



HYAS GROUP

Form ADV Part 2A, Firm Brochure

**HYAS GROUP,
A SEPARATE BUSINESS UNIT WITHIN MORGAN STANLEY INSTITUTIONAL INVESTMENT ADVISORS LLC**

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SEC File No. 801-69938
CRD Number 149122

March 28, 2024

This brochure provides information about the qualifications and business practices of Hyas Group, a separate business unit within Morgan Stanley Institutional Investment Advisors LLC (“Hyas” or “Hyas Group”). If you have any questions about the contents of this brochure, please contact us at 971-634-1500 or mruppelt@hyasgroup.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Hyas is a registered investment adviser. Registration of an adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about Hyas Group is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

Pursuant to SEC Rules, this Brochure is reviewed on an ongoing basis for necessary revisions. There are no material changes since our last annual amendment, except for the new name for this investment adviser.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Michelle Ruppelt, Head of Business and Control and Risk at 971-634-1508 or mruppelt@hyasgroup.com.

Additional information about Hyas is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Hyas who are registered, or are required to be registered, as investment adviser representatives of Hyas.

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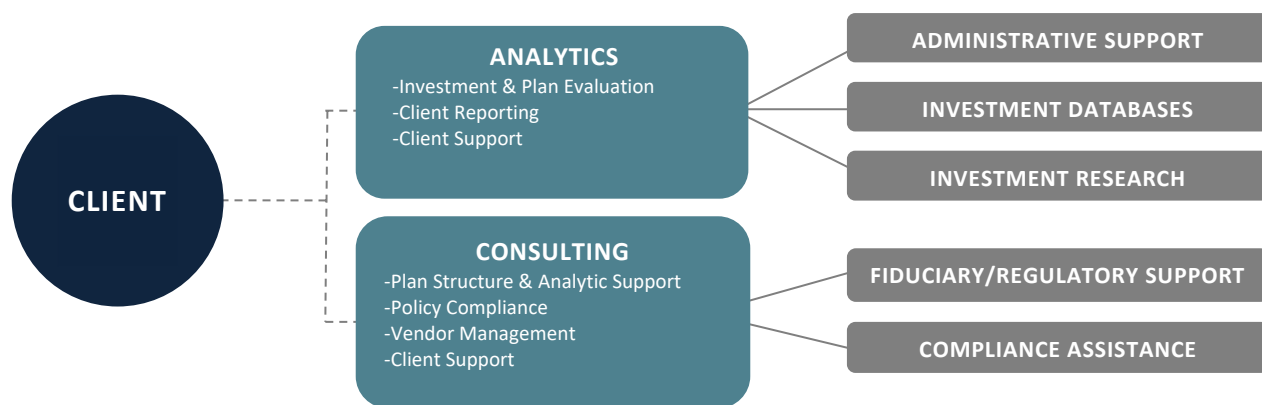
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Item 4 – Advisory Business

The Hyas Group is a wholly owned subsidiary of Morgan Stanley that provides services to institutional investors including defined contribution and defined benefit retirement plan clients along with endowments and foundations. Founded in 2008, the firm is structured as a Limited Liability Company. The firm has only one line of business, the investment consulting business. The sole office location is in Portland, Oregon.

The Hyas Group partners have over 60 years of combined experience serving clients in an institutional investment consulting capacity and the firm has been providing investment consulting services since its founding. The Hyas Group offers a wealth of consulting experience to all major plan structures. Corporate, governmental and non-profit plan sponsors have all sought the analytical skills and fiduciary support services offered by the firm.

The overall organizational structure is summarized as follows:



Advisory Services and Fees

Hyas Group, a separate business unit within Morgan Stanley Institutional Investment Advisors LLC (“Hyas” or “Hyas Group”) provides two primary types of services, described below, through its Investment Advisor Representatives. Our clientele includes plan fiduciary directed plans such as defined benefit pension plans and OPEB Trusts, and certain defined contribution plans such as 401(k), 403(b) and governmental 457(b) plans that may have a participant directed investment design feature.

Investment Advisory Services

Hyas performs a broad array of investment advisory services for its clients. Not all clients choose to receive all potential services. The potential services include, but are not limited to, review of an existing investment policy statement or assistance in creating an investment policy statement, plan performance reporting, asset allocation modeling, analysis of current investment options and portfolio structure, portfolio rebalancing and investment manager searches.

We also offer discretionary portfolio management services. When utilizing this service, as with all clients, we work with them to create and/or review their investment policy statement, review their current asset

allocation, investment manager allocation and manager performance. The ongoing manager selection and strategic rebalancing within the investment policy ranges are managed in-house by the Hyas Group.

Advice and Consulting not Involving Securities

Many of the services that Hyas Group performs for clients are not investment advisory in nature. These services include, but are not limited to, consulting with investment committees, pension plan review and analysis, fiduciary education and training, plan fee and revenue analysis, vendor search projects, and reporting on investments and pension plan results. The specific services that Hyas Group performs for a client are described in a written agreement with each client.

As of December 31, 2023, Hyas Group advised approximately \$50.1 billion in client assets and Hyas Group had discretion over approximately \$645 million in client assets.

Item 5 – Fees and Compensation

Hyas Group charges some clients a fee based upon the size or value of assets under the advice relationship which may include portfolios that are a part of overall assets. Assets will be valued on the last day calendar quarter. Quarterly fees are calculated and charged in arrears, after services have been performed. The actual rate would vary depending upon the scope of services the client requests Hyas Group to perform. This fee is described in the written agreement entered into between the client and Hyas Group.

The client acknowledges and agrees that fees payable to Hyas Group may, if the client desires to do so, be automatically deducted from the client's account.

In cases when the advisory agreement does not span the full billing period, fees are prorated from the date of inception or through the date of termination. The Advisor or client may terminate the investment advisory agreement at any time with written notice to the advisor at their main office.

Fixed Fees

In some cases, Hyas Group will perform services for clients where the cost is set and agreed to with the client in advance of performing the service. The exact cost of the service would depend upon the complexity and scope of the service to be performed. Hyas enters into a written agreement that explains the services to be performed and an estimate of the cost to complete the service. Fees are normally paid upon delivery of the specific work product. If either party terminates the fixed fee engagement, the client is responsible to compensate Hyas Group for work done on a prorata basis, based upon the number of days the services was provided in the quarterly billing period.

Other Fees

The above-referenced fees charged by Hyas Group do not include brokerage commissions and other costs related to the execution of transactions on behalf of clients. Such costs will be paid by advisory clients in addition to the fees discussed above. Clients are also responsible for asset management fees and plan or account administration fees paid to custodians and broker-dealers. These fees are disclosed in the disclosure document or agreements in the custodian's account opening documents. Clients are also responsible for margin interest, wire transfer fees, safe keeping fees and other special services provided by the broker-dealer, transfer agent, or custodian and disclosed by the custodian at the time the client opens their account(s) or when service is requested.

For some clients, we recommend investment vehicles such as Limited Partnerships or Limited Liability Companies (e.g. real estate, hedge funds). These investments have fees such as annual management fees that the client is also responsible for. Each investment manager states their various fees within the subscription documents and/or offering memorandum.

Investment Company Fees

Investment company funds that are held by clients will bear their own internal transaction and execution costs, as well as directly compensate their investment managers along with internal administrative services. Some funds pay 12b-1 fees, Distribution Fees, and or Shareholder Service Fees to broker-dealers that offer such funds to their clients. These charges affect the Net Asset Value of these fund shares and are thus indirectly borne by fund shareholders such as a Hyas Group client. Some fund companies have imposed a redemption fee. A redemption fee is another type of fee that some funds charge their shareholders when shares are sold or redeemed within a short period of time from the purchase of the fund shares. Although a redemption fee is deducted from redemption proceeds just like a deferred sales load, it is not considered to be a sales load. Unlike a sales load, which is generally used to compensate brokers, a redemption fee is typically used to defray fund costs associated with a shareholder's redemption and is paid directly to the fund, not to a broker. The SEC generally limits redemption fees to 2%. In most cases, the funds will use the "first-in, first-out" (FIFO) method to determine the holding period. Under this method, the date of the redemption will be compared with the earliest purchase date of shares held in the account.

A complete explanation of these charges is contained in the prospectus and "Statement of Additional Information" for each investment company fund. You can get a prospectus from the investment company (through its website or by telephone or mail).

Item 6 - Performance-Based Fees

It is Hyas Group's policy not to charge clients based upon the performance of their accounts except where the growth in an account will affect an asset-based fee (size of the account).

Item 7 - Types of Clients

The Hyas Group primarily provides fiduciary (within the meaning of 3(21) of ERISA) and investment consulting services to certain retirement plans, including, but not limited to municipal and corporate retirement plans, non-qualified deferred compensation plans, plan sponsors and/or other plan fiduciaries, corporate accounts, charitable institutions, foundations, and endowments.

Item 8 - Methods of Analysis, Investment Strategies and Risks

The investment review process at the Hyas Group is continuous and ongoing. Our team reviews mutual funds and other investment vehicles on both a predetermined and impromptu basis. We rely on a number of databases to house our investment return data as well as attribution systems. The databases include mutual funds, commingled funds, insurance products and separate accounts, as well as alternative products such as hedge funds.

Our reporting capabilities, analytics resources and manager contacts include, but are not limited to, the following resource tools and data bases:

- › Morningstar Direct – which provides extensive mutual fund or separate account data including peer group, performance and holdings information
- › Institutional data-base subscriptions – Barclays Capital (formerly Lehman Brothers), Standard & Poors, Russell and MSCI/Barras all provide data for the compilation of our reports.

- › InvestmentMetrics – which provides manager and total plan universe information, index information and software for report production.

These databases can be used for screening a multitude of investment products. The databases make more than 100 screening factors available. Statistical and regression analysis is also performed using the databases. This allows us to analyze portfolios over multiple time periods versus relative benchmarks as well as compare investments on a side-by-side basis. In this quantitative review, we also compare risk and value-add statistics such as standard deviation, alpha, beta and up/down market capture. All of these tools, when taken in concert with an assessment of underlying securities holdings and sector allocations, allow us to feel confident in the total evaluation of the products in which our clients invest.

Our research process is not limited to databases alone. We also provide qualitative assessments of the investment products we recommend to our clients by meeting with investment managers face-to-face and conducting regular conference calls with the individuals responsible for managing and servicing the specific investment vehicles we are evaluating. We feel strongly that active investment performance is driven by skilled people and, therefore, we analyze the manager's philosophy, process and personnel in order to have a firm grasp on the skill sets offered by different managers.

The conversations will typically involve

- 1) a discussion of the dynamics of the investment team,
- 2) strategy,
- 3) firm structure,
- 4) portfolio construction and
- 5) performance attributions.

Often these meetings help facilitate frank discussions with the portfolio managers which help us provide the most accurate and up-to-date information available.

While some risk is inherent in any investment, we believe that it is imperative that risk be managed appropriately. Thorough review of volatility and risk adjusted return can also add value when properly considered. For each of our client's available investment options we'll analyze risk-related measures such as beta, standard deviation, alpha, up-market capture and down-market capture. It is our expectation that all funded products provide a competitive risk adjusted return. Therefore each product is reviewed with that expectation in mind.

Investment Strategy

At the outset of our working with a Client, we review a Client's risk profile, portfolio goals and/or requirements (such as income), which results in an Investment Policy Statement (either newly crafted or a review and possible revision of an existing IPS.) As part of that process, we analyze the Asset Allocation of the portfolio, and propose any recommended changes. We then work on implementation of their IPS/Asset Allocation Study, using research methodologies noted previously, identifying and funding managers which we believe to best meet the Client's IPS and risk profile.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. In addition, the investment managers and/or funds that we recommend are also subject to the same domestic and

global economic variables, and therefore are subject to the same risk of loss. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way a guarantee of future performance.

Risks Relating to Exchange Traded Funds (“ETFs”)

There may be a lack of liquidity in certain ETFs which can lead to a large difference between the bid-ask prices (increasing the cost to you when you buy or sell the ETF). A lack of liquidity also may cause an ETF to trade at a large premium or discount to its net asset value. Additionally, an ETF may suspend issuing new shares and this may result in an adverse difference between the ETF’s publicly available share price and the actual value of its underlying investment holdings. At times when underlying holdings are traded less frequently, or not at all, an ETF’s returns also may diverge from the benchmark it is designed to track.

Risks Relating to Mutual Funds and ETFs that Pursue Complex or Alternative Investment Strategies or Returns

Mutual funds and ETFs utilize non-traditional or complex investment strategies and/or derivatives for both hedging and more speculative purposes, which can increase volatility and the risk of investment loss. Certain of these funds are sometimes referred to as “liquid alternatives.” These funds often present higher costs and expenses, with certain of these funds charging fees that fluctuate with their performance. Please refer to the mutual fund or ETF’s prospectus for additional information on expenses and descriptions of the specific non-traditional and complex strategies utilized by the fund.

While mutual funds and ETFs may at times utilize non-traditional investment options and strategies, they have different characteristics than unregistered privately offered alternative investments. Because of regulatory limitations, mutual funds and ETFs that seek alternative-like investment exposure must utilize a more limited spectrum of investments. As a result, investment returns and portfolio characteristics of alternative mutual funds and ETFs may materially vary from those of privately offered alternative investments pursuing similar investment objectives. They are also more likely to have relatively higher correlation with traditional market returns than privately offered alternative investments. Non-traditional investment options and strategies are often employed by a portfolio manager to further a mutual funds or ETF’s investment objective and to help offset market risks.

However, these features may be complex, making it more difficult to understand the mutual funds or ETF’s essential characteristics and risks, and how it will perform in different market environments and over various periods of time. They may also expose the mutual fund or ETF to increased volatility and unanticipated risks particularly when used in complex combinations and/or accompanied by the use of borrowing or “leverage”.

Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Hyas Group or the integrity of Hyas Group’s management. Hyas Group has no information applicable to this Item.

Item 10 - Other Financial Industry Activities and Affiliations

Hyas Group does not receive revenue from any money management firms, recordkeepers or other retirement plan service providers. Our only compensation is that which we receive directly from our clients.

Hyas Group and its representatives may provide services to clients that are not investment advisory in

nature. These services may include reporting on investments and account or plan assets, consulting on noninvestment matters, education, vendor search projects, and performance review and evaluation.

Hyas Group is an indirect wholly owned subsidiary of Morgan Stanley and is part of Morgan Stanley Wealth Management. Morgan Stanley is a financial holding company under the Bank Holding Company Act of 1956 whose shares are publicly held and traded on the NYSE.

Morgan Stanley is a global firm engaging, through its various subsidiaries, in a wide range of financial services including:

- securities underwriting, distribution, trading, merger, acquisition, restructuring, real estate, project finance and other corporate finance advisory activities
- merchant banking and other principal investment activities
- brokerage and research services
- asset management
- trading of foreign exchange, commodities and structured financial products and
- global custody, securities clearance services, and securities lending.

As well as being a registered investment adviser, Morgan Stanley Wealth Management is registered as a broker-dealer.

Hyas Group is affiliated with certain registered investment advisers (including, without limitation, Morgan Stanley Investment Management, Inc., Eaton Vance, Boston Management and Research, Calvert Research and Management, Atlanta Capital Management Company and Parametric Portfolio Associates), which serve in various advisory, management, and administrative capacities to open-end and closed-end investment companies and other portfolios (some of which are listed on the NYSE).

Hyas Group does not recommend affiliated funds. Clients who have chosen a non-discretionary relationship, may from time to time chose to invest in affiliated funds. In those situations, the Hyas Group will disclose the affiliate relationship and will not bill its advisory fee for assets invested in those products.

Item 11 - Code of Ethics

Hyas Group will provide a copy of its Code of Ethics to clients or prospective clients upon their request.

Item 12 - Brokerage Practices

Hyas Group does not receive any soft dollars or other compensation for recommending any brokerage firms, custodians, mutual funds, or investment managers.

For those accounts over which we have discretion, having the client assets held at one custodian, whether bank, trust company, or brokerage firm, enables us to manage the portfolio, including review, place trades, compile performance reports, and answer client questions, in as efficient manner as possible. If the client doesn't currently have a custodian, we can recommend a custodian, one possible option being Charles Schwab. But as stated above, we receive no compensation for recommending Charles Schwab or any other custodian. Schwab has been recommended as they provide an extensive mutual fund platform and nearly all our investment managers have trading agreements with Schwab. In addition, they have a robust internet presence, including trading software, custodial information easily accessed by Hyas Group and the clients, a strong support staff assisting with trading, client and technology servicing questions and issues.

Best Execution

Hyas Group's policy is to execute transactions for clients in such a manner that the client's total costs or proceeds in each transaction are the most favorable under the circumstances. Best execution, however, is not purely a function of price and cost, but represents the best qualitative execution under the circumstances. In assessing whether this standard is met, we consider the full range and quality of the custodian's services, and other factors including, among other things, the value of research provided, the execution capability, the commission rates charged, the financial soundness and responsiveness.

When a client selects the record-keeper and/or custodian, then their choice might affect the Hyas Group's ability to obtain best execution for the client.

Directed Brokerage

If a client has an established relationship with a custodian, we will place trades with that custodian, which is considered directed brokerage. This directed brokerage arrangement potentially (1) limits Hyas Group's ability to seek best execution and negotiate commissions; (2) limits the clients' ability to participate in aggregated trades; and, as a result, (3) may cost the client more money.

Item 13 - Review of Accounts

Performance reports are produced for the client either on a quarterly, semi-annual, or annual basis with the nature and format of the review process matched to the type of plan (Defined Contribution, Defined Benefit, Endowment, etc.) and the unique needs of each client. Frequency of reports is addressed in each client's agreement with Hyas Group. Broadly defined, the process covers a review of the plan's asset allocation or plan construction, individual investment manager and total account performance reviews, plan utilization rates and participant account balances, and review of investment costs. Client reports are designed to clearly reflect manager and account performance relative to the client's specific investment policy. Performance reports contain a comprehensive evaluation of the plan's investment options relative to investment policy. Color graphics illustrates manager diversification, historical asset allocation and performance versus the relevant indices over differing lengths of time. A statistical section provides an analysis of manager characteristics including sector/quality exposure and market weights. Interpretive text shows how these characteristics impact risk and return and what that means to the investment program.

Our reports include global market commentaries at the end of each calendar quarter. These commentaries provide a broad economic and market overview as well as asset class level risk and return insight.

Further, the Hyas Group closely monitors plan utilization rates and average participant account balances to assess each plan's investment and structural effectiveness. We provide comparative statistics for similar sized plans as well as a calculated, overall plan and asset class returns for each of our client accounts each quarter. This plan return allows for further comparison of the equity and fixed income participant investment weightings and demonstrates the offered investment options compare, on the whole, to those offered by other clients and industry averages.

The client performance reports are compiled by various analytical staff members of the firm with final reviews completed by senior management.

Item 14 - Client Referrals and Other Compensation

Hyas Group does not compensate any client or person for client referrals. However, Hyas Group receives compensation for referring clients to affiliates, including, but not limited to, Morgan Stanley Wealth

Management.

Item 15 - Custody

Hyas Group does not maintain custody of client funds or securities. Client assets are held by mutual fund companies, banks, trust companies, brokerage firms, or other custodial institutions. Ultimately, clients choose their custodian independently.

Client is urged to compare the statements it receives from the custodian with the reports it receives from Hyas.

Item 16 - Investment Discretion

Hyas Group has received discretionary authority from a few clients at the outset of the advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives and, where applicable, the Investment Policy Statement for the particular client account.

When selecting securities and determining amounts, Hyas Group observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Hyas Group's authority to trade securities may also be limited by certain federal securities and tax laws that require diversifications of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Hyas Group in writing.

Item 17 - Voting Client Securities

Hyas does not vote proxies for clients. However, certain clients may elect to delegate proxy voting authority to a voting service provider, Institutional Shareholder Services Inc., at no cost.

Item 18 - Financial Information

Hyas Group does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Additionally, we must disclose any financial condition that could impair our ability to fulfill our agreement with our clients. Hyas Group has no such financial condition to disclose. Neither have we even been the subject of any bankruptcy proceeding.