MP McShane Partners

February 2021 Insights

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

For the fourth quarter of 2020 ("4Q20"), the McShane Partners Core Contrarian Equity Portfolio Strategy ("the Strategy") generated a net total return of **+10.21%** vs. a comparable return of **+12.15%** for the broader S&P 500® Index. Amid considerable macroeconomic and geopolitical uncertainties, 4Q20 proved to be particularly noteworthy for U.S. equity markets given the pronounced reversal of the *growth vs. value* style-factor trends that had propelled markets higher year-to-date ("YTD") through the end of the third quarter of 2020 ("3Q20"), as the S&P 500® Value Index outperformed the S&P 500® Growth Index by **+383 basis points** ("bps") in 4Q20 for the first time since the fourth quarter of 2019 ("4Q19").

The positioning of the Strategy is and has been intentionally different than that of popular equity indexes and benchmarks for the express purpose of mitigating excess *equity market risk* (i.e., beta) and exhibiting *lower downside deviation* during periods of heightened volatility. Should there be a sudden rotation out of the "FAAN(M)G" cohort or a *momentum-driven reversal* in those mega-cap Information Technology and Consumer Discretionary stocks that have provided the preponderance of the excess gains in U.S. equity market indexes and benchmarks over the past **±12-24 months**, the Strategy's unique positioning should contribute to incremental outperformance and *positive risk-adjusted returns* (i.e., alpha) during the concomitant market correction.

Quarterly Review of 2020

Table I on the following page provides an overview of the Strategy's *Continued on next page*

Wealth Advisory Overview

Tax Strategies for Appreciated Assets

We are frequently asked about strategies to reduce tax on appreciated investment positions. The good news is that taxes are not 100%, so even after the tax bite you will retain a vast majority of the growth in your assets. The bad news is that the strategies for avoiding taxes may not coincide with your investment goals or cash needs, especially if you have a highly concentrated position in your portfolio.

Four strategies for minimizing your tax bill are outlined below:

#1: Establish a Capital Gains budget

When you have significant gains to realize, you may reduce the overall tax liability by establishing a maximum amount of capital gains to recognize each year for a certain time period. Spreading the gain over several years may enable you to keep the bulk of the gains in a lower tax bracket. If retirement is imminent, you may want to plan for gain recognition post-retirement. A particularly good time to recognize capital gains is the period between an early retirement and the beginning of distributions from Social Security and IRAs. During that timeframe, your capital gains rate is likely to be lower, possibly even subject to a zero rate. However, you will want to balance the deferral of the tax liability with your cash flow needs, as well as the risk of maintaining stock positions purely for tax purposes.

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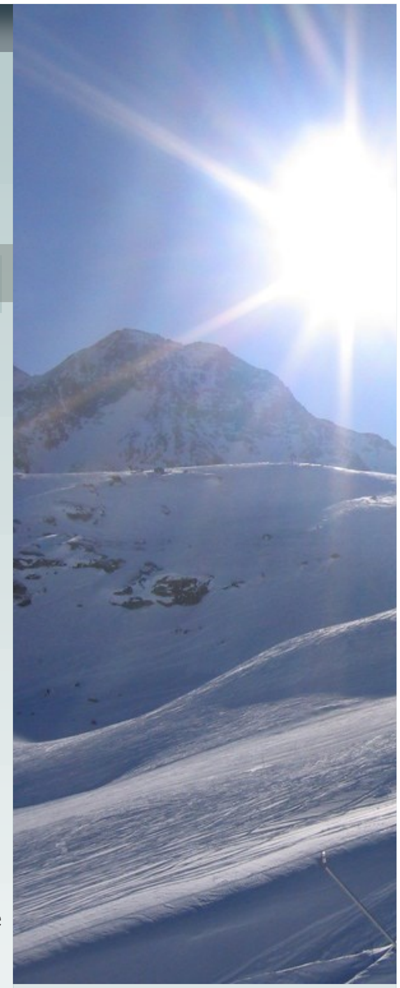

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Points of Interest

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

quarterly and calendar year performance in 2020 vs. a peer group of several popular *quality-oriented*, *low-volatility* investment strategies, including both *actively managed* mutual funds and *passive* (i.e., index-tracking) exchange-traded funds ("ETFs"). The Strategy's stated mandate has always been to seek *consistent*, *long-term risk-adjusted returns in excess* of the broader market by *mitigating volatility* and *minimizing downside capture* during severe market drawdowns or corrections. Measured appreciation with *maximum downside protection* is a fundamental tenet of the Strategy that was tested extensively throughout 2020 with exceptionally positive results, as demonstrated during the first quarter of 2020 ("1Q20"), when the Strategy outperformed the S&P 500® Index by **+731 bps**. During 1Q20, the Strategy's long-term positioning in the Vanguard Consumer Staples ETF ("VDC") provided decisive downside protection, with shares of VDC outperforming the S&P 500® by **+361 bps** during the first week of the market sell-off (i.e., February 19th-27th); this, in turn, created opportunities to *rotate out* of protective positions in VDC - as well as incremental, excess cash - and redeploy capital into *high-quality growth stocks* trading at *lower*, *more attractive valuation multiples*. Through the end of 1Q20 and the beginning of the second quarter of 2020 ("2Q20"), the Investment Team took advantage of *tactical buying opportunities* in shares of ANSYS, Inc. ("ANSS"), Accenture PLC ("ACN"), and Badger Meter, Inc. ("BMI") by initiating or increasing positions in those names in order to add incremental, inexpensive *equity market risk* (i.e., beta). The Strategy's tactical positioning in ANSS, ACN, and BMI provided significant *positive contribution* and meaningfully outperformed the S&P 500® Index by approximately **±14.6%**, **±11.7%**, and **±12.5%**, respectively, from their initial trade dates through year-end (i.e., December 31st 2020).*

Continued on next page

Table I: MP Core Contrarian Strategy - Peer Group Comparison & Performance Analysis
USD Total Return - Data as of December 31st 2020

Name/Description	Symbol	1Q20	2Q20	3Q20	4Q20	2020
MP Core Contrarian Equity Portfolio Strategy*		**-12.29%**	**11.26%**	**9.07%**	**10.21%**	**17.29%**
S&P 500® Index	SP50	-19.60%	20.54%	8.93%	12.15%	18.40%
S&P 500® Value Index	SVXK	-25.34%	13.15%	4.79%	14.49%	1.36%
S&P 500® Growth Index	SGX	-14.50%	26.23%	11.75%	10.66%	33.47%
S&P 500® Dividend Aristocrats Index	SP50DIV	-23.29%	17.74%	7.84%	11.57%	8.68%
Parnassus Core Equity Fund-Investor Shares	PRBLX	**-16.91%**	**17.86%**	**11.40%**	10.83%	**20.77%**
iShares Core S&P 500 ETF	IVV	-19.59%	**20.34%**	**9.00%**	12.18%	**17.96%**
iShares MSCI USA Quality Factor ETF	QUAL	-19.36%	**18.80%**	8.61%	**12.41%**	**16.66%**
Vanguard Dividend Appreciation ETF	VIG	**-16.68%**	13.92%	**10.27%**	10.24%	**15.09%**
AMG Yacktman Fund - Class I	YACKX	-21.68%	15.96%	5.38%	**20.20%**	15.04%
WisdomTree US Quality Dividend Growth Fund	DGRW	-19.26%	**17.63%**	**9.40%**	9.55%	13.48%
MFS Low Volatility Equity Fund Cl A	MLVAX	-18.26%	14.57%	8.14%	9.92%	11.15%
FMI Large Cap Fund Investor Class	FMIHX	-23.43%	15.47%	7.67%	**15.65%**	10.09%
FlexShares US Quality Low Volatility Index Fund	QLV	-18.37%	16.13%	7.27%	7.79%	9.43%
iShares Core Dividend Growth ETF	DGRO	-21.95%	16.14%	6.52%	**13.33%**	8.98%
ProShares S&P 500 Dividend Aristocrats ETF	NOBL	-23.25%	**17.50%**	7.74%	11.45%	7.93%
iShares MSCI USA Min Vol Factor ETF	USMV	**-17.19%**	12.82%	5.63%	6.99%	5.35%
Fidelity U.S. Low Volatility Equity Fund	FULVX	-19.04%	14.88%	5.07%	6.23%	3.81%
Invesco S&P 500 Low Volatility ETF	SPLV	-18.98%	6.61%	8.54%	5.24%	(1.57%)
BMO Low Volatility Equity Fund Class A	BLVAX	**-18.11%**	10.00%	3.82%	4.75%	(2.14%)
Invesco S&P 500 High Dividend Low Volatility ETF	SPHD	-30.77%	11.24%	1.58%	**15.29%**	(10.47%)

** For Additional Information, Please Refer to Disclosures: The McShane Partners Core Contrarian Equity Portfolio Strategy*

Source: McShane Partners - Envestnet | Tamarac, Inc. & 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 December 31st 2020.*

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

During 4Q20, the Strategy's relative positioning in high-quality Industrials, Materials, and other best-of-breed companies provided significant positive contribution to portfolio-level performance, benefiting from the dramatic post-election rally in those *pro-cyclical*, *value-oriented* sectors and industries; for example, the Strategy's long-term position in Deere & Co. ("DE") was the *largest absolute contributor* for the quarter in terms of *dollar value appreciation* and *net investment gains*, while, again, the Strategy's differentiated positioning in BMI was the *largest relative contributor* of *incremental outperformance* from a *net total return perspective*, returning **+44.18%** in 4Q20.*

"True luck consists not in holding the best of the cards at the table: luckiest is he who knows when to rise and go home."

- John Hay

Cyclical Shifts in Sector Selection Effects

Despite the aforementioned positive contribution from *stock-selection effects*, the Strategy's *tactical overweight allocation* to cash and its lack of exposure to the Energy and Financials sectors weighed on relative performance vs. the S&P 500® Index in 4Q20, which benefited from the momentous sector-level rotation into *value*, as indicated below in Table II. For instance, the Monday and Tuesday after Election Day (i.e., November 3rd 2020) saw two of the largest days of *relative price gains* in the *value vs. growth trade* since October 2008, with the S&P 500® Value Index outperforming the S&P 500® Growth Index by **+4.56%** and **+2.40%** on November 9th and 10th, respectively (*Source: FactSet Research Systems, Inc.*). In terms of sector-level contribution to the relative outperformance of value vs. growth, the Energy and Financials sectors rebounded a remarkable **+28.26%** and **+18.85%**, respectively, from Election Day through year-end, outpacing solid gains in both the Information Technology (**+15.11%**) and Consumer Discretionary (**+8.60%**) sectors.

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Table II: S&P 500® Index Sector Heat Map
USD Total Return - Data as of December 31st 2021

Sector-Level Index	2019	1Q20	2Q20	3Q20	4Q20	2020
Defensives						
Utilities	+26.35%	-13.50%	**+2.73%**	+6.14%	+6.54%	+0.48%
Communication Services	**+32.69%**	-16.95%	+20.04%	+8.94%	+13.82%	**+23.61%**
Health Care	**+20.82%**	**-12.67%**	+13.59%	+5.87%	+8.03%	+13.45%
Consumer Staples	+27.61%	-12.74%	**+8.12%**	+10.38%	**+6.35%**	+10.75%
Near Cyclicals						
Energy	**+11.81%**	**-50.45%**	+30.51%	**-19.72%**	**+27.77%**	**-33.68%**
Financials	+32.13%	**-31.92%**	+12.20%	+4.45%	**+23.22%**	**-1.69%**
Real Estate	+29.01%	-19.21%	+13.22%	**+1.92%**	**+4.94%**	**-2.17%**
Cyclicals						
Information Technology	**+50.29%**	**-11.93%**	**+30.53%**	+11.95%	+11.81%	**+43.89%**
Consumer Discretionary	+27.94%	-19.29%	**+32.86%**	**+15.06%**	+8.04%	**+33.30%**
Industrials	+29.37%	-27.05%	+17.01%	+12.48%	+15.68%	+11.06%
Materials	+24.58%	-26.14%	+26.01%	**+13.31%**	+14.47%	+20.73%
S&P 500® Index	**+31.49%**	**-19.60%**	**+20.54%**	**+8.93%**	**+12.15%**	**+18.40%**

Source: McShane Partners - FactSet Research Systems, Inc.

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The McShane Partners Core Contrarian Equity Portfolio Strategy

Notwithstanding these short-term headwinds, the Strategy generated *excess risk-adjusted returns* in 4Q20 vs. the S&P 500® Index, which added incrementally to the Strategy's established relative gains YTD through the first three quarters of 2020, contributing superior *risk-return metrics* for the Strategy on a full-year basis for 2020. In particular, the *standard deviation* (i.e., variability of returns) for the Strategy for calendar year 2020 ("CY2020") was **±23.60%** compared to **±31.22%** for the S&P 500® Index; this, in turn, contributed to the Strategy's ability to deliver a considerably *higher Sharpe Ratio* of **±0.66** vs. **±0.52** for the S&P 500® Index.

Note: *The Sharpe Ratio is a risk-adjusted measure developed by Nobel Laureate William Sharpe. It is calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance.*

Monthly Index Review
USD Total Return

Data as of January 31st 2021	**January 2021**	**2021 YTD**	**2020**	**2019**
S&P 500® Index	-1.01%	-1.01%	+18.40%	**+31.49%**
Dow Jones Industrial Average	**-1.95%**	**-1.95%**	+9.72%	+25.34%
NASDAQ Composite	+1.44%	+1.44%	**+44.92%**	**+36.69%**
Russell 2000	**+5.03%**	**+5.03%**	**+19.96%**	+25.52%
MSCI Emerging Markets	**+3.09%**	**+3.09%**	+18.69%	+18.88%
MSCI EAFE	**-1.06%**	**-1.06%**	+8.28%	+22.66%
Bloomberg Barclays U.S. Aggregate Bond Index	-0.72%	-0.72%	+7.51%	+8.72%

Stock & Strategy Spotlight

Name	**Ticker**	**2021 YTD**	**2020**
AXS Merger Fund Class I	GAKIX	-0.19%	+0.19%

Description & Investment Thesis

Earlier this month, the Investment Team received notification of the completion of the planned reorganization of the Kellner Merger Fund into the AXS Merger Fund ("the Fund") following the approval of a partnership between AXS Investments, LLC ("AXS") and Kellner Capital, LLC ("Kellner"). Per the terms of this partnership agreement between AXS and Kellner, Kellner will serve as the *sub-advisor* for the Fund and will continue to oversee the day-to-day management and execution of the Fund's primary investment strategies, which will not change and are consistent with those established objectives and mandates in effect prior to the reorganization. Furthermore, the Fund's underlying net annual expense ratio will remain capped and will not increase as a result of the reorganization.

At this time, the Investment Team continues to believe that the incorporation of *differentiated*, *uncorrelated* investment strategies, such as *merger-arbitrage*, into traditional long-term investment portfolios can provide meaningful *diversification benefits* and significantly enhance long-term risk-adjusted performance. As a core holding/ position in our dedicated Hybrids' allocations across client investment portfolios, the Investment Team continuously monitors performance, receives regular updates from the Fund, and is able to communicate directly with members of the portfolio management team at Kellner, as needed. The Investment Team will continue to keep you updated and informed with respect to any changes to its firm-wide recommendations regarding the Fund; in the meantime, please do not hesitate to contact a member of the Investment Team if you would like any additional information, or if you

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.

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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

Tax Strategies for Appreciated Assets

#2: Sell Strategically

Another variant of the approach to establishing a capital gains budget is to define parameters for the sale of shares. This typically would be used to reduce a concentrated position. The parameters could include selling a certain number of shares every quarter. Or perhaps you should consider selling 1% of the holdings any time the value goes up or down by a certain percentage point to help control your risk exposure. The key is to come up with an objective trigger (whether calendar-based or performance-based) that will call for action regardless of how those actions might make you feel.

#3: Donate Appreciated Stock to Charity

If your lifestyle in retirement does not rely on a concentrated stock position, you may consider setting it aside in a charitable remainder trust. When done correctly, this method can help you avoid taxes altogether. However, this requires assets to be transferred beyond your control. A charitable remainder trust is irrevocable, which means that once donated, you cannot change your mind and get the assets back at some point in the future.

When a charitable remainder trust is established and funded with an initial donation, you receive a current tax deduction. Specific limits on the deduction depend on what type of trust you select. A beneficiary will receive an income stream that looks like an annuity. Payment frequency can vary from annual to semi-annual, quarterly, or monthly. After the beneficiary passes, the balance of the trust assets will go to the charity.

You can also donate the appreciated stock outright, not retaining any ownership in the stock or an income stream. This technique may be a way for someone who is already charitably inclined to avoid taxes on the sale of shares instead of donating cash to a charitable organization. Keep in mind that you will have avoided taxes by disposing of the asset in its entirety.

#4: Gift to Family Members in a Lower Tax Bracket

There is another option for avoiding a tax bill. This method involves gifting appreciated investments to family members who are in a lower tax bracket than you are in a particular tax year. This strategy assumes that you do not need the assets to fund your cash flow needs in retirement.

Two factors should be carefully considered as you evaluate this strategy. One is the limitation on gifts per recipient. The annual gift limit is $15,000 per giver per recipient. Therefore, a married couple can gift up to $30,000 a year per recipient, before creating any impact on estate and gift taxes. The second factor is the tax situation of the recipient. If the sale of the appreciated stock pushes them into a higher tax bracket, you may have just traded your tax bill for theirs. As previously mentioned, this strategy also results in the disposal of the asset. Therefore, without a desire to make a gift, the tax strategy only assists in avoiding taxes by relinquishing the value of the asset.

The old saying about not letting the tail wag the dog is certainly true for tax planning. There may be techniques to reduce taxes but sometimes they are in direct conflict with wise investment decisions or lifestyle needs. Other factors, like the currently low interest rates (which reduce the benefit of deferring a tax liability) and the possibility of tax increases in the future should also be considered when considering tax planning strategies.

Estate Planning: The Use of a Personal Property Memorandum in Conjunction With Your Will

Sandy Carlson
CFP®, CPA, CDFA®
President & Partner | Wealth Advisor

As we write our Last Will and Testament, one of the decisions that must be made is who we want to inherit our tangible personal property. Deciding who we want to inherit our things can be difficult, and our wishes can change over time. Therefore, one alternative to detailing these items in our will is the use of a separate document called a Personal Property Memorandum ("PPM").

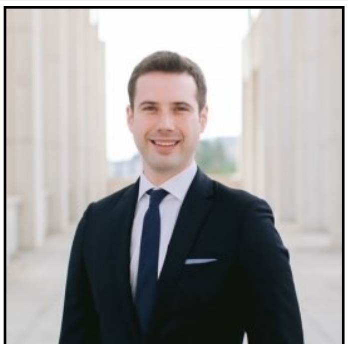
A PPM is a document that is used to list items that you own and the individuals that you want to inherit them. You can prepare the PPM on your own and amend it as many times as necessary, without the need of witnesses or a notary public. However, to be legally binding in NC, you must use a PPM in conjunction with a valid will that states that you may leave such a list.

What Can be Included in My PPM?

Your personal property memorandum can include any tangible assets. These include items that you can touch and feel such as furniture, silverware, artwork, jewelry, and any collections that you might own. Real estate and intangible assets cannot be included; these items need to be noted in your Will. Examples of intangible property include bank accounts, investment accounts and copyrights.

Typically, individuals will leave everything to their spouse, with their children as contingent beneficiaries. An advantage to making a personal property memorandum is that it can help avoid hard feelings among family members. If you simply leave all your belongings to your children in equal shares, they will have to figure out how to divide everything. That is not always as easy as it sounds, especially if siblings have differing memories or opinions about who should inherit what. However, if you are clear about who you want to inherit certain items that might be the subject of a dispute, your children will have clear directions to follow and no reason to argue.

NextGen: Questions to Ask Your Wealth Advisor



Ryan Vaudrin, CFP®
Wealth Advisor

At some point, most individuals question whether they need professional advice to guide them towards a successful financial future. Evaluating professionals can be a daunting task and understanding the questions to ask can provide a framework to ensure that the proper team is hired for your individual situation.

First, it is important to understand how a firm is registered. A Registered Investment Advisor ("RIA") is an advisor that is either registered by the Securities Exchange Commission (SEC) or the appropriate state securities administrator. By law, all RIA's must hold themselves to a fiduciary standard, putting clients' interests above their own.

As you evaluate advisors it is equally important to understand their fee structure. Are they fee only, or fee based? Do they receive commissions or wrap fees? Fee only advisors are compensated from a percentage of assets under management. This structure provides incentive to protect and grow the portfolio. Therefore, any advice that is provided is free from conflicts of interest.

Next, you should understand the firm's investment philosophy. How are portfolios diversified, what type of investments are used, and how is research performed? A dedicated in-house investment team can tailor portfolios to meet individual needs, while taking advantage of changing market conditions. This customized approach separates personalized investment management from broad mutual fund or index investing.

In addition to understanding a firm's investment philosophy, it is equally important to understand their financial planning process. What type of planning is offered and is this included in the management fee or charged separately? Comprehensive planning includes retirement planning, education, tax, insurance, and estate planning. How often is the planning process updated? It is important to review all aspects of a financial plan annually to ensure you are on track to meet your financial goals.

We understand that finding the right team to help you navigate your financial future can be challenging. Therefore, it is important to thoroughly evaluate your options to uncover the right solution for you.

Tax Update: The IRS Extends Temporary Relief in Response to the Coronavirus (COVID-19) Pandemic

Becky Hoover
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Director of Tax | Wealth Advisor

Notice 2021-7 provides that if certain requirements are satisfied, employers and employees that are using the automobile lease valuation rule to determine the value of an employee's personal use of an employer-provided automobile can instead use the vehicle cents-per-mile valuation rule to determine the value of an employee's personal use of an employer-provided automobile beginning as of March 13, 2020.

The notice provides that for 2021, employers and employees may revert to the automobile lease valuation rule or continue using the vehicle cents-per-mile valuation rule, provided certain requirements are met.

This relief should result in much lower income inclusions for employees that have access to an employer provided car. During the pandemic, reduced driving should allow for the per-mile calculation to be substantially lower than an imputed lease value.

Senior Planning: What are the Options When Choosing a Retirement Community?

Lorri Tomlin, FPQP™
Wealth Advisor

If you have decided to move to a retirement community rather than age in place at home, you have several options to consider. Several communities cater to one specific need such as Independent Living, Assisted Living or Memory Care, while some communities offer a combination of these various care levels. There are also Continuing Care Retirement Communities ("CCRC's"), which offer the full range of options from Independent Living to Assisted Living, Skilled Nursing and Memory Care. All of these options offer a wide range of services such as meal plans, housekeeping, 24-hour security and social activities. Deciding which type of community is right for you depends on several factors, including your current and future health conditions.

Independent Living

This may be the option for you if you are in good health and able to manage your personal care needs without any assistance. If you are looking for a community of active seniors and want to eliminate the day-to-day responsibilities of home ownership, an Independent Living facility might be the best fit for you.

Assisted Living

If you are already experiencing health issues that prevent you from qualifying for Independent Living, you will need to consider an Assisted Living community. These offer the same convenience and social benefits of Independent Living however you and your loved ones will have peace of mind knowing that help is available for the daily activities of life that you can no longer manage on your own.

Memory Care

A move to Memory Care will not likely be a decision you make on your own but will be the decision of a loved one who is concerned for your safety and well-being. These communities provide round-the-clock supervision, manage difficult behaviors, and offer purposeful activities for those afflicted with Alzheimer's or significant cognitive impairment.

CCRC

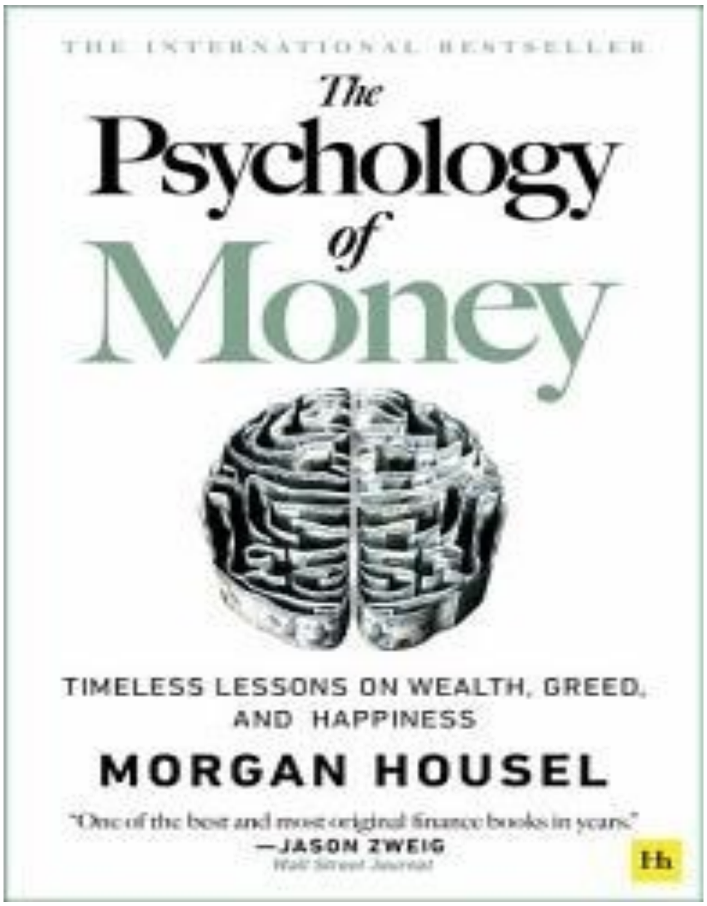
If you are currently active and independent but worry about potential health issues in the future, you may want to consider a CCRC. These communities provide the ability to move up to higher care levels when needed without a move to a completely different facility. This would be beneficial for seniors who need one level of care, but their spouse or significant other requires another level of care.

Around McShane Partners

McShane Partner Book Club

We are starting a Book Club where once a quarter we will highlight a book that we are reading. Email Abby here to request a copy and we will have it delivered to your home.

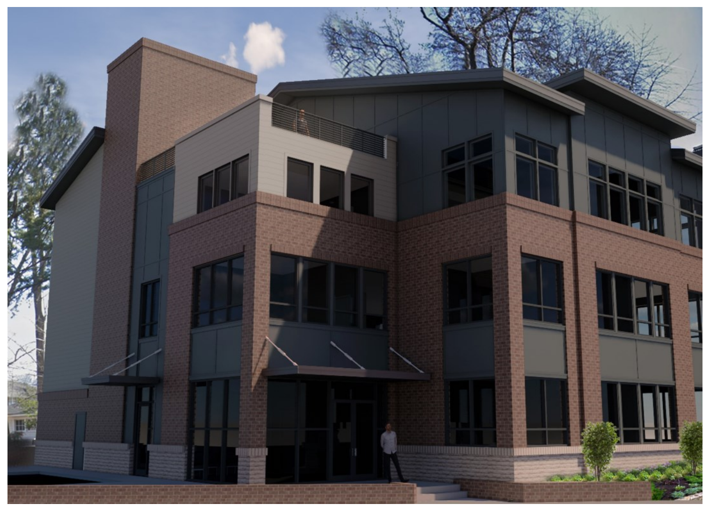
The Psychology of Money is the perfect book for the current market environment and will help clients better understand their relationship with money as well as the essence of McShane Partners investment philosophy. Rarely have we read a book that articulates the behavioral cornerstone or our investment process while simultaneously embodying the culture of our firm.



CONGRATULATIONS!!

Congratulations to Lorri Tomlin on being admitted as a partner as of January 1, 2021. Lorri has been a tireless source of work ethic, competence, and client care since joining the firm 9 years ago. We look forward to celebrating this great accomplishment together with you as soon as possible.

Building Update



All of our permits have been finalized and we are headed towards the demolition process during the month of February. Please stay tuned for future updates as at long last this project gets off the ground.

In the meantime, we have a temporary office space with COVID friendly conference space for client meetings when appropriate located at 1712 Euclid Ave, Charlotte, NC 28203.

McShane Partners

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

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