

We are pleased to announce that Anna Beninate has joined our team as an Administrative Assistant. Anna will be responsible for all front desk operations while providing administrative support for the team. Anna is a graduate of Bob Jones University and is married to Tony Beninate.

Our long-time associate, Angie Lackey, has been promoted to Client Planning. Angie remains a member of our High Net-Worth Wealth Management Team, but she will focus her efforts on monitoring our clients' progression toward their financial goals.

Bob Nachman recently attended the Davis Investment Advisors Conference in New York City. Davis is one of the larger and more prestigious asset managers in the U.S. The conference was focused on how to choose successful investment managers and the current outlook for the equity market.

On the "green" front, in an effort to reduce our carbon footprint, we will be installing solar panels on our roof. Our own Gary Davis will soon be the proud owner of the first Chevrolet Volt in South Carolina. The solar panels will enable us to reduce our power consumption from Duke Energy while allowing Gary to recharge his vehicle. Any clients with electric vehicles are welcome to plug in to the recharging station while visiting our office.

The annual Nachman Norwood & Parrott company bowling outing was recently held in Greenville. The team consisting of Al Cannon, Andy Byrd, Ben Norwood, Salle Conlin and Anna Beninate ran away with the team title while John Parrott and Kelly Carroll battled to a tie for individual top score. Just wait until next year!



BEST OF
GREENVILLE

The Greenville
Symphony Orchestra

Often described as "the music of friends," chamber music is a form of classical music written for a small group of instruments. Traditionally, these works were performed in a palace chamber or a private salon with an intimate atmosphere.

In keeping with the chamber music tradition, the Greenville Symphony Orchestra is performing a Spotlight Series at Centre Stage, and Nachman Norwood & Parrott is proud to be the presenting sponsor. The casual, social atmosphere at Centre Stage encourages listeners to, "join friends and sit back with a cup of coffee or a glass of wine, and let our principal musicians revitalize your soul."

The next performances are at 2:00 PM and 7:00 PM on Saturday, January 29, 2011 and will feature popular works from Mendelssohn, Haydn and Mozart.



Principle musicians from the Greenville Symphony Orchestra entertain an intimate crowd at Centre Stage.

For tickets or for more information, visit www.greenvillesymphony.org or call the Centre Stage Box Office at 864.233.6733.

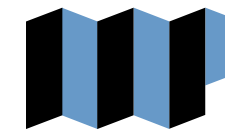
UPCOMING EVENTS:

Concertato String Orchestra (January 26)
SC Governor's School for the Arts and Humanities - www.scgsah.org

Greenville Kennel Club (February 18-20)
Carolina First Center - 864-233-2562

Reedy River Run (March 5)
Downtown Main Street - www.reedyriverrun.com

Bryan Adams (March 17)
Peace Center for the Performing Arts - 864-467-3000



NACHMAN NORWOOD & PARROTT

WEALTH MANAGEMENT CONSULTANCY

THE IMPORTANCE OF STAYING THE COURSE

2010 turned out to be a year divided into three parts. In the first four months, the equity market was up and the economy looked like it was on the road to recovery. When May approached, the crisis in Greece struck, sending the overall mood in the U.S. into a four-month funk which reached a peak of pessimism by August 31. By that point, few in our country could see any signs of hope in the near future. In typical fashion, the market proceeded to rise over 18% in the following 14 weeks! It sounds like a volatile year, but in reality, it's not that unusual. Historically, equity returns come in large amounts, in small periods of time and definitely when you least expect them.

Over the last 10 years, we have experienced several periods of maximum pessimism. During each of these times (and there will be more), it becomes excruciatingly painful to stick to a long-term investment strategy. However, we can look back and see the impact that can be caused by letting our fear take over. Ben Graham, the father of value investing, said it best, "Individuals who cannot master their emotions are ill-suited to profit from the investment process." Just look at the stark illustration to the right:

How could it be that during a 20-year time period, when the average equity mutual fund returned 8.8% per annum, that the average stock fund investor only earned 3.2% per annum? Simple.



Past performance is no guarantee of future results. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index.

© 2010 Morningstar. All Rights Reserved. 3/1/2010

Investors were constantly switching funds, chasing returns and hot managers, attempting to time the market or just giving up on their investment plan. Developing a long-term plan and sticking to it sounds easy, and it is when the sailing is smooth. However, when the going gets tough, human emotion takes over.

2010 proved to be another of those years that challenged one's emotions, but when all was said and done, it worked out well. Having an experienced Wealth Management team on your side can help to provide confidence in this long-term journey.



THESE THREE THINGS JOHN SCOVIL ON FOSTERING EMPLOYEE LOYALTY



John Scovil
CEO US Tool, Current Tool and Jackson Tool

Running one business can be difficult enough, but John Scovil manages to successfully operate three. Although there are some similarities, they are three distinctly different enterprises. Current Tools manufactures tools for electrical contractors; Jackson Tool manufactures tools for mechanical contractors, and US Tool is a business that buys and sells light construction equipment.

Until 1997, Scovil owned a company similar to US Tool. After selling that business, a two year non-compete clause gave him plenty of time to figure out exactly what he wanted to do in life. Armed with a vast knowledge of the industry and the confidence that he could do things better than other businesses, Scovil decided that

manufacturing tools and trading construction equipment was exactly what he wanted to do.

With his non-compete clause satisfied in 1999, John started Current Tools and US Tool in an old textile manufacturing facility in Taylors, SC. A few years later, he formed Jackson Tool in the same facility after seeing the need for tools specific to the mechanical contracting industry.

Here are some highlights of our conversation with John:

How has your size contributed to your businesses' success?

"We know this business and we know our customers. Most of our competitors are very large, and they cannot provide the same level of service and availability that we do. We are a lot more flexible and nimble than larger organizations."

How have your employees contributed to your businesses' success?

"I know a lot of businesses say this, but we really are like a family. I treat each of our employees the way I would want to be treated, and do not take them for granted. They know how much they are appreciated. In

fact, every single employee gets a bonus when we make our sales goal. We are all in this together, and we communicate with each other. The majority of our employees have been here at least four years, and several have been here since day one. That level of loyalty, knowledge and experience is something you just cannot put a price tag on."

How do you feel about the future of your businesses?

"We are positioned for big growth. And that could happen just through new product development alone. We have a lot of new products on the drawing board for all three companies. Whatever happens, though, I don't want to lose the family atmosphere and strong culture of our companies."

John Scovil lives in Greenville, SC, with his wife, Susan. He is a client of Nachman Norwood & Parrott Wealth Management Consultancy.

MEET NADIA LAKE



Nadia serves as our Portfolio Administrator where she assists our advisors in producing client portfolio reports and compiling ongoing investment analysis for all client portfolios. As such, she is responsible for the daily use of many of our financial software programs such as fi360, Morningstar and Portfolio Center. She utilizes these technologies to analyze international and domestic investments, ensuring that they fit within the reasonable risk and return requirements for each client. Nadia is an important part of the operational side of our Team and steps in to serve in client service as needed.

Nadia has been with Nachman Norwood & Parrott for nearly four years and has more than 10 years of experience in the financial services industry. She is a Chartered Mutual Fund Counselor.

Originally from New York, Nadia received her Bachelor of Science degree in Accounting from Mercy College. She and her family are actively involved with the Greenville County Recreation Department where her son plays football for the Eastside Dolphins. Nadia enjoys reading, sewing, traveling and snow skiing.

UNDERSTANDING THE FIDUCIARY ROLE FOR RETIREMENT PLANS

Serving as a trustee of an Employee Retirement Income Security Act (ERISA)-sponsored retirement plan or as part of an investment committee that acts as a fiduciary is an important responsibility. You agree to preserve the assets entrusted to you on behalf of the plan participants and beneficiaries you represent. The legal requirements expected of most fiduciaries are, in many ways, the same as those of prudent investment professionals. In other words, fiduciaries are expected to make fund-management decisions with the same professionalism as a prudent expert.

Who can be a fiduciary? A fiduciary is a person, company or association that acts in a capacity of trust and is therefore held to higher standards with respect to plan-related actions. A fiduciary can be an entity that holds in trust such assets as qualified retirement plans, endowments and other institutional investments. An investment fiduciary is responsible for investing the money wisely for the beneficiaries' benefit. It's quite common to have trustees of retirement plans and board members of foundations in the fiduciary roles. However, business owners, company presidents, principal shareholders, corporate officers and corporate trustees of institutional funds may also have fiduciary status.

What is the role of a fiduciary? Generally, you are a fiduciary if you control plan assets or provide investment advice for a fee. Some fiduciaries are fiduciaries only for certain actions, such as selecting investment managers for the plan. Under ERISA guidelines, there are five general standards of fiduciary conduct. As a fiduciary, you are responsible for ensuring that:

- Employee benefit plans exist solely to serve the interests of the participants and beneficiaries.
- The funds inside employee benefit plans are used only to provide

benefits to participants and their beneficiaries and to defray reasonable plan-administration expenses.

- Employee benefit plans are discharged in accordance with written instruments and documents that should include written investment objectives. You have the right to rely on professionals to help you through this process.
- Investment duties are fulfilled with the care, skill, prudence and diligence of an expert familiar with such matters. You must consider all the facts and circumstances that are relevant to the plan's investment objectives.
- Investments are diversified to minimize the risk of large losses unless it is clearly prudent not to do so under the circumstances.

To learn more about this important subject, contact Al Cannon (Partner) or Gary Davis (Partner) in our Retirement Plan Department.

Wells Fargo Advisors/Wells Fargo Advisors Financial Network/Nachman Norwood & Parrott Wealth Management Consultancy and its financial advisors provide non-fiduciary services only. They do not provide investment advice [as defined under the Employee Retirement Income Security Act of 1974 as amended ("ERISA")], have any discretionary authority with respect to the plan, make any investment or other decisions on behalf of the plan, or otherwise take any action that would make them fiduciaries to the plan under "ERISA."

Wells Fargo Advisors Financial Network and Nachman Norwood & Parrott Wealth Management Consultancy do not act as a fiduciaries and do not provide tax or legal advice. However, we will be glad to work with you, your accountant, tax advisor and or lawyer to help you meet your financial goals.

PASS THIS NEWSLETTER ON TO A FRIEND

See something interesting here that you'd like to forward to a friend or associate?

Just visit our website, www.nnpwealth.com, and go to the [Articles & Insights](#) link to download this as well as other interesting stories and commentaries.

NACHMAN NORWOOD & PARROTT
1116 SOUTH MAIN STREET
GREENVILLE, SC 29601
864.467.9800
WWW.NNPWEALTH.COM