

PHILANTHROPY AND YOUR WEALTH MANAGEMENT STRATEGY

Including philanthropic goals in your wealth management plan is a strategy mutually beneficial to both you and the causes you care about and may be accomplished in a variety of ways.

One option is to include a charity as a recipient of one or more investment accounts. A charitable organization could be named in a will or listed as the beneficiary of an IRA or retirement plan. When named as the primary beneficiary of an IRA or other qualified account, the charity receives funds, at death, in a gift that is tax-free to the charity. If a charity is the sole IRA beneficiary, then the full value of the IRA would be deducted from the taxable estate, thus possibly making a sizable impact on estate tax liability.

Another method to address philanthropic gifting is to establish a charitable trust. There are two types of charitable trusts: lead or remainder. The more common option is the charitable remainder trust (CRT) which is established to provide income to an individual beneficiary; the public charity or private foundation receives the remainder value when the trust terminates. While a charitable remainder trust is an irrevocable trust, the charitable beneficiaries may be changed at any time. Additionally, a CRT could provide a tax break because amounts transferred to it are not generally subject to gift or estate taxes. A less-common variation is the lead trust. A lead trust makes payments, either of a fixed amount or a percentage of trust principal, to a specified charity during its term. When the trust terminates, the remainder can either go back to the original owner or the designated heirs.

Life insurance policies also present an opportunity to fulfill charitable giving goals. There are two options to consider when using life insurance for gifting. With the first option, the charity may be named as beneficiary of the policy. At death, the proceeds are paid directly to the named beneficiary and are not included in the owner's estate. The beneficiary may be changed at any time during the owner's life. The second option is to actually gift the life insurance policy to the non-profit. Annual cash gifts are then made by the donor to the charity to ensure premium payments are made on the policy. The annual cash donations may be tax deductible for the donor thereby presenting an opportunity to positively impact current tax strategies.

Including charities in your investment and wealth management strategy can be very beneficial, but it can also be complex. The benefits of many of these options involve tax incentives. Your NNP advisor is always available to discuss your questions, but because we do not give formal tax or legal advice, we would also work with your professional tax or legal advisor to determine how this information could apply to you and your financial situation.

Trust services available through banking and trust affiliates in addition to non-affiliated companies of Wells Fargo Advisors Financial Network.

Insurance products are offered through nonbank insurance agency affiliates of Wells Fargo & Company and are underwritten by unaffiliated insurance companies.

UPCOMING EVENTS:

Fall for Greenville: October 14-16
www.fallforgreenville.net

Greenville County Museum of Art Antiques Show
October 14-16
<http://antiques-greenvillemuseum.org>

Greenville Open Studios: November 5-6
www.greenvillearts.com

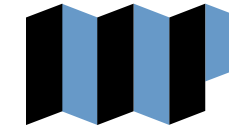
LET US HEAR FROM YOU

We value your opinion. Have a question or topic that you'd like to see addressed in this newsletter? Let us know. Contact Anna Beninate at 864.467.9800 or by email at anna.beninate@nnpwealth.com.



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ENJOY YOUR WEALTH WITH BETTER HEALTH

Much like how a strategic wealth management plan brings clarity and direction to your financial affairs, leading a well-rounded lifestyle can bring great rewards in your personal life.

A nutritious diet and consistent exercise are the foundations of a healthy life, but other, less-obvious factors also play a part in your overall health.

It is important to include hobbies or community involvement in your life, especially as you age. Social interaction has been shown to lessen occurrences of depression and decrease stress. Finding an organization to donate your time to or an activity to enjoy with others may enrich your life and bring lasting health benefits.

Sleep also affects your health. Although it does vary by individual, it is recommended that a typical adult get seven to nine hours of sleep per night for maximum benefits. Lack of sleep can lead to difficulty focusing during the day and an increased risk for diabetes, heart disease and psychiatric conditions, including depression.

Lastly, constant stress can put your health in danger. The long-term increases in stress hormones can put you at increased risk for numerous health issues including heart disease, sleep problems and digestive problems. Stressful events are a fact of life, but you may be able to manage the impact these events have on you by learning to identify and care for yourself in the face of stressful situations.

Although not immediately obvious, a healthier life can positively affect your wealth. Healthy living strengthens your mind and increases your stamina, allowing you to work more effectively and creatively. This may, in turn, advance your career or strengthen your business. A fulfilling and profitable career allows you to better plan for your retirement and enjoy your golden years comfortably. Adapting a healthy lifestyle may also decrease your medical expenses, giving you greater disposable income to spend on the people and activities you love.

CLIENT SPOTLIGHT: TOM MARTIN



Tom Martin
Anderson Prosthetics

After a traumatic farm accident as a child, Tom Martin became an above-knee amputee and was first exposed to prosthetics. He attended Furman University and became a commercial banker, but deciding to follow his passion for the field of prosthetics and orthotics, he returned to school and has been serving patients in the Upstate for over 17 years. Martin had the opportunity to purchase Anderson Prosthetics in 2001 and has served as its President since that time. Additionally, he is certified by the American Board of Certification and serves as an educator and lecturer in the field of prosthetics across the nation.

Tom shares the following comments on his experiences owning his own business.

What are some challenges you've faced in owning your own business?

"For me, the biggest challenge of running a small, 10-employee business is the day-to-day time allocation challenges that come from wearing so many hats. My favorite part of my job is interacting with patients – assisting new amputees, helping patients meet challenges like running a 5K and consulting patients on different prosthetics – but I can't always do the 'fun stuff.' You can't ignore the management side of the practice, such as office management and finances. Additionally, as healthcare professionals, we are spending more and more time justifying and documenting the necessity of what we're doing, which takes away from time I can spend in front of my patients. Lastly, economic factors do have an impact on our practice, as they do in businesses across the country."

What have been some of your biggest successes?

"Personally, I've competed in the Paralympics and completed numerous races, including the NYC and Chicago marathons, and advances in prosthetic technology have allowed me to accomplish these goals. My experience has allowed me to assist patients in similar ways. I have numerous patients who are able to play soccer, tennis or golf after receiving their prosthetics. These success stories are a source of pride for our office!"

Do you have any advice for people thinking about starting their own business?

"First and foremost, having a personal interest or tie in to the business is crucial. This interest keeps you wanting to come back to the business day in and day out, after both good and bad days. Also of great importance is knowing what running your business will take and if you have the capability to do it on your own. For example, I know people with great clinical skills, but not the business skills needed to run a successful business. A key is to identify weaknesses early and find ways to overcome them, such as outsourcing, hiring support, etc. Lastly, you need to make sure your family is ready to 'bite the bullet' with you – I am blessed with a supportive family that allows me to do what I do!"

Tom Martin is President of Anderson Prosthetics. He is a client of Nachman Norwood & Parrott Wealth Management Consultancy.

NEWS FROM NACHMAN NORWOOD & PARROTT

NNP CELEBRATES BIKE MONTH

In May, eleven employees from NNP celebrated National Bike Month with an after-work bike ride on the Swamp Rabbit Trail.



CONTINUED SECURITY MEASURES FOR OUR CLIENTS

Nachman Norwood & Parrott recognizes the importance of protecting the privacy of those who have placed their trust in us. In order to further increase our security measures, a secure email system has been instituted so that we may communicate confidential information to our clients.

If you receive a secure email message from one of our associates, please follow the email's brief instructions for a one-time password set up that you will use for any secure email messages you may receive from us. Feel free to contact us with any questions.

PROFESSIONAL DEVELOPMENT



Bob Nachman



Ben Norwood



John Parrott

Nachman Norwood & Parrott Managing Directors Bob Nachman, Ben Norwood and John Parrott were designated as members of Wells Fargo Advisors Financial Network's Premier Advisors Program, a distinction that reflects their achievement of professional success through a consistent commitment to client service. The Premier Advisors Program represents the best of the best at Wells Fargo Advisors Financial Network.



Arthur L. Eberly, III, MD, FACC
Cardiologist, Carolina Cardiology

TIP FROM AN EXPERT: TAKE YOUR MEDICINES

At Nachman Norwood & Parrott, it is our goal to identify individuals to share interesting and informative topics for the benefit of our clients. Below you will find a tip from such an individual. Arthur L. Eberly, III, MD, FACC, is a Cardiologist with Carolina Cardiology and had these comments on medication:

Failure to take medications as prescribed is a real problem that adversely affects one's health. I have summarized findings from a report in April 2010 published in one of our Journals, Circulation, which speaks directly to this problem in the cardiovascular patient.

Nonadherence to medications is common, with reports of >60% of cardiovascular patients being nonadherent.

Of patients who are adherent to medications, up to 50% of those patients will discontinue their antihypertensive medications in the 6-12 months after a hospitalization. Only 40% of patients after acute coronary syndrome will continue statin therapy for 2 years (after hospitalization).

Primary nonadherence (not filling initial prescriptions) is associated with increased 1-year mortality after myocardial infarction (MI). Among patients who do not fill any prescriptions within 120 days of having an MI, there is an 80% increased odds of death compared to those who filled all prescriptions.

Factors related to nonadherence can be categorized into three groups: socioeconomic, communication-related and motivational.

Socioeconomic factors relate to the patient's ability to pay for medications due to lack of adequate health care coverage, unemployment, retirement or indigence.

Communication-related factors that affect adherence include health illiteracy, inadequate communication including language and/or cultural barriers, substance or alcohol abuse and mental illness.

Factors related to motivation can also impact adherence. Patients are less likely to adhere to a medication if there is no noticeable benefit. Unlike antibiotics or pain medications, cardiac medications such as anti-hypertensives, aspirin or statins often do not make the patient feel better, and thus can be perceived by the patient as not being necessary. A concern regarding adverse effects of medications may also decrease adherence for medication such as statins.

The point or message here is TAKE YOUR MEDICINES.

Watch for more tips and tools from local experts in communications to follow.

PASS THIS NEWSLETTER ON TO A FRIEND

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