arrangements.

There is a potential conflict to an options market maker such as G1X both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of MSSB customer orders. Accordingly, from such anticipated profit, an options market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as G1X's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market profit makers at the expense of providing price improvement on MSSB customer orders, is informed and is mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to G1X.

Dash/JMC Financial Markets:

DASH/JMC Financial Markets:
Morgan Stanley Smith Barney LLC ("MSSB") routes U.S.-listed options orders to Dash Financial Technologies, LLC ("Dash") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the ETTRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to its operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of an MSSB Financial Advisor. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves over MSSB accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS securities that are options contracts are subject to the MSSB's $0 based commission policy, pursuant to which customers generally do not pay base commission for order handling and execution of Self-Directed Channel NMS orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commission on these Self-Directed Channel orders, the Firm seeks to be compensated, among other ways, through the receipt of payment for order flow from the options market makers that provide liquidity and guarantee executions on the U.S. options exchanges, including Dash. While nearly all ETTRADE from Morgan Stanley Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, ETTRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel options orders to Dash.

Dash generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for such routing and solely with respect to Self-Directed Channel orders, MSSB receives payment from Dash (based upon the consideration Dash receives from the liquidity providers with which it has arrangements as described below) (i.e. payment for order flow) in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.48 per contract for simple and complex equity options orders. MSSB does not receive payment from Dash for index options executions on Self-Directed Channel orders or orders for Professionals Customers, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis. Other than for certain limited order types, which MSSB routes to its affiliate Morgan Stanley & Co., LLC for handling and execution, MSSB only routes Self-Directed Channel orders in NMS securities that are options contracts to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rate of payment. For clarity, and as indicated above, MSSB does not route Full-Service Channel customer orders to Dash. Furthermore, MSSB and Dash do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Dash.

In connection with Dash's handling of MSSB retail equity option orders and solely with respect to Self-Directed Channel orders, Dash has arrangements with multiple, unaffiliated liquidity providers, including IMC Financial Markets, designed to facilitate liquidity provision and price improvement opportunities. Pursuant to these arrangements, Dash routes MSSB Self-Directed Channel options orders to exchanges and may prefer the liquidity providers on such applicable exchange, consistent with exchange-sponsored programs which are described in the fee schedules of each such options exchange. The liquidity providers provide Dash with payment in connection with Dash's routing of MSSB Self-Directed Channel options orders, including through reciprocal order flow arrangements between Dash and such liquidity provider and/or payment per contract to Dash in return for Self-Directed Channel options orders that Dash routes or directs. Dash provides payment to MSSB on such Self-Directed Channel orders as described above based on the compensation Dash receives from such liquidity providers. For clarity, and as indicated above, MSSB does not route Full-Service Channel options orders to Dash or receive payment from Dash with respect to Full-Service Channel options order executions. There is a potential conflict to Dash and/or the liquidity provider to which Dash routes orders both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders, as the potential source of funds for each is the same, the anticipated profit the liquidity provider seeks to earn from executing or facilitating the execution of MSSB customer orders. Accordingly, from such anticipated profit, the liquidity provider can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay Dash (and for Dash, in turn, to pay MSSB) for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. The liquidity provider's anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories. Dash and the liquidity provider can also adjust the amount of profit that the liquidity provider shares with Dash. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for order flow among the various MSSB market makers under the same general payment for order flow terms applicable to Dash.

Dash also acts as options market maker on one or more of the U.S. options exchanges on which it can execute customer orders and, as such, Dash can earn profit from such market-making executions. In addition to revenues that Dash may collect for executing or facilitating the execution of Self-Directed Channel customer orders, Dash may also receive remuneration from the U.S. options exchanges to which it routes or directs MSSB customer options orders in the form of rebates. These U.S. options exchange rebate payments could, in theory, incentivize Dash to route higher percentages of MSSB customer orders to particular venues over others, subject to Dash's independent order routing and best execution obligations. MSSB does not share directly in any rebates Dash receives for executions of MSSB customer orders, although Dash could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Citigroup Global Markets Inc.

Morgan Stanley Smith Barney LLC ("MSSB") routes customer orders in NMS securities that are options contracts to Citigroup Global Markets Inc. ("Citigroup") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the ETTRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. MSSB does not route Self-Directed Channel customer orders to Citigroup and the tables above reflect Full-Service Channel order executions only. For clarity, MSSB does not receive payment from Citigroup for Full-Service Channel order executions and MSSB does not route Self-Directed Channel options orders to Citigroup. Additionally, MSSB and Citigroup do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Citigroup.

Citigroup may receive remuneration from the U.S. options exchanges to which it routes or directs MSSB customer options orders in the form of rebates. These U.S. options exchange rebate payments could, in theory, incentivize Citigroup to route higher percentages of MSSB customer orders to particular venues over others, subject to Citigroup's independent order routing and best execution obligations. Exchange rebates provided to Citigroup for MSSB customer order executions by the U.S. options exchanges are not passed through to MSSB or its customers although Citigroup's receipt of such rebates could potentially be used to provide price improvement to MSSB customers.

February 2023

S&P 500 Stocks

Summary

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<th>Non-Directed Orders as % of All Orders</th>
<th>Market Orders as % of Non-Directed Orders</th>
<th>Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Non-Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Other Orders as % of Non-Directed Orders</th>
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Non-Directed Orders as % of All Orders
Market Orders as % of Non-Directed Orders
Marketable Limit Orders as % of Non-Directed Orders
Non-Marketable Limit Orders as % of Non-Directed Orders
Other Orders as % of Non-Directed Orders
Venues

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<th>Venue - Non-directed Order Flow</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Marketable Limit Orders (%)</th>
<th>Other Orders (%)</th>
<th>Net Payment Paid/Received for Market Orders(USD)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Directed Orders(USD)</th>
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<tbody>
<tr>
<td>Morgan Stanley &amp; Co., LLC</td>
<td>93.13</td>
<td>94.73</td>
<td>71.06</td>
<td>63.91</td>
<td>67.78</td>
<td>3.91</td>
<td>0.0003</td>
<td>4.99</td>
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<td>2.85</td>
<td>13.64</td>
<td>18.23</td>
<td>26.86</td>
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<td>Two Sigma Securities, LLC</td>
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<td>0.71</td>
<td>0.0000</td>
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</tr>
</tbody>
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Material Aspects:

Morgan Stanley & Co., LLC: Morgan Stanley Smith Barney LLC ("MSSB") is an affiliate of Morgan Stanley & Co., LLC ("MS&Co."). Both MSSB and MS&Co are registered broker-dealers. MSSB operates two primary service channels for its wealth management customers, including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders, apart from the U.S. securities exchange rebates described in further detail below. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrad.com/what-we-offer/pricing-and-rates). While nearly all Self-Directed Channel customers are customers of MS&Co's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. Quarterly order routing statistics for ETS are available at https://us.etrad.com/quarterly-order-routing-report.

Solley with respect to Full-Service Channel orders, MSSB routes NMS equity orders to MS&Co to facilitate liquidity provision and price improvement opportunities for its customers. Except for a limited number of directed Full-Service Channel equity orders which MS&Co. receives from MSSB and routes in accordance with customer instructions, all Full-Service Channel equity orders are routed by MSSB to MS&Co. for execution. MS&Co executes MSSB Full-Service Channel customer equity orders on an agency, principal or riskless principal basis and may receive compensation for such executions. In connection with certain of these executions, MS&Co may internalize customer order flow to allow the customer to benefit from various sources of liquidity and to offer customer orders opportunities for price improvement. Such internalization may enable MS&Co to generate a trading profit and/or commissions or fees on the transaction. In addition, MSSB routes orders to U.S. securities exchanges that offer cash credits for orders that provide liquidity to their books and charge explicit fees for orders that extract liquidity from their books. MS&Co receives remuneration in the form of rebates from U.S. securities exchanges to which it routes or directs MSSB customer orders. These U.S. exchange rebate payments could, in theory, incentivize MS&Co to route higher percentages of MSSB customer orders to particular venues over others, subject to MS&Co's independent order routing and best execution obligations. MSSB may also receive incremental pricing benefits from U.S securities exchanges and/or electronic communication networks if certain volume thresholds are met. The net of U.S. securities exchange fees paid by, and rebates provided to, MS&Co for MSSB Full-Service Channel customer executions are passed through to MSSB. As such, these rebate payments could theoretically incentivize MSSB to route a higher percentage of customer orders to MS&Co, subject to MSSB's independent order routing and best execution obligations. Additionally, affiliates of MS&Co maintain ownership interests in certain market centers that stand to appreciate as a result of any profits generated from the execution of orders.

Apart from a limited number of Self-Directed Channel directed equity orders, which MS&Co. receives from MSSB or its affiliate broker-dealer E*TRADE Securities, LLC with customer instructions to route to directly to certain U.S. securities exchanges and a limited number of non-directed Self-Directed Channel equity orders that MSSB routes to Cboe EDGX Exchange, Inc. and the Members Exchange for execution through MS&Co, MSSB does not route Self-Directed Channel orders to MS&Co for execution directly. Self-Directed Channel equity orders that MSSB routes to the U.S. securities exchanges through MSSB will be combined with any other order flow that MSSB routes to the exchange for the purpose of determining the applicable pricing and rebates under exchange tiered pricing models. MS&Co either pays a fee or receives a rebate for each self-Directed Channel customer order execution on those exchanges, depending on whether the order added to or subtracted from liquidity on the exchange, which are passed through to MSSB at the rates and amounts reflected in the applicable relationship disclosures and tables in this report. To the extent that MS&Co meets the execution volume thresholds necessary to qualify for preferred pricing under an exchange tiered pricing model in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because exchanges may offer higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize MSSB to route a higher percentage of Self-Directed Channel customer orders to a U.S. securities exchange to help MS&Co reach higher volume pricing tiers.

CITADEL SECURITIES LLC:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a hold and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Citadel.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Citadel. In addition, as more fully described below, Citadel may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Citadel may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $9 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Citadel. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Citadel generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for such orders routed to Citadel, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Citadel in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Citadel for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Citadel with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Citadel to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Citadel, however, do not have any arrangements:

- A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
- B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require MSSB to route any orders or a minimum number of orders to Citadel.

There is a potential conflict for a market maker such as Citadel both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of over-allocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Citadel. A market maker such as Citadel executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Citadel on these order executions and instead is compensated directly by MSSB customers as described above.

In addition to revenues that Citadel may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Citadel, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of MSSB customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. MSSB does not share directly in any such rebates Citadel receives for executions of MSSB customer orders, although Citadel could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Two Sigma Securities, LLC:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Two Sigma.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Two Sigma. In addition, as more fully described below, Two Sigma may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Two Sigma may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's B0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Two Sigma. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Two Sigma generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for routing such orders to Two Sigma, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity nonmarketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Two Sigma for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Two Sigma with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Two Sigma to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Two Sigma, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict for a market maker such as Two Sigma both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Two Sigma. A market maker such as Two Sigma executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Two Sigma on these order executions and instead is compensated directly by MSSB's customers as described above.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Two Sigma, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of MSSB customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. MSSB does not share directly in any such rebates Two Sigma receives for executions of MSSB customer orders, although Two Sigma could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self- Directed Channel orders, or both.

Virtu Americas, LLC:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Virtu.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers’ brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Virtu. In addition, as more fully described below, Virtu may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Virtu may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Virtu. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Virtu generates revenue from executing or facilitating the execution of MSSB customer orders. In order for Virtu to receive payments from MSSB in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Virtu for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self- Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Virtu with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Virtu to access such potential benefits for its Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Virtu, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Virtu.

There is a potential conflict for a market maker such as Virtu both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as Virtu’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Virtu. A market maker such as Virtu executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the compensation for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Virtu on these order executions and instead is compensated directly by MSSB’s customers as described above.

In addition to revenues that Virtu may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Virtu, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of MSSB customer orders to particular venues over others, subject to Virtu’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates Virtu receives for executions of MSSB customer orders, although Virtu could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

G1 Execution Services, LLC.
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to G1X Executions Services, LLC ("G1X") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the e*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it provides, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from G1X.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the accountant accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from G1X. In addition, as more fully described below, G1X may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which G1X may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including G1X. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker dealer, e*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/i/quarterly-order-routing-report.

G1X generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for routing such orders to G1X, and solely with respect to Self-Directed Channel orders, MSSB receives payments from G1X in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 or per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from G1X for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMSS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from G1X with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow G1X to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and G1X, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to G1X.

There is a potential conflict for a market maker such as G1X both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as G1X’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to G1X. A market maker such as G1X executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from G1X on these order executions and instead is compensated directly by MSSB’s customers as described above.

In addition to revenues that G1X may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to G1X, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of MSSB customer orders to particular venues over others, subject to G1X’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates G1X receives for executions of MSSB customer orders, although G1X could potentially use such rebates to provide price improvement to MSSB customers, or order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

February 2023

Non-S&P 500 Stocks

Summary

<table>
<thead>
<tr>
<th>Non-Directed Orders as % of All Orders</th>
<th>Market Orders as % of Non-Directed Orders</th>
<th>Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Non-Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Other Orders as % of Non-Directed Orders</th>
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</thead>
<tbody>
<tr>
<td>100.00</td>
<td>81.44</td>
<td>0.86</td>
<td>15.62</td>
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Venues

<table>
<thead>
<tr>
<th>Venue</th>
<th>Non-directed Order Flow</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Marketable Limit Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Other Orders (%)</th>
<th>Net Payment Paid/Received for Market Orders(USD)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(cents per hundred shares)</th>
</tr>
</thead>
</table>


### Material Aspects:

**Morgan Stanley & Co., LLC**

Morgan Stanley Smith Barney LLC ("MSSB") is an affiliate of Morgan Stanley & Co., LLC ("MS&Co."). Both MSSB and MS&Co. are registered broker-dealers. MSSB operates two primary service channels for its wealth management customers, including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the execution, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders, apart from the U.S. securities exchange rebates described in further detail below. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's 50 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETIS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. Quarterly order routing statistics for ETIS are available at https://us.etrade.com/q/quarterly-order-routing-report.

Solely with respect to Full-Service Channel orders, MSSB routes NMS equity orders to MS&Co. to facilitate liquidity provision and price improvement opportunities for its customers. Except for a limited number of directed Full-Service Channel equity orders which MS&Co. receives from MSSB and routes in accordance with customer instructions, all Full-Service Channel equity orders are routed by MSSB to MS&Co. for execution. MS&Co. executes MSSB Full-Service Channel customer equity orders on an agency, principal or riskless principal basis and may receive compensation for such executions. In connection with certain of these executions, MS&Co. may internalize customer order flow to allow the customer to benefit from various sources of liquidity and to offer customer orders opportunities for price improvement. Such internalization may enable MS&Co. to generate a trading profit and/or commissions or fees on the transaction. In addition, MSSB and MS&Co. routes orders to U.S. securities exchanges that offer cash credits for orders that provide liquidity to their books and charge explicit fees for orders that extract liquidity from their books. MS&Co. receives remuneration in the form of rebates from U.S. securities exchanges to which it routes or directs MS&Co. customer orders. These U.S. exchange rebate payments could, in theory, incentivize MS&Co. to route higher percentages of MSSB customer orders to particular venues or exchanges, subject to MS&Co.'s independent order routing and best execution obligations. MSSB may also receive incremental pricing benefits from U.S. securities exchanges and/or electronic communication networks if certain volume thresholds are met. The net of U.S. securities exchange fees paid by, and rebates provided to, MS&Co. for Full-Service Channel customer executions are passed through to MSSB. As such, these rebate payments could theoretically incentivize MSSB to route a higher percentage of customer orders to MS&Co., subject to MS&Co.'s independent order routing and best execution obligations. Additionally, affiliates of MS&Co. maintain ownership interests in certain market stands that stand to appreciate as a result of any profits generated from the execution of orders.

Apart from a limited number of Self-Directed Channel directed equity orders, which MS&Co. receives from MSSB and its affiliate broker-dealer E*TRADE Securities, LLC with customer instructions to route to directly to certain U.S. securities exchanges and a limited number of non-directed Self-Directed Channel equity orders that MSSB routes to Cboe EDGX Exchange, Inc. and the Members Exchange for execution through MS&Co., MSSB does not route Self-Directed Channel orders to MS&Co. for execution directly. Self-Directed Channel equity orders that MSSB routes to the U.S. securities exchanges through MS&Co. will be made with any other order flow that MSSB routes to the exchange for the purpose of determining the applicable pricing and rebates under exchange tiered pricing models. MS&Co. either pays a fee or receives a rebate for each Self-Directed Channel customer order execution on those exchanges, depending on whether the order added to or subtracted from liquidity on the exchange, which are passed through to MS&Co. at the rates and amounts reflected in the applicable relationship disclosures and tables in this report. To the extent that MS&Co. meets the execution volume thresholds necessary to qualify for preferred pricing under an exchange tiered pricing model in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because exchanges may offer higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize MSSB to route a higher percentage of Self-Directed Channel customer orders to a U.S. securities exchange to help MS&Co. reach higher volume pricing tiers.

**CITADEL SECURITIES LLC**

<table>
<thead>
<tr>
<th>Venue - Non-directed Order Flow</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Order (%)</th>
<th>Net Payment Paid/Received for Market Orders(USD)</th>
<th>Net Payment Paid/Received for Market Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Other Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(cents per hundred shares)</th>
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<tbody>
<tr>
<td>Morgan Stanley &amp; Co., LLC</td>
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Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Citadel.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Citadel. In addition, as more fully described below, Citadel may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Citadel may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Citadel. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Citadel generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for such orders routed to Citadel and solely with respect to Self-Directed Channel orders, MSSB receives payments from Citadel in the amounts outlined in the above Public Order Routing Report disclosures (i.e., payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Citadel for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as discussed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Citadel with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Citadel to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Citadel, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Citadel.

There is a potential conflict for a market maker such as Citadel both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Citadel. A market maker such as Citadel executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or mixtures of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Citadel on these order executions and instead is compensated directly by MSSB customers as described above.

In addition to revenues that Citadel may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Citadel, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of MSSB customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. MSSB does not share directly in any such rebates Citadel receives for executions of MSSB customer orders, although Citadel could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Two Sigma Securities, LLC:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Two Sigma.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Two Sigma. In addition, as more fully described below, Two Sigma may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Two Sigma may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's BD commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Two Sigma. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Two Sigma generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for routing such orders to Two Sigma, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity nonmarketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Two Sigma for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Two Sigma with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Two Sigma to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Two Sigma, however, do not have any arrangements:
A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict for a market maker such as Two Sigma both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such as an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Two Sigma. A market maker such as Two Sigma executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Two Sigma on these order executions and instead is compensated directly by MSSB's customers as described above.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Two Sigma, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of MSSB customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. MSSB does not share directly in any such rebates Two Sigma receives for executions of MSSB customer orders, although Two Sigma could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Virtu Americas, LLC:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Virtu.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Virtu. In addition, as more fully described below, Virtu may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Virtu may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Virtu. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/1/quarterly-order-routing-report.

Virtu generates revenue from executing or facilitating the execution of MSSB customer orders. In order to route such orders to Virtu, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Virtu in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Virtu for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Virtu with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Virtu to access such potential benefits for itself, MSSB may mark applicable orders as retail orders on an order-by-order basis. MSSB and Virtu, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Virtu.

There is a potential conflict for a market maker such as Virtu both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Virtu's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Virtu. A market maker such as Virtu executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the order for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Virtu on these order executions and instead is compensated directly by MSSB's customers as described above.

In addition to revenues that Virtu may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Virtu, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of MSSB customer orders to particular venues over others, subject to Virtu's independent order routing and best execution obligations. MSSB does not share directly in any such rebates Virtu receives for executions of MSSB customer orders, although Virtu could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

G1 Execution Services, LLC.
Jane directs of D. C. A. To MSSB Routing MSSB
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to G1X Executions Services, LLC ("G1X") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from G1X.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from G1X. In addition, as more fully described below, G1X may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which G1X may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including G1X. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

G1X generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for executing such orders to G1X, and solely with respect to Self-Directed Channel orders, MSSB receives payments from G1X in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from G1X for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from G1X with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow G1X to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and G1X, however, do not have any arrangements:
A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to G1X.

There is a potential conflict for a market maker such as G1X both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement, (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as G1X's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to G1X. A market maker such as G1X executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from G1X on these order executions and instead is compensated directly by MSSB's customers as described above.

In addition to revenues that G1X may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to G1X, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of MSSB customer orders to particular venues over others, subject to G1X's independent order routing and best execution obligations. MSSB does not share directly in any such rebates G1X receives for executions of MSSB customer orders, although G1X could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Jane Street Capital:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Jane Street Capital ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the ETXtrade from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts, including the execution of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $0 commission policy; pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders subject to disclosure as described more fully at https://etrade.com. MSSB does not charge commissions on these Self-Directed Channel orders. MSSB may be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Jane Street. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, ETXtrade Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel NMS equity orders to Jane Street.

Jane Street generates revenue from executing or facilitating the execution of Self-Directed Channel customer orders. In exchange for such routing, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Jane Street in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Jane Street for NMS equity executions priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, MSSB does not route Full-Service Channel NMS equity orders to Jane Street.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attribution programs, and to allow Jane Street to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Jane Street, however, do not have any arrangements:

- A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
- B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require MSSB to route any orders or a minimum number of orders to Jane Street.

There is a potential conflict for a market maker such as Jane Street both paying for order flow on applicable Self-Directed Channel customer orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Jane Street can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as Jane Street’s) anticipated profit must be allocated among those three sub-categories; such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market makers for the purpose of providing price improvement on Self-directed Channel customer orders, is informed and mitigated by competition for order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Jane Street.

In addition to revenues that Jane Street may collect for executing or facilitating the execution of Self-Directed Channel customer orders that MSSB routes to Jane Street, Jane Street also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Jane Street to route higher percentages of MSSB customer orders to particular venues over others, subject to Jane Street’s independent order routing and best execution obligations.

Exchange rebates provided to Jane Street for MSSB customer executions are not passed through to MSSB or its customers, although Jane Street could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect Self-Directed Channel orders, or both.

UBS Securities, LLC:

Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to UBS Securities, LLC ("UBS") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the ETXtrade from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $0 commission policy; pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders subject to disclosure as described more fully at https://etrade.com. MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Jane Street. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, ETXtrade Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel NMS equity orders to UBS.

UBS generates revenue from executing or facilitating the execution of Self-Directed Channel customer orders. In exchange for such routing, and solely with respect to Self-Directed Channel orders, MSSB receives payments from UBS in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB may be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including UBS. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, ETXtrade Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel NMS equity orders to UBS.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attribution programs, and to allow UBS to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and UBS, however, do not have any arrangements:

- A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
- B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require MSSB to route any orders or a minimum number of orders to UBS.

There is a potential conflict for a market maker such as UBS both paying for order flow on applicable Self-Directed Channel customer orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as UBS can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as UBS’s) anticipated profit must be allocated among these three sub-categories; such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market makers at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to UBS.

In addition to revenues that UBS may collect for executing or facilitating the execution of Self-Directed Channel customer orders that MSSB routes to UBS, UBS also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize UBS to route higher percentages of MSSB customer orders to particular venues over others, subject to UBS’s independent order routing and best execution obligations.

Exchange rebates provided to UBS for MSSB customer executions are not passed through to MSSB or its customers, although UBS could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect Self-Directed Channel orders, or both.

The Nasdaq Stock Market

The rebates.
February 2023

Options

Summary

<table>
<thead>
<tr>
<th>Non-Directed Orders as % of All Orders</th>
<th>Market Orders as % of Non-Directed Orders</th>
<th>Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Non-Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Other Orders as % of Non-Directed Orders</th>
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Venues

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<tr>
<th>Venue - Non-directed Order Flow</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Marketable Limit Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Other Orders (%)</th>
<th>Net Payment Paid/Received for Market Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(cent per hundred shares)</th>
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</thead>
<tbody>
<tr>
<td>Morgan Stanley &amp; Co., LLC</td>
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<td>83.70</td>
<td>83.65</td>
<td>83.62</td>
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Material Aspects:

Morgan Stanley & Co., LLC: Morgan Stanley Smith Barney LLC ("MSSB") is an affiliate of Morgan Stanley & Co., LLC ("MS&Co"). Both MSSB and MS&Co are registered broker-dealers. MSSB operates two primary service channels for its wealth management customers, including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Conversely, customers of the Self-Directed Channel generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor.

MSSB sends orders in U.S.-listed options to MS&Co to facilitate liquidity provision and price improvement opportunities for its customers. MSSB customer orders in U.S.-listed options that are sent to MS&Co are then routed by MS&Co to a U.S. options exchange to be either crossed or executed against MS&Co interest and/or other liquidity on such exchanges, subject to the principles of best execution. In general, MS&Co generates revenue from executing or facilitating the execution of MSSB customer orders. MSSB does not receive payment from MS&Co for the orders it routes to MS&Co (i.e., payment for order flow), either for Full-Service Channel options orders or Self-Directed Channel options orders executed by MS&Co and MSSB and MS&Co do not have any arrangements:

- A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
- B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require MS&Co to route any orders or a minimum number of orders to MS&Co.

In the course of providing liquidity, MS&Co may prefer option orders to MS&Co's options market maker or third-party market makers on the applicable exchange, consistent with exchange-sponsored programs which are described in the fee schedules of each such options exchange. MS&Co also participates in exchange-sponsored listed option payment for order flow programs under which MS&Co may also receive remuneration from the U.S. options exchanges to which it routes or directs MSSB customer options orders in the form of rebates, including from exchanges in which MSSB's parent company Morgan Stanley or another affiliated entity may have a financial interest. These U.S. options exchange rebate payments could, in theory, incentivize MS&Co to route higher percentages of MSSB customer orders to particular venues over others, subject to MS&Co's independent order routing and best execution obligations.

MS&Co receives rebates and pays fees for the routing of customer orders in exchange listed options to option exchanges. When the rebates received exceed the fees paid to such venue, MS&Co receives benefits from the trading activity. In addition, certain exchanges offer volume-based tiered rates based on the type of order routed. MS&Co receives incremental pricing benefits from exchange offers volume-based tiered rates. The volume tiers are published in the fee schedule by the exchange. Exchange rebates provided and fees charged to MS&Co for MSSB customer executions by the U.S. options exchanges are not passed through to MSSB or its customers. However, MSSB is an affiliated company of MS&Co, which is a market maker on various U.S. options exchanges and MS&Co may realize market-making profits from MSSB orders routed to MS&Co for execution. In addition, MS&Co orders that MS&Co executes are combined on a monthly basis with other order flow that MS&Co executes for tiered pricing program incentive purposes and it is possible that MS&Co could generate additional profit as a result of the combination of such order flow and the incentives of such tiered pricing programs. As a result of MS&Co's corporate affiliation with MS&Co, MSSB may share indirectly in any such profits (whether from market-making, from pricing programs, or otherwise) generated by MS&Co.

Citadel Securities, LLC:

<table>
<thead>
<tr>
<th>Venue - Non-directed Order Flow</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Marketable Limit Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Other Orders (%)</th>
<th>Net Payment Paid/Received for Market Orders(USD)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(cents per hundred shares)</th>
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<tbody>
<tr>
<td>Global Execution Brokers LP</td>
<td>1.02</td>
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<td>Dash/IMC Financial Markets</td>
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<td>0.01</td>
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<td>0.37</td>
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<td>48.0000</td>
<td>3.84</td>
<td>48.0000</td>
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<td>Citigroup Global Markets Inc.</td>
<td>0.00</td>
<td>0.00</td>
<td>0.01</td>
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<td>0.00</td>
<td>0.0000</td>
<td>0.00</td>
<td>0.0000</td>
<td>0.00</td>
</tr>
</tbody>
</table>
Morgan Stanley Smith Barney LLC ("MSSB") routes orders in NMS securities that are U.S.-listed options to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed options orders on a held and not held basis through both channels consistent with its duty of best execution. In how MSSB routes its Securities customers receive from Citadel. Customers of the Full Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of an MSSB Financial Advisor. Among other things, MSSB receives compensation for customer Full Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Citadel. In addition, as more fully described below, Citadel executes MSSB's orders for compensation to channel MSSB's (a "Channel") generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS securities that are options contracts are subject to the MSSB's $0 based commission policy, pursuant to which customers generally do not pay base commission for order handling and execution of Self-Directed Channel NMS options orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commission on these Self-Directed Channel orders, the Firm seeks to be compensated, among other ways, through the receipt of payment for such order flow from the options makers that provide liquidity and guarantee executions on the U.S. options exchanges. MSSB, if it is not able to benefit from the receipt of payment for order flow from the options makers that provide liquidity and guarantee executions on the U.S. options exchanges, will not route such orders.

MSSB also acts as options market maker on one or more of the U.S. options exchanges on which it can execute an MSSB customer order and, as such, MSSB can earn a profit from such market-making executions. For exchange in such routing, and solely with respect to the MSSB's choices of order, MSSB receives payment from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.48 per contract for simple and complex equity options orders. MSSB does not receive payment from Citadel for index options orders, or for orders of Professional Customers, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis. Other than for certain limited order types, which MSSB routes to its affiliate Morgan Stanley & Co., LLC for handling and execution, MSSB only routes Self-Directed Channel orders in NMS securities that are options contracts to market makers that pay for order flow from MSSB customers. And, as such, Citadel can earn a profit from such market-making executions. MSSB does not share directly in any rebates Citadel receives for executions of MSSB customer orders, although Citadel could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

There is a potential conflict of interest in such market maker such as Citadel both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of MSSB customer orders. Accordingly, from such anticipated profit, an options market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories.

Accordingly, from such anticipated profit, an options market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories.

Accordingly, from such anticipated profit, an options market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overall allocation to market makers that pay for order flow from MSSB customers, order flow payments to MSSB with respect to Full Service Channel orders, or both.
Morgan Stanley Smith Barney LLC ("MSBB") routes customer orders in NMS securities that are options contracts to Citigroup Global Markets Inc. ("Citigroup") to facilitate liquidity provision and price improvement opportunities for its customers. MSBB operates two primary service channels for its wealth management customers including the Full-Service Channel and the EDGATE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSBB relating to the operation, servicing, and administration of their MSBB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSBB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSBB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. MSBB does not route Self-Directed Channel customer options orders to Citigroup and the tables above reflect Full-Service Channel order executions only. For clarity, MSBB does not receive payment from Citigroup for Self-Directed Channel option order executions and MSBB does not route Self-Directed Channel options orders to Citigroup. Additionally, MSBB and Citigroup do not have any arrangements:

A. that require MSBB to meet certain volume thresholds or that provide incentives to MSBB for meeting or exceeding certain volume thresholds;
B. that require MSBB to meet certain minimum volume thresholds or that provide disincentives to MSBB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSBB to route any orders or a minimum number of orders to Citigroup.

Citigroup may receive remuneration from the U.S. options exchanges to which it routes or directs MSBB customer options orders in the form of rebates. These U.S. options exchange rebate payments could, in theory, incentivize Citigroup to route higher percentages of MSBB customer orders to particular venues over others, subject to Citigroup’s independent order routing and best execution obligation. Exchange rebates provided to Citigroup for MSBB customer order executions by the U.S. options exchanges are not passed through to MSBB or its customers although Citigroup’s receipt of such rebates could potentially be used to provide price improvement to MSBB customers.

March 2023

S&P 500 Stocks

Summary

<table>
<thead>
<tr>
<th>Non-Directed Orders as % of All Orders</th>
<th>Market Orders as % of Non-Directed Orders</th>
<th>Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Non-Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Other Orders as % of Non-Directed Orders</th>
</tr>
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<tbody>
<tr>
<td>100.00</td>
<td>94.78</td>
<td>0.46</td>
<td>3.26</td>
<td>1.50</td>
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Venues

<table>
<thead>
<tr>
<th>Venue - Non-directed Order Flow</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Marketable Limit Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Other Orders (%)</th>
<th>Net Payment Paid/Received for Market Orders(USD)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Other Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(cents per hundred shares)</th>
</tr>
</thead>
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<tr>
<td>Morgan Stanley &amp; Co., LLC</td>
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<td>0.0000</td>
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</table>
Material Aspects:

Morgan Stanley & Co., LLC: Morgan Stanley Smith Barney LLC ("MSSB") is an affiliate of Morgan Stanley & Co., LLC. ("MS&Co"). Both MSSB and MS&Co are registered broker-dealers. MSSB operates two primary service channels for its wealth management customers, including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders, apart from the U.S. securities exchange rebates described in further detail below. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NASDAQ equities are subject to MSSB's $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NASDAQ securities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. Quarterly order routing statistics for ETS are available at https://us.etrade.com/i/quarterly-order-routing-report.

So long as respect to Full-Service Channel orders, MSSB routes NASDAQ equity orders to MS&Co to facilitate liquidity provision and price improvement opportunities for its customers. Except for a limited number of directed Full-Service Channel equity orders which MS&Co receives from MSSB and routes in accordance with customer instructions, all Full-Service Channel equity orders are routed by MSSB to MS&Co for execution. MS&Co executes MSSB Full-Service Channel customer equity orders on an agency, principal or riskless principal basis and may receive compensation for such executions. In connection with certain of these executions, MS&Co may internalize customer order flow to allow the customer to benefit from various sources of liquidity and to offer customer orders opportunities for price improvement. Such internalization may enable MS&Co to generate a trading profit and/or commissions or fees on the transaction. In addition, MS&Co routes equity orders to U.S. securities exchanges that offer cash credits for orders that provide liquidity to their books and charge explicit fees for orders that extract liquidity from their books. MS&Co receives remuneration in the form of rebates from U.S. securities exchanges to which it routes or directs MSSB customer orders. These U.S. exchange rebate payments could, in theory, incentivize MS&Co to route higher percentages of MSSB customer orders to particular venues over others, subject to MS&Co's independent order routing and best execution obligations. MSSB may also receive incremental pricing benefits from U.S. securities exchanges and/or electronic communication networks if certain volume thresholds are met. The net of U.S. securities exchange fees paid by, and rebates received by MS&Co for MSSB Full-Service Channel customer executions is passed through to MSSB. As such, these rebate payments could theoretically incentivize MSSB to route a higher percentage of customer orders to MS&Co, subject to MSSB's independent order routing and best execution obligations. Additionally, affiliates of MS&Co maintain ownership interests in certain market centers that stand to appreciate as a result of any profits generated from the execution of orders.

Apart from a limited number of Self-Directed Channel directed equity orders, which MS&Co receives from MSSB or its affiliate broker-dealer E*TRADE Securities, LLC with customer instructions to route to directly to certain U.S. securities exchanges and a limited number of non-directed Self-Directed Channel equity orders that MSSB routes to Cboe EDGX Exchange, Inc. and the Members Exchange for execution through MS&Co, MSSB does not route Self-Directed Channel orders to MS&Co for execution directly. Self-Directed Channel equity orders that MSSB routes to the U.S. securities exchanges through MS&Co will be combined with any other order flow that MS&Co routes to the exchange for the purpose of determining the applicable pricing and rebates under exchange tiered pricing models. MS&Co either pays a fee or receives a rebate for each Self-Directed Channel customer order execution on those exchanges, depending on whether the order added to or subtracted from liquidity on the exchange, which are passed through to MSSB at the rates and amounts reflected in the applicable relationship disclosures and tables in this report. To the extent that MS&Co meets the execution volume thresholds necessary to qualify for preferred pricing under an exchange tiered pricing model in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because exchanges may offer higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize MSSB to route a higher percentage of Self-Directed Channel customer orders to a U.S. securities exchange to help MS&Co reach higher volume pricing tiers.

CITADEL SECURITIES LLC:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Citadel.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers’ brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Citadel. In addition, as more fully described below, Citadel may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Citadel may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $9 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Citadel. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Citadel generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for such routing to Citadel, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Citadel in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Citadel for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Citadel with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Citadel to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Citadel, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Citadel.

There is a potential conflict for a market maker such as Citadel both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Citadel. A market maker such as Citadel executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Citadel on these order executions and instead is compensated directly by MSSB as customers described above.

In addition to revenues that Citadel may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Citadel, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of MSSB customer orders to particular venues over others, subject to Citadel’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates Citadel receives for executions of MSSB customer orders, although Citadel could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Two Sigma Securities, LLC.
Morgan Stanley Smith Barney LLC ("MSSB") routes NEMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NEMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Two Sigma.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Two Sigma. In addition, as more fully described below, Two Sigma may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Two Sigma may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NEMS equities are subject to MSSB's D0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NEMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Two Sigma. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Two Sigma generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for routing such orders to Two Sigma, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NEMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NEMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Two Sigma for NEMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NEMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Two Sigma with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Two Sigma to access such potential benefits for Self-Directed Channel NEMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Two Sigma, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict for a market maker such as Two Sigma both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Two Sigma. A market maker such as Two Sigma executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Two Sigma on these order executions and instead is compensated directly by MSSB's customers as described above. In addition to revenues that Two Sigma may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Two Sigma, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of MSSB customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. MSSB does not share directly in any such rebates Two Sigma receives for executions of MSSB customer orders, although Two Sigma could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Virtu Americas, LLC:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Virtu.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers’ brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Virtu. In addition, as more fully described below, Virtu may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Virtu may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter order themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $9 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Virtu. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etade.com/q/quarterly-order-routing-report.

Virtu generates revenue from executing or facilitating the execution of MSSB customer orders. In order to route such orders to Virtu, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Virtu in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Virtu for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Virtu with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Virtu to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Virtu, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules;
D. that require MSSB to route any orders or a minimum number of orders to Virtu.

There is a potential conflict for a market maker such as Virtu both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as Virtu’s) anticipated profit must be allocated among these sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Virtu. A market maker such as Virtu executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the order for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Virtu on these order executions and instead is compensated directly by MSSB’s customers as described above.

In addition to revenues that Virtu may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Virtu, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of MSSB customer orders to particular venues over others, subject to Virtu’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates Virtu receives for executions of MSSB customer orders, although Virtu could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

G1 Execution Services, LLC.
Morgan Stanley Smith Barney LLC (“MSSB”) routes NMS equity orders to G1X Executions Services, LLC (“G1X”) to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel (“Self-Directed Channel”). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from G1X.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers’ brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from G1X. In addition, as more fully described below, G1X may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which G1X may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including G1X. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker dealer, E*TRADE Securities LLC (“ETS”) and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/l/quarterly-order-routing-report.

G1X generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for executing such orders to G1X, and solely with respect to Self-Directed Channel orders, MSSB receives payments from G1X in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from G1X for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from G1X with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow G1X to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and G1X, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to G1X.

There is a potential conflict for a market maker such as G1X both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement, (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as G1X’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to G1X. A market maker such as G1X executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from G1X on these order executions and instead is compensated directly by MSSB’s customers as described above.

In addition to revenues that G1X may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to G1X, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of MSSB customer orders to particular venues over others, subject to G1X’s independent order routing and best execution obligations. MSSB does not share directly in any such rebates G1X receives for executions of MSSB customer orders, although G1X could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Jane Street Capital:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Jane Street Capital ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full Service Channel and the EXECUTE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts, including the execution of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed ascriptions described more fully at https://www.morganstanley.com). MSSB does not charge commissions on these Self-Directed Channel orders. MSSB may charge commissions, among other ways, through the receipt of payment for order flow from equity securities market makers, including Jane Street. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, EXECUTE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ETS are available at https://us.etrade.com/q/quarterly-order-routing-report. MSSB does not route Full-Service Channel NMS equity orders to Jane Street.

Jane Street generates revenue from executing or facilitating the execution of Self-Directed Channel customer orders. In exchange for such routing, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Jane Street in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Jane Street for NMS equity executions priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, MSSB does not route Full-Service Channel NMS equity orders to Jane Street.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attribution programs, and to allow Jane Street to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Jane Street, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;

B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;

C. for volume-based tiered payment schedules; or

D. that require MSSB to route any orders or a minimum number of orders to Jane Street.

There is a potential conflict for a market maker such as Jane Street both paying for order flow on applicable Self-Directed Channel customer orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Jane Street can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as Jane Street’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits of the order flow improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Jane Street.

In addition to revenues that Jane Street may collect for executing or facilitating the execution of Self-Directed Channel customer orders that MSSB routes to Jane Street, Jane Street also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Jane Street to route higher percentages of MSSB customer orders to particular venues over others, subject to Jane Street’s independent order routing and best execution obligations.

Exchange rebates provided to Jane Street for MSSB customer executions are not passed through to MSSB or its customers, although Jane Street could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect Self-Directed Channel orders, or both.

UBS Securities, LLC: Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to UBS Securities, LLC ("UBS") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full Service Channel and the EXECUTE channel from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed ascriptions described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, MSSB does not route Full-Service Channel NMS equity orders to UBS.

UBS generates revenue from executing or facilitating the execution of Self-Directed Channel customer orders. In exchange for such routing, and solely with respect to Self-Directed Channel orders, MSSB receives payments from UBS in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB may charge commissions, among other ways, through the receipt of payment for order flow from equity securities market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, MSSB does not route Full-Service Channel NMS equity orders to UBS.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attribution programs, and to allow UBS to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and UBS, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;

B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;

C. for volume-based tiered payment schedules; or

D. that require MSSB to route any orders or a minimum number of orders to UBS.

There is a potential conflict for a market maker such as UBS both paying for order flow on applicable Self-Directed Channel customer orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as UBS can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as UBS’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits of the order flow improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to UBS.

In addition to revenues that UBS may collect for executing or facilitating the execution of Self-Directed Channel customer orders that MSSB routes to UBS, UBS also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize UBS to route higher percentages of MSSB customer orders to particular venues over others, subject to UBS’s independent order routing and best execution obligations. Exchange rebates provided to UBS for MSSB customer executions are not passed through to MSSB or its customers, although UBS could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect Self-Directed Channel orders, or both.
Morgan Stanley Smith Barney LLC (“MSSB”) routes NMS equity orders to Cboe EDGX Exchange, Inc. to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel (“Self-Directed Channel”). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the services of a Financial Advisor. Direct Channel orders for NMS equity securities are subject to MSSB's 0% commission policy, pursuant to which customers generally do not pay brokerage commission for order handling and execution of Direct Channel NMS equities orders (subject to disclosed exceptions described more fully at https://e.txe.com/what-we-offer/pricing/fees). Because MSSB does not charge commission on these Direct Channel orders, the Firm seeks to be compensated, among other ways, through payment for order flow from MSSB’s equity market makers and, as described in further detail below, from rebates on executions of Self-Directed Channel orders that MSSB routes to certain U.S. securities exchanges directly and indirectly through its affiliate Morgan Stanley & Co., LLC (“MS&Co”), including Self-Directed Channel orders that MSSB routes to EDGX through MS&Co. While MSSB determines where to route customer orders based on, and consistent with its best execution obligations, these U.S. exchange rebate payments could, in theory, incentivize MSSB to route higher percentages of MSSB customer orders to EDGX through MS&Co rather than another venue in order to reach a higher tier. MSSB and EDGX, however, do not have any arrangement:

A. that require MSSB to meet certain minimum volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the EDGX Fees Schedule as described above;
D. that require MSSB to route any orders or a minimum number of orders to EDGX.

The fees MSSB pays and rebates MSSB receives from EDGX through MS&Co for NMS equity executions are determined based on EDGX’s tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by EDGX in the EDGX Fees Schedule, available at http://www.cboe.com/us/equities/membership/fee_schedule/edge/. Please note that EDGX’s publicly available Fees Schedule URL link and applicable rates may change without notice. EDGX’s standard rebate rates were $0.0034 per share for executions priced at $1.00 per share or more and $0.0003 for executions priced below $1.00 per share during the relevant timeframe. For clarity, MSSB does not route Full-Service Channel orders to EDGX for execution directly or indirectly through MS&Co other than as described above.

MSSB also participates in EDGX’s retail order priority program under which eligible retail orders priority ahead of other available interest at a given price level or other enhanced execution benefits. MSSB reviews customers’ activity on a periodic basis to determine program eligibility and reserves the right to choose to participate in the EDGX retail order priority program. MSSB orders routed to EDGX through MS&Co will be combined with any other order flow that MS&Co routes to EDGX for the purpose of determining the applicable pricing under MS&Co’s EDGX rebate payment schedule. It is possible that MS&Co could generate additional profit as a result of the combination of such order flow and the incentives of such tiered pricing program including on behalf of MSSB. Further disclosures regarding routing of orders through MS&Co are provided in the above Public Order Routing Report disclosures for MS&Co.

Members Exchange (MEMX):
Morgan Stanley Smith Barney LLC (“MSSB”) routes NMS equity orders to MEMX LLC ("MEMX") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel (“Self-Directed Channel”). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the services of a Financial Advisor. Direct Channel orders for NMS equity securities are subject to MSSB's 0% commission policy, pursuant to which customers generally do not pay brokerage commission for order handling and execution of Direct Channel NMS equities orders (subject to disclosed exceptions described more fully at https://e.txe.com/what-we-offer/pricing/fees). Because MSSB does not charge commission on these Self-Directed Channel orders, the Firm seeks to be compensated, among other ways, through payment for order flow from MSSB’s equity market makers and, as described in further detail below, from rebates on executions of Self-Directed Channel orders that MSSB routes to certain U.S. securities exchanges directly and indirectly through its affiliate Morgan Stanley & Co., LLC (“MS&Co”), including Self-Directed Channel orders that MSSB routes to MEMX through MS&Co. While MSSB determines where to route customer orders based on, and consistent with its best execution obligations, these U.S. exchange rebate payments could, in theory, incentivize MSSB to route higher percentages of MSSB customer orders to MEMX through MS&Co rather than another venue in order to reach a higher tier. MSSB and MEMX, however, do not have any arrangement:

A. that require MSSB to meet certain minimum volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the MEMX Fees Schedule as described above;
D. that require MSSB to route any orders or a minimum number of orders to MEMX.

The fees MSSB pays and rebates MSSB receives from MEMX through MS&Co for NMS equity executions are determined based on MEMX’s tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by MEMX in the MEMX Fees Schedule, available at http://info.memetrading.com/fee-schedule/. Please note that MEMX’s publicly available Fees Schedule URL link and applicable rates may change without notice. MEMX’s standard rebate rates were $0.0035 per share for executions priced at $1.00 per share or more and $0.0030 for executions priced below $1.00 per share during the relevant timeframe. For clarity, MSSB does not route Full-Service Channel orders to MEMX for execution directly or indirectly through MS&Co rather than as described above.

MEMX is an affiliated company of Strategic Investments I, Inc., both of which are wholly owned subsidiaries of Morgan Stanley and investor-shareholders of MEMX. Accordingly, MSSB, both directly and indirectly through its parent company Morgan Stanley and/or its affiliates may share in profits realized by MEMX, which could, in theory, incentivize MSSB to route a higher percentages of Self-Directed Channel orders to MEMX over other execution venues. Orders routed to MEMX through MS&Co will be combined with any other order flow that MS&Co routes to MEMX for the purpose of determining the applicable pricing under MEMX’s tiered pricing model described above. It is possible that MS&Co could generate additional profit as a result of the combination of such order flow and the incentives of such tiered pricing program including on behalf of MSSB. Further disclosures regarding routing of orders through MS&Co are provided in the above Public Order Routing Report disclosures for MS&Co.
## March 2023

### Non-S&P 500 Stocks

#### Summary

<table>
<thead>
<tr>
<th>Non-Directed Orders as % of All Orders</th>
<th>Market Orders as % of Non-Directed Orders</th>
<th>Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Non-Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Other Orders as % of Non-Directed Orders</th>
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</thead>
<tbody>
<tr>
<td>100.00</td>
<td>81.14</td>
<td>0.89</td>
<td>15.38</td>
<td>2.59</td>
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#### Venues

<table>
<thead>
<tr>
<th>Venue - Non-directed Order Flow</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Marketable Limit Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Other Orders (%)</th>
<th>Net Payment Paid/Received for Market Orders(USD)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(USD)</th>
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<tbody>
<tr>
<td>Morgan Stanley &amp; Co., LLC</td>
<td>91.25</td>
<td>92.25</td>
<td>73.55</td>
<td>91.07</td>
<td>67.00</td>
<td>263.29</td>
<td>0.0070</td>
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<td>CITADEL SECURITIES LLC</td>
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<td>3.73</td>
<td>12.25</td>
<td>4.31</td>
<td>27.34</td>
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<td>Two Sigma Securities, LLC</td>
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<tr>
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<td>0.0000</td>
<td>0.00</td>
<td>0.0000</td>
</tr>
</tbody>
</table>

#### Material Aspects:

Morgan Stanley & Co., LLC:
Morgan Stanley Smith Barney LLC ("MSSB") is an affiliate of Morgan Stanley & Co., LLC. Both MSSB and MS&Co are registered broker-dealers. MSSB operates two primary service channels for its wealth management customers, including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, servicing, or administration. As a result of these activities, MSSB receives compensation from customers for the execution of orders, and fee revenue from customers for the execution of orders on their behalf.

Morgan Stanley Morgan Securities LLC ("MSSB") receives compensation from customers for the execution of orders, and fee revenue from customers for the execution of orders on their behalf.

Two sub-A. Order MSSB Morgan books. compensation MSSB decision Morgan and fee revenue for order flow on such orders, apart from the U.S. securities exchange rebates described in further detail below. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts under their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel customers in MSSB's NMS equities subjects to MSSB's SO Commission policy, pursuant to which customers generally do not pay base commissions for order flow handling and execution of their MSSB NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etradeto.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Citadel. While nearly all Self-Directed Channel customers are customers of MS&Co's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. Quarterly order routing statistics for ETS are available at https://us.etradeto.com/quarterly-order-routing-report.

Citadel Securities LLC

Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and held not basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB receives from Citadel.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including services of a Financial Advisor. Among other things, MSSB also receives commissions from customers’ brokerage order execution fees and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Citadel.

In addition, as more fully described below, Citadel may sell certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Citadel may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel receive services of self-directed investment decision making and without the benefit of services of a Financial Advisor. Among other things, MSSB may receive compensation for such executions. In connection with certain of these executions, MSSB may direct certain customer orders to order flow handling and execution of such orders. As a result, MSSB does not receive or seek payment for order flow on such orders from Citadel.

Pursuant to which customers generally do not pay base commissions for order flow handling and execution of their MSSB NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etradeto.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Citadel. While nearly all Self-Directed Channel customers are customers of MS&Co's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include disclosures on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etradeto.com/quarterly-order-routing-report.

Citadel generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for routing such orders to Citadel, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Citadel in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Citadel for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. However, any amounts paid to Citadel from MSSB for order flow received from Citadel on these order executions and instead is compensated directly by MSSB's customers as described above.

In addition to revenues that Citadel may collect for executing or facilitating the execution of certain orders (both Full-Service and Self-Directed Channel customer orders) that MSSB routes to Citadel, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs MS&Co customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of MS&Co customer orders to particular venues over others, subject to Citadel’s independent order routing and best execution obligations. MSSB does not directly share in any such rebates Citadel receives for executions of MS&Co customer orders, although Citadel could potentially use such rebates to provide price improvement for MS&Co customer orders, flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Two Sigma Securities, LLC
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Two Sigma.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Two Sigma. In addition, as more fully described below, Two Sigma may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Two Sigma may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's SRO commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Two Sigma. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel order flow) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/q/quarterly-order-routing-report.

Two Sigma generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for routing such orders to Two Sigma, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity nonmarketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Two Sigma for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Two Sigma with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Two Sigma to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Two Sigma, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict for a market maker such as Two Sigma both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) retain a portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Two Sigma. A market maker such as Two Sigma executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Two Sigma on these order executions and instead is compensated directly by MSSB's customers as described above.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Two Sigma, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of MSSB customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. MSSB does not share directly in any such rebates Two Sigma receives for executions of MSSB customer orders, although Two Sigma could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Virtu Americas, LLC:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from Virtu.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Virtu. In addition, as more fully described below, Virtu may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which Virtu may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Virtu. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Virtu generates revenue from executing or facilitating the execution of MSSB customer orders. In order for Virtu to route such orders, Virtu, and only with respect to Full-Service Channel orders, MSSB receives payments from Virtu in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Virtu for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from Virtu with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow Virtu to access such potential benefits for itself, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and Virtu, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Virtu.

There is a potential conflict for a market maker such as Virtu both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as Virtu’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overall allocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Virtu. A market maker such as Virtu executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the order with the lowest order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from Virtu on these order executions and instead is compensated directly by MSSB's customers as described above.

In addition to revenues that Virtu may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to Virtu, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentitize Virtu to route higher percentages of MSSB customer orders to particular venues over others, subject to Virtu's independent order routing and best execution obligations. MSSB does not share directly in any such rebates Virtu receives for executions of MSSB customer orders, although Virtu could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Full-Service Channel orders, or both.

G1 Execution Services, LLC.
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to G1X Executions Services, LLC ("G1X") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed customer orders in NMS equity securities on a held and not held basis through both channels consistent with its duty of best execution, but there are differences in how MSSB is compensated for the services it performs, which, as described in detail below, can impact the price improvement opportunities and trade executions that MSSB customers receive from G1X.

Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel executions from commissions on customers' brokerage account order executions and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from G1X. In addition, as more fully described below, G1X may send certain MSSB customer orders to an exchange or other market center for execution, including to market centers from which G1X may receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $6 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including G1X. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel order statistics reflected in the tables above (which also include details on Full-Service Channel orders) include only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/l/quarterly-order-routing-report.

G1X generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for executing such orders with G1X, and solely with respect to Self-Directed Channel orders, MSSB receives payments from G1X in the amounts outlined in the above Public Order Routing Report disclosures (i.e. payment for order flow), calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from G1X for NMS equity executions on Self-Directed Channel orders priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, and as indicated above, MSSB does not receive payment from G1X with respect to Full-Service Channel order executions.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestation programs, and to allow G1X to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and G1X, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;

B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;

C. for volume-based tiered payment schedules; or

D. that require MSSB to route any orders or a minimum number of orders to G1X.

There is a potential conflict for a market maker such as G1X both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement, (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as G1X's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to G1X. A market maker such as G1X executing a Full-Service Channel order does not have to allocate any of its anticipated profit in connection with such order to the payment for order flow subcategory (as it would with Self-Directed Channel orders) and is therefore able to allocate its anticipated profit to one or more other sub-categories (that is, to provide more price improvement or retain more anticipated profit or provide a mixture of the two). These same potential conflicts do not apply to Full-Service Channel customer order executions because MSSB does not receive payment for order flow from G1X on these order executions and instead is compensated directly by MSSB's customers as described above.

In addition to revenues that G1X may collect for executing or facilitating the execution of customer orders (both Full-Service Channel and Self-Directed Channel customer orders) that MSSB routes to G1X, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of MSSB customer orders to particular venues over others, subject to G1X's independent order routing and best execution obligations. MSSB does not share directly in any such rebates G1X receives for executions of MSSB customer orders, although G1X could potentially use such rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Jane Street Capital:
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Jane Street Capital ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts, including the execution of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB's $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://mssb.com/commission-policy). MSSB does not charge commissions on these Self-Directed Channel orders. MSSB is allowed to receive commissions, among other ways, through the receipt of payment for order flow from equity securities market makers, including Jane Street. While nearly all Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel NMS equity orders to Jane Street.

Jane Street generates revenue from executing or facilitating the execution of Self-Directed Channel customers. In exchange for such routing, and solely with respect to Self-Directed Channel orders, MSSB receives payments from Jane Street in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from Jane Street for NMS equity executions priced below $1.00 per share. Apart from certain Self-Directed Channel orders routed to Morgan Stanley & Co., LLC as disclosed above, MSSB only routes Self-Directed Channel equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, MSSB does not route Full-Service Channel NMS equity orders to Jane Street.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestations programs, and to allow Jane Street to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks eligible orders as retail orders on an order-by-order basis. MSSB and Jane Street, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Jane Street.

There is a potential conflict for a market maker such as Jane Street both paying for order flow on applicable Self-Directed Channel customer orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as Jane Street can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as Jane Street’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market makers, profits and the potential for providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Jane Street.

In addition to revenues that Jane Street may collect for executing or facilitating the execution of Self-Directed Channel customer orders that MSSB routes to Jane Street, Jane Street also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory incentivize Jane Street to route higher percentages of MSSB customer orders to particular venues over others, subject to Jane Street’s independent order routing and best execution obligations. Exchange rebates provided to Jane Street for MSSB customer execution services are not passed through to MSSB or its customers, although Jane Street could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect Self-Directed Channel orders, or both.

UBS Securities, LLC:

Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to UBS Securities, LLC ("UBS") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS equities are subject to MSSB’s $0 commission policy, pursuant to which customers generally do not pay base commissions for order handling and execution of their Self-Directed Channel NMS equities orders (subject to disclosed exceptions as described more fully at https://mssb.com/commission-policy). MSSB does not charge commissions on these Self-Directed Channel orders, MSSB seeks to be compensated, among other ways, through the receipt of payment for order flow from equity securities market makers, including Jane Street. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel NMS equity orders to UBS.

UBS generates revenue from executing or facilitating the execution of Self-Directed Channel customer orders. In exchange for such routing, and solely with respect to Self-Directed Channel orders, MSSB receives payments from UBS in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at $1.00 per share or more and $0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at $1.00 per share or more. MSSB does not receive payment from UBS for NMS equity executions priced below $1.00 per share. MSSB only routes Self-Directed Channel NMS equity orders to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rates of payment. For clarity, MSSB does not route Full-Service Channel customer orders to UBS.

To take advantage of rules adopted by the U.S. securities exchanges that allow retail orders to be eligible for certain potential benefits, including additional price improvement from retail liquidity programs and higher queue priority from retail attestations programs, and to allow UBS to access such potential benefits for Self-Directed Channel NMS equity orders, MSSB marks applicable orders as retail orders on an order-by-order basis. MSSB and UBS, however, do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to UBS.

There is a potential conflict for a market maker such as UBS both paying for order flow on applicable Self-Directed Channel customer orders and providing price improvement for such orders as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of Self-Directed Channel customer orders. Accordingly, from such anticipated profit, a market maker such as UBS can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker’s (such as UBS’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits and the potential for providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to UBS.

In addition to revenues that UBS may collect for executing or facilitating the execution of Self-Directed Channel customer orders that MSSB routes to UBS, UBS also receives remuneration from U.S. securities exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. exchange rebate payments could, in theory incentivize UBS to route higher percentages of MSSB customer orders to particular venues over others, subject to UBS’s independent order routing and best execution obligations. Exchange rebates provided to UBS for MSSB customer execution services are not passed through to MSSB or its customers, although UBS could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect Self-Directed Channel orders, or both.
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to Cboe EDGX Exchange, Inc. to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the Exchanged Trade from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the services of a Financial Advisor. Direct Channel orders for NMS equity securities are subject to MSSB's 50 commission policy, pursuant to which customers generally do not pay brokerage commission for order handling and execution of Direct Channel NMS equities orders (subject to disclosed exceptions described more fully at https://us.etrade.com/what-we-offer/pricing). Because Direct Channel orders do not change the price of a security, these MSSB's policies do not change the price of a security. For exchange of Direct Channel orders that MSSB routes to certain U.S. securities exchanges directly and indirectly through its affiliate Morgan Stanley & Co., LLC ("MSSB"), including Self-Directed Channel orders that MSSB routes to EDGX through MSSB. While MSSB determines where to route customer orders based on, and consistent with its best execution obligations, these U.S. exchange rebate payments could, in theory, incentivize MSSB to route higher percentages of customer orders to other exchanges for services to an account. To the extent that MSSB meets the exchange volume threshold necessary to qualify for preferred pricing under EDGX's Fee Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because MSSB does not route Direct Channel orders to EDGX directly or indirectly through MSE, depending on market conditions, order pricing, and the order handling practices of, and regulatory requirements applicable to the market-makers to which MSSB routes customer orders, some MSSB Full-Service Channel non-directed NMS equity orders may be indirectly routed to, and executed on EDGX, including through MSE's affiliate MSEX, which is an market order maker.

MSSB &CO either pays a fee or receives a rebate on behalf of each Self-Directed Channel customer order executed on EDGX, depending on whether the order added to or subtracted from liquidity on the exchange. For clarity, MSSB pays such fee or receives such rebate, as applicable, for executions of Self-Directed Channel orders that MSSB routes to EDGX indirectly through MSSB and may also benefit indirectly from profits realized from exchange rebates to MSSB &CO for executing MSSB &CO orders in its capacity as market maker, which MSSB &CO may add to its cost of providing the EDGX service to customers. As a result of the corporate affiliation between MSSB &CO and MSSB, MSSB &CO may share indirectly in any such profits generated by MSSB &CO. The fees and rebates referenced above are subject to volume pricing. To the extent that MSSB meets the EDGX volume thresholds necessary to qualify for preferred pricing under EDGX'sFee Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because MSSB offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize MSSB to route a higher percentage of MSSB &CO customer orders to EDGX through MSEX rather than another venue in order to reach a higher tier. MSSB and EDGX, however, do not have any arrangements:

- that require MSSB to meet certain volume thresholds;
- that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
- for volume-based tiered payment schedules beyond the tiered volume model set forth in the EDGX Fees Schedule as described above; or
- that require MSSB to route any orders or a minimum number of orders to EDGX.

The fees MSSB pays and rebates MSSB receives from EDGX through MSSB &CO for NMS equity executions are determined based on EDGX's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by EDGX in the EDGX Fees Schedule, available at http://www.cboe.com/us/equities/membership/fee_schedule/edgex/. Please note that EDGX's publicly available Fees Schedule URL link and applicable rates may change without notice. EDGX's standard rebate rates were $0.0035 per share for executions priced at $1.00 per share or more and $0.0003 for executions priced below $1.00 per share during the relevant timeframe. For clarity, MSSB does not route Full-Service Channel orders to EDGX for execution directly or indirectly through MSEX other than as described above. MSSB also participates in EDGX's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. MSSB reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to change participation criteria. MSSB routes orders to EDGX through MSSB &CO will be combined with any other order flow that MSSB &CO routes to EDGX for the purpose of determining the applicable pricing under EDGX's Fee Schedule as described above. It is possible that MSSB &CO could generate additional profit as a result of the combination of such order flow and the incentives of such tiered pricing program including on behalf of MSSB. Further disclosures regarding routing of orders through EDGX are provided in the above Public Order Routing Report disclosures for MSEX.

Members Exchange (MEMEX):
Morgan Stanley Smith Barney LLC ("MSSB") routes NMS equity orders to MEMEX LLC ("MEMEX") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the Self-Directed Channel received services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the services of a Financial Advisor. Direct Channel orders for NMS equity securities are subject to MSSB's 50 commission policy, pursuant to which customers generally do not pay brokerage commission for order handling and execution of Direct Channel NMS equities orders (subject to disclosed exceptions described more fully at https://us.etrade.com/what-we-offer/pricing). Because Direct Channel orders do not change the price of a security, these MSSB's policies do not change the price of a security. For exchange of Direct Channel orders that MSSB routes to certain U.S. securities exchanges directly and indirectly through its affiliate Morgan Stanley & Co., LLC ("MSSB"), including Self-Directed Channel orders that MSSB routes to MEMEX through MSSB. While MSSB determines where to route customer orders based on, and consistent with its best execution obligations, these U.S. exchange rebate payments could, in theory, incentivize MSSB to route higher percentages of customer orders to other exchanges for services to an account. To the extent that MSSB meets the exchange volume thresholds necessary to qualify for preferred pricing under MEMEX's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because MEMEX offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize MSSB to route a higher percentage of MSSB &CO customer orders to MEMEX through MSEX rather than another venue in order to reach a higher tier. MSSB and MEMEX, however, do not have any arrangements:

- that require MSSB to meet certain volume thresholds;
- that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
- for volume-based tiered payment schedules beyond the tiered volume model set forth in the MEMEX Fees Schedule as described above; or
- that require MSSB to route any orders or a minimum number of orders to MEMEX.

The fees MSSB pays and rebates MSSB receives from MEMEX through MSSB &CO for NMS equity executions are determined based on MEMEX's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by MEMEX in the MEMEX Fees Schedule, available at http://info.memetrading.com/fee-schedule/. Please note that MEMEX's publicly available Fees Schedule URL link and applicable rates may change without notice. MEMEX's standard rebate rates were $0.0035 per share for executions priced at $1.00 per share or more and $0.0003 for executions priced below $1.00 per share during the relevant timeframe. For clarity, MSSB does not route Full-Service Channel orders to MEMEX for execution directly or indirectly through MSEX other than as described above. MEMEX is an affiliated company of Strategic Investments, Inc., both of which are wholly owned subsidiaries of Morgan Stanley and investor-shareholders of MEMEX. Accordingly, MSSB, both directly and indirectly through its parent company Morgan Stanley and/or its affiliates may share in profits realized by MEMEX, which could, in theory, incentivize MSSB to route a higher percentages of Self-Directed Channel orders to MEMEX over other execution venues. Orders MSSB routes to MEMEX through MSEX will be combined with any other order flow that MSSB routes to MEMEX for the purpose of determining the applicable pricing under MEMEX's tiered pricing model described above. It is possible that MSSB &CO could generate additional profit as a result of the combination of such order flow and the incentives of such tiered pricing program including on behalf of MSSB. Further disclosures regarding routing of orders through MSEX are provided in the above Public Order Routing Report disclosures for MSEX.
**Options**

### Summary

<table>
<thead>
<tr>
<th>Non-Directed Orders as % of All Orders</th>
<th>Market Orders as % of Non-Directed Orders</th>
<th>Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Non-Marketable Limit Orders as % of Non-Directed Orders</th>
<th>Other Orders as % of Non-Directed Orders</th>
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<tr>
<td>100.00</td>
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<td>7.23</td>
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### Venues

<table>
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<tr>
<th>Venue</th>
<th>Non-Directed Orders (%)</th>
<th>Market Orders (%)</th>
<th>Marketable Limit Orders (%)</th>
<th>Non-Marketable Limit Orders (%)</th>
<th>Other Orders (%)</th>
<th>Net Payment Paid/Received for Market Orders(USD)</th>
<th>Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(USD)</th>
<th>Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)</th>
<th>Net Payment Paid/Received for Other Orders(USD)</th>
<th>Net Payment Paid/Received for Other Orders(cents per hundred shares)</th>
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<tbody>
<tr>
<td>Morgan Stanley &amp; Co., LLC</td>
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<td>83.69</td>
<td>82.62</td>
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**Material Aspects:**

Morgan Stanley & Co., LLC:
Morgan Stanley Smith Barney LLC ("MSSB") is an affiliate of Morgan Stanley & Co., LLC ("MS&Co"). Both MSSB and MS&Co are registered broker-dealers. MSSB operates two primary service channels for its wealth management customers, including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Conversely, customers of the Self-Directed Channel generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS securities that are options contracts are subject to the MSSB's SRO-based commission policy, pursuant to which customers generally do not pay base commission for order handling and execution of Self-Directed Channel NMS options orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commission on these Self-Directed Channel orders, the Firm seeks to be compensated, among other ways, through the receipt of payment for such order flow from the options makers that provide liquidity and guarantee executions on the U.S. options exchanges, including Citadel. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The Self-Directed Channel options order execution statistics in the tables above (which also include details on Full-Service Channel options orders) reflect only those Self-Directed Channel orders routed to ETS. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Citadel generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for such routing, and solely with respect to Self-Directed Channel options orders, MSSB receives payment from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.48 per contract for simple and complex equity options orders. MSSB does not receive payment from Citadel for index options executions on Self-Directed Channel orders or for options orders of Professional Customers, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis. Other than for certain limited types, which MSSB routes to its affiliate Morgan Stanley & Co., LLC for handling and execution, MSSB only routes Self-Directed Channel orders in NMS securities that are options contracts to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rate of payment. For clarity, and as indicated above, MSSB does not receive payment from Citadel with respect to Full-Service Channel order executions. Furthermore, MSSB and Citadel do not have any arrangements:

A. that require MSSB to meet certain minimum volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide incentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Citadel.

There is a potential conflict to an options market maker such as Citadel both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of MSSB customer orders. Accordingly, from such anticipated profit, an options market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Citadel’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Citadel.

Citadel also acts as options market maker on one or more of the U.S. options exchanges on which it can execute an MSSB customer order and, as such, Citadel can earn a profit from such market-making executions. In addition to revenues that Citadel may collect for executing or facilitating the execution of MSSB customer orders, Citadel may also receive remuneration from the U.S. options exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. options exchange rebate payments could, in theory, incentivize Citadel to direct a higher percentage of MSSB customer orders to particular venues over others, subject to Citadel’s independent order routing and best execution obligations. Citadel also acts as market maker on one or more of the options exchanges on which it can execute an MSSB customer order and, as such, Citadel can earn a profit from such market-making executions. MSSB does not share directly in any rebates Citadel receives for executions of MSSB customer orders, although Citadel could potentially use these rebates to provide price improvement to MSSB customer orders, customer flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Wolfenine Execution Services, LLC:
Morgan Stanley Smith Barney LLC ("MSSB") routes certain customer orders for execution to Wolverine Execution Services, LLC ("Wolverine") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the ET*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). MSSB receives and handles non-directed options orders on a held and not held basis through both channels consistent with its duty to best executes these orders. The differences described below can impact the price improvement opportunities and trade executions that MSSB customers receive from Wolverine. Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of an MSSB Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders from Wolverine. In addition, as more fully described below, Wolverine routes its own orders on U.S. listed options exchanges from which customers receive payment in the form of rebates. Conversely, customers of the Self-Directed Channel generally pay fees and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in MSSB’s securities that are options contracts are subject to the MSSB’s $0 based commission policy, pursuant to which customers generally do not pay base commission for order handling and execution of Self-Directed Channel NMS options orders subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commission on these Self-Directed Channel orders, customers seeking the trade execution for options contracts on these orders may present MSSB customers are of MSSB’s affiliate dealer-dealer, ET*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel options during Q1 2023. The Self-Directed Channel options order execution statistics in the tables above (which also include details on Full-Service Channel options orders) reflect only those Self-Directed Channel orders routed by MSSB. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report.

Wolverine generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for such routing, and solely with respect to Self-Directed Channel options orders, MSSB receives payment from Wolverine in the amounts outlined in the above Public Order Routing Report. The amounts are based on a rate of $10.00 per contract for simple and complex options without a provision for options orders of Professional Customers, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis. Other than for certain limited order types, which MSSB routes to its affiliate Morgan Stanley & Co., LLC for handling and execution, MSSB only routes Self-Directed Channel orders in MSSB’s securities that are options contracts to market makers that pay fee for customer order flow, and all such market makers are subject to substantially the same rate of payment. For clarity, and as indicated above, MSSB does not receive payment from Wolverine with respect to Full-SERVICE Channel order executions. Furthermore, MSSB and Wolverine do not have any agreements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. volume-based tiered payment schedules;
D. that require MSSB to route any one or a minimum number of orders to Wolverine.

There is a potential conflict to an options market maker such as Wolverine both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of MSSB customer orders. Accordingly, from such anticipated profit, an options market maker such as Wolverine can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of such anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker’s (such as Wolverine’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market makers profits at the expense of providing price improvement on Self-Directed Channel orders, is informed and mitigated by competition for Self-Directed Channel order flow amongst MSSB’s market makers under the same general payment for order flow terms applicable to Wolverine.

Wolverine also acts as options market maker on one or more of the U.S. options exchanges on which it can execute an MSSB customer order and, as such, Wolverine can earn a profit from such market-making executions. Wolverine also acts as market maker on one or more of the options exchanges on which it can execute an MSSB customer order and, as such, Wolverine can earn a profit from such market-making executions. MSSB does not share directly in the rebates Wolverine receives for executions of MSSB customer orders, although Wolverine could potentially use these rebates to provide price improvement to MSSB customers, order flow payment to MSSB with respect to Self-Directed Channel orders, or both. In addition to revenues that Wolverine may collect for executing or facilitating the execution of MSSB customer orders, Wolverine also receives remuneration from the U.S. options exchanges on which it routes or directs MSSB customer orders in the form of rebates to wese U.S. options exchange rebate payments could, in theory, incentivize Wolverine to route higher percentages of MSSB customer orders to particular venues over others, subject to Wolverine’s independent order routing and best execution obligations. Wolverine also acts as options market maker on one or more of the options exchanges on which it can execute an MSSB customer order and, as such, Wolverine can earn a profit from such market-making executions. MSSB does not share directly in the rebates Wolverine receives for executions of MSSB customer orders, although Wolverine could potentially use these rebates to provide price improvement to MSSB customers, order flow payment to MSSB with respect to Self-Directed Channel orders, or both.

Global Execution Brokers LP

Morgan Stanley Smith Barney LLC ("MSSB") customer route orders in NMS securities that are options contracts to Global Execution Brokers, LLC ("GEX") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the ET*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS securities that are options contracts are subject to the MSSB’s $0 based commission policy, pursuant to which customers generally do not pay base commission for order handling and execution of Self-Directed Channel NMS options orders. Because MSSB does not charge commission on these Self-Directed Channel orders, the Firms seeks to be compensated, among other ways, through the receipt of payment for such order flow from the options market makers that provide liquidity and guarantee executions on the U.S. options exchanges, including Citadel. While nearly all Self-Directed Channel customers are customers of MSSB’s affiliate dealer-dealer, ET*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q4 2022. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ET*TRADE from Morgan Stanley Self-Directed Channel orders routed by ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel orders to GEX.

GEX generates revenue from executing or facilitating the execution of MSSB customer orders. In exchange for such routing and solely with respect to Self-Directed Channel options orders, MSSB receives payment from GEX (based upon the consideration GEX receives from the liquidity provider with which it has arrangements as described below) (i.e. payment for order flow) in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $5.00 per contract for simple and complex equity options contracts. MSSB does not receive payment from GEX for index options executions for Self-Directed Channel orders or for orders of Professional Customers, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis. Other than for certain limited order types, which MSSB routes to its affiliate Morgan Stanley & Co., LLC for handling and execution, MSSB only routes Self-Directed Channel orders in NMS securities that are options contracts to market makers that pay fee for customer order flow, and all such market makers are subject to substantially the same rate of payment. For clarity, MSSB does not route Full-Service Channel customer orders to GEX. Furthermore, MSSB and GEX do not have any agreements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules;
D. that require MSSB to route any one orders or a minimum number of orders to GEX.

There is a potential conflict to an options market maker such as GEX both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of MSSB customer orders. Accordingly, from such anticipated profit, an options market maker such as GEX can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of such anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker’s (such as GEX’s) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other sub-categories, with the risk of overallocation to market maker profits at the expense of providing price improvement on MSSB customer orders mitigated by market maker competition for order flow (as measured by the amount of payment for order flow provided), under the same general payment for order flow terms applicable.

GEX also acts as options market maker on one or more of the U.S. options exchanges on which it can execute MSSB customer orders and, as such, GEX can earn a profit from such market-making executions. In addition to revenues that GEX may collect for executing or facilitating the execution of Self-Directed Channel customer orders, GEX may also receive remuneration from the U.S. options exchanges to which it routes or directs Self-Directed Channel customer orders in the form of rebates. These U.S. options exchange rebate payments could, in theory, incentivize GEX to route higher percentages of MSSB customer orders to particular venues over others, subject to GEX’s independent order routing and best execution obligations. Exchange rebates provided to GEX for MSSB customer order executions by the U.S. options exchanges are not passed through to MSSB or its customers although GEX could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.
Morgan Stanley Smith Barney LLC ("MSSB") routes U.S.-listed options orders to Dash Financial Technologies, LLC ("Dash") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers, the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of an MSSB Financial Advisor. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves with MSSB accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. Self-Directed Channel orders in NMS securities that are options contracts are subject to the MSSB's $0 based commission policy, pursuant to which customers generally do not pay commission for order handling and execution of Self-Directed Channel NMS options orders (subject to disclosed exceptions as described more fully at https://us.etrade.com/what-we-offer/pricing-and-rates). Because MSSB does not charge commission on these Self-Directed Channel orders, the Firm seeks to be compensated, among other ways, through the receipt of payment for order flow from the options market makers that provide liquidity and guarantee executions on the U.S. options exchanges, including Dash. While nearly all E*TRADE from Morgan Stanley Self-Directed Channel customers are customers of MSSB's affiliate broker-dealer, E*TRADE Securities LLC ("ETS") and not MSSB, a limited number of Self-Directed Channel customers were customers of MSSB during Q1 2023. The tables above reflect Self-Directed Channel orders routed by MSSB only. Quarterly order routing statistics for ETS are available at https://us.etrade.com/quarterly-order-routing-report. MSSB does not route Full-Service Channel orders to Dash.

Dash generates revenue from executing or facilitating the execution of MSSB customer orders. For such routing and solely with respect to Self-Directed Channel orders, MSSB receives payment from Dash (based upon the consideration Dash receives from the liquidity providers with which it has arrangements as described below) (i.e. payment for order flow) in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of $0.48 per contract for simple and complex equity options orders. MSSB does not receive payment from Dash for index options executions on Self-Directed Channel orders or for orders of Professional Customers, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis. Other than for certain limited order types, which MSSB routes to its affiliate Morgan Stanley & Co., LLC for handling and execution, MSSB only routes Self-Directed Channel orders in NMS securities that are options contracts to market makers that pay for customer order flow, and all such market makers are subject to substantially the same rate of payment. For clarity, and as indicated above, MSSB does not route Full-Service Channel customer orders to Dash. Furthermore, MSSB and Dash do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Dash.

In connection with Dash's handling of MSSB retail equity option orders and solely with respect to Self-Directed Channel orders, Dash has arrangements with multiple, unaffiliated liquidity providers, including IMC Financial Markets, designed to facilitate liquidity provision and price improvement opportunities. Pursuant to these arrangements, Dash routes MSSB Self-Directed Channel options orders to exchanges and may preference the liquidity providers on such applicable exchange, consistent with exchange-sponsored programs which are described in the fee schedules of each such options exchange. The liquidity providers provide Dash with payment in connection with Dash's routing of MSSB Self-Directed Channel customer options orders, including through reciprocal order flow arrangements between Dash and such liquidity provider and/or payment per contract to Dash in return for Self-Directed Channel options orders that Dash routes or directs. Dash provides payment to MSSB on such Self-Directed Channel orders as described above based upon the compensation Dash receives from such liquidity providers. For clarity, and as indicated above, MSSB does not route Full-Service Channel options orders to Dash or receive payment from Dash with respect to Self-Directed Channel options order executions.

There is a potential conflict to Dash and/or the liquidity provider to which Dash routes orders both paying for order flow on applicable Self-Directed Channel orders and providing price improvement for such orders, as the potential source of funds for each is the same, namely the anticipated profit the liquidity provider seeks to earn from executing or facilitating the execution of MSSB customer orders. Accordingly, from such anticipated profit, the liquidity provider can (i) forgo a portion of such anticipated profit to pay Dash (and for Dash, in turn, to pay MSSB) for order flow; or (ii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. The liquidity provider's anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories. Dash and the liquidity provider can also adjust the amount of profit that the liquidity provider shares with Dash. The allocation of resources between the three subcategories listed above, including the risk of overallocation to market maker profits at the expense of providing price improvement on Self-Directed Channel customer orders, is informed and mitigated by competition for order flow amongst MSSB's market makers under the same general payment for order flow terms applicable to Dash.

Dash also acts as options market maker on one or more of the U.S. options exchanges on which it can execute customer MSSB orders and, as such, Dash can earn a profit from such market-making executions. In addition to revenues that Dash may collect for executing or facilitating the execution of Self-Directed Channel customer orders, Dash may also receive remuneration from the U.S. options exchanges to which it routes or directs MSSB customer options orders in the form of rebates. These U.S. options exchange rebate payments could, in theory, incentivize Dash to route higher percentages of MSSB customer orders to particular venues or others, subject to Dash's independent order routing and best execution obligations. MSSB does not share directly in any rebates Dash receives for executions of MSSB customer orders, although Dash could potentially use these rebates to provide price improvement to MSSB customers, order flow payments to MSSB with respect to Self-Directed Channel orders, or both.

Jane Street Execution Services LLC: Morgan Stanley Smith Barney LLC ("MSSB") routes customer orders in NMS securities that are options contracts to Jane Street Execution Services LLC ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. MSSB operates two primary service channels for its wealth management customers including the Full-Service Channel and the E*TRADE from Morgan Stanley Self-Directed Channel ("Self-Directed Channel"). Customers of the Full-Service Channel receive services from MSSB relating to the operation, servicing, and administration of their MSSB brokerage or advised accounts and the generation of orders for such accounts, including the services of a Financial Advisor. Among other things, MSSB receives compensation for customer Full-Service Channel orders from commissions on their brokerage account orders and fees on their advised accounts. As a result, MSSB does not seek or receive payment for order flow on such orders. Conversely, customers of the Self-Directed Channel generally generate and enter orders themselves for their brokerage accounts based upon their own investment decision making and without the benefit of the services of a Financial Advisor. MSSB does not route Self-Directed Channel customer orders to Jane Street and the tables above reflect Full-Service Channel order executions only. For clarity, MSSB does not receive payment from Jane Street for Full-Service Channel option order executions and MSSB does not route Self-Directed Channel options orders to Jane Street. Additionally, MSSB and Jane Street do not have any arrangements:

A. that require MSSB to meet certain volume thresholds or that provide incentives to MSSB for meeting or exceeding certain volume thresholds;
B. that require MSSB to meet certain minimum volume thresholds or that provide disincentives to MSSB for failing to meet certain minimum volume thresholds;
C. for volume-based tiered payment schedules; or
D. that require MSSB to route any orders or a minimum number of orders to Jane Street.

Jane Street may receive remuneration from the U.S. options exchanges to which it routes or directs MSSB customer orders in the form of rebates. These U.S. options exchange rebate payments could, in theory, incentivize Jane Street to route higher percentages of MSSB customer orders to particular venues or others, subject to Jane Street's independent order routing and best execution obligation. Exchange rebates provided to Jane Street for MSSB customer order executions by the U.S. options exchanges are not passed through to MSSB or its customers although Jane Street's receipt of such rebates could potentially be used to provide price improvement to MSSB customers.