



PUBLIC DISCLOSURE

February 18, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Morgan Stanley Bank, National Association
Charter Number: 24908

201 South Main Street, 5th Floor
Salt Lake City, UT 84111

Office of the Comptroller of the Currency

Large Bank Supervision
400 7th Street SW
Washington, DC 20219

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

Table of Contents

| | |
|---|-----|
| Overall CRA Rating | 1 |
| Description of Institution..... | 2 |
| Scope of the Evaluation..... | 3 |
| Discriminatory or Other Illegal Credit Practices Review | 4 |
| State Rating | |
| State of Utah..... | 5 |
| Appendix A: Summary of MMSA and State Ratings | A-1 |
| Appendix B: Definitions and Common Abbreviations | B-1 |

Overall CRA Rating

Institution's CRA Rating: This institution is rated Outstanding.

The major factors that support this rating include:

- The institution demonstrates a high level of community development (CD) loans, CD services, and qualified investment activity, particularly investments that are not routinely provided by private investors.
- The institution demonstrates extensive use of innovative or complex qualified investments, CD loans, and CD services.
- The institution exhibits excellent responsiveness to credit and CD needs in its assessment area (AA).

Description of Institution

Morgan Stanley Bank, National Association (MSBNA) is a nationally chartered bank, headquartered in Salt Lake City, Utah. A loan production office and administrative offices are in New York City, New York. MSBNA is a wholesale institution primarily focused on providing commercial loans to large institutional borrowers, and securities-based loans to institutions and individual borrowers. The bank has no branches or automated teller machines and does not engage in retail deposit activities. The bank's primary deposit products include brokered savings and brokered sweep deposits from broker-dealer client accounts of an affiliate, Morgan Stanley Smith Barney (MSSB) and other third parties. As of December 31, 2019, MSBNA had assets of \$146.6 billion, deposits of \$125.3 billion, and Tier 1 Capital of \$15.9 billion. MSBNA is an indirect, wholly-owned operating subsidiary of Morgan Stanley & Company (Morgan Stanley).

Morgan Stanley is a global financial services firm providing a wide range of securities, investment banking, investment management, and wealth management services primarily to corporations, governments, and individuals. It is based in New York, NY, and serves its clients from offices in more than 41 countries. As of December 31, 2019, Morgan Stanley's assets totaled \$895.4 billion and net income totaled \$9.2 billion. Morgan Stanley had 60,431 employees. Morgan Stanley also owns Morgan Stanley Private Bank, National Association (MSPBNA).

In 2008, Morgan Stanley received approval from the Federal Reserve to become a financial holding company and Morgan Stanley Bank converted from a Utah state-chartered industrial loan corporation to a national bank. The OCC approved MSBNA's wholesale designation for CRA purposes on March 10, 2009.

During the evaluation period, MSBNA faced no legal, financial, or other factors impeding its ability to help meet the CD needs in its AA. There were no mergers or acquisitions during the evaluation period. MSBNA has no subsidiaries.

Table 1: Financial Information (000s)

| | Year-end 2017 | Year-end 2018 | Year-end 2019 | Average for Evaluation Period |
|----------------------|--------------------------|--------------------------|--------------------------|--|
| Tier 1 Capital | 15,196,000 | 15,221,000 | 15,919,000 | 15,445,333 |
| Total Income | 4,194,000 | 5,215,000 | 5,734,000 | 5,047,667 |
| Net Operating Income | 2,060,000 | 2,911,000 | 2,932,000 | 2,634,333 |
| Total Assets | 129,707,000 | 149,817,000 | 146,645,000 | 142,056,333 |

Source: FFIEC Consolidated Report of Condition and Income

The following affiliates and subsidiaries originated CD activities on behalf of MSBNA. Additionally, numerous subsidiaries of Morgan Stanley have provided grants and services.

| | |
|--|------------------------------------|
| Morgan Stanley & Co | Qualified Investments |
| MSPBNA | CD Loans |
| Morgan Stanley Senior Funding, Inc | CD Loans |
| Morgan Stanley Community Investments LLC | CD Loans and Qualified Investments |
| Morgan Stanley Foundation | Grants |
| MS Affordable Housing LLC | Qualified Investments |
| Morgan Stanley Impact SBIC LP | CD Loans and Qualified Investments |
| Pinol II LLC | Qualified Investments |

Scope of the Examination

Evaluation Period/Products Evaluated

In evaluating the bank’s performance under the CRA, we reviewed CD activities from January 1, 2017, through December 31, 2019. We reviewed the level and nature of qualified investments, CD lending, and CD services. At the bank’s request, we also considered qualified investments, CD lending, and CD services provided by its affiliates. At the prior examination dated January 30, 2017, we rated the bank Outstanding.

The bank has adequately addressed the needs of its AA. Therefore qualified investments, CD loans, and CD services from outside of the AA were also considered in evaluating its performance.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution or any affiliate whose loans have been considered as part of the institution's lending performance has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Utah

CRA Rating for Utah: Outstanding

The major factors that support this rating include:

- The institution demonstrates a high level of CD loans, CD services, and qualified investment activity in the state of Utah, particularly investments that are not routinely provided by private investors.
- The institution demonstrates extensive use of innovative or complex qualified investments, CD loans, and CD services in the state of Utah.
- The institution exhibits excellent responsiveness to credit and CD needs in the state of Utah.

Description of Assessment Area

MSBNA has designated Salt Lake County (SLC) as its AA. It is one of two counties that comprise the Salt Lake City, Utah MSA #41620. According to the 2015 American Community Survey, the population in SLC was 1.1 million, making it the most populous county in Utah. The state of Utah’s population was 3.1 million. Salt Lake City is also the state capital and county seat, headquarters for many of the state’s largest corporations, and the center of the state’s economic activity. The AA is predominately a mix of urban and suburban areas. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income (LMI) geographies.

The following table provides a statistical summary of the AA:

Table 2: Utah Assessment Area Description

| | Number | Low | Moderate | Middle | Upper |
|----------------------|---------------|------------|-----------------|---------------|--------------|
| Tracts # | 212 | 3.3% | 24.0% | 40.6% | 30.7% |
| Families | 247,693 | 19.9%* | 17.6%* | 22.0%* | 40.5%* |
| Businesses ## | 109,968 | 2.9%** | 21.2%** | 39.2%** | 35.8%** |

Source: Demographic Data – 2015 ACS, 2019 Dun & Bradstreet Data. *Represents families by income level. **Represents businesses by income level of census tract. # 3 Census Tracts (1.4%) are not income categorized. ## 985 businesses (0.9%) are in tracts not income categorized.

The 2019 FFIEC updated median family income in the SLC AA was \$81,800. Approximately 11.1 percent of the households in the AA were below the poverty level compared to the national average of 11.8 percent.

Salt Lake City remains one of the healthiest economies in the country. Healthcare and the finance industry, particularly banking and insurance, are essential parts of the economy. Major employers include the University of Utah, Intermountain Healthcare, and SLC.

The AA has experienced growth since the previous evaluation period. The strong economy is led by a highly educated workforce, a stable base of state employment, high-tech jobs, below average business costs, and a business-friendly climate. The Bureau of Labor Statistics reported that of metropolitan areas with a population greater than one million, Salt Lake City had the lowest unemployment rate in December 2019 at 2.0 percent.

As of June 30, 2019, the Federal Deposit Insurance Corporation (FDIC) reported that MSBNA had \$112.6 billion in deposits in the AA and ranked second in deposit market share at 20.4 percent. However, these deposits are from client accounts located throughout the United States. Deposits from client accounts located in the AA total \$304 million.

Salt Lake City has higher living costs compared to other metropolitan areas in Utah. Home sales are rising faster than the rest of the state and home prices are rapidly rising as well. Housing affordability remains a challenge for LMI families. Although housing is affordable for middle-income residents, LMI residents are struggling. According to the National Association of Realtors, the single-family home median sales price in the fourth quarter of 2019 climbed to \$361.1 thousand. This represents an 8.7 percent increase compared to the same period in 2018.

The OCC's Community Affairs Officers conducted outreach and learned that activities to address homelessness are a critical need, as social service programs dwindle and the resources available to assist the homeless continue to disappear. Alleviating homelessness, providing resources for affordable housing, both rental and ownership, for the LMI population is critical. State and local government have developed a plan to address the housing needs of the homeless. The large, centralized downtown Salt Lake City emergency shelter was closed in November 2019 and was replaced with three, smaller, population-specific homeless resource centers. The new centers will house essential services under one roof and will provide safe, secure facilities that fit into the neighborhoods where they are located. The system will refocus efforts on moving individuals and families out of emergency shelters and into more stable housing situations.

Other identified CD needs outside of affordable housing include:

- Job creation and retention
- Small business financing, including small dollar loans for small businesses, start-ups, workforce development and training
- Technical support for housing counseling agencies
- Financial education
- Refugee settlement programs
- Early childhood education
- Assistance for children aging out of foster care
- Assistance for those recently released from prison
- Individual Development Accounts

Conclusions About Performance

Summary

MSBNA provided an excellent level of qualified investments, CD loans, and CD services in relation to its capacity and opportunities. MSBNA operates in a highly competitive banking environment with 39 FDIC-insured institutions located in SLC. The county has a disproportionately high number of limited purpose/wholesale banks and all compete for the same qualified investments, CD loans, and CD services in response to the needs of its AA. The AA also has numerous large commercial banks including JPMorgan Chase, Wells Fargo, Goldman Sachs, and Zions Bank. Based on the competition, the opportunity for any one of these institutions to obtain a sizable portion of qualified investments or CD loans benefiting SLC is limited.

MSBNA demonstrates extensive use of innovative or complex qualified investments, CD loans, and CD services. In addition to several low-income housing tax credit (LIHTC) investments, the bank has used private equity funds to help mission-oriented sponsors acquire, stabilize, and preserve affordability of buildings approaching the end of their LIHTC compliance period. MSBNA originated or participated in numerous complex loans that included multiple sources or layers of financing. Lastly, the bank established a fellowship program to assist with capacity building and leadership development at prominent Salt Lake City CD entities.

MSBNA exhibited excellent responsiveness to the credit and CD needs of its AA, specifically affordable housing, economic development, community revitalization and stabilization, and community services for LMI persons. MSBNA has also taken a leadership role and worked with a national foundation to better understand the affordable housing and CD landscape, to illuminate the gaps in capital deployment, and to develop potential solutions. The bank leverages Morgan Stanley's investment banking expertise to enhance CD outcomes.

Qualified Investments

MSBNA originated 16 qualified investments totaling \$95.6 million in the AA and broader statewide or regional area (BSRA) during the evaluation period. Since the bank adequately addressed the needs of its AA, we considered an additional \$4.4 billion in 264 qualified investments made outside of its AA when evaluating the bank's performance. The investments were in single investor funds, a Small Business Investment Company Impact fund, a housing preservation fund with a national community development financial institution (CDFI), and corporate tax reform funds that were established when the LIHTC market froze due to uncertainty in tax code reform and several affordable housing projects were brought to a standstill.

MSBNA also provided 131 qualified grants totaling \$3.6 million to CD organizations and programs that benefitted the AA or BSRA. These grants supported affordable housing organizations, homeownership and homebuyer education and counseling to LMI individuals, and essential community services targeted to LMI individuals and families. The bank and its affiliates provided an additional \$17.8 million in grants outside of its AA.

Table 3a: Qualified Investment Activity (000s)

| | Benefits AA** | Outside AA | Totals |
|---|----------------------|-------------------|---------------|
| Originated Investments | 95,598 | 4,397,391 | 4,492,989 |
| Originated Grants | 3,578 | 17,820 | 21,398 |
| Prior-Period Investments that Remain Outstanding | 45,560 | 605,543 | 651,103 |
| Total Qualified Investments | 144,736 | 5,020,754 | 5,165,490 |
| Unfunded Commitments* | 59,767 | 200,761 | 260,528 |

* “Unfunded Commitments” means legally binding investment commitments that are tracked and recorded by the bank’s financial reporting system. ** Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA.

Table 4a: Qualified Investment Percentages

| | Benefits AA (%)* | Outside AA (%) |
|---|-------------------------|-----------------------|
| Total Investments/Average Tier 1 Capital | 0.9 | 32.5 |
| Total Investments/Average Total Income | 2.8 | 99.5 |

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA.

Examples include:

- \$13.1 million LIHTC investment for the new construction of 75 one bedroom-units for permanent supportive housing and commercial space, which will be used as an outpatient treatment facility in Salt Lake City. All units are set-aside for homeless individuals; eight units are set-aside for persons with mental illness and nine units for persons with physical disabilities.
- \$11.9 million LIHTC investment to support the new construction of 70 units of housing in Salt Lake City. The project financed 56 affordable LIHTC units and 14 market rate units. The site is directly across the street from the light rail station. The bank also provided \$6.1 million debt financing for this project.
- \$9.4 million New Markets Tax Credit into a fund to support the construction of a 42,000 square foot community services campus in Washington, DC. The fund is managed by a non-profit dedicated to providing food and school/employment readiness services to low-income youth.
- \$397 thousand grant to support a state’s community development corporation (CDC) homeownership and stabilization program that assists LMI families to become and remain successful homeowners. Funding also supported a one-day event that provided services to those experiencing homelessness.
- \$360 thousand grant for the Salt Lake City Fellowship program. MSBNA works with the University of Utah and local CD organizations to provide six graduate students to work on critical community projects that might not otherwise be undertaken.

CD Lending

MSBNA originated 60 CD loans totaling \$169.7 million that benefitted the AA or BSRA that includes the AA. Consideration was also given to an additional \$832.7 million in loans made outside of the AA because the bank adequately addressed the credit needs of the AA.

A majority of the CD lending supported affordable housing with the remainder for economic development and community services, all of which are responsive to the identified needs of the AA.

Table 5a: CD Lending Percentages

| | Benefits AA (%)* | Outside AA (%) |
|--|-------------------------|-----------------------|
| Total CD Lending/Average Tier 1 Capital | 1.1 | 5.4 |
| Total CD Lending/Average Total Income | 3.4 | 16.5 |

* CD loans included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA.

Examples include:

- \$10.9 million participation to construct 206 units of affordable housing in Midvale, Utah. All units are limited to individuals earning 60 percent or less of area median income (AMI). The project is being developed under the Equitable Transit Oriented Development program and is one-half mile from the light rail station and 1/10 of a mile from a bus stop. MSBNA also provided \$18 million in LIHTC equity.
- \$5.7 million to construct a 134-unit affordable apartment complex in Salt Lake City, Utah. All units are limited to individuals or families earning 60 percent or less of AMI. In addition to the loan, other layers of financing, including tax exempt bonds and LIHTC, were utilized.
- \$38 million to a CDFI that provides comprehensive financial services to cooperatives and other member-owned organizations throughout the United States. The loan fund capital is used primarily in LMI census tracts to provide interim financing for construction and mini-permanent loans for affordable housing, charter schools, community healthcare facilities.

CD Services

MSBNA and affiliate employees provided qualified CD service activities that were responsive to needs in the AA. CD services were also provided to organizations across the United States. Employee involvement includes leadership roles; serving as board and committee members of affordable housing and community service organizations; assisting in the creation of loan funds; supporting programs offered to LMI individuals; and offering capital markets and financial expertise. Employees also utilized their expertise to deliver financial literacy seminars and provide other financial services, including credit counseling that benefitted LMI individuals.

Examples include:

- A bank employee serves on the board or committee of a CDC dedicated to increasing the flow of capital to distressed urban and rural communities for investment, job creation, affordable housing, and CD. Their mission includes expanding lending opportunities for communities in the greater Salt Lake area.
- A bank employee sits on the board or committee of a CDC whose mission is to strengthen the community by ensuring access to affordable housing and financial security.
- Morgan Stanley employees supported 10 CD organizations through 10,217 hours of the Strategy Challenge, a 10-week pro-bono consulting program assisting selected nonprofit organizations.

Appendix A: Summary of MMSA and State Ratings

| RATINGS | MORGAN STANLEY BANK, N.A. |
|---------------------------|---------------------------|
| Overall Bank | |
| Morgan Stanley Bank, N.A. | Outstanding |
| State/MMSA Name | State/MMSA Rating |
| Utah | Outstanding |
| | |
| | |
| | |
| | |

Appendix B: Definitions and Common Abbreviations

The following terms and abbreviations may be used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose CD.

Rating Area: A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have

original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in ‘loans to small farms’ as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders’ equity, perpetual preferred shareholders’ equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.