MP McShane Partners

August 2023 INSIGHTS

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

The wall of worry looming over financial markets at the start of calendar year 2023 ("CY2023") came crashing down during the second quarter of 2023 ("2Q23") amid a sudden shift in investor sentiment from *skittish pessimism* to *emphatically optimistic*, as anxieties over elevated inflation and rising interest rates abruptly dissipated, precipitating a rapid repositioning of investment portfolios in anticipation of an eventual decline in interest rates. This repositioning occurred quickly and, as the Investment Team mentioned in last month's newsletter (MP July 2023 INSIGHTS), was primarily driven by a handful of high-profile information technology ("technology") stocks within the S&P 500® Index ("S&P 500®").

This sentiment-driven rally in growth and momentum sectors, industries, and individual stocks came at the expense of value, low-volatility, and non-cyclical assets in 2Q23. Despite lingering economic uncertainty and residual idiosyncratic risks, investors' intensifying fascination with the latest trend in momentum-driven thematic investing, artificial intelligence ("AI"), served as the primary catalyst in sustaining the resurgent rebound in growth across risk asset markets throughout the quarter.

Although the Investment Team's intentional reduction in portfolio-level equity market risk (i.e., beta) within the McShane Partners Core Contrarian Equity Portfolio Strategy ("the Strategy") incorporated incremental conservatism that contributed to meaningful relative outperformance in calendar year 2022 ("CY2022"), this tactically defensive positioning has weighed on the relative performance of the

Continued on next page

Wealth Advisory Overview

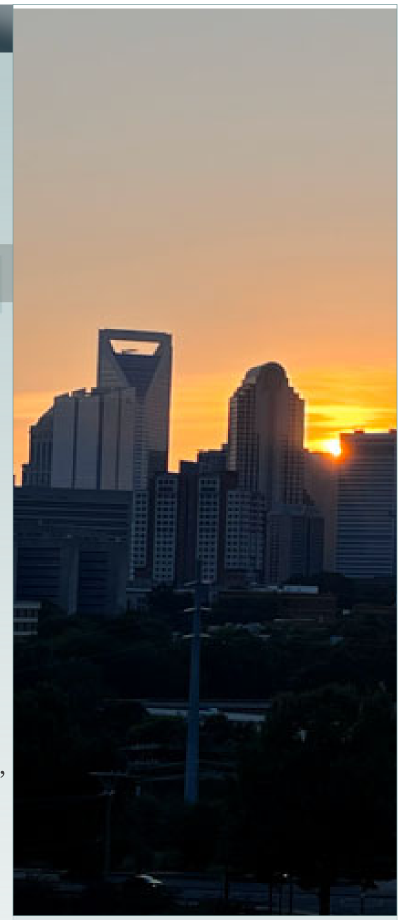
Understanding Equity Compensation—Other Than Stock Options

My last article addressed stock options, both incentive and non-qualified. The accounting rules for stock options became much more complicated and costly for issuing companies in 2005. Since then, many companies added other forms of equity ownership to augment cash compensation to incentivize employees and encourage behavior to drive company value.

Restricted Stock/Performance stock

Restricted stock are shares of a company's stock that require the completion of a vesting period before the employee is considered the owner of the shares. Some companies have multiple restricted share plans, including restricted shares that vest over time based on employee performance or tenure, and performance shares that vest based on the company meeting certain performance targets such as EPS, return on investment, or working capital metrics. Typical vesting schedules include "graded" or "cliff" vesting. The former means that stock vests in increments over time, while with the latter, all stock vests at the same moment, upon completion of all elements of the conditions for vesting. Certain employees may participate in one or more restricted share plans, so it is important to track your ownership and expected vesting events.

Continued on page 6



Investment Team

Daniele Donahoe, CFA
CEO | Chief Investment Officer
Jon Michael Morgan CFA
Senior Portfolio Manager
Elliott Van Ness, CFA
Director of Research | Portfolio Manager
Abby Williams
Investment Associate
Tracy Strickler
Office & Marketing Manager

Wealth Advisory Team

Sandy Carlson CFP®, CPA, CDFA®
President | Wealth Advisor
Rebecca Hoover CFP®, CPA, CDFA®
Director of Tax | Wealth Advisor
Lorri Tomlin, FPQP™
Wealth Advisor
Ryan Vaudrin CFP®, CDFA®
Wealth Advisor
Daniel Hudspeth, CFP®
Wealth Associate
Corey Meyer
Operations Associate

Points of Interest

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

Strategy through the first six months of CY2023. Despite a strategically significant allocation to technology, the Strategy's underlying quality bias and lack of direct exposure to the momentum trades in mega-cap growth stocks detracted from the relative performance vs. broader equity market benchmarks in 2Q23. The S&P 500® returned **+6.65%** in 2Q23, as outsized positive contribution from the absolute and relative outperformance of heavily weighted constituent stocks continued to drive index-level returns throughout the quarter. On an aggregate year-to-date ("YTD") basis through the end of 2Q23, the five largest stocks in the S&P 500® have contributed approximately **±994 basis points** ("bps") to index-level total returns: roughly **±58.9%** of the **+16.89%** YTD total return in the S&P 500®.

Performance Review

As can be seen in the consolidated performance review included in Table I, below, the Strategy returned **+2.70%** in 2Q23 vs. comparable returns of **+8.74%**, **+6.64%**, and **+10.59%** for the S&P 500®, the S&P 500® Value Index ("Value"), and the S&P 500® Growth Index ("Growth"), respectively, for the quarter. While the Strategy's marginal allocation to small cap growth stocks did contribute to relative outperformance vs. several of the low-volatility U.S. equity strategies included in Table I, the net impact on portfolio-level returns was not enough to offset the relative strength of technology's concentrated contribution to the S&P 500® throughout the quarter, resulting in the Strategy underperforming the S&P 500® by **-6.04%** in 2Q23. Given the long-term focus and tax-efficient,

Continued on next page

Table I: MP Core Contrarian Strategy - Peer Comparison & Performance Analysis
USD Total Return - Data as of June 30th 2023

Name | Description	Ticker	2021	2022	1Q23	2Q23	2023 YTD
MP Core Contrarian Equity Portfolio Strategy*		**25.83%**	**-10.97%**	**4.76%**	**2.70%**	**7.59%**
S&P 500® Index	SP50	28.71%	-18.11%	7.50%	8.74%	16.89%
S&P 500® Value Index	SVXK	24.90%	-5.22%	5.17%	6.64%	12.15%
S&P 500® Growth Index	SGX	32.01%	-29.41%	9.63%	10.59%	21.25%
S&P 500® Dividend Aristocrats Index	SP50DIV	25.99%	-6.21%	1.80%	3.98%	5.86%
iShares MSCI USA Quality Factor ETF	QUAL	26.76%	-20.46%	**9.19%**	**9.02%**	**19.01%**
Invesco S&P 500 Quality ETF	SPHQ	**27.86%**	-15.78%	**8.00%**	7.02%	**15.55%**
Parnassus Core Equity Fund	PRBLX	**27.38%**	-18.51%	**7.54%**	**7.47%**	**15.57%**
iShares Core S&P 500 ETF	IVV	**28.59%**	-18.11%	**7.42%**	**8.75%**	**16.78%**
FlexShares U.S. Quality Large Cap ETF	QLC	**28.33%**	-17.12%	**6.96%**	**8.55%**	**16.07%**
FMI Large Cap Fund	FMIHX	18.00%	-14.76%	3.95%	5.70%	9.88%
WisdomTree U.S. Quality Dividend Growth ETF	DGRW	24.23%	-6.38%	3.70%	**7.39%**	11.33%
AMG Yacktman Fund	YACKX	19.52%	-7.42%	2.60%	3.32%	6.01%
FlexShares U.S. Quality Low Volatility ETF	QLV	25.94%	-9.99%	2.50%	4.45%	7.05%
MFS Low Volatility Equity Fund	MLVAX	25.00%	-10.83%	2.08%	4.85%	7.03%
Vanguard Dividend Appreciation ETF	VIG	23.55%	-9.86%	1.92%	5.97%	7.97%
ProShares S&P 500 Dividend Aristocrats ETF	NOBL	25.24%	-6.57%	1.78%	3.84%	5.67%
iShares MSCI USA Min Vol Factor ETF	USMV	20.69%	-9.43%	1.33%	2.57%	3.93%
SPDR SSGA U.S. Large Cap Low Volatility ETF	LGLV	**27.68%**	-8.22%	1.30%	3.24%	4.57%
iShares Core Dividend Growth ETF	DGRO	26.40%	-7.94%	0.58%	3.60%	4.18%
Fidelity U.S. Low Volatility Equity Fund	FULVX	17.52%	-10.46%	0.00%	1.82%	1.82%
Invesco S&P 500 Low Volatility ETF	SPLV	23.89%	-4.93%	-1.79%	1.24%	-0.58%
Invesco S&P 500 High Dividend Low Volatility ETF	SPHD	24.65%	**0.56%**	-2.70%	-0.96%	-3.62%

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

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

low-turnover emphasis of the Strategy, portfolio-level positioning has remained relatively consistent over the past several months and through this period of regime change in market drivers, which is a fundamental hallmark of the Strategy but has weighed on absolute and relative performance YTD in 2023. The Strategy is based on consistency and discipline, and there are certain times in the market cycle where those attributes are out-of-favor and not valued by the broader market, but the Investment Team believes that a consistent and disciplined approach to managing a high-quality investment portfolio ultimately prevails over the course of a full market cycle, which we believe is evidenced in the ±8-year historical track record of the Strategy.

Portfolio Overview

The largest contribution to the absolute performance of the Strategy in 2Q23 came from core positioning in shares of Badger Meter, Inc. ("BMI"), Alphabet, Inc. Class A ("GOOGL"), and Equinix, Inc. ("EQIX"), which returned **+21.31%**, **+15.40%**, and **+9.20%**, respectively, for the quarter. In aggregate, the Strategy's positions in BMI, GOOGL, and EQIX contributed approximately **±230 bps** to portfolio-level performance in 2Q23, which is primarily reflective of the intentionally concentrated composition of the Strategy. In addition to the positive sector-selection effects from the Strategy's high-quality Information Technology holdings/positions, the Strategy's long-term positions in Waste Management, Inc. ("WM") and Nucor Corp. ("NUE") also contributed to portfolio-level performance during the quarter, with shares of WM and NUE returning **+6.71%** and **+6.49%**, respectively, in 2Q23. This was partially offset by negative contribution from the short-term relative underperformance in the Strategy's positions in Thermo Fisher Scientific, Inc. ("TMO"), Starbucks Corp. ("SBUX"), and Amgen, Inc. ("AMGN"), shares of which returned **-9.42%**, **-4.01%**, and **-7.55%**, respectively, in 2Q23.*

Continued on next page

Table II: S&P 500® Index Sector Heat Map
USD Total Return - Data as of June 30th 2023

Sector-Level Index	2020	2021	2022	1Q23	2Q23	2023 YTD
Defensives						
Utilities	+0.48%	**+17.67%**	**+1.57%**	-3.24%	**-2.53%**	**-5.69%**
Communication Services	**+23.61%**	+21.57%	**-39.89%**	**+20.50%**	**+13.06%**	**+36.24%**
Health Care	+13.45%	+26.13%	-1.95%	**-4.31%**	+2.95%	**-1.48%**
Consumer Staples	+10.75%	**+18.63%**	**-0.62%**	+0.83%	**+0.45%**	+1.28%
Near Cyclicals						
Energy	**-33.68%**	**+54.64%**	**+65.72%**	**-4.67%**	**-0.89%**	**-5.52%**
Financials	**-1.69%**	**+35.04%**	-10.53%	**-5.56%**	+5.33%	-0.53%
Real Estate	**-2.17%**	**+46.19%**	-26.13%	+1.95%	+1.81%	+3.79%
Cyclicals						
Information Technology	**+43.89%**	+34.53%	**-28.19%**	**+21.82%**	**+17.20%**	**+42.77%**
Consumer Discretionary	**+33.30%**	+24.43%	**-37.03%**	**+16.13%**	**+14.58%**	**+33.06%**
Industrials	+11.06%	**+21.12%**	-5.48%	+3.47%	+6.49%	+10.19%
Materials	+20.73%	+27.28%	-12.27%	+4.29%	+3.31%	+7.74%
S&P 500® Index	**+18.40%**	**+28.71%**	**-18.11%**	**+7.50%**	**+8.74%**	**+16.89%**

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 June 30th 2023.*

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

It is worth quickly noting that the Investment Team took advantage of the short-term relative underperformance in shares of both TMO and AMGN by adding to portfolio-level positioning within the Strategy during the quarter; moreover, since the start of the third quarter of 2023 ("3Q23"), the prior quarter's laggards appear to have all stabilized and rallied off their lows hit in 2Q23, with shares of TMO, SBUX, and AMGN returning **+5.16%**, **+2.53%**, and **+5.46%**, respectively, for the month of July 2023.

"If stock market experts were so expert, they would be buying stocks, not selling advice."

- Norman R. Augustine

Portfolio Positioning: Maintaining Long-Term Perspective | Fundamental Focus

The Investment Team believes that retail investors often exhibit herding behavior by positioning their investment portfolios in-line with popular, headline-making trends, which can often be at odds or in direct conflict with the underlying fundamentals. A myopic focus on near-term momentum may result in or contribute to short-term gains, but long-term investors should remain cognizant of the real risks involved in relying on momentum to sustain portfolio-level performance through both bull and bear market cycles.

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. Investment decision-making should remain dynamic in response to changing and evolving financial market conditions, and the Investment Team remains committed to building and managing a high-quality, high-conviction equity portfolio capable of performing through multiple unpredictable, but probable, market and economic scenarios.

Monthly Index Review
USD Total Return

Data as of July 31st 2023	July 2023	2023 YTD	2022	2021
S&P 500® Index	+3.21%	**+20.65%**	-18.11%	**+28.71%**
Dow Jones Industrial Average	+3.44%	+8.55%	-6.86%	+20.95%
NASDAQ Composite	+4.08%	**+37.71%**	-32.54%	**+22.18%**
Russell 2000	**+6.12%**	+14.70%	-20.44%	+14.82%
MSCI Emerging Markets	**+6.23%**	+11.42%	-19.74%	**-2.22%**
MSCI EAFE	+3.24%	+15.28%	-14.01%	+11.78%
Bloomberg U.S. Aggregate Bond Index	**-0.07%**	+2.02%	-13.01%	**-1.54%**

Investment Overview

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.

Everything discussed in this presentation represents the opinions of McShane Partners and should not be construed as a suggestion to buy or sell any specific investment. Information provided in this presentation should not be considered or interpreted as advice for your particular financial situation. Please consult a financial professional before making any investment decisions to ensure they are appropriate or for advice regarding your specific financial needs.

All information contained is believed to be from reliable sources, but we make no representation as to its completeness or accuracy. All economic and performance data is historical and not indicative of future results. Past performance does not guarantee future returns. Circular 230 Notice: To comply with requirements imposed by the U.S. Treasury Department, any information regarding any U.S. Federal tax matters contained in this communication is not intended or written to be used, and cannot be used, as advice for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein

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

Understanding Equity Compensation—Other Than Stock Options

While the company restricts the employee from selling the restricted stock, they may enjoy other benefits of stock ownership, such as dividends.. Like other stock compensation, the employee forfeits their right to the stock if they leave the company before the shares vest.

No tax falls due when restricted shares are initially granted, but recipients become liable for ordinary income tax based on the fair market value of the shares at the point that the stock vests. Depending upon the terms of the agreement, this may or may not prove problematic for recipients of privately held stock.

When shares in a public company vest, it is relatively straightforward for individuals to sell some or all of the stock on the open market if required to meet tax obligations. However, it can be more complicated for employees of private companies. Even if those companies are moving towards an IPO or expect to be bought in the future, that will be of little practical benefit to individuals who, upon the vesting of their shares, may find themselves with a substantial tax bill but no way to sell shares to fund the payment. To address the liquidity issues for privately held stock, some plans also add a "liquidation event" as a vesting requirement. Such an event may include acquisition of the company or an initial public offering.

In those circumstances, a specific condition linking vesting to an IPO or takeover removes the danger that recipients may have to dip into their own resources to pay an income tax bill linked with vesting of shares.

Restricted stock units (RSUs/PSUs)

A restricted stock unit (RSU) is a company's promise to pay a certain number of shares based on a vesting schedule and can be indistinguishable from restricted stock plans described above. No company stock is issued at the time of an RSU grant. Instead, the company pledges that stock will be awarded at some point in the future if the conditions set down on day one – the vesting conditions – are met by the recipient. RSUs make it easier for a company to avoid diluting its share base and have lower administrative costs because the company hasn't yet issued the shares to employees. After vesting, an employee gains the rights of stock ownership. For tax purposes, the entire value of an employee's stock counts as ordinary income on the vesting date, or when the stocks become transferable.

Senior Planning: Should You Take Social Security Early?

Lorri Tomlin, FPQP™
Partner | Wealth Advisor

When is the best time to start receiving your Social Security benefits? This is a question that many seniors have as they approach retirement age. You can begin receiving benefits as early as age 62 or as late as age 70. Normal retirement age (NRA) is age 66-67, depending on your year of birth. The answer really depends on each individual's circumstance. To maximize your benefit and future COLA adjustments, it is best to wait until at least your NRA. Starting benefits at 62, rather than your NRA, can result in a 30% permanent reduction of your monthly benefits. However, there may be situations where starting your benefits early could be the best option.

Health Issues

If you have health issues or a serious illness with a short life expectancy, you may want to go ahead and start receiving your benefits sooner rather than later. If you wait until age 70 to claim but pass away at 69, you won't receive any benefits. You will receive more benefits during your lifetime if you start claiming as soon as possible. However, if you are married and your benefits are much larger than your spouse's benefits, you may want to delay benefits so that your surviving spouse will receive a bigger benefit.

Need Income

If you have experienced a layoff, can't work anymore, have a major expense, or need to pay down a high interest debt, it may make sense to sign up for Social Security early. However, you will miss out on the 8% annual increase to your benefits. Your benefits could also be reduced if your income exceeds the annual limit. For example, in 2023, if you are below your NRA and receiving benefits, your benefits go down by $1 for every $2 your income exceeds $21,240.

Want to Start a Business in Retirement

If you don't want to kick back and relax after you retire and are ready to start the next phase of life, claiming Social Security early could help fund a new venture. If you are concerned that you don't have enough saved for retirement or that a new business wouldn't generate enough income, Social Security benefits might provide enough extra income to help you bridge that gap.

Want to Invest your Social Security Benefit

Not having to draw down your savings/retirement funds as much will allow them to grow longer. If you think you can invest the reduced monthly benefit in the stock market and earn more than the 8% annual increase, this option may be for you. However, remember that it will take high-risk securities to outperform this guaranteed increase and those investments could lose value.

About one-third of Americans start collecting Social Security at age 62, but most individuals benefit from waiting until their NRA or age 70. Every person's situation is unique, and some may need this source of guaranteed income to cover expenses while others worry that they will not live long enough to benefit from delaying payments.

As always, your McShane Partners Wealth Advisor is here to help answer any questions you may have regarding social security benefits.

Next Gen: Student Loan Repayment

Daniel Hudspeth, CFP®
Wealth Associate

As we approach September, millions of outstanding student loans are scheduled to resume after more than three years in deferment. Student loan interest will resume September 1, 2023, while payments are set to resume in October—the exact date is dependent upon the loan provider. This month we will cover three standard time-based repayment plans as well as five income-driven repayment plans.

Time-Based Repayment Plans

Standard Repayment Plan – This plan is the most common option. Loans are repaid over 10 years (up to 30 years for loan consolidation) with a level payment. This repayment plan typically results in the lowest interest paid over the life of the loan compared to the other options. The standard repayment plan covers Direct subsidized & unsubsidized loans, subsidized & unsubsidized Federal Stafford loans, all Plus loans, and all Consolidation loans (Direct or Federal Family Education loans).

Graduated Repayment Plan – This plan is similar to the Standard Repayment plan and covers the same type of loans. The most notable difference is the payment schedule. Using this option results in lower payments at the beginning of the 10-year loan term. Payments will typically increase every two years throughout the loan term.

Extended Repayment Plan – This option is available for the same loan types as the Standard Repayment and Graduated Repayment plans. The key difference with the Extended Repayment plan is that Direct Loan borrowers must have an outstanding Direct balance of at least $30,000. Under this option, borrowers may have fixed or graduated payments over 25 years.

Income-Driven Repayment Plans

Income Based Repayment (IBR) – Available for the same loan types as PAYE and REPAYE plans. Loans are available to borrowers with a high debt to income ratio and will normally result in payments of 10-15% of discretionary income. IBR differs from REPAYE since married borrowers do not have to consider a spouse's income or debt if filing taxes separately. IBR outstanding balances may be forgiven after 20 to 25 years but may also trigger an income tax event upon forgiveness.

Pay as You Earn (PAYE) – Available to borrowers with a Direct Loan made to students after October 1, 2007, or those who received disbursements of a Direct Loan after October 1, 2011. Those with PAYE loans will typically pay 10% of their discretionary income per month, up to the amount that would be required under the Standard Repayment Plan. Payments are recalculated every year and may change depending on income and family size. PAYE may also be a good choice for borrowers seeking Public Service Loan Forgiveness or PLSF.

Revised Pay as You Earn (REPAYE) – This plan is very similar to the Pay as You Earn plan with two key differences: (1) REPAYE payments for married borrowers consider a spouse's income and debt even if filing taxes separately and (2) REPAYE outstanding balances will typically be forgiven after 20 years for undergraduate or 25 years for graduate/ professional study loans. Please note, forgiven balances may trigger an income tax event.

Income Contingent Repayment (ICR) – Available to all eligible borrowers with a Direct Loan made to students. ICR payments will typically be the lesser of 20% of discretionary income or what the required fixed payment would have been over 12 years based on income. Married borrowers do not need to consider a spouse's income or debt if filing taxes separately. Outstanding balances will typically be forgiven after 25 years.

Income Sensitive Repayment Plan – This plan is different from the above options since it is only available to those who have Federal Family Education Loans (FFEL). These loans include subsidized & unsubsidized Federal Stafford loans, FFEL Plus loans, and FFEL consolidation loans. Monthly payments are based on annual income and have a maximum loan term of 15 years.

As always, your McShane Partners Wealth Advisor is here to help answer any questions you may have regarding student loans and repayment options.

Next Gen: How and When to Revisit a Budget

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

After taking the time to create a budget, revisions and updates are often overlooked. However, it is an important step to ensure that your overall savings are not negatively impacted. Audits are vital to a budget as living expenses increase or major life events occur. So where does a budget assessment even start?

The logical starting point for a budget assessment is comparing it to the previous year's – namely the actual amount spent versus the amount budgeted. However, before diving into any numbers, having an honest conversation with your partner about goals, desires, and fears for the next year can provide a solid foundation for the process. Was there a new major life event for instance, a new child, relocation, career/job changes, divorce/separation or death in the family? Did compensation change with any job or career changes? Are there any large trips or large purchases planned such as a new vehicle or a new home? These are some of the questions to think about when starting the update.

As you dive into the previous year's spending, calculate all monthly net income flows along with the mandatory monthly expenses. Net income is the money that remains after taxes are withheld from earnings as well as any retirement or healthcare savings. Mandatory expenses are housing payments, auto payments, insurance, etc. After all mandatory expenses have been calculated and accounted for, it's time to review the discretionary expenses of the budget. Examples of discretionary expenses are meals at restaurants, hobbies, travel and entertainment costs. Calculating a fair discretionary budget can be the most challenging part of the process, but it's important to be honest. The first thing to focus on are any areas that you overspent and determine why. Was the budget set too low or does there need to be a lifestyle adjustment to get back on track? Were needs and wants separated? Are there any seasonal expenses to factor? Keep in mind when you are reworking your budget to not immediately cut savings and try to spread any shortfalls over several spending areas.

Having a well-crafted budget can act as a blueprint and help prepare for life's unexpected events. It can ensure you stay on track for any long-term goals. Just remember that a budget can be fluid and updates can be made at any time!

As always, your McShane Partners Wealth Advisor is here to help answer any questions you may have regarding your budgeting needs.

Upcoming Holiday Office Closures

Monday, Sep. 4	*Labor Day*
Thursday, Nov. 23 & Friday Nov. 24	*Thanksgiving*
Monday, Dec. 25	*Christmas Day*

The NYSE is closed on Monday, September 4th in observance of Labor Day. The McShane Partners office will also be closed. Our regular office hours are Monday—Friday from 9:00am to 4:00pm Eastern.

Around McShane Partners

McShane Partners Happiest Hour



The whole gang got together after work on Thursday, July 27th for a company happy hour. It was great to socialize outside of work and connect as friends and co-workers. Rosemont Market and Wine Bar in the Elizabeth neighborhood very close to our office was a gracious host. Pictured are Lorri Tomlin with her husband of 35 years, Bob Tomlin. Then, Sandy Carlson with Daniel Hudspeth. And, Daniele Donahoe and Becky Hoover.

Oh Baby!!

The McShane Partners Family is growing. Ryan Vaudrin and his wife Sonja are having their first child that is due in January. They found out this month that they are having a girl. They celebrated the gender reveal at their home surrounded by close friends and family. Everyone is very excited for them and they will be great parents.

Home Sweet Home

Corey Meyer and his wife, Kelly, have purchased their dream home. They moved with the help of lots of local and out of town family. They are first time home buyers and had a great experience with the entire process. The sellers lived in the home for many years and raised their family there as Corey and Kelly intend to do as well.

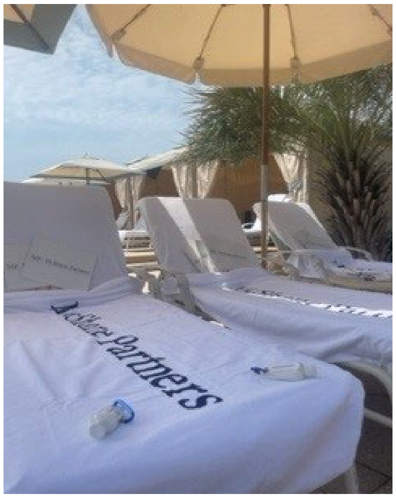
McShane Partners

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

2150 Park Drive
Charlotte, NC 28204
Phone: (980) 585-3390
Fax: (980) 265-1274
Email: mcshane@mcshanepartners.com

Around McShane Partners

44th Annual Estate Planning & Fiduciary Law Program



Designed to benefit both new and experienced lawyers alike, attendees learn practical tips and gain insight to help you navigate challenges and opportunities in the current environment. Coinciding with the annual meeting of the Estate Planning & Fiduciary Law Section, this program – attended by attorneys, CPA's, trust officers and other estate planning professionals from North Carolina and beyond – offers opportunities to network with colleagues in the estate planning arena.

McShane Partners hosted an after session pool party cabana style at the Sanctuary on Kiawah Island, SC that hosted attendees and their families.

Charlotte Symphony

Next season is full of audience favorites like Gershwin's Rhapsody in Blue, Beethoven's "Eroica," and Holst's The Planets. The Symphony will also feature a diverse lineup of composers and guest artists, including works by William Grant Still, Florence Price, and Jennifer Hidgon; and performances by jazz violinist Regina Carter, pianist Michelle Cann, and TikTok sensation Cody Fry.

McShane Partners has purchased ticket for the upcoming season in the classical series. Tickets are for Friday or Saturday evenings. If you are interested in attending, please reach out to your McShane Partners Wealth Advisor for further details and event information.

McShane Partners

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

2150 Park Drive
Charlotte, NC 28204
Phone: (980) 585-3390
Fax: (980) 265-1274
Email: mcshane@mcshanepartners.com