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WEALTH MANAGEMENT MIDWEST INC

# Spring 2026
# Quarterly Investment Newsletter

## As I See It

As the Iran conflict enters its second month, geopolitical stress continues to test investors. Historical stock market performance during geopolitical conflicts helps remind us that stocks are far more resilient than the moment may suggest. As we assess today's environment and the uncertainties surrounding ongoing military operations in Iran, we focus on two past conflicts we believe are instructive, though past performance does not guarantee future results.

The two periods offer contrasts. In 1990, at the start of the first Gulf War, the U.S. economy was slipping into recession. Corporate profits were flattening, inflation remained elevated, and consumer confidence was fragile. With little fundamental support in place, markets initially struggled. Yet even then, equities began recovering well before the conflict formally ended, anticipating eventual stabilization.

By contrast, in 2003, when the Iraq War began, the economy had already healed from the dotcom bust and the 2001–2002 corporate accounting scandals. Corporate earnings were rebounding, monetary policy was supportive, and valuations were reasonable. With stronger fundamentals in place, markets responded positively after hostilities started and began a five-year bull market that didn't peak until October 2007.

Today, we see elements of both periods — but importantly, we do not see evidence that the long-term economic or earnings outlook has been meaningfully impaired. First and foremost, a demilitarized Iranian regime would ultimately contribute to a safer world and more stable markets, mitigating a key geopolitical risk that has persisted for nearly five decades. From a market perspective, nothing about the current conflict undermines our confidence in the long-term attractiveness of equities. For stocks, the more positive 2003 path seems more likely than 1990.

Beyond the human element, we can all acknowledge that this environment is uncomfortable. The damage the Iranian regime has inflicted on energy and other infrastructure in the region is unsettling. Iran maintains control of

***As I See It Continued on Page 2***

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### *As I See It-Continued From Page 1*

the Strait of Hormuz. There is no easy off ramp. Yet history shows that markets often recover well before geopolitical tensions fully resolved and frequently with surprising force once clarity begins to emerge. As stocks hinted at with big gains on the last day of March, that outcome remains possible in our view.

While no one can predict how long this period of volatility will last, the underlying economic foundation and corporate America's earnings power remain strong.

Thank you for your continued trust and support. I am grateful for our relationship. Let's stay healthy and positive!

Sincerely,

DEP

David E. Purdy

**Important Information:** This material is for general information only and is not intended to provide specific advice or recommendations for any individual. There is no assurance that the views or strategies discussed are suitable for all investors or will yield positive outcomes. Investing involves risks including possible loss of principal. Any economic forecasts set forth may not develop as predicted and are subject to change. References to markets, asset classes, and sectors are generally regarding the corresponding market index. Indexes are unmanaged statistical composites and cannot be invested into directly. Index performance is not indicative of the performance of any investment and do not reflect fees, expenses, or sales charges. All performance referenced is historical and is no guarantee of future results. All data is provided as of March 31, 2026. All index data from FactSet. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk. Past performance does not guarantee future results. Asset allocation does not ensure a profit or protect against a loss. This research material was prepared by LPL Financial, LLC.

## Create a 'stop doing' list

Everyone obsesses over what to add,
new habits, new routines, new goals.
But the fastest way forward is usually through subtraction.

Answer this:

*If a competent CEO got to run your life in 2026, what are the first things they would eliminate?*

Write a list and start cutting!

## *Wealth Management Midwest: Mission & Vision*

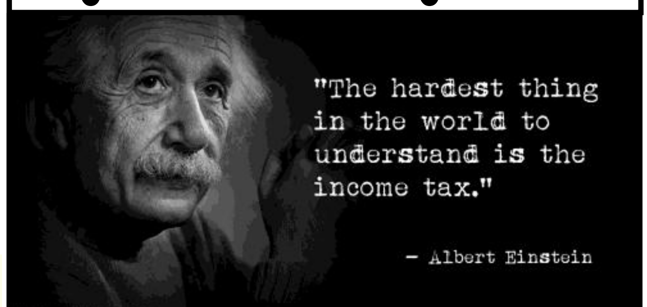
### *Mission*

***To inspire our clients to make sound financial choices, avoid costly mistakes, and live their best financial life.***

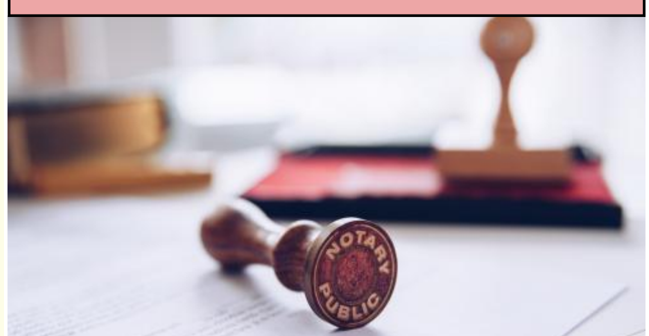
### *Vision*

***Our industry needs leadership to move forward and be reshaped into a valued and supportive role in our clients' lives. We will help lead this change by committing to always do what we believe is in our clients' best interest. Our clients must have faith that our advice is drawn from our knowledge and desire to help them work towards their unique goals.***

## Quote Of The Quarter




***Need something Notarized?***
***Don't fret.***
***Both Ali and Lesley are Notaries!***




***This complimentary service is another way we add value for our clients!***

# Goodbyes are hard...

SERGEANT SHORTBREAD

We have been proud to partner with Sergeant Shortbread over the years, enjoying his incredible shortbread cookies and delicious handmade snacks that always brought something special to our clients. We recently received an email from Matt, AKA "Sergeant Shortbread" saying: Due to rising rent at my commercial kitchen, ingredient cost increases, and a decrease in overall revenue, I will be discontinuing the wholesale side of Sergeant Shortbread. We will miss working with him; however, we support Matt's decision and wish him all the best!

## Time it takes a hacker to brute force your password in 2025

**Hardware: 12 x RTX 5090 | Password hash: bcrypt (10)**

| Number of Characters | Numbers Only | Lowercase Letters | Upper and Lowercase Letters | Numbers, Upper and Lowercase Letters | Numbers, Upper and Lowercase Letters, Symbols |
|---|---|---|---|---|---|
| 4 | Instantly | Instantly | Instantly | Instantly | Instantly |
| 5 | Instantly | Instantly | 57 minutes | 2 hours | 4 hours |
| 6 | Instantly | 46 minutes | 2 days | 6 days | 2 weeks |
| 7 | Instantly | 20 hours | 4 months | 1 year | 2 years |
| 8 | Instantly | 3 weeks | 15 years | 62 years | 164 years |
| 9 | 2 hours | 2 years | 791 years | 3k years | 11k years |
| 10 | 1 day | 40 years | 41k years | 238k years | 803k years |
| 11 | 1 weeks | 1k years | 2m years | 14m years | 56m years |
| 12 | 3 months | 27k years | 111m years | 917m years | 3bn years |
| 13 | 3 years | 705k years | 5bn years | 56bn years | 275bn years |
| 14 | 28 years | 18m years | 300bn years | 3tn years | 19tn years |
| 15 | 284 years | 477m years | 15tn years | 218tn years | 1qd years |
| 16 | 2k years | 12bn years | 812tn years | 13qd years | 94qd years |
| 17 | 28k years | 322bn years | 42qd years | 840qd years | 6qn years |
| 18 | 284k years | 8tn years | 2qn years | 52qn years | 463qn years |

Hive Systems

Read more and download at hivesystems.com/password

# Office News From Ali and Lesley

### *We Changed Email Programs!*

Our email system has been updated, and future office communications will now come from info@wealthmanagementmidwest.com. Be sure that it isn't flagged as spam so you receive our client announcements, market insights, and more in our monthly email. Feel free to email this inbox as it is regularly monitored by our team.

### Schedule Your Meeting with Ease!

We're excited to introduce a quick and convenient way to connect with us. Simply scan the QR code in this newsletter to schedule your review meeting or a new client introduction meeting with our office.

Your time matters—let's make scheduling simple!

### The Importance of Verbal Communication

In today's digital age, where texting and emailing have become the norm, it's easy to overlook the value of a simple phone call. However, when it comes to sensitive requests—such as updating account details or initiating a funds transfer—to eliminate fraud, a verbal confirmation remains essential.

For security purposes, we require a brief phone call to verify your identity and ensure that your verbal instructions align with your electronic request. This extra step helps protect your accounts, safeguard your personal information, and ensures that only you have access to make changes.

Your security is our top priority, and verbal confirmation is one of the key-ways we maintain the integrity of your account.

MEDICARE EDUCATION

### Complimentary Medicare Concierge Service!

Are you approaching age 65 and have questions about applying for Medicare? Would you like to learn exactly how Medicare works and what the current plan options are? Are you enrolled in Medicare and really don't understand it? We have you covered with our Medicare concierge service! There is no cost for this, and we don't offer Medicare insurance supplements or product sales of any kind. This is truly a value-added convenience for being a client of ours. Don't lose sleep over anything having to do with Medicare, contact Ali today and she will put you in touch with the services best able to answer your questions about this free service (651)-464-2664.

***From the desk of Ali Kari:*** ***The Road That Raised Me: Generations of Kari Cars***

***Left: Grandfather - Steven Kari – 1941 Buick Convertible Coupe***
***Middle: Father - John Kari – 1964 Buick Riviera***
***Right: Ali Kari – 1960 Ford F100 Truck***

The painting above captures decades of car collecting in the Kari family—though it hardly scratches the surface of all the vehicles that are not pictured and have come and gone over the years. Though my grandfather Steven is no longer with us, his spirit is still in the garage helping us bring this truck—my project back to life.

Growing up, I was brought to countless car shows. Including the local Frankensteiners car show, to the amazing Back to the 50's. My routine was simple: grab my stuffed animal, climb into the backseat, listen to the engine purr as we drove in, wave enthusiastically at strangers through the window, set up my orange and pink child-sized lawn chair, wander around admiring all the beautiful cars while trying very hard not to touch any of them, and—without fail—fall asleep under an umbrella or curled up in the backseat.

What was once just a fun childhood outing has grown into a nostalgic, meaningful passion. I'll be the first to admit I still have a lot to learn about classic cars, but I love being immersed in that world and am determined to absorb everything I can.

As for my Ford truck? Right now, it consists of a bare frame, a very disassembled body, and an engine suspended from a cherry picker. It's in storage for now, as last year was anything but calm, but the project is still very close to my heart. When my parent's garage is fully built, my father and I will continue this build. To me this simple truck is the start of something special—another chapter in the long line of Kari family car stories.

## *The 6 Value Propositions of Wealth Management Midwest*

1. **Organization:** We create order to your Financial Life. We strive to make your Financial Situation more straightforward, rather than more complicated.
2. **Accountability:** We guide you on your Financial Commitments. We encourage you to set goals and dreams, and we will provide a framework of how to pursue them.
3. **Transparency:** We disclose our resourceful and credible insight. We are diligent with our decisions, and we strive to provide you with options that best aligns with your situation.
4. **Proactivity:** We plan and prepare for your future. We assess potential life changes and challenges in your future, we create an action plan, and then we activate it when needed.
5. **Education:** We obtain valuable knowledge for your position. We provide credible information that strive to add value to your financial situation and goals you have.
6. **Partnership:** We build a relationship with you to better serve you. We strive to create opportunities for you to live your best life. We not only value you, but we value your loved ones, your goals, and your achievements.

***Food for thought from the desk of Chad Olson:***

## The Inherited IRA Rule That Forces Adult Children Into a Higher Tax Bracket

When Dave and I meet with non-spouse clients, like adult children that are inheriting their parent's IRA, there is confusion having to do with the newer required minimum distribution (RMD) rules. I thought I would provide some clarity.

The SECURE Act changed the inherited IRA rules in 2020, and most families who stand to inherit a traditional IRA have not fully processed what it means for their tax bill.

Before 2020, a non-spouse beneficiary could stretch distributions over their own life expectancy — sometimes 30 or 40 years. That kept annual withdrawals small and the tax impact manageable. A 52-year-old inheriting a $400,000 IRA could take roughly $12,000 per year and stay comfortably in the 22% bracket throughout.

Under the current rule, most non-spouse beneficiaries must empty the account within 10 years. For someone still working and earning $95,000 per year, that means adding $40,000 in IRA withdrawals annually on top of their salary — pushing a portion of that income into the 32% bracket.

The timing of those withdrawals matters almost as much as the total. Spreading them evenly over 10 years at roughly $40,000 per year produces around $128,000 in total tax. Delaying and then taking $200,000 in years nine and ten pushes the total closer to $174,000 — a $46,000 difference from procrastination alone.

The practical planning move for beneficiaries is to map out the 10-year withdrawal schedule in the year they inherit, not later. Years with lower income — a job change, early retirement, a sabbatical — are the right years to take larger distributions.

The stretch rule still applies to surviving spouses, disabled beneficiaries, chronically ill heirs, and anyone not more than 10 years younger than the person who died. For everyone else, the clock starts the year after death. Feel free to reach out to me with any questions.

*Source: IRS.GOV*

**Please take note:** As of February 2026, our emails have changed; please update your address book with the emails listed below.

### Updated Email Addresses

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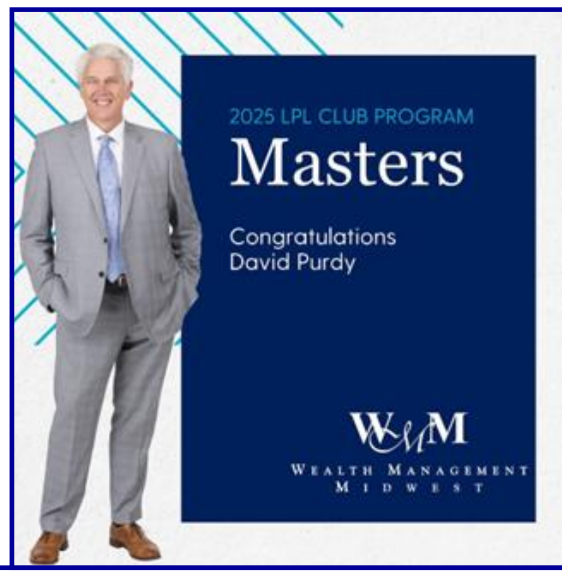


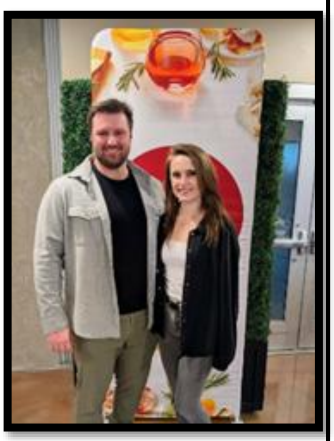

We're proud to celebrate an incredible milestone as Dave Purdy qualified for the 2025 LPL Masters Club for the 20th consecutive year, this achievement is based on 2025 calendar year production among LPL financial professionals. This is a testament not only to his dedication, but to the strength, consistency, and client focused commitment of the entire Wealth Management Midwest team.

# Personal Notes

## Dave Purdy

In February, Lori was off to judge an AKC Agility trial in sunny Phoenix. She said the weather was beautiful and the show went well. Upon her return, we went to Hawaii to have a little rest and relaxation. Some of our highlights were whale watching about 14 miles out to sea and getting very close to three Humpback whales . It was fascinating watching these whales do acrobatic breaches and play with each other. Another day we visited a farm that grows cacao that they use to make chocolate, the farm tour included tasting over a dozen varieties of chocolate, absolutely essential for a chocolate lover. We also spent a day visiting the volcano, you could smell the sulfur in the air along with the smoke.  A special highlight of the trip was Lori participating in the Hearts & Trails 5K breast cancer run—where every dollar raised went directly to Breast Cancer Hawaii. Lastly, Lori recently had an exceptional weekend showing Tidbit, our Manchester terrier in agility, she qualified three times in one day, and he came in first place on his Jumper's run!

## Ali Kari



***Happy Spring! As much as I love the holidays, I am happy to be back to a regular schedule. In January one fun event I was able to attend was the Vikings Winter Skolstice speakeasy. The Vikings open up their training facility to explore, and I also got to enjoy blues and jazz music. My favorite event was the Minnesota Monthly Food and Wine Experience. At the Twins Stadium Target Field, Cody and I experienced an unlimited sampling of decadent food and drinks. Being in the stadium prior to opening day was amazing to see the ground crew at work. I am going to keep my eyes peeled for more unique events like this, and ready for baseball season to start!***

## Lesley Kirchoff

I recently had the privilege of taking a Spring Break vacation with my two boys and my mom. We went on a Disney Cruise to the Bahamas, and I can't help but smile every time I think about it. We spent our days soaking up the warm weather, enjoying the endless treats around every corner, and exploring the beautiful ship. The boys had the *best* time—and I loved watching them enjoy every minute of it. It was exactly what we needed—time together, away from the rush of everyday life, just enjoying being in the moment. Truly a fantastic trip.

## Chad Olson

One thing I will always remember from the last few months is watching the USA win the Olympic gold medal in hockey.  For the men's gold medal game, I went to a friend's house at 7am to watch it live on TV.  I was 4 years old the last time the USA won the gold medal in 1980, so it was a unique moment and a very exciting game to watch.  My family went on a cruise out of San Juan, Puerto Rico, over spring break.  It was such a fun time to see a few islands we had not previously been to, but the highlight was our return trip to White Bay in Jost Van Dyke.  It is the home to the "Soggy Dollar Bar" and one of the nicest beaches we have ever traveled to.  We toured St. Nicholas Abbey in Barbados where we rode a train and toured their rum distillery. Our return trip caught the double whammy of the blizzard in Minnesota and the government shutdown, so we were delayed in San Juan for a few extra days at the tail end of our vacation.  I hope you are all well, and I look forward to seeing you soon.

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