

ParsecFinancial

**Enabling People To Thrive by Helping Them Attain
and Maintain Meaningful Financial Security**

We Pride Ourselves on Going the Distance with Clients

Par.sec/par-sek/ (noun) a unit of distance equivalent to 206,265 times the distance to the sun, or 3.26 light-years.



We Have Been Helping Clients Achieve Financial Security Since 1980

Parsec management team has been working together since 2003.

- **Bill Hansen, CFA**
President, Chief Investment Officer
- **Harli Palme, CFA, CFP®**
Chief Operating Officer,
Chief Compliance Officer
- **Rick Manske, CFP®, BFA™**
Chief Executive Officer



We Are a Fee-Only, Registered Independent Advisor

As fee-only advisors, our advice is not biased by sales commissions or other conflicts of interest. Instead, our objectivity aligns our interests with our clients' interests.

We work with independent custodians so that client money stays in their names. This helps ensure transparency and accountability.



Partners Michael Ziemer and Greg James

We Work from Six Office Locations Across N.C. and Remotely with Clients Across the Country

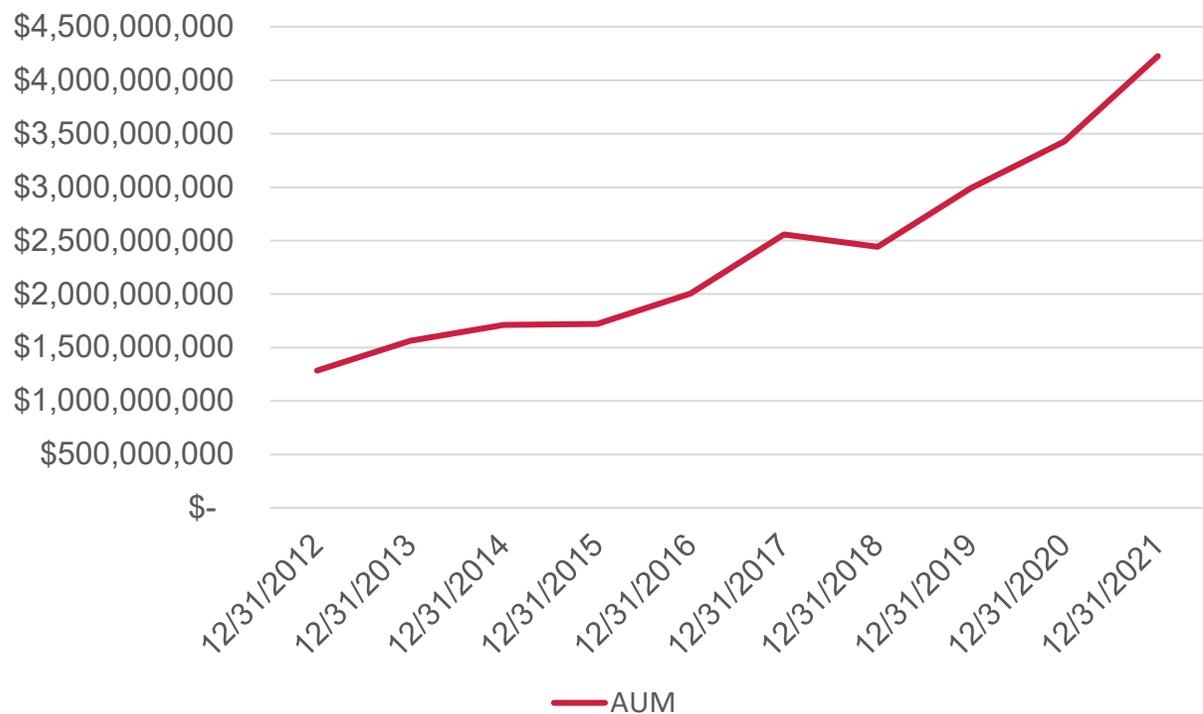


Partner Michael Bruder, Partner Roger James and CEO Rick Manske

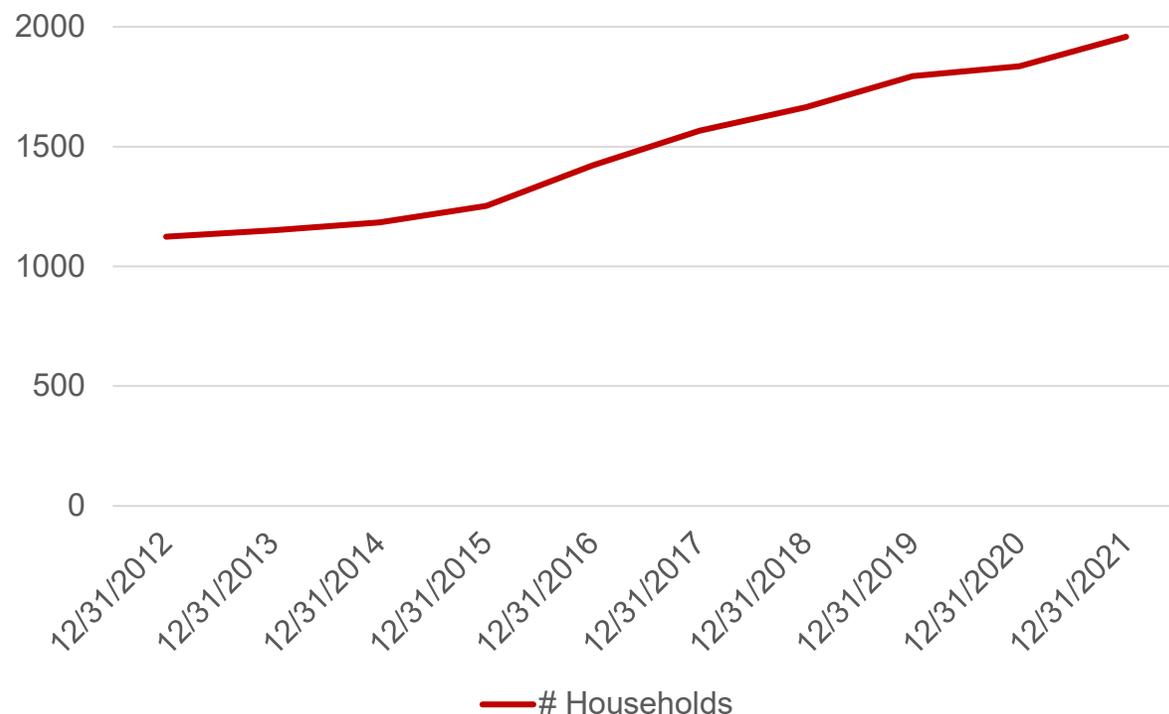


We Manage \$4.2 Billion in Assets for 1,959 Families and Businesses*

AUM



Households



AUM = assets under management

* As of Dec. 31, 2021

We Pursue Ongoing Education to Provide Current Advice to Our Clients

Of our 19 advisors, 16 are CFP® practitioners and 3 hold the CFA® designation.

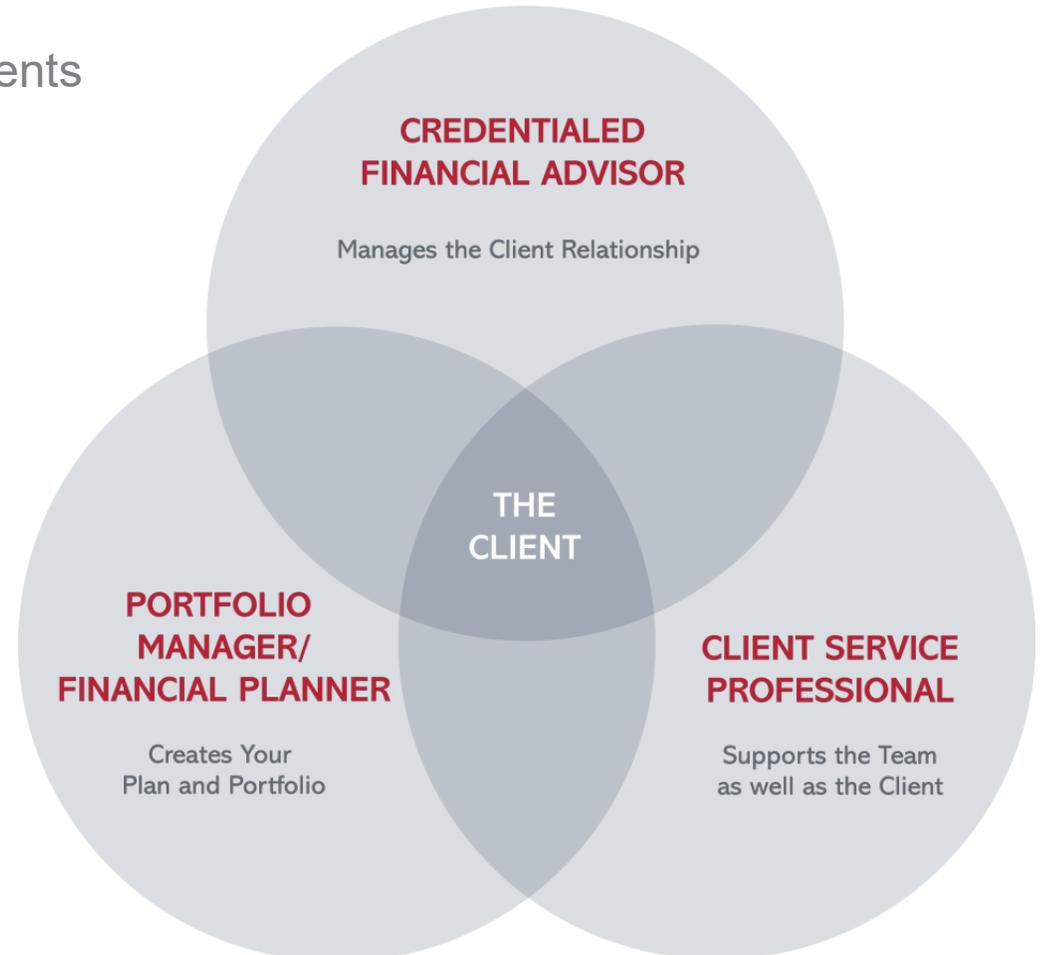


We Employ a Team Approach with Our Clients

Parsec provides authentic, transparent and straight-forward financial planning through an integrated team approach. All clients benefit from a trio of Parsec experts: a credentialed financial advisor, a portfolio manager and a client service professional.



Members of Parsec's Charlotte-based team

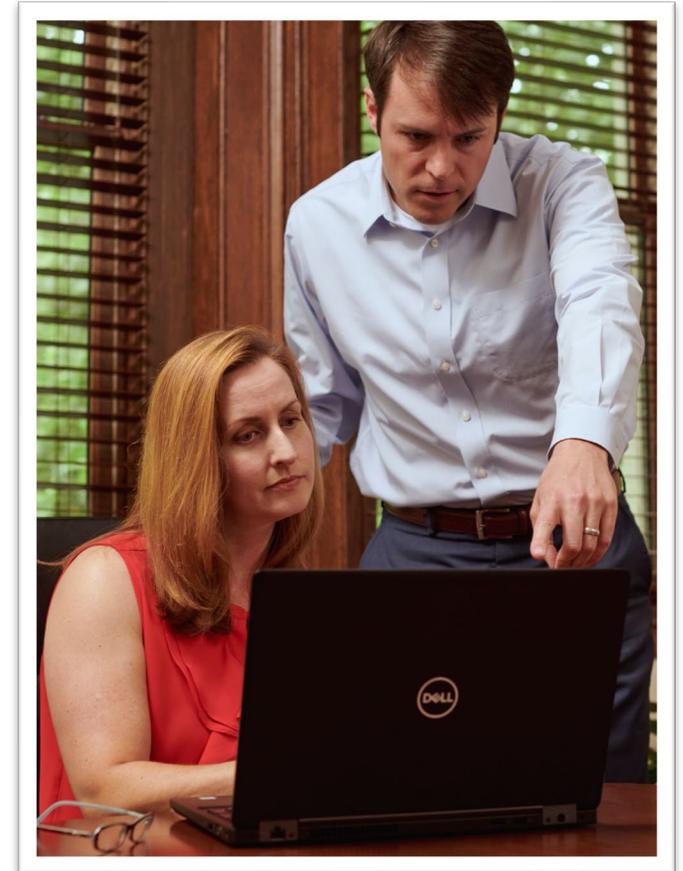


We Deliver Financial Advice Across All Quadrants

<ul style="list-style-type: none"> Investment Selection Asset Allocation Financial Planning Risk Management Tax Considerations Estate Planning 	<p>Competence</p>	<p>Consultative</p>	<ul style="list-style-type: none"> Peace of Mind Education Adherence to Plan and Goals Emotions, Biases and Stress Objective Feedback Trusted Second Opinion Life/Business Transition
<ul style="list-style-type: none"> Time Savings Coordinate Other Professionals Personalized Service Investment Monitoring Rebalancing 	<p>Convenience</p>	<p>Continuity</p>	<ul style="list-style-type: none"> Spouse Involvement Children Engagement Multigenerational Planning Legacy Philanthropy

We Offer a Wide Range of Services to Meet Our Clients' Diverse Needs

- ✓ **Investment** policy statement designed to meet long-term goals
- ✓ **Retirement** saving and spending projections
- ✓ **Trust** planning for special needs, second marriages, estate tax planning
- ✓ **Tax** strategies, preparation and planning for individuals, businesses, estates and trusts
- ✓ **Insurance** recommendations on life, disability, long-term care and health
- ✓ **Consulting** on various financial topics that range from buying or selling a business to refinancing or paying off a mortgage



Senior Financial Advisor Travis Boyer and Director of Investment Management Sarah DerGarabedian

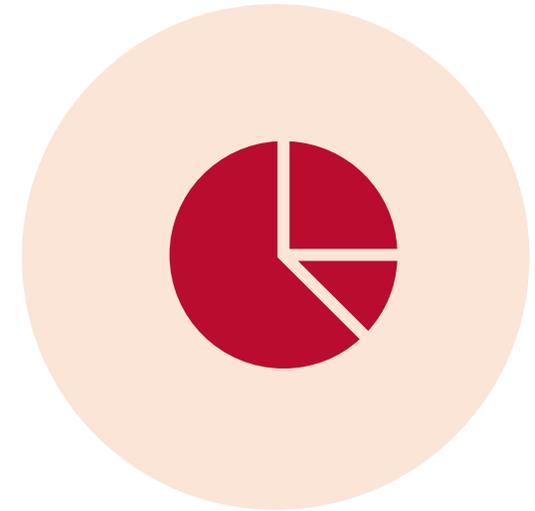
Three Pillars of Our Investment Philosophy



**LONG-TERM
INVESTING**



**NO MARKET
TIMING**



**BROAD
DIVERSIFICATION**

Individual Stock Selection Process

Quality

Responsible Use of Debt

Dependable Cash Flows

Returning Money To Shareholders

Growth

Growing Earnings

Expanding Profit Margins

Pipeline For Future Growth

Valuation

Valuation Relative To Peers

Valuation Relative To Historical Average

Valuation Relative To Future Growth Prospects

Analyst Coverage

Quality Of Management

New Developments

Consensus Price Targets

Mutual Fund Selection

LOW COST



Using funds with low expense ratios helps us to limit portfolio costs which are a drag on performance

WELL-ESTABLISHED MANAGEMENT TEAM



We invest with management teams that have long tenure, and use investment processes that we understand and trust

CONSISTENT INVESTMENT STRATEGY



Our mutual fund choices have consistent approaches that don't change with the mood of the day

Parsec Premier Wealth

Clients who have more than \$4 million managed with us benefit from our Premier Wealth offering. We understand that wealth management spans all generations, and careful planning and communication is met to ensure your wealth transfer intentions are met. Therefore, we encourage Parsec-led family meetings when needed. In addition, we offer Premier Wealth clients tax planning and consultation through our tax services department at no additional charge.

In addition to our Wealth Management service, as a Premier Wealth client you can expect the following:

- ✓ Financial planning and investment management for immediate family at no minimum fee
- ✓ Tax planning and consultation through our tax services department at no additional charge
- ✓ Unlimited in person or on the phone meetings
- ✓ In-depth income tax and estate planning review
- ✓ Organization and safe-keeping of important documents in a secure vault



Partner Roger A. James

Parsec Wealth Management

As a Wealth Management client, an evaluation of your current financial situation, your short- and long-term goals and your tolerance for risk are all taken into account to develop your customized financial plan. Since the only constant in life is change, we review and update your plan annually to monitor your progress and stay on the path toward achieving your goals.

Clients can expect the following:

- ✓ Investment policy statement and regular portfolio reviews
- ✓ Diverse investments depending on specific needs
- ✓ Tax strategies and planning
- ✓ Annual financial plan update with a credentialed advisor

 parsecfinancial.com/wealth-management



Financial Advisor Scott Kittrell

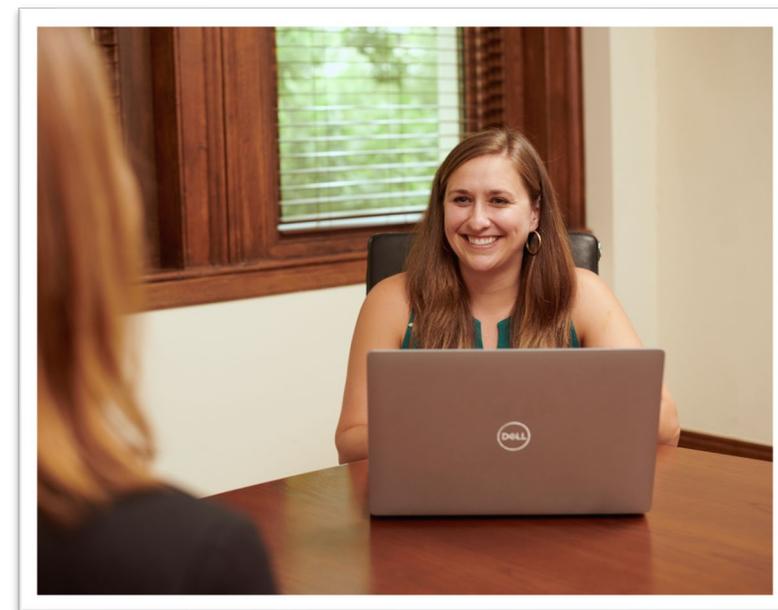
Parsec Emerging Wealth

Often clients in the accumulation phase of their lives have complex financial planning needs as they balance careers, pay off student debt, save for kids' college education, and try to afford that forever home.

Our Emerging Wealth Service is inclusive of financial planning, investment management as needed, and investment advice on other investment accounts like workplace retirement accounts and 529 college savings accounts.

We cover topics that matter to you, which may include:

- ✓ Investment and allocation advice on all investment accounts
- ✓ Student loan repayment strategies
- ✓ Estate planning goals
- ✓ Budgeting and cash flow planning
- ✓ Advice on major expenses
- ✓ Education funding and planning
- ✓ Retirement savings and strategies
- ✓ Recommendations on insurance such as life, disability and long-term care insurance



Senior Financial Advisor Ashley Gragtmans

Socially Responsible Investing (SRI)

Parsec clients have the option to align their investments with their values through a socially responsible portfolio. These portfolios consider environmental, social, and governance factors, more commonly referred to as ESG. Here are some examples of ESG factors that are considered during portfolio construction:

 Environmental Factors	 Social Factors	 Governance Factors
<ul style="list-style-type: none">• Carbon emissions• Air/water pollution• Energy efficiency• Water scarcity• Deforestation	<ul style="list-style-type: none">• Product safety• Data protection/privacy• Gender and diversity• Employee engagement• Labor standards	<ul style="list-style-type: none">• Board composition• Audit committee structure• Executive compensation• Lobbying• Bribery and corruption

SRI aspects have not traditionally been incorporated into financial analysis however, ESG-related factors are increasingly recognized as relevant and material to financial performance. For investors and companies, they are a source of both risk and opportunities.

Parsec Tax Services

Tax Preparation

- We can close the advice gap that many times exists when clients attempt to execute tax strategies

Individual, Business, Estate and Trust

- We have four CPAs on staff who can assist our clients with tax consultations and tax return preparations

Tax Planning

- Annual reviews and planning for current year and future year tax strategies is a part of our financial planning review meetings



Co-Directors of Tax Services Larry Harris and Brad Burlingham

Parsec Trust Services

Parsec works with an administrative trustee who performs the following tasks:

- Collect and distribute income
- Safeguard trust assets
- Provide record keeping
- Provide bill payment services at an additional cost
- Produce required tax reporting
- Provide for the administration and disposition of trust assets as directed by the governing document



CEO Rick Manske and Partner Roger A James

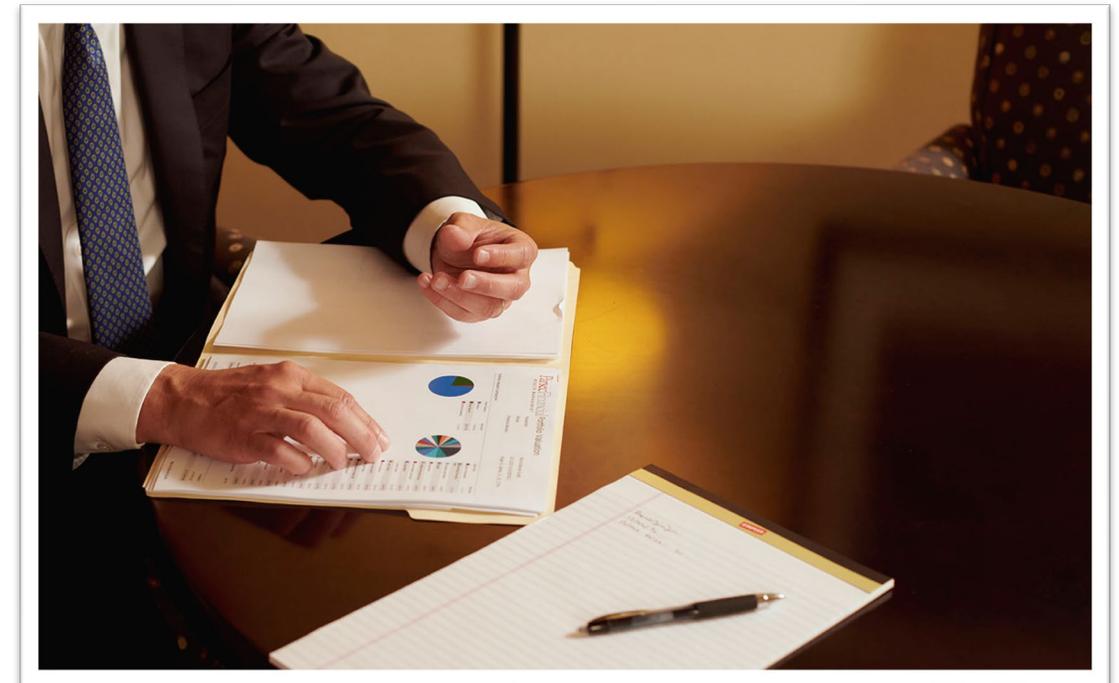
Parsec Business Retirement Services

Through our retirement plan solutions, we offer the business owner a tool that recruits, rewards and retains qualified employees. We seek to understand your goals as a business owner, so we can guide you to the best retirement plan solution.

We also provide employee education as part of our service, with the intention of helping employees understand the importance of this benefit.

As a fee-only provider we do not participate in a revenue sharing arrangement with the mutual funds we recommend. There are no hidden fees. And because we have a fiduciary duty to put our clients' interests before our own, our advice is not biased by a limited product line or promise of commission.

 parsecfinancial.com/business-retirement-services



We Pay it Forward to Help the Communities We Serve

In 2021 we gave:

- **\$200,000** in unrestricted Parsec Prize grants to **11** non-profit organizations
- **\$87,000** in corporate sponsorships to **57** non-profit organizations
- **\$43,000** in matching employee donations to **49** non-profit organizations
- **525+ volunteer hours** by **22** employees



Three Easy Steps to Partner with Us:

STEP 1

CONSULTATION

We typically meet with you for a no-obligation meeting

We will collect data from you and within 1-2 weeks we present our initial findings, which includes an explanation of the financial planning topics that we think are most pertinent to you

STEP 2

ONBOARDING

An onboarding concierge will help create your Parsec profile, open any accounts, transfer funds and simplify any paperwork that needs to be submitted

You will receive an initial summary with information about how account was invested

STEP 3

ONGOING

You will have annual or bi-annual meetings with your advisor

You will have ongoing access to your service team for any questions

We will proactively manage your accounts, such as tax-loss harvesting and rebalancing

Delivering Value for a Client in Durham, NC



Cash flow
projections and
planning in
retirement



Lump sum vs
stream of
payments
analysis on
pension plan



Tax planning



Long term care
analysis



Estate planning
review plan



Account
consolidation;
they had six
different
accounts at four
different
custodians

← Clients needed help with the following: →

Parsec Financial

WEALTH MANAGEMENT



Started with cash flow projections to help client understand their current cash flow with one spouse's recent retirement and the other spouse's expected retirement.



Provided analysis of lump sum vs annuity payout options showing tax and total impact.



Completed Roth conversion analysis to identify opportunities to take advantage of lower tax bracket due to limited income between retirement and social security eligibility.



Evaluated impact of health event on plan success and legacy.



Reviewed existing will and related estate planning documents. Recommended updates and helped identify a local attorney to assist in the process. Invited to join clients at initial meeting.



Consolidated existing and outside investment assets creating a \$5 million+ relationship.

Parsec Financial

WEALTH MANAGEMENT

parsecfinancial.com

The information provided is for educational purposes only and not intended to provide any investment, tax or legal advice. Additional information, including management fees and expenses, is provided on Form ADV Part 2, available upon request or at the SEC's Investment Adviser Public Disclosure site, www.adviserinfo.sec.gov/Firm/104919.

Asheville

S. Asheville

Charlotte

Southern Pines

Tryon

Winston-Salem