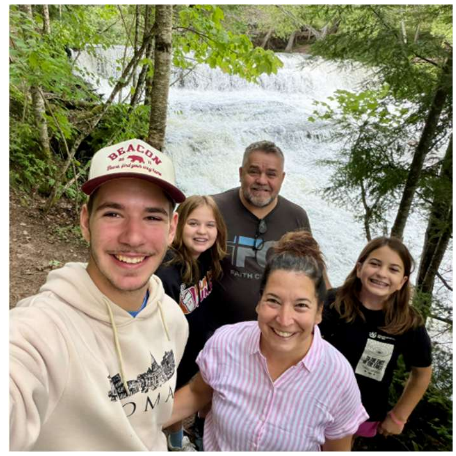
PASCOLO VERDE

Q3 2026 NEWSLETTER

Hi Pascolo Private Wealth Management Family,



Welcome to edition #3 of the **Pascolo Verde** Newsletter. Pascolo is an Italian word that means *"Pasture"* and Verde means *"Green"* with the proper translation of *"Green Pastures"*. The goal of this newsletter is to update clients with important news, market updates, expert insights, and the latest financial trends to help you make informed decisions. It is my goal to provide a peaceful and confident experience as we navigate the world of asset management and establish and grow our legacies. These newsletters will be disseminated quarterly on a regular basis, with additional newsletters sporadically as the changing financial environment may dictate.

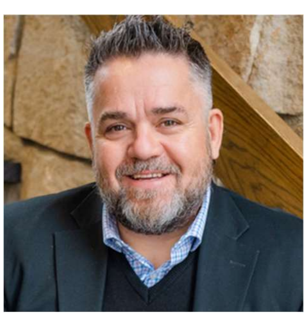
The Paletta Family finally had a chance to take our first trip of the year and we had a blessed RV trip to the state of Michigan to visit waterfalls, Mackinac Island, friends and family as we celebrated Rocco's 18th birthday and his start to his senior year of high school and starting some college courses as well. As always, we appreciate your prayers as we also pray for the Pascolo family and welcome you to reach out with any prayer needs as they arise.

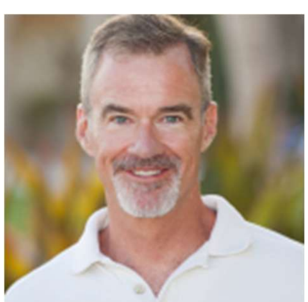
<u>COMMUNICATION:</u>

Please remember that you can get this newsletter and all previous newsletters and other resources at our website www.PascoloWealth.com under the Resources tab.

Here you will find all of my contact information, including a phone number for calls and texts, an email address, and the Calendly link for scheduling Zoom or phone appointments.

As a reminder, please keep the firm phone number (913)308-8355 and my email Joshua@Pascolo271.com in a SEPARATE business contact on your device. The (913) number is connected to an approved application that allows for texting in compliance with the financial industry and comes directly to my phone and computer so that I can receive and correspond quickly to all clients. The information texted to, and from this number are recorded in your client file as correspondence and the (913) number may be used and monitored by current and future members of my team as needed.





<u>MARKET UPDATE</u>:
Joshua Paletta – Chief Investment Officer along with Financial Mentor Todd Tresidder:

This year has been a very volatile year especially since March with the ongoing conflict with Iran. We started the year with mostly international positions and a strong position in the precious metal gold, which has served us very well for nearly 2 years. Gold then suffered a significant pullback in March which was felt in our portfolios, and the TAA model soon eliminated that position for several months. We then took stronger positions in the USA economy to ride the recovery in April, May, and June. The model also took some defensive posturing by going to cash for a short time to wait out some of the volatility in the markets. We reentered a strong position in gold on August 1st through the stock holding PHYS and saw that position increase nearly 8% by the end of the month of August*. According to the data provided by Allocate Smartly, the Todd Tresidder model is at 8.8% in the positive and August alone brought growth of 4.4%, thanks, in part, to the strong growth of the price of gold.

I have never been more confident than I am today in the process and procedure of TAA, Tactical Asset Allocation, as taught by Todd Tresidder. I joined Todd's Financial Mentorship group last year to get ongoing refinement and education of my asset management operations using an active market risk management approach to portfolio building. In one of my meetings with Todd, he indicated that it is very likely that "No one will even remember" the Iran conflict that helped to cause a 10%+ drop in the market in March of 2026, and that even He wouldn't know how to navigate the stock market without the models that he created that date back to the 1980's when he was managing a large hedge fund.

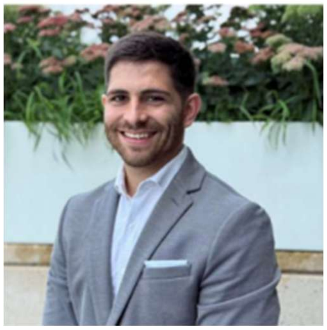
I think it is very important to remind all Pascolo clients that the TAA method does not necessarily beat the "buy and hold" market at all times and in every given year. Paper assets are and have always been a very long-term process. One of my favorite Todd Tresidder quotes is, "You don't have to make money every single year, you just have to make sure that you don't lose big." I believe that this year is another proof of confidence that that model made significant tactical changes to stop the downtrends, get to safety in the season of uncertainty, and then position well to grow by using sectors and tools that were poised to do so as we enter the second half of the year.

In a podcast Todd was guest in (* @moremoneypodcast Ep. 197 via YouTube), he was asked about what is a good product for investing. Todd told the host that unfortunately, that is a bad or flawed question. He explained that there isn't a good product for investing, because the economic environment is always changing. So, the proper question is, "What is a good investment process?" as he reminded the host and listeners. Todd went on to reiterate that "A valid process has a provable, positive, mathematical expectancy." Meaning, that if used correctly, over time, it will get positive results.

When the discussion continued around product versus process and risk management, Todd again clarified that higher risk does not always, nor usually mean higher reward. In fact, he emphasized, "you can actually get improved returns, with lower risk," he emphasized. He also shared that in his time as a hedge fund manager, he was amazed that it actually looked like, "the less I lost (as an asset manager), the more they (the clients) made." Todd discovered that one of the greatest differentiating factors of TAA is losing less when the markets are bad. This can sometimes take some years to see play out.

The TAA Model portfolio wasn't always positive and certainly wasn't perfect. But over time, the process allowed the portfolio and products to adapt to current market conditions, with the goal of minimizing losses during market downturns and, therefore, having less to recover from. It also has the ability to grow even better than the benchmark because it can use tools not implemented by a traditional buy and hold strategy. As always, please reach out for a customized review of your accounts at any time. You can use the scheduling link on my website or just reach out via email or text to coordinate a time to meet.

MESSAGE FROM OUR CERTIFIED FINANCIAL PLANNER BRYCE GRAHN:



Bryce Grahn, CFP ®: Financial Planner with LexAuruam Advisors

We have received various questions about the Trump Accounts (TA). Below are the key points, plus two articles for deeper context:

- **Account opening:** Advisors cannot open the account through Charles Schwab. The guardian must open it directly at ***trumpaccounts.gov***; once established, we should be able to manage it at Schwab.
- **Eligibility:** U.S. citizens who are under 18 years old, as of the calendar year-end, are eligible to establish a TA.
- **Pilot funding:** Only beneficiaries born between 2025 and 2028 will receive the $1,000 pilot contribution.
- **Contributions:** Annual limit of $5,000. Contributions are permitted as of July 4, 2026.
- **Investments:** Must be invested in low-fee, broad-based U.S. equity index MF / ETFs.
- **Tax treatment:** Contributions are not tax-deductible. Earnings grow tax-deferred and are taxed as ordinary income upon withdrawal.
- **Withdrawals:** Not permitted until the beneficiary reaches age 18; distribution rules align with those for Traditional IRAs.
- **Planning considerations:** Comparison with 529 plans, generational wealth transfer strategies, and potential Roth conversion from TA.

A great line from the Kitces article comparing TA to 529s, "If parents must choose between one or the other, the decision mainly comes down to whether they primarily want to contribute to their child's education or to help fund their child's retirement."

https://www.schwab.com/learn/story/trump-accounts

https://www.kitces.com/blog/taxable-accounts-custodial-kiddie-tax-obbba-trump-accounts-one-big-beautiful-act-roth-rmd-529-plan/

The notice I received once I submitted my son's application is available on the Resource page of www.PascoloWealth.com

Please check the website for new updates on My Team and My Network Members. I am currently in discussions with new team members and network members for our community that will be of great added value to all of our wealth building journeys and goals. As always, please reach out for an appointment at any time.

Thank you,

Joshua D. Paletta, CIO, IAR
Founder and President

*Information provided for the TAA portfolio and chart is from Allocate Smartly as of 09/01/2026
*Information provided for the stock data is from Apple Stocks app as of 09/01/2026
*Quotes from Todd Tresidder are from my direct mentorship meetings with Todd and some came from the podcast @moremoneypodcast Ep. 197 via YouTube