MP McShane Partners

August 2021 Insights

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

The S&P 500® Index continued its unrelenting ascent during the second quarter of 2021 ("2Q21"), adding to the prior quarter's gains and returning **+8.55%** for the quarter, with the war between *cyclical value* vs. *secular growth* waging on and retesting/retracing all-too-familiar battle lines. In the **±8 months** since the 2020 U.S. presidential election, there have been pronounced alterations in the fundamental economic backdrop that investors had taken for granted or believed constant/invariable for over a decade.

The Biden Presidency precipitated a rapid rotation into *value stocks* across those *cyclical sectors, industries* that are *more dependent on* or *more sensitivity to* the *economic cycle* after years of relying on *persistent momentum* in *secular growth stocks* (e.g., Information Technology) to provide *outsized positive contribution* to index-level returns and propel equity markets higher. The velocity and magnitude of the rotation initially caught most investors off-guard and has since been exacerbated by *higher-than-expected inflation* and *severe pricing pressures* throughout the broader economy as economic activity has continued to rebound and recover year-over-year ("YoY").

As *underweight investors* reactively repositioned to benefit from an anticipated economic expansion and associated inflation, the S&P 500® Value Index ("Value") *outperformed* the S&P 500® Growth Index ("Growth") by **±1,201 basis points** ("bps") from Election Day (i.e., Nov. 3rd 2020) through May 31st 2021; during the final month of 2Q21, however, the momentum sustaining several *reflation-rotation trades* moderated against a backdrop of *falling interest* rates and *rising concerns*

Continued on next page

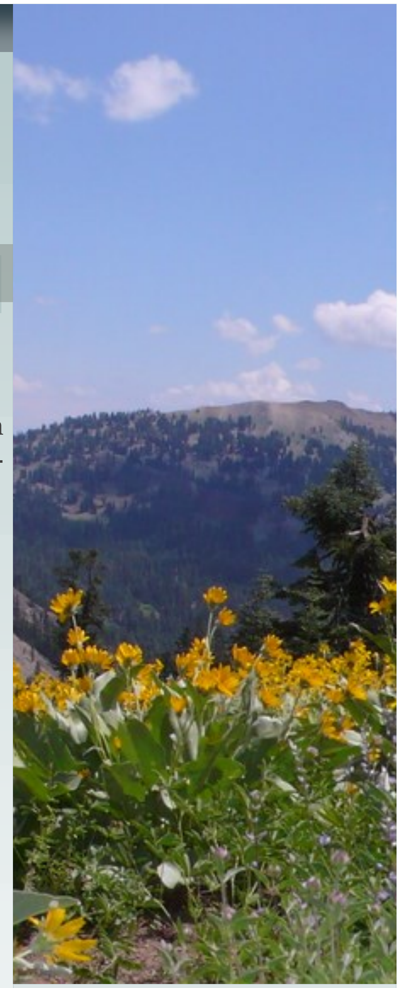
Wealth Advisory Overview

What Do We Do With All This Stuff? Distributing the Estate of a Deceased Parent or Loved One

Transitioning into retirement can present many exciting opportunities but it can also pose some challenges. The illness or death of an aging parent or loved one may require clearing out a home and settlement of an estate. The death of a loved one is an emotional time. It can also be very stressful if you are responsible for cleaning out and distributing the estate. Where do you start? What is worth keeping for value or for sentimental reasons? What items could or should be sold? What could be gifted or donated and what just needs to be thrown out? The process can be physically, emotionally, and financially taxing. There are many resources and books available to help guide you through this process and here are some recommended steps.

1. Protect the property. Others may have keys to the home so secure it by changing the locks.
2. Don't rush. As you go through everything, give yourself a chance to grieve and come to terms with your loss. However, don't delay the process or let other family members drag their feet. Set a deadline and keep moving forward.
3. Ask for help. Chances are you have a family and a full-time job to manage so don't try to do it all yourself. Enlist other family members or friends and divide

Continued on page 6



Investment Team

Daniele Donahoe, CFA
CEO | Chief Investment Officer
Elliott Van Ness, CFA
Director of Research | Portfolio Manager
Abby Williams
Investment Associate

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®
Wealth Advisor
Daniel Hudspeth
Wealth Associate
Corey Meyer
Wealth Associate

Points of Interest

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

over the COVID-19 Delta variant, with Value *underperforming* Growth by **±685 bps** for the month of June 2021.

The McShane Partners Core Contrarian Equity Portfolio Strategy ("the Strategy") outperformed the S&P 500® Index in the first quarter of 2021 ("1Q21") as a result of the Strategy's dedicated, long-term exposure to *high-quality cyclical* stocks trading at *persistent discounts*. Most notably, the Strategy's contrarian positioning in names *Continued on next page*

Table I: MP Core Contrarian Strategy - Peer Group Comparison & Performance Analysis
USD Total Return - Data as of June 30th 2021

Name/Description	Symbol/ Ticker	2020	1Q21	2Q21	2021 YTD
MP Core Contrarian Equity Portfolio Strategy*		**17.29%**	**6.86%**	**5.75%**	**13.02%**
S&P 500® Index	SP50	18.40%	6.17%	8.55%	15.25%
S&P 500® Value Index	SVXK	1.36%	10.77%	4.99%	16.30%
S&P 500® Growth Index	SGX	33.47%	2.12%	11.93%	14.31%
S&P 500® Dividend Aristocrats Index	SP50DIV	8.68%	8.50%	5.80%	14.80%
Invesco S&P 500 High Dividend Low Volatility ETF	SPHD	**-10.47%**	**15.24%**	3.67%	**19.42%**
Invesco S&P 500 Quality ETF	SPHQ	**16.94%**	5.61%	**9.95%**	**16.09%**
FlexShares US Quality Large Cap Index Fund	QLC	13.29%	6.18%	**9.13%**	**15.85%**
iShares Core S&P 500 ETF	IVV	**17.96%**	6.32%	**8.38%**	**15.20%**
iShares MSCI USA Quality Factor ETF	QUAL	**16.66%**	5.26%	**9.42%**	**15.13%**
Parnassus Core Equity Fund-Investor Shares	PRBLX	**20.77%**	**7.13%**	7.39%	15.03%
ProShares S&P 500 Dividend Aristocrats ETF	NOBL	7.93%	**8.46%**	5.57%	14.48%
AMG Yacktman Fund - Class I	YACKX	15.04%	**8.84%**	4.80%	14.06%
iShares Core Dividend Growth ETF	DGRO	8.98%	**8.28%**	4.87%	13.53%
MFS Low Volatility Equity Fund Cl A	MLVAX	11.15%	3.12%	**8.95%**	12.34%
SPDR SSGA US Large Cap Low Volatility Index ETF	LGLV	7.11%	5.09%	6.71%	12.10%
WisdomTree US Quality Dividend Growth Fund	DGRW	13.48%	6.42%	4.87%	11.58%
FlexShares US Quality Low Volatility Index Fund	QLV	9.43%	2.95%	7.84%	11.00%
Vanguard Dividend Appreciation ETF	VIG	15.09%	4.55%	5.70%	10.49%
FMI Large Cap Fund Investor Class	FMIHX	10.09%	6.05%	4.11%	10.41%
BMO Low Volatility Equity Fund Class A	BLVAX	**-2.14%**	4.06%	5.52%	9.79%
Invesco S&P 500 Low Volatility ETF	SPLV	**-1.57%**	3.84%	5.17%	9.19%
iShares MSCI USA Min Vol Factor ETF	USMV	5.35%	2.33%	6.70%	9.16%
Fidelity U.S. Low Volatility Equity Fund	FULVX	3.81%	2.14%	6.62%	8.91%

* *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.

Monthly Index Review
USD Total Return

Data as of July 31st 2021	July 2021	2021 YTD	2020	2019
S&P 500® Index	**+2.38%**	**+17.99%**	+18.40%	**+31.49%**
Dow Jones Industrial Average	**+1.34%**	**+15.31%**	+9.72%	+25.34%
NASDAQ Composite	+1.19%	+14.26%	**+44.92%**	**+36.69%**
Russell 2000	**-3.61%**	+13.29%	**+19.96%**	+25.52%
MSCI Emerging Markets	**-6.67%**	+0.41%	+18.69%	+18.88%
MSCI EAFE	+0.76%	+10.01%	+8.28%	+22.66%
Bloomberg Barclays U.S. Aggregate Bond Index	+1.12%	**-0.50%**	+7.51%	+8.72%

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

like Deere & Co. ("DE") and Nucor Corp. ("NUE") provided *significant positive contribution* to the Strategy's relative outperformance vs. the S&P 500® Index in 1Q21, despite the Strategy's considerable overweight in Information Technology.* At the onset of 2Q21, the Strategy's *relative overweight positions* in both DE and NUE were solely due to *outsized price appreciation*. Given the incremental *stock-/company-specific risk* and the associated *equity market risk* (i.e., *beta*) of these positions, the Investment Team sought opportunities to *reduce* positions sizes into strength but was only able to *modestly trim* holdings in both DE and NUE prior to the unexpected swing in leadership and Growth's return-to-favor in late-2Q21. As previously indicated, Growth outperformed Value by **±685 bps** for the month of June 2021, benefiting from strong rebounds~~/rallies~~ in both the Information Technology (**+6.95%**) and Consumer Discretionary (**+3.81%**) sectors into quarter-end.

Real Estate outperformed in 2Q21, benefiting from *incremental multiple expansion*, *falling interest rates*, and *stubbornly high inflation expectations*. The Strategy's differentiated positioning in shares of Public Storage ("PSA") provided *meaningful positive contribution* to portfolio-level performance on an *absolute* and *relative basis* for the quarter, returning **+22.67%** and outperforming the S&P 500® Index by **±1,449 bps** in 2Q21.*

This dramatic, chaotic lack of conviction in the market has perplexed media pundits, research analysts, and professional money managers alike, while economists have contented themselves with philosophizing on the sustainability of prevailing inflationary pressures. Equivocating over fluctuations in long-term inflation expectations has had an outsized impact on short-term movements across global financial markets year-to-date ("YTD") in 2021, with many ~~governors/~~members of the U.S. Federal Reserve ("the Fed") believing recent inflation data reflect transitory~~/transient~~ pricing pressures, while critics of the Fed have decried accelerating inflation as being the inevitable consequence of *extended easy monetary policy initiatives*, *stimulus programs*, and *consequent expansion of the federal debt burden* (i.e., leverage).

Continued on next page

Table II: S&P 500® Index Sector Heat Map
USD Total Return - Data as of June 30th 2021

Sector-Level Index	2019	2020	1Q21	2Q21	2021 YTD
Defensives					
Utilities	+26.35%	+0.48%	+2.80%	**-0.41%**	**+2.38%**
Communication Services	**+32.69%**	**+23.61%**	+8.08%	+10.72%	+19.67%
Health Care	**+20.82%**	+13.45%	+3.18%	+8.40%	+11.85%
Consumer Staples	+27.61%	+10.75%	**+1.15%**	**+3.83%**	**+5.02%**
Near Cyclicals					
Energy	**+11.81%**	**-33.68%**	**+30.85%**	+11.30%	**+45.64%**
Financials	**+32.13%**	**-1.69%**	**+15.99%**	+8.36%	**+25.69%**
Real Estate	+29.01%	**-2.17%**	+9.02%	**+13.09%**	+23.30%
Cyclicals					
Information Technology	**+50.29%**	**+43.89%**	**+1.97%**	**+11.56%**	+13.76%
Consumer Discretionary	+27.94%	**+33.30%**	+3.11%	+6.95%	+10.27%
Industrials	+29.37%	+11.06%	+11.41%	+4.48%	+16.40%
Materials	**+24.58%**	+20.73%	+9.08%	+4.97%	+14.50%
S&P 500® Index	**+31.49%**	**+18.40%**	**+6.17%**	**+8.55%**	**+15.25%**

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 2021.*

Investment Overview

The McShane Partners Core Contrarian Equity Portfolio Strategy

The fundamental disposition~~/composition~~ of inflation is *opaque*, *variable*, and influenced by innumerable *macro-/ microeconomic factors*, which is why the Investment Team does not base *long-term investment decisions* on *short-term oscillations in inflation expectations*. That said, the Investment Team does expect this ongoing battle between unsubstantiated views on *expected inflation* and *market-cycle leadership* to produce recurrent rotations between Value and Growth, as well as substantial shifts in sector-level positioning until market participants determine the true direction of *long-term inflation*.

At this time, fixed income markets are predicting a slowdown in economic growth, resulting in an anemic inflationary environment comparable to the past decade, as well as a *higher probability* of *deflation*; equity markets, however, appear to be wavering in their predictions between an additional **±12-24 months** of *resilient, robust economic growth*, which would favor *cyclical value stocks*, vs. a *sooner-than-expected plateauing* in economic activity and deficient economic growth that would prompt investors to seek incremental upside in a limited number of *secular growth stocks* (e.g., Information Technology).

"Opportunity is missed by most people because it is dressed in overalls and looks like work."

- Thomas Edison

Conclusion | Near-Term Outlook

Following the rapid reversal in cyclicals after an unexpected upswing over the past **±8 months**, the short-term underperformance of the Strategy in 2Q21 due to inflated position sizes proved a valuable lesson with respect to being quicker when it comes to trimming bloated positions in *cyclical names* into what appears to be a favorable set-up for reflation-/recovery-related trades in the third quarter of 2021 ("3Q21"). Per the Investment Team's portfolio management guidelines for the Strategy, investment decisions will be based on *risk management* (e.g., position size) and the *underlying fundamentals* (e.g., valuations, operating results, balance sheet strength, etc.) of our portfolio holdings - *not* in reaction to whimsical rotations in equity markets.

Overtime, consistently buying *undervalued*, *high-quality companies* and *trimming* or *selling* those holdings/positions as they become *overvalued* should continue to contribute to *lower volatility*, *positive relative risk-adjusted returns*, and *sustainable outperformance* vs. our benchmarks (e.g., the S&P 500® Index), with periods of *pronounced downside protection* during *market corrections*. As equity markets become *overpriced*, the Investment Team will also allow portfolio-level cash allocations to accumulate in order to *mitigate risk* and *improve buying power* in anticipation of a *mean-reverting correction* to *more normalized* valuation levels.

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

What Do We Do With All This Stuff? Distributing the Estate of a Deceased Parent or Loved One

tasks. Consider hiring help for larger jobs such as hauling away junk or charity items, deep cleaning the house and landscaping the yard.

4. Hire an estate attorney to help facilitate the probate of any assets. If the decedent didn't have an attorney, it is the executor's job to secure one.
5. Discontinue any services that are no longer needed and have mail forwarded to your address. However, you may want to keep some services such as lawn maintenance, internet, and utilities while you are working on the property
6. Secure and review financial and legal documents first. Important documents include:
    a. The Will and any Trust documents
    b. Bank and credit card statements
    c. Investment account statements
    d. Mortgage statement, deeds, titles, car registrations
    e. Social security card and statements
    f. Pension information
    g. Monthly bills such as utility, phone, internet, and cable
    h. Tax returns and tax forms
    i. Insurance policies
    j. Username and passwords for online accounts
    k. Appraisals, invoices, receipts, or paperwork related to art, collectables, or jewelry
7. Chances are there will be A LOT of paperwork to go through. Set aside things that are not immediately needed for a more "in depth" review later. You may eventually find money, stock certificates, and other important items in files that you would not want to throw out. Once you feel confident you have all important documents, shred the rest. Do not just discard in the trash.
8. Next, turn your focus to cleaning out the house. Go room by room. Start with rooms that have little or no emotional attachment like the garage, laundry room or pantry and move on from there as you get comfortable with the process.
9. Take pictures of rooms, the yard, the growth chart on the door jam and any things that are special. Sometimes a picture will suffice instead of trying to hold onto items because of the memories.
10. Decide what to keep, what to give away or sell and what to throw away. If the Will and any additional memorandum specifies bequests, this will help with these decisions. You may want to set aside all mementos, writings, and photographs to go through later. There are many professionals who can assist with this process, saving you time, energy, and stress. They may also be better at identifying items that have value.
11. Consider hiring an appraiser to determine the value of those items. This will provide for more equitable distribution of items amongst family and friends and provide documentation for items that will be sold.
12. Invite family, friends and perhaps even neighbors to choose what they would like to keep from the remaining items. Have everyone go through the house and put a note on items they would like. If two or more people want the same thing, put them in contact with each other to discuss. If family relations are strained, have smaller groups come through at different times instead of everyone all together.

Continued on next page

Wealth Advisory Overview

What Do We Do With All This Stuff? Distributing the Estate of a Deceased Parent or Loved One

13. Before you donate or throw out anything, check for “hidden” cash, jewelry, or other items of value. Check coat pockets, handbags, the underside of drawers, backs of mirrors or pictures and inside the pages of books! Seniors can be very creative when hiding valuables!
14. Get rid of any unclaimed items. Rent a dumpster and throw out everything that won’t be donated to charity. This is especially helpful when cleaning out the attic, basement, and garage.
15. Recycle, or discard responsibly any hazardous items such as paint, household chemicals or prescriptions.
16. Sell valuable items that are unclaimed. If you have a lot of valuable items, consider hiring an estate liquidator. If you only have a few things, you could sell these online or take them to a consignment shop.
17. Sell any vehicles if needed and be sure to cancel the insurance.
18. Finally, sell the house. Prepare the home for sale by doing a thorough cleaning, applying fresh paint, clean or replace carpet, wash windows, remove outdated window treatments, and freshen up the landscaping. Consider hiring a professional for some of these tasks rather than trying to do everything yourself. Consult a real estate professional before making any improvements to the home. Depending on market conditions, this may not be necessary.

While these steps should help ease the process, it is still a difficult time for all family and friends involved. If you are entering your retirement phase or downsizing, consider being proactive and reducing the future burden on your heirs. As illustrated above, clearing the family home, filled with items that have accumulated over many years, can be an overwhelming task. Begin purging items that are no longer needed or wanted. Get rid of things you have not used in years or items that your children do not want. Go ahead and “gift” items to your family and friends. This will give you the benefit of seeing them receive the gift and enjoying it during your lifetime. If there are items that you want to give to your children but are not yet ready to part with, make a list of who gets what. This will help prevent any potential squabbles after you are gone and simplify the task of dividing your personal property. Put all your important documents in a safe place and make sure that your designated executor knows where to find them. Finally, talk with your children and beneficiaries about your wishes. This may be a difficult conversation but well worth the peace of mind if provides for you and for them.

Finance Corner: Recent Tax Law Changes Complicate 2021 RMDs

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

Back in November, the IRS released final regulations with new life expectancy tables to calculate RMDs from individual retirement accounts and company retirement savings plans. The new life expectancy tables will result in somewhat smaller RMDs, however, they cannot be used until 2022.

RMD Rules for 2021 and 2022

For 2020, RMDs were waived by the CARES Act. For 2021, RMDs will once again be due and will be calculated using the existing life expectancy tables. RMDs for 2021 are calculated as if the 2020 waiver had not occurred. This means there will be no make-up 2020 RMDs in 2021. Therefore, any non-spouse beneficiaries will calculate their 2021 life expectancy factor by subtracting two years from their 2019 factor.

Age for RMDs changed to 72

The SECURE Act also increased the age for the first RMD from 70 ½ to 72 for IRA owners who reached age 70 ½ after 2019. This means the required beginning date, or RBD, for them is April 1 of the year following the year they turn age 72. However, workplace plan participants who do not own more than 5% of the company can use the “still-working exception” to defer RMDs until they retire if the plan allows it.

Tax Update: The Facts About Higher Education Tax Credits

Becky Hoover
CFP®, CPA, CDFA®
Director of Tax | Wealth Advisor

As a new school year approaches, students are considering what classes they need to take and how much the classes will cost. Whether it's community college, a trade school, a four-year university or an advanced degree, higher education is expensive. The good news is tax credits can help offset these costs.

Taxpayers who pay for higher education in 2021 can see these tax savings when they file their tax return next year. If taxpayers, their spouses, or their dependents take post-high school coursework, they may be eligible for a tax benefit.

There are two credits available to help taxpayers save money on higher education, the American Opportunity Tax Credit and the Lifetime Learning Credit. Taxpayers use Form 8863, *Education Credits*, to claim the credits.

Here are some important things taxpayers should know about these credits.

The American Opportunity Tax Credit:

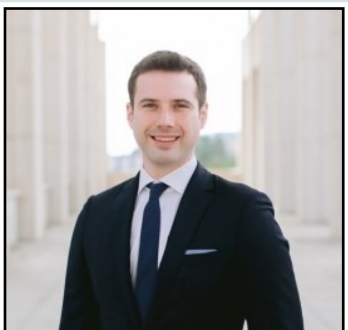
- Worth a maximum benefit of up to $2,500 per eligible student.
- Only for the first four years at an eligible college or vocational school.
- For students pursuing a degree or other recognized education credential.
- Partially refundable. People could get up to $1,000 back.
- The maximum Modified Adjusted Gross income to receive any credit is $90,000 for Single, Head of Household, or qualifying widow(er) and $180,000 for Married filing jointly taxpayers.

The Lifetime Learning Credit:

- Worth a maximum benefit of up to $2,000 per tax return, per year, no matter how many students qualify.
- Available for all years of postsecondary education and for courses to acquire or improve job skills.
- Available for an unlimited number of tax years.
- The maximum Modified Adjusted Gross income to receive any credit is $69,000 for Single, Head of Household, or qualifying widow(er) and $138,000 for Married filing jointly taxpayers.

To be eligible to claim either of these credits, a taxpayer or a dependent must have received a Form 1098-T from an eligible educational institution. There are exceptions for some students and additional rules and restrictions. Taxpayers can use the Interactive Tax Assistant tool on IRS.gov to find out if they're eligible for these credits.

NextGen: To Roth or Not to Roth?



Ryan Vaudrin, CFP®
Wealth Advisor

As we have discussed in previous articles, saving for the future as early as possible can set investors up for financial success. A Traditional IRA and a Roth IRA are two types of a versatile account to start saving for retirement. The only eligibility requirement to invest in one of these accounts is earned income – So which account is right for you?

A Traditional IRA is a pre-tax account which means the contributions are tax-deductible and the account will grow tax deferred. The investor will not pay taxes on account appreciation or investment income until the funds are withdrawn. At this time, the funds are taxed as ordinary income. In comparison, contributions to a Roth IRA account are made with after-tax dollars. As in the Traditional IRA, the Roth account will also provide tax-free growth on account appreciation and investment income. The main difference between the two accounts lies at their contribution and distribution – As long as the withdrawn Roth funds are deemed a qualified distribution, the investor will not pay any tax since the taxes were paid at the time of contribution.

Roth IRA accounts can provide diversification and flexibility of future investments. The unique tax treatment of Roth IRA accounts should be utilized by investors who are currently in a lower tax bracket and expect to be in a higher tax bracket in the future. First time and/or young investors may be good candidates for this type of account since the funds will be able to grow tax free for an extended period.

A Roth IRA is just one key piece of a complex puzzle that can be utilized if appropriate. The McShane Partners team is here to help develop dynamic strategies to guide our investors on the path to financial success.

Around McShane Partners

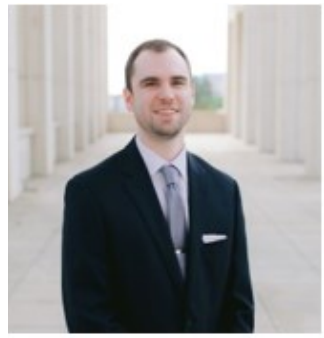
Estate Planners Day

Queens University of Charlotte, in conjunction with the Estate Planners Day Steering Committee, will hold Estate Planners Day on Thursday, August 19, 2021. The conference returns to as an in-person event this year after last year's meeting was held virtually. Queens University and the Steering Committee are committed to providing an incredible experience and have an excellent lineup of speakers, including Chadwick I. McCullen, Dan Clifton, James W. Narron, Martin M. Shenkman, Shawn Britt, Bob Kirkland, and John Silvia.

Building Update

Construction continues at our new 2150 Park Drive location. The project is on schedule and moving along. The footers have been poured and the elevator shaft has been constructed. It is exciting for us to begin the construction process. Stay tuned for future developments and updates!

Certified Financial Planner™ Exam



Wealth Associate Daniel Hudspeth recently passed the July Certified Financial Planner™ exam. The exam is composed of questions that test knowledge of general financial planning principles, investment planning, retirement savings & income planning, risk management & insurance planning, tax planning, professional conduct & regulation, and education planning.

Summer Vacation

Daniele Donahoe and her family visited Iceland last month for a summer getaway. While the travel to get there was easy, the moderate hiking trails proved to be a bit more challenging. Sightseeing included narrow fjords, plummeting waterfalls, and soaring cliffs.

McShane Partners

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

338 S. Sharon Amity Road | #401
Charlotte, NC 28211
Phone: (980) 585-3390
Fax: (980) 265-1274
Email: mcshane@mcshanepartners.com