

INVESTMENT OVERVIEW

THE MCSHANE PARTNERS CORE CONTRARIAN EQUITY PORTFOLIO STRATEGY

Cautious optimism incited modest rebounds in risk assets during the first half of the third quarter of 2022 (“3Q22”), as a short-lived backup in U.S. Treasury yields fueled a brief bear market rally in those longer-duration, interest rate sensitive parts of the equity market that had weighed heavily on index-level returns through the first half of 2022 (“1H22”). These gains, however, proved lamentably transient, as discouraging economic data rekindled repressed fears and anxieties amongst investors, precipitating dramatic declines across global financial markets through the final weeks of the quarter. Hence, the roller-coaster ride of 2022 continued with its predictable pattern of dramatic sell-offs leading to extreme pessimism that eventually results in a brief relief rally. Conviction is lacking and, thus, positioning is volatile and hard to predict. This is the type of environment wherein the McShane Partners Core Contrarian Equity Portfolio Strategy (“the Strategy”) provides a unique, steady return profile.

Throughout the quarter, the McShane Partners Core Contrarian Equity Portfolio Strategy (“the Strategy”) continued to deliver dependable downside protection relative to passive equity market indexes and broad-based benchmarks, returning **-4.76%** in 3Q22 vs. a comparable return of **-4.88%** for the S&P 500® Index (“S&P 500®”), bringing the Strategy’s net margin of relative outperformance vs. the S&P 500® to **+4.92%** year-to-date (“YTD”) through the first nine months of 2022. This level of cumulative outperformance has been achieved through individual stock-selection, a tactical overweight to CASH & CASH EQUIVALENTS, and an active decision to reduce

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WEALTH ADVISORY OVERVIEW

CONTRIBUTION LIMIT INCREASE FOR RETIREMENT ACCOUNTS

The Internal Revenue Service announced an increase in the maximum funding for 401(k), 403(b), and most 457 plans in 2023. The new limit increased to \$22,500, up from \$20,500 for 2022. The catch-up contribution limit for employees aged 50 and over who participate in 401(k), 403(b), most 457 plans, and the federal government’s Thrift Savings Plan is increased to \$7,500, up from \$6,500. Therefore, participants in 401(k), 403(b), most 457 plans, and the federal government’s Thrift Savings Plan who are 50 and older can contribute up to \$30,000, starting in 2023.

The amount individuals can contribute to their SIMPLE retirement accounts is increased to \$15,500, up from \$14,000 and the catch-up contribution limit for employees aged 50 and over who participate in SIMPLE plans is increased to \$3,500, up from \$3,000.

The limit on annual contributions to an IRA increased to \$6,500, up from \$6,000. The IRA catch up contribution limit for individuals aged 50 and over is not subject to an annual cost of living adjustment and remains \$1,000.

The income ranges for determining eligibility to make deductible contributions to traditional Individual Retirement Arrangements (IRAs), to contribute to Roth IRAs, and to claim the Saver’s Credit all increased for 2023.

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POINTS OF INTEREST

- [Monthly Index Review](#)
- [Around McShane Partners](#)

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THE MCSHANE PARTNERS CORE CONTRARIAN EQUITY PORTFOLIO STRATEGY

broader equity market risk (i.e., beta) from ± 1.04 as the end of calendar year 2021 (“CY2021”) to ± 0.69 as of the end of 3Q22 given the Investment Team’s intentional efforts to incorporate incremental conservatism into portfolio-level positioning, while also locking in gains after a robust, but too ebullient, CY2021.

The Investment Team believes that the Strategy’s recent resilience in the face of increasingly changeable financial market dynamics during an exceptionally difficult period in the market cycle reflects the core objectives upon which the Strategy was initially based: a contrarian approach to managing a portfolio of high-quality, high-conviction investments, predicated on mitigating unnecessary beta in order to achieve excess positive risk-adjusted returns (i.e., alpha) over the course of a full market cycle. As financial markets continue to proceed through the later stages of this market cycle, the Investment Team believes that the Strategy’s fundamental portfolio and risk management processes will prove critical in achieving those stated objectives.

PERFORMANCE REVIEW

As previously mentioned, the Strategy outperformed the broader S&P 500[®] by **± 13 basis points** (“bps”) during the quarter; moreover, as can be seen in the consolidated performance review included in Table I, below, the Strategy meaningfully outperformed both the S&P 500[®] Value Index (“Value”) and the S&P 500[®] Dividend Aristocrats Index (“Dividend Aristocrats”) by **± 106 bps** and **± 110 bps**, respectively, in 3Q22. While the Strategy’s core exposure to secular growth stocks contributed to absolute and relative performance throughout the quarter, the

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TABLE I: MP CORE CONTRARIAN STRATEGY - PEER GROUP COMPARISON & PERFORMANCE ANALYSIS
USD TOTAL RETURN - DATA AS OF SEPTEMBER 30TH 2022

NAME/DESCRIPTION	SYMBOL/ TICKER	2021	1Q22	2Q22	3Q22	2022 YTD
MP CORE CONTRARIAN EQUITY PORTFOLIO STRATEGY*		25.83%	-3.79%	-11.54%	-4.79%	-18.94%
S&P 500 [®] Index	SP50	28.71%	-4.60%	-16.10%	-4.88%	-23.87%
S&P 500 [®] Value Index	SVXK	24.90%	-0.16%	-11.27%	-5.82%	-16.56%
S&P 500 [®] Growth Index	SGX	32.01%	-8.59%	-20.81%	-3.86%	-30.41%
S&P 500 [®] Dividend Aristocrats Index	SP50DIV	25.99%	-3.01%	-9.51%	-5.86%	-17.38%
Invesco S&P 500 Quality ETF	SPHQ	27.86%	-5.88%	-15.45%	-4.89%	-24.22%
iShares Core S&P 500 ETF	IVV	28.59%	-4.57%	-16.15%	-4.90%	-23.83%
FlexShares U.S. Quality Large Cap ETF	QLC	28.33%	-3.95%	-15.85%	-5.10%	-23.23%
FlexShares U.S. Quality Low Volatility ETF	QLV	25.94%	-3.13%	-10.08%	-5.23%	-17.40%
SPDR SSGA U.S. Large Cap Low Volatility ETF	LGLV	27.68%	-4.31%	-8.37%	-5.26%	-16.86%
Vanguard Dividend Appreciation ETF	VIG	23.55%	-5.18%	-11.10%	-5.29%	-20.08%
WisdomTree U.S. Quality Dividend Growth ETF	DGRW	24.23%	-2.97%	-9.43%	-5.32%	-16.72%
iShares MSCI USA Min Vol Factor ETF	USMV	20.69%	-3.78%	-9.20%	-5.38%	-17.28%
AMG Yacktman Fund	YACKX	19.52%	-1.35%	-11.50%	-5.52%	-17.51%
MFS Low Volatility Equity Fund	MLVAX	25.00%	-4.07%	-10.16%	-5.67%	-18.68%
ProShares S&P 500 Dividend Aristocrats ETF	NOBL	25.24%	-2.97%	-9.65%	-5.85%	-17.39%
iShares Core Dividend Growth ETF	DGRO	26.40%	-3.43%	-10.36%	-5.94%	-18.48%
Invesco S&P 500 Low Volatility ETF	SPLV	23.89%	-1.77%	-7.09%	-6.18%	-14.28%
Fidelity U.S. Low Volatility Equity Fund	FULVX	17.52%	-4.59%	-8.70%	-6.39%	-18.24%
FMI Large Cap Fund	FMIHX	18.00%	-6.16%	-13.18%	-6.43%	-23.77%
iShares MSCI USA Quality Factor ETF	QUAL	26.76%	-7.25%	-16.70%	-6.50%	-27.68%
Parnassus Core Equity Fund	PRBLX	27.38%	-5.74%	-15.34%	-6.93%	-25.71%
Invesco S&P 500 High Dividend Low Volatility ETF	SPHD	24.65%	5.21%	-5.60%	-10.44%	-10.81%

* For Additional Information, Please Refer to [Disclosures: The McShane Partners Core Contrarian Equity Portfolio Strategy](#)

Source: McShane Partners - Evnestnet | Tamarac, Inc. & FactSet Research Systems, Inc.

INVESTMENT OVERVIEW

THE MCSHANE PARTNERS CORE CONTRARIAN EQUITY PORTFOLIO STRATEGY

Strategy's differentiated positioning relative to the underlying composition of the S&P 500® Growth Index ("Growth") did result in marginal relative underperformance of **-90 bps** vs. Growth, which returned **-3.86%** in 3Q22. Growth's outsized weightings in APPLE, INC. ("AAPL"), AMAZON.COM, INC. ("AMZN"), and TESLA, INC. ("TSLA") provided significant positive contribution to index-level returns during the quarter, with shares of AAPL, AMZN, and TSLA returning **+1.25%**, **+6.39%**, and **+18.17%** respectively, in 3Q22.

Despite not holding any of these top-performing names throughout the quarter, the Strategy managed to outperform several of the quality factor-based, low-volatility passive investment strategies within its peer group, many of which had direct exposure to several of these top-performing stocks, and all of which had shares of AAPL within their top-five holdings as of quarter-end.

PORTFOLIO OVERVIEW

The largest contribution to absolute and relative performance in 3Q22 came from the Strategy's core positioning in differentiated, high-conviction holdings, including shares of BADGER METER, INC. ("BMI"), STARBUCKS CORP. ("SBUX"), and DEERE & CO. ("DE"), which returned **+14.47%**, **+10.93%**, and **+11.86%**, respectively, in 3Q22. The relative outperformance of and positive contribution from the Strategy's positions in BMI, SBUX, and DE, however, was largely offset by broad-based weakness across equity markets in 3Q22 that represented a net headwind to a number of individual holdings within the portfolio and weighed on portfolio-level performance throughout the quarter. Moreover, a handful of the Strategy's long-term positions experienced outsized drawdowns and detracted from portfolio-level performance in 3Q22, including the Strategy's positions in shares of PFIZER, INC. ("PFE"), EQUINIX, INC. ("EQIX"), and ALPHABET, INC. CLASS A ("GOOGL"), which exhibited net declines of **-15.88%**, **-13.04%**, and **-12.22%**, respectively, during the quarter.*

[Continued on next page](#)

TABLE II: S&P 500® INDEX SECTOR HEAT MAP
USD TOTAL RETURN - DATA AS OF SEPTEMBER 30TH 2022

SECTOR-LEVEL INDEX	2019	2020	2021	1Q22	2Q22	3Q22	2022 YTD
DEFENSIVES							
Utilities	+26.35%	+0.48%	+17.67%	+4.77%	-5.09%	-5.99%	-6.51%
Communication Services	+32.69%	+23.61%	+21.57%	-11.92%	-20.71%	-12.72%	-39.04%
Health Care	+20.82%	+13.45%	+26.13%	-2.58%	-5.91%	-5.18%	-13.08%
Consumer Staples	+27.61%	+10.75%	+18.63%	-1.01%	-4.62%	-6.62%	-11.83%
NEAR CYCLICALS							
Energy	+11.81%	-33.68%	+54.64%	+39.03%	-5.17%	+2.35%	+34.94%
Financials	+32.13%	-1.69%	+35.04%	-1.48%	-17.50%	-3.10%	-21.25%
Real Estate	+29.01%	-2.17%	+46.19%	-6.22%	-14.72%	-11.03%	-28.85%
CYCLICALS							
Information Technology	+50.29%	+43.89%	+34.53%	-8.36%	-20.24%	-6.21%	-31.44%
Consumer Discretionary	+27.94%	+33.30%	+24.43%	-9.03%	-26.16%	+4.36%	-29.89%
Industrials	+29.37%	+11.06%	+21.12%	-2.36%	-14.78%	-4.72%	-20.72%
Materials	+24.58%	+20.73%	+27.28%	-2.37%	-15.90%	-7.13%	-23.74%
S&P 500® INDEX	+31.49%	+18.40%	+28.71%	-4.60%	-16.10%	-4.88%	-23.87%

Source: McShane Partners - FactSet Research Systems, Inc.

* In accordance with Rule 206(4)-1(a)(2) of the Investment Adviser Act of 1940 (the "Advisers Act"), upon request by an individual or interested party, McShane Partners (the "Adviser") will make available a list of applicable discretionary investment recommendations made by the Adviser with respect to the McShane Partners Core Contrarian Equity Portfolio Strategy (the "Strategy") over the corresponding trailing 12-month period ended September 30th 2022.

INVESTMENT OVERVIEW**THE MCSHANE PARTNERS CORE CONTRARIAN EQUITY PORTFOLIO STRATEGY****POSITIONING INTO YEAR-END & BEYOND**

While the Investment Team remains focused on identifying high-quality investment opportunities in individual stocks and equity securities trading at attractive absolute and relative valuations within the Strategy's investable universe, it is also extremely committed to managing risk-return exposures by tactically adjusting the underlying composition of and positioning in its portfolio of high-conviction investments. To that end, the Investment Team recently shifted a significant portion of excess account-/portfolio-level cash balances to investments in high-quality money market funds ("MMFs") in order to take advantage of the attractive yields currently being offered on those investments. The Investment Team believes that the relative risk-reward proposition of these high-quality MMFs vs. traditional FDIC-insured cash balances is positively skewed in favor of allocating incremental excess cash to higher-yielding cash equivalent investments, although it remains cognizant of the need to balance ongoing cash flow and liquidity needs by ensuring sufficient cash is on-hand and readily available in FDIC-insured cash balances, where necessary and prudent.

"The true investment challenge is to perform well in difficult times."

- Seth Klarman

Given the severity with which financial markets have been reacting to idiosyncratic risk events over the past ±12 months, the Investment Team continues to prefer taking a measured approach to positioning portfolios in reasonably valued investments with discernable, quantifiable risk-return attributes, and the Strategy is no exception to this rule. Over time, the Strategy's ability to navigate through periods of heightened market volatility should contribute to superior long-term risk-adjusted returns relative to passive equity market indexes and broad-based benchmarks, and the Investment Team believes that the Strategy will continue to deliver on this core investment mandate as financial markets progress through the later stages of the current market cycle.

MONTHLY INDEX REVIEW
USD TOTAL RETURN

DATA AS OF OCTOBER 31ST 2022	OCTOBER 2022	2022 YTD	2021	2020
S&P 500® Index	+8.10%	-17.70%	+28.71%	+18.40%
Dow Jones Industrial Average	+14.07%	-8.42%	+20.95%	+9.72%
NASDAQ Composite	+3.94%	-29.32%	+22.18%	+44.92%
Russell 2000	+11.01%	-16.86%	+14.82%	+19.96%
MSCI Emerging Markets	-3.09%	-29.15%	-2.22%	+18.69%
MSCI EAFE	+5.39%	-22.81%	+11.78%	+8.28%
Bloomberg Barclays U.S. Aggregate Bond Index	-1.30%	-15.72%	-1.54%	+7.51%

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THE MCSHANE PARTNERS CORE CONTRARIAN EQUITY PORTFOLIO STRATEGY

DISCLOSURES: THE MCSHANE PARTNERS CORE CONTRARIAN EQUITY PORTFOLIO STRATEGY

Performance data for the McShane Partners Core Contrarian Equity Portfolio Strategy reflect aggregated, asset-weighted returns of underlying account-level performance and is unaudited.

STRATEGY LIMITATIONS The Investment Strategy (the “Strategy”) performance shown reflects the asset-weighted performance of actual performance data and time-weighted returns for representative Investment Portfolios (the “Portfolios”) over the respective time frames in accordance with the objectives of the McShane Partners Core Contrarian Equity Portfolio Strategy (the “MP Core Contrarian Strategy”) managed by McShane Partners (the “Adviser”). While the performance of the Strategy is believed to have been calculated reliably and accurately, the Strategy performance data and returns have not been audited, and, as such, the results are subject to limitations inherent in the use of historical performance reporting and returns.

FEES & EXPENSES Strategy performance results shown are presented net of applicable management fees of and assumes the reinvestment of dividends and all other income. Because some investors may have different fee arrangements, and, depending on the timing of a specific investment, net performance for an individual investor may vary from the net performance as stated herein.

Net Strategy performance is presented gross of custodial fees but net of investment management fees and transaction costs. Net performance is calculated by using the actual fees charged to each Investment Portfolio throughout the Strategy for the performance period. Returns include the reinvestment of dividends and other earnings. Prospective investors should expect their rates of return to be reduced by investment management fees, along with other expenses incurred in the management of the account, which are fully described in the McShane Partners’ Brochure (Form ADV Part 2A). Because some investors may have different fee arrangements and, depending on the timing of a specific investment, net performance for an individual investor may vary from the net performance as stated herein.

OTHER INFORMATION Past performance is not necessarily indicative of future results. All investments are subject to risk, and investing in accordance with the strategy, like all investments, may lose money. The performance shown is representative of investment strategies and styles used by the Adviser and such style may not be suitable for each potential investor. The Strategy is representative of an investment strategy and style used by the Adviser and such style may not be suitable for each potential investor. All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. This is not to be considered as an offer to buy or sell any financial instruments. Additional information regarding policies for calculating and reporting returns is available upon request.

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McShane Partners maintains strict confidentiality policies and have in place procedural, electronic, and physical safeguards to protect your personal, private information. We collect certain information about you and your financial situation, including names, addresses, social security numbers, assets, income, cash flow and investment objectives. In the course of our service to you, we also track transactions, basis, use of accounts and products preferred. We share client information that is necessary to effect, administer, document or enforce a transaction as you have directed or authorized us to do so. We do not disclose any information with any person or firm for marketing purposes.

This disclosure is made pursuant to the Gramm-Leach-Bliley Act and Regulation S-P (Privacy of Consumer Financial Information), as issued by the U.S. Securities & Exchange Commission. It is important to note that the relationship you have with the custodian where your assets are held is independent of that with McShane Partners. Each custodian has its own privacy disclosures and policies, as distributed to clients.

McShane Partners is a Registered Investment Advisor.

INFORMATION REGARDING BENCHMARKS & INDEXES

Information about indexes is provided to allow for comparison of the performance of the Adviser to that of certain well-known and widely recognized indexes. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index, which also does not take into account trading commissions and costs. The volatility of indexes may be materially different from the performance of the Adviser. In addition, the Adviser’s recommendations may differ significantly from the securities that comprise the indexes.

BENCHMARK & INDEX DEFINITIONS The following benchmark and index definitions used by the Adviser for the Strategy have been sourced directly from the respective index provider’s website, and the data are considered to be widely-known, publicly-available information.

RETURN METHODOLOGY [S&P Dow Jones Indices](#) calculates multiple return types which vary based on the treatment of regular cash dividends. The classification of regular cash dividends is determined by S&P Dow Jones Indices: Gross Total Return (“TR”) versions reinvest regular cash dividends at the close on the ex-date without consideration for withholding taxes.

S&P 500® INDEX

The S&P 500® Index (“S&P 500®”) is widely regarded as the best single gauge of large-cap U.S. equities. There is over \$11.2 trillion indexed or benchmarked to the index, with indexed assets comprising approximately \$4.6 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

S&P 500® VALUE INDEX | S&P 500® GROWTH INDEX

The S&P U.S. Style Indices measure the performance of U.S. equities fully or partially categorized as either growth or value stocks, as determined by Style Scores for each security. The Style series is weighted by float-adjusted market capitalization (“FMC”). The Style index series divides the complete market capitalization of each parent index approximately equally into growth and value indices based on three factors each used to measure growth and value.

S&P 500® DIVIDEND ARISTOCRATS INDEX

The S&P 500® Dividend Aristocrats Index measures the performance of S&P 500® companies that have increased dividends every year for the last 25 consecutive years. The Index treats each constituent as a distinct investment opportunity without regard to its size by equally weighting each company.

WEALTH ADVISORY OVERVIEW

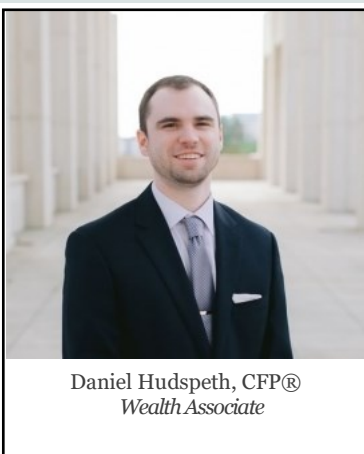
CONTRIBUTION LIMIT INCREASE FOR RETIREMENT ACCOUNTS

Taxpayers can deduct contributions to a traditional IRA if they meet certain conditions. If during the year either the taxpayer or the taxpayer's spouse was covered by a retirement plan at work, the deduction may be reduced, or phased out, until it is eliminated, depending on filing status and income. (If neither the taxpayer nor the spouse is covered by a retirement plan at work, the phase-outs of the deduction do not apply.) Here are the phase out ranges for 2023:

- For single taxpayers covered by a workplace retirement plan, the phase-out range is increased to between \$73,000 and \$83,000, up from between \$68,000 and \$78,000.
- For married couples filing jointly, if the spouse making the IRA contribution is covered by a workplace retirement plan, the phase-out range is increased to between \$116,000 and \$136,000, up from between \$109,000 and \$129,000.
- For an IRA contributor who is not covered by a workplace retirement plan and is married to someone who is covered, the phase-out range is increased to between \$218,000 and \$228,000, up from between \$204,000 and \$214,000.
- For a married individual filing a separate return who is covered by a workplace retirement plan, the phase-out range is not subject to an annual cost-of-living adjustment and remains between \$0 and \$10,000.

The income phase-out range for taxpayers making contributions to a Roth IRA is increased to between \$138,000 and \$153,000 for singles and heads of household, up from between \$129,000 and \$144,000. For married couples filing jointly, the income phase-out range is increased to between \$218,000 and \$228,000, up from between \$204,000 and \$214,000.

NEXTGEN: NEW & EXPECTING PARENTS



Daniel Hudspeth, CFP®
Wealth Associate

Life is dynamic and situations will inevitably evolve. Whether it's purchasing a first home, getting married, or in this case, welcoming a child.... life moves fast! While it may be impossible to be completely prepared, a comprehensive financial plan is a great start. Seeing the big picture can help identify strengths, weaknesses, and needs. For this month's article, I have organized a brief checklist which includes a few planning items to consider.

Investments – One easy step to take is to verify beneficiaries on retirement accounts. This will ensure that assets pass to the intended individuals. Risk tolerance is also another item to consider as it may need to be revisited at various stage of life.

Financial Plan – From newborn doctor visits all the way to college tuition, there will be plenty of expenses to incorporate into the budget. However, budgeting isn't always limited to money. Time will become an even more precious asset. In certain situations, it may be worth comparing the pros and cons of staying home vs. costs of childcare.

Estate – Properly executed legal directives are essential. Whether it's a Durable Power of Attorney during incapacitation or a Last Will and Testament guiding asset distribution and guardianship provisions, these directives provide a level of control during life and death.

Insurance – Disability, long-term care, and life insurance can be valuable planning tools in the right situations. Sufficient coverage is critical for scenarios where income is lost, or additional expenses are present. Life insurance can help fill the financial gap in case the unthinkable happens. There are great insurance products that work fit a wide range of needs and budgets.

Tax Planning – Multiple tax benefits may be available to parents including the Child and Dependent Care Credit, Child Tax Credit, Adoption Tax Credit, Earned Income Tax Credit, American Opportunity Tax Credit, and The Lifetime Learning Credit

While the items above barely scratch the surface, hopefully they provide insight into what comprehensive financial planning can accomplish. Please contact a McShane Partners team member if you would like more information regarding comprehensive planning and how it can benefit you.

SENIOR PLANNING: END OF YEAR TAX LOSS HARVESTING



Lorri Tomlin, FPQP™
Partner | Wealth Advisor

There is a rule of thumb that states: sell high, buy low. So, why would you purposely sell low and incur a loss on an investment, otherwise known as tax loss harvesting.

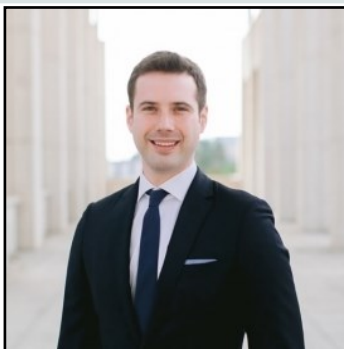
What is Tax Loss Harvesting? It is the process of selling investments at a loss in order to deduct those losses on your taxes. Those losses can be used to offset all or part of any capital gains for the year. If you still have losses after offsetting capital gains you can use up to \$3000 per year (\$1500 if married filing separately) to offset ordinary income and you can also carry over remaining losses to subsequent years.

For example, if you have \$5,000 in realized capital gains you could sell an investment that would recognize a loss of \$5,000, therefore eliminating the \$5000 gain. If you were able to sell an investment and recognize a loss of \$8,000, you would not only eliminate the \$5,000 gain, but you would also be able to apply the additional \$3,000 loss against your ordinary income.

Tax loss harvesting is only applicable to taxable accounts. The IRS does not tax growth on investments in tax-deferred accounts such as IRAs and 401(k) accounts. Therefore, you cannot use losses in these accounts for this strategy.

The recent decline in the market has provided many investors with potential losses that could be realized or “harvested”. However, generally speaking, it is not a good idea to sell an investment, even for a loss, solely for tax purposes. Tax loss harvesting can be very beneficial for investors in higher tax brackets, but it makes the most sense when used to rebalance your asset allocation, gain exposure in sectors you currently lack or add positions that you think have good potential. Tax loss harvesting should be done as part of your overall financial planning and investment strategy to reach your financial and retirement goals. Please feel free to reach out to your McShane Partners advisor if you have any questions about tax loss harvesting and how it might be used as part of your investment strategy.

NEXTGEN: TERM LIFE VS. WHOLE LIFE INSURANCE



Ryan Vaudrin, CFP®, CDFA®
Partner | Wealth Advisor

When do you need life insurance? The discussion about life insurance is not always enjoyable, but it’s important! While it can be hard to think about, the purpose of life insurance is replacing any lost income in the case of a premature death. The two main options discussed in this month’s article are Term Insurance and Whole Life Insurance.

Term Life Insurance— Term Life Insurance covers a specific period. For example, a 20-year term policy will provide insurance coverage for the next 20 years. If you happen to pass away at any time during those 20 years, the insurance pays a tax-free death benefit to your beneficiaries. One of the most appealing aspects of term insurance is the premium cost. When compared with whole life insurance premiums, term insurance premiums are much lower and remain constant throughout the term period.

A major drawback for term life insurance is the fact it’s a “use it or lose it policy”. If death does not occur during the period of coverage, there is nothing to show at the end of the policy’s term. This isn’t necessarily a bad thing because you had insurance, but it is

something to think about.

Whole Life Insurance—Whole life insurance, otherwise known as permanent life insurance, provides a death benefit to the insured’s beneficiaries at the time of death. Unlike term life insurance, whole life insurance includes an additional savings component which accumulates cash value and can be invested over time. The cash value may have a fixed interest rate that can increase in value, increasing the death benefit beyond the guaranteed amount. Policy holders can also contribute to the cash value amount by making increased premium payments, or reinvesting dividends back into the policy. These options are often viewed as an additional savings option for the holder. As the cash value accumulates, the insured has the flexibility to borrow against the life insurance or utilize cash value to fund future premiums.

In conclusion, each option has its strengths and weaknesses: whole life can be cost prohibitive but is permanent, while term is cheaper but is temporary. The one constant is that sufficient life insurance is crucial. Please let us know if you are interested in discussing which option is right for you.

AROUND McSHANE PARTNERS

CHARLOTTE WINE & FOOD



McShane Partners recently hosted a private charity dinner in partnership with Charlotte Wine & Food. The fundraising effort supports the Augustine Literacy Project, A Child's Place, GenOne, and The Learning Collaborative.

McSHANE PARTNERS SPA DAY



The Omni Grove Park Inn is an ideal spot for a spa getaway in Asheville, NC. Last month, Sandy Carlson traveled there with friends to enjoy all the spa's amenities including the contrast pools, inhalation rooms, eucalyptus-infused steam rooms, and mineral-based pools. The spa is a completely electronics free environment and the perfect place to unplug for the day.

DANCING WITH THE STARS OF CHARLOTTE - DANCING FOR A CAUSE

McShane Partners is thrilled to announce that Elliott Van Ness will be participating in the seventh year of [Dancing with the Stars of Charlotte - Dancing for a Cause](#), a ballroom dance and fundraising competition featuring Charlotte-area "Stars" and award-winning professional dance partners, on February 10th 2023. All profits from the event go towards supporting two amazing local non-profit organizations: [Carolina Breast Friends](#) and the [Go Jen Go Foundation](#)!

We are extremely proud to be sponsoring Elliott and would invite anyone interested in learning more or contributing to Elliott's campaign to visit his [personal fundraising page](#).

Thank you all very much in advance for your consideration, generosity, and support! We are incredibly excited about supporting such wonderful organizations and will keep everyone updated over the next several months!



McSHANE PARTNERS

Wealth management is our only business; therefore, our attention is undivided, and our intentions are transparent.

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