FIRST CITIZENS WEALTH MANAGEMENT

A Team You Can TRUST.

SPRING 2026

Important Dates

APR. 3
MARKETS CLOSED
Friday, April 3
Observing Good Friday

APR. 15
FEDERAL TAX FILING DEADLINE
Wednesday, April 15

MAY 25
OFFICE & MARKETS CLOSED
Monday, May 25
Observing Memorial Day

MAY 31
FORM 5498 MAILING
Sunday, May 31

JUN. 19
OFFICE & MARKETS CLOSED
Friday, June 19
Observing Juneteenth

Spring is a season for fresh starts and a great time to check in on the things that matter most. In this issue of our Spring 2026 newsletter, our team shares a few timely ideas to help you stay organized, informed, and confident as the year unfolds.

You will find a quick reminder from our Fiduciary team on why spring is the perfect time for an estate plan "tune-up," insights from Investment Management on shifting global markets and diversification, an invitation to start planning for retirement from our Wealth Advisory team and helpful Operations updates on what to expect this tax season.

As always, these articles are meant to spark conversation. If anything catches your attention, or if you would like help refreshing your plan this spring, we would love to hear from you.

Wishing you fresh starts, longer days, and plans that feel as good as spring sunshine!

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

Team Celebrations

Sawyer Dalluge, AFIM®
Investment Officer I

Congratulations to Sawyer Dalluge on his recent promotion to Investment Officer I. In addition to his promotion, Sawyer also earned the Accredited Fiduciary Investment Manager® (AFIM®) designation. Both of these achievements reflect his commitment to fiduciary excellence and advanced expertise in investment management.

Chelsea Frederick, CTFA
AVP, Senior Trust Officer

Congratulations to Chelsea Frederick, CTFA, for her recent promotion to AVP, Senior Trust Officer. Chelsea has been pivotal in expanding our fiduciary services, including Trusts, Conservatorships, and Estates. She also has a keen ability to build trust and walk our clients calmly through some of life's most challenging times.

Brad Dummett, CFA®
SVP, Senior Investment Officer

Congratulations to Brad Dummett, CFA®, for his promotion to SVP, Senior Investment Officer. Brad has driven significant technology advancements, most recently with the implementation of Smartleaf. He consistently puts forth his best effort in every challenge.

Lauren Heuberger, CTFA Candidate
Trust Officer II

Congratulations to Lauren Heuberger, CTFA Candidate, for her recent promotion to Trust Officer II. Lauren has developed strong expertise in farm management and complex estate and conservatorship matters. She has been working diligently on completing her CTFA designation while also juggling some very complex accounts this year.

Mike Castle, CFP®
SVP, Senior Wealth Advisor

Congratulations to Mike Castle, CFP®, for his recent promotion to SVP, Senior Wealth Advisor. Mike's leadership and dedication have been instrumental to our success, and we know he can always be relied upon for sound advice.

A Turning Point for Global Equity Markets

Brad Dummett, CFA®
SVP, Senior Investment Officer

For much of the past decade, U.S. equities have dominated global markets, outperforming by more than 7% per year. This long stretch of leadership led many investors to overweight U.S. stocks—sometimes intentionally, and other times simply by not rebalancing as U.S. markets rose.

That trend has recently begun to shift. In 2025, non U.S. equities outpaced U.S. markets by more than 15%, and the strength continued into early 2026, with non U.S. markets outperforming by an additional 5% in January. Several meaningful forces are driving this renewed momentum:

More Attractive Valuations Abroad
A decade of strong U.S. performance has pushed valuations to elevated levels. Today, U.S. equities trade at roughly 22x forward earnings, well above their long term average of 17x. By contrast, non U.S. markets trade in the much more reasonable 13–16x range. While valuation alone doesn't predict short term movements, historically, high starting valuations have been linked to lower long term returns. This makes the relative discount abroad increasingly compelling.

A Weaker U.S. Dollar Provides a Tailwind
The U.S. dollar declined 9–10% in 2025. For U.S. investors, a weaker dollar boosts the value of overseas earnings when converted back to dollars. Looking ahead, several factors, lower interest rates, ongoing geopolitical uncertainty and tariffs, and widening fiscal deficits, suggest the dollar's pressure may continue, creating a supportive backdrop for international markets.

Different Sector Exposure Enhances Diversification
Diversification in international markets extends beyond geography. Sector makeup varies significantly:

- Tech and Communication Services: 20% of non U.S. markets vs. 44% in the U.S.
- Financials and Industrials: 40% of non U.S. markets vs. 20% in the U.S.

This means international markets may benefit from areas currently supported by global trends such as infrastructure spending and a steepening yield curve, while the U.S. tech sector faces elevated valuations and growing competitive pressures around AI.

What This Means for Investors
This is not a recommendation to abandon U.S. equities. The United States remains a core holding for most portfolios. However, for investors who have been under allocated to non U.S. equities, now may be an opportune moment to revisit the role of international stocks.

Non U.S. markets represent roughly 40% of global market capitalization, and several supportive factors are aligning in their favor. Even a modest allocation can help improve diversification and may enhance long term return potential.

In The Community

One of the biggest core values here at First Citizens is "Community." This includes offering exceptional financial services throughout each of our banking communities, but also representing the bank well throughout various community-based organizations. Our very own Colleen Mooney and Gaby Castelán have been active members of the Clear Lake Jaycees since 2025 and both are instrumental helpers for various events, including Paddlefest and the Dive Bar Tour across North Iowa. At the most recent meeting in February, they led a presentation covering retirement basics for the Jaycees members in attendance, a perfect subject for 20-40 year olds just getting started in their respective careers. We are proud of Colleen and Gaby for the great work they do and how they represent First Citizens Wealth Management!

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to stay up to date!

FIDUCIARY UPDATE

A Spring Refresh for Your Estate Plan

Chelsea Frederick, CTFA
AVP, Senior Trust Officer

Spring is a season of renewal. We open the windows, clear out what no longer serves us, and make thoughtful updates to prepare for the months ahead. While most people think about spring cleaning their homes or finances, it's also an ideal time to review something just as important: your estate plan.

Even the most carefully designed estate plan isn't meant to be static. Life moves, families evolve, and laws and circumstances change. A "spring tune-up" helps ensure your plan still reflects your wishes, protects your assets, and provides clarity for the people and organizations you care about most. Small updates made today can prevent confusion, delays, or unintended outcomes later.

For individuals who have a Trust as part of their estate plan, this review is especially valuable. It's an opportunity to confirm that Executor, Trustee or other personal representative appointments still make sense, distribution provisions still align with your goals, and administrative details remain clear. Life events such as marriages, divorces, births, deaths, relocations, or changes in family dynamics often warrant adjustments. Even when no major life change has occurred, a simple review can provide peace of mind.

Families who rely on our department to serve in a fiduciary capacity can benefit even further from a spring estate tune-up. Because we handle trust and estate administration every day, we know firsthand how outdated documents, incomplete asset titling, or unclear instructions can create unnecessary complications. A review allows us to confirm that assets are properly titled, beneficiary designations are coordinated with your plan, and key documents are current and consistent. These details may seem small, but they are often the difference between a smooth transition and a stressful one.

What makes this process especially effective is partnership. As a Corporate Fiduciary, we bring continuity, objectivity, and experience that individual Trustees or Executors often cannot. We understand not only how your documents are written, but how they function in real life, during administration, during transitions, and during emotionally difficult times for families. That perspective allows us to help identify potential issues before they become problems and to suggest thoughtful adjustments that strengthen your overall plan.

A spring estate tune-up doesn't require a complete overhaul. By reviewing your plan regularly and keeping us informed of life changes, you reinforce the foundation you've built and ensure your intentions remain clear and actionable. Our fiduciary team is here to guide you through that process, answer questions, and help you move forward with confidence in any season.

OPERATIONS UPDATE

A New Look and Feel for Tax Forms

Nicole Smith
Wealth Management Operations Officer

This year, you may notice that your tax reporting documents have a new format and layout. While the presentation has been updated, the underlying information and tax reporting remain the same.

The refreshed format is the result of a change to our tax processing vendor. This was done to streamline our internal operations and enhance the review and efficiency of tax reporting. While change can be disruptive and onboarding a new system always has some challenges, we are confident this change will be positive in the long-term. One significant improvement is the ability to offer a Consolidated 1099. We do expect additional improvements for the year ahead and are very open to any feedback you or your tax preparer have about the new format.

Key Tax Deadlines to Keep in Mind
For most taxpayers, the federal income tax filing deadline for the 2025 tax year is April 15, 2026. This is also the deadline to pay any taxes owed, even if you request an extension to file your return.

A few reminders:

- Filing an extension gives you additional time to submit your return but does not extend the time to pay.
- IRA and Roth IRA contributions for 2025 can generally be made through April 15, 2026, subject to eligibility and limits.

We recommend coordinating early with your tax advisor, especially if you have multiple accounts or trust-related reporting.

When to Expect Form 5498
Many clients ask about Form 5498, which reports IRA contributions, rollovers, conversions, and year-end fair market value.

It's important to know:

- Form 5498 is informational only and is not required to file your tax return.
- Because IRA contributions can be made up until the tax filing deadline, custodians are not required to issue Form 5498 until May 31.
- You may receive Form 5498 after you've already filed your tax return, this is normal.
- When you receive Form 5498, we recommend reviewing it for accuracy and keeping it with your tax records.

We're Here to Help
We understand tax season can feel overwhelming, especially when forms look different or arrive at different times. Please know we are here to support you throughout the process.

If you or your tax professional have questions about your tax documents, timing, or account information, please contact us at any time. Thank you for the opportunity to serve you.

WEALTH ADVISORY UPDATE

You've Saved for Retirement, Now What?

Mike Castle, CFP®
SVP, Senior Wealth Advisor

The Wealth Advisory team here at First Citizens Wealth Management has had a busy start to 2026 onboarding new clients, many of whom are at or approaching retirement. A common question we often get at this stage of life is some version, "How do I actually spend this money I've saved?" Our team has the expertise, tools, and resources to help you create a distribution plan that is customized, sustainable, and tax efficient.

Topics that are frequently addressed with these clients include strategic Roth conversions, asset location amongst various accounts, distribution and cash flow planning, tax bracket management, and appropriate overall asset allocation. Addressing these topics holistically helps to create a plan that reduces lifetime taxes (and potentially those paid by your beneficiaries), improve after-tax returns, and provide cash flow to enjoy your retirement years.

If you are starting to think about what comes next after your working years are done, please reach out to our team to discuss how we can help you create your plan.

FIRST CITIZENS WEALTH MANAGEMENT

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Almost Summer

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