WEALTH MANAGEMENT

FIRST CITIZENS

A Team You Can **TRUST.**

FALL 2026

Important Dates

OCT. 12
OFFICE CLOSED
Monday, October 12
Observing Columbus Day/ Indigenous Peoples' Day

OCT. 22
RURAL DEVELOPMENT CONFERENCE
Thursday, October 22
8:00 AM to 3:30 PM
NIACC Auditorium, Mason City

NOV. 11
OFFICE CLOSED
Wednesday, November 11
Observing Veterans Day

NOV. 26
OFFICE & MARKETS CLOSED
Thursday, November 26
Observing Thanksgiving Day

"Life starts all over again when it gets crisp in the fall."

— F. Scott Fitzgerald

As the seasons begin to shift, it's a reminder that change is a natural part of life. Sometimes change comes gradually, like the turning of the leaves. Other times, it arrives unexpectedly through family transitions, financial decisions, market developments, or new opportunities. Either way, having a thoughtful plan and trusted guidance can help you navigate what's ahead with confidence.

This season, we're sharing insights on several topics that often come up in conversations with clients. From choosing the right Trustee to carry out your wishes, to knowing when it may be time to adjust your financial plan, these articles highlight the importance of balancing preparation with flexibility.

We also take a look at changing leadership at the Federal Reserve and what it could mean for investors and the market environment moving forward. And finally, we're sharing an important update regarding our mailing address, along with a reminder about secure ways to send documents electronically as we continue to enhance our client experience.

Thank you for allowing us to be part of your financial journey. As always, please reach out if we can help.

Nicole Olson

Nicole Rognes Olson, JD, CFP®
Chief Wealth Management Officer

Greetings from Legacy Lane!

Our team showed excellent teamwork and attention to detail while building our submission for Habitat for Humanity of North Central Iowa's Buildathon. So much so, that our submission, "Legacy Lane," won Best in Show! We wanted to communicate the impact we make in our everyday work with clients, so instead of crafting one house, we constructed three unique homes that represent how our team guides our clients through the changing seasons of life.

A New Era at the Federal Reserve

Brad Dummett, CFA®
SVP, Senior Investment Officer

The Federal Reserve is entering a new chapter as Kevin Warsh succeeds Jerome Powell as Chair. While both leaders share a commitment to controlling inflation and preserving the Fed's independence, Warsh brings a distinctly different style that is already influencing market expectations.

The most notable change this year has been the dramatic shift in interest rate expectations. As recently as March, investors anticipated multiple rate cuts. Today, markets are pricing in the possibility of additional rate increases as inflation has remained more persistent than expected and continues to run above the Federal Reserve's 2% target. Concerns surrounding energy prices and geopolitical tensions have only added to the uncertainty. At the same time, a healthy labor market has allowed policymakers to keep their focus squarely on inflation.

At the Fed's latest meeting, policymakers left rates unchanged, but the decision revealed a growing divide within the committee, with three members voting for an immediate increase. That lack of consensus, combined with a rise in longer-term Treasury yields, suggests investors are still trying to determine how aggressively the new leadership will pursue lower inflation.

One area where Warsh differs from Powell is how he evaluates inflation. Powell's Fed focused primarily on Core PCE inflation, while Warsh has placed greater emphasis on the Dallas Fed's Trimmed Mean PCE measure. Because that measure filters out some of the most volatile price movements, it currently paints a somewhat more favorable picture of underlying inflation pressures. The result is an ongoing debate about how much additional tightening, if any, will ultimately be required.

The biggest change for markets, however, may be communication. Powell's Fed spent years providing extensive guidance through forecasts, press conferences, and the well-known "dot plot." Investors had become accustomed to receiving clear signals about the likely path of interest rates. Warsh has taken a different approach. He believes markets should focus more on economic fundamentals and less on trying to interpret Fed guidance. Since taking office, he has shortened policy statements and reduced the emphasis on forecasting future actions.

The bottom line is that the transition from Powell to Warsh represents more than a change in leadership. It marks a shift from a Federal Reserve that sought to guide market expectations toward one that expects markets to interpret the data on their own. As this new approach unfolds, investors should be prepared for greater uncertainty around interest rates, but remain focused on the long-term drivers of portfolio returns rather than the outcome of any single Fed meeting.

Team Celebrations

We are excited to share that our own Sawyer Dalluge and his wife, Calli, welcomed a new addition to their family with the birth of their daughter on July 7, 2026! Sawyer has served our clients well since joining the department in March 2022. Please join us in congratulating him and Calli on this wonderful milestone for their family.

Scott Petersen joined the Wealth Management team as a Trust Operations Specialist I in June. Scott is a native of Bath, Maine, and is currently enrolled in NIACC's accounting program. He and his wife, Alana, live in Mason City and enjoy spending time outdoors with their three sons and two dogs. Prior to joining FCB, Scott proudly served in the United States Army.

Who Should Be Your Trustee?

Chelsea Frederick, CTFA
AVP, Senior Trust Officer

When creating a Trust, most people spend a great deal of time deciding who will receive their assets. Just as important, however, is deciding who will be responsible for carrying out those wishes.

A Trustee is responsible for administering a Trust according to its terms. Depending on the Trust, that may include managing investments, making distributions, maintaining records, filing tax returns, and communicating with beneficiaries. While many people name a family member or close friend, serving as Trustee can be much more involved than many realize.

Family members are often chosen because they know the beneficiaries and understand family dynamics. However, serving as Trustee requires more than good intentions. Trustees have legal responsibilities and must act in the best interests of all beneficiaries. They may be required to make difficult decisions, keep detailed records, and navigate tax and administrative matters.

In some situations, serving as Trustee can place a family member in an uncomfortable position. A child serving as Trustee for siblings, for example, may face questions or disagreements over distributions and Trust decisions. Even when acting appropriately, Trustees can find themselves caught between family relationships and fiduciary responsibilities.

For that reason, individuals may choose a Corporate Trustee. A Corporate Trustee provides experience, objectivity, and continuity. Unlike an individual, a Corporate Trustee does not retire, relocate, or become unable to serve. Professional fiduciaries also have experience handling investment management, trust administration, and the many responsibilities that can arise over the life of a Trust.

As you review your estate plan, it may be a good time to revisit your Trustee selection. A designation that made sense years ago may not be the best fit today. Choosing the right Trustee can help ensure your wishes are carried out and can provide peace of mind for both you and your loved ones. We would be happy to discuss our corporate trustee services with you.

WEALTH ADVISORY UPDATE

When Life Changes the Play: Calling a Financial Audible

Mike Castle, CFP®
SVP, Senior Wealth Advisor

In football, coaches and players sometimes call an "audible," which is a change to the original play at the line of scrimmage after seeing how the other team is positioned. The goal is not to abandon the game plan, but to adjust in real time when circumstances call for a different approach.

The same idea applies to financial planning. It is important to have a long-term plan for your financial life, including cash flow and budgeting, savings for major purchases and retirement, and thoughtful tax planning designed to minimize taxes over your lifetime. But even the best-laid plans will rarely unfold exactly as expected over many years or decades.

Life changes. Markets move. Tax laws evolve. Health needs, family priorities, business decisions, interest rates, and retirement timing can all create moments when it makes sense to reassess the original plan. In those moments, the question becomes whether a financial "audible" is needed, and what play gives you the best chance of staying on track. Our team views financial planning not as a one-time exercise to complete and place on autopilot, but as an ongoing process that should evolve as your situation changes. A good plan reflects your long-term goals, but it should also be flexible enough to adjust when life happens.

We can help stress test different scenarios and illustrate how decisions you consider may affect your overall plan. Whether you are thinking about retirement timing, a major purchase, gifting to family, selling an asset, or responding to a change in income or taxes, reviewing the impact before making a decision can help determine whether the financial audible makes sense to call.

If something in your life has changed, or if you are considering a major financial decision, this may be the right time to revisit your plan before calling the next play.

Mike Castle
Former Newman Catholic Football Coach

OPERATIONS UPDATE

Wealth Management Mailing Address Update

Nicole Smith
Wealth Management Operations Officer

To better serve our clients, First Citizens Wealth Management is transitioning away from the use of our Mason City P.O. Box and moving toward the use of our physical office address for mail correspondence.

As part of this transition, we encourage clients to begin using the following address for future Wealth Management mailings:

First Citizens Wealth Management
2601 4th St SW
Mason City, IA 50401

The transition will occur gradually to ensure a seamless experience for our clients. During this period, mail sent to the existing P.O. Box will continue to be received and processed. However, updating your records now will help ensure future correspondence reaches us as efficiently as possible.

Clients may wish to review any records that reference our former mailing address. While immediate action is not required, updating these records over time will help support a smooth transition.

First Citizens Wealth Management remains committed to providing exceptional service and making it easy for you to conduct business with us. This mailing address update reflects our ongoing efforts to enhance operational efficiency while continuing to meet your needs.

Also, FCWM uses a secure site to allow clients to share important documents electronically rather than attaching the documents directly to an email. Given the continued increase in email fraud, we highly recommend using the secure link, which you can obtain by emailing wealth@myfcb.bank or by contacting any of our team members.

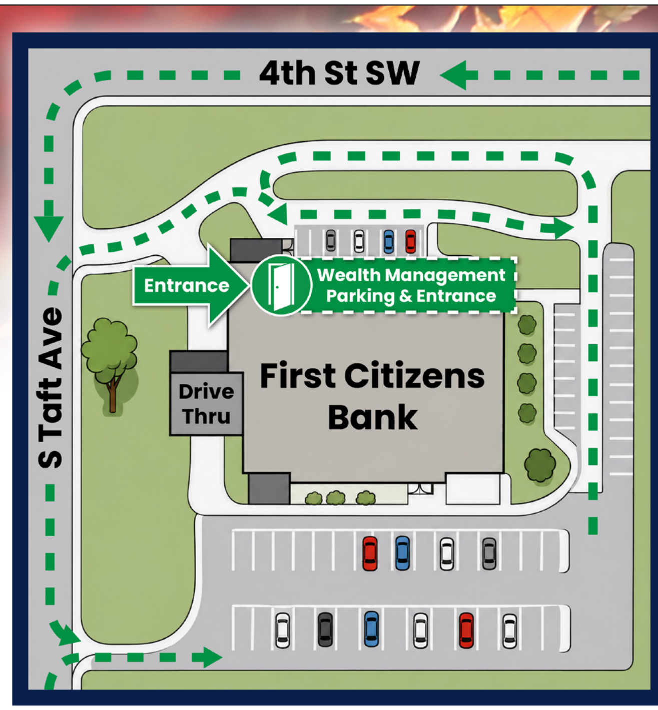
We look forward to continuing to serve you and helping you achieve your financial goals for years to come.

FIRST CITIZENS WEALTH MANAGEMENT

2601 4th St SW
Mason City IA 50401

RETURN SERVICE REQUESTED

PRSRT STD
U.S. Postage
PAID
Mason City, IA
Permit No. 442



Wealth Management Entrance
Doors Open 9:00 AM to 4:00 PM | Monday – Friday

We want your feedback - Email us at wealth@myfcb.bank with comments/questions/suggestions about this newsletter.

641-422-1600 | myfcb.bank/wealth | wealth@myfcb.bank