Introduction
Parsec Financial Management, Inc. is registered as an investment adviser with the U.S. Securities and Exchange Commission. Investment Advisory Services and Brokerage fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?
We offer services to retail and institutional clients. Accounts: We service retail nonqualified and qualified accounts as well as all manner of institutional accounts. Investments: We use mutual funds, exchange traded funds, stocks and bonds to construct portfolios.

Monitoring: We monitor portfolios and securities in accounts on an ongoing basis. We communicate with you regularly and offer to meet with you at least annually, depending on your needs. Investment Authority: We provide our services on a perpetual discretionary and nondiscretionary basis as requested. We execute investment recommendations and specific transactions, in accordance with your investment objectives, with or without your prior approval, based upon discretionary or nondiscretionary account management status. Our engagement will continue until you notify us otherwise in writing.
Limited Investment Offerings: We do not make available or offer advice with respect to proprietary products nor to a strictly limited menu of products or types of investments. Account Minimums and Other Requirements: We do not require an account or relationship size minimum in order for you to open/maintain an account or establish a relationship; however, Wealth Management clients are subject to a $1,250 minimum quarterly fee and Emerging Wealth clients are subject to a $600 quarterly fee.

For more detailed information on our relationships and services, please see Item 4 – Advisory Services and Item 7 – Types of Clients of our Form ADV Part 2A.

Conversation Starters
 Given my financial situation, should I choose an investment advisory service? Why or why not?
 How will you choose investments to recommend to me?
 What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

What fees will I pay?
You will pay an ongoing asset-based fee. This fee will be collected at the beginning of each quarter based on the average daily balance of the value of the cash and investments in your account[s] that we managed in the previous quarter. Emerging Wealth clients pay a $600 quarterly retainer fee, plus the asset-based fee described above for any assets under management. Conflicts of Interest: The more assets in your advisory account, the more you will pay in advisory fees, and we therefore have an incentive to encourage you to increase the assets in your account. However, as the assets in your account increase, your fee rate will decrease. Other Fees and Costs: In addition to our advisory fee, you will also be responsible for custodian fees, account maintenance fees, fees related to mutual funds, third-party investment manager fees, and other transactional fees. These fees are paid directly to the service providers, and not to Parsec. You may also pay fees for additional services such as ERISA-qualified plan consulting, financial planning or tax preparation; these services are billed separately and are charged hourly or at a fixed rate, with qualified plan consulting additionally subject to an asset-based fee, with annual fee minimums.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.
For more detailed information on our fees, please see Item 5 – Fees and Compensation of our Form ADV Part 2A.

**Conversation Starters**
- *Help me understand how these fees and costs might affect my investments. If I give you $10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

**What Are Your Legal Obligations to Me When Acting as My Investment Adviser? How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?**

*When we act as your investment adviser,* we have to act in your best interest and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. We will recommend that you open your account with a specific custodian, where we have an institutional relationship and receive economic benefits. However, you ultimately decide where to open your accounts. Choosing a different custodian may result in the loss of quality of service and/or ability to obtain favorable prices. Specifically, we receive software, services, and/or products from the brokers we recommend, which are typically Charles Schwab & Company, Inc., Fidelity Registered Investment Advisor Group, T.D. Ameritrade, and NATCO; such services may incentivize us to recommend these custodians to you. We have a financial incentive to recommend that you rollover retirement plan assets into an IRA we manage; however, we seek to educate you on your options and the fees and benefits associated with each choice and then allow you to choose which you feel is in your best interest.

For more detailed information on conflicts of interest, please see Item 12 – Brokerage Practices and Item 14 – Client Referrals and Other Compensation of our Form ADV Part 2A.

**Conversation Starters**
- *How might your conflicts of interest affect me, and how will you address them?*

**How Do Your Financial Professionals Make Money?**

Our financial professionals are compensated based on an agreed upon annual salary, periodic bonus structure and/or a percentage of profits earned by the firm as a whole. This means financial professionals have an incentive to increase the asset size in the relationship or solicit new business.

**Do you or your financial professionals have legal or disciplinary history?**

Yes. You can visit [www.investor.gov](http://www.investor.gov) for a free and simple search tool to research our firm and our financial professionals.

**Conversation Starters**
- *As a financial professional, do you have any disciplinary history? For what type of conduct?*

**Additional Information**

You can find additional information about our investment advisory services by visiting [www.sec.gov/check-your-investment-professional](http://www.sec.gov/check-your-investment-professional) and searching with our CRD #: 104919 or by visiting [parsecfinancial.com](http://parsecfinancial.com). You can request up to date information and a copy of our client relationship summary by contacting us at hpalme@parsecfinancial.com or (828) 255-0271.

**Conversation Starters**
- *Who is my primary contact person? Is he or she a representative of an investment adviser? Who can I talk to if I have concerns about how this person is treating me?*