INTERAGENCY CHARTER AND

FEDERAL DEPOSIT INSURANCE APPLICATION

FOR

FLEX BANK

A UTAH STATE-CHARTERED INDUSTRIAL BANK

SUBMITTED TO THE

FEDERAL DEPOSIT INSURANCE CORPORATION AND THE

UTAH DEPARTMENT OF FINANCIAL INSTITUTIONS

APPLICATION FORM AND PUBLIC EXHIBITS

July 23, 2026

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APPLICATION FORM

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Federal Deposit Insurance Corporation

INTERAGENCY CHARTER AND FEDERAL DEPOSIT INSURANCE APPLICATION

SECTION I - GENERAL INFORMATION

1. Type of Charter *(Select all appropriate boxes)*.

☐ National Bank ☒ State Bank ☐ Federal Savings Bank or Association ☐ State Savings Association

☐ Other *(Specify)*:

2. Chartering Agency *(Select all appropriate boxes)*.

☐ Comptroller of the Currency ☒ State: Utah Department of Financial Institutions

3. Special Focus *(Select all appropriate boxes)*.

☐ Community Development ☐ Cash Management ☐ Trust

☐ Credit Card: ☐ CEBA ☐ Non-CEBA

☐ Other *(Specify)*:

4. Type of Insurance Application *(Select all appropriate boxes)*.

☒ De Novo ☐ Operating Non-Insured Institution

☐ Other *(Specify)*:

5. For OCC *(Select all appropriate boxes)*.

☐ Standard ☐ Expedited

6. Federal Reserve Status *(Select all appropriate boxes)*.

☐ Member Bank ☒ Non-Member Bank

SECTION II - PROPOSED DEPOSITORY INSTITUTION

7. Name
Flex Bank

8. Street
To be determined

9. City	10. State	11. ZIP Code
Salt Lake City metropolitan area	Utah	To be determined

SECTION III - HOLDING COMPANY IDENTIFYING INFORMATION (If applicable)

12. Name

13. Street

14. City	15. State	16. ZIP Code

SECTION IV - CONTACT PERSON

17. Name
Jeff Berkson Flexible Finance, Inc., Chief Banking Officer

18. Street
228 Park Ave. South, #75995

19. City	20. State	21. ZIP Code
New York	New York	10003

I. Overview

A. Provide a brief overview of the application. The overview should describe the institution's business and any special market niche, including the products, market, services, and any nontraditional activities.

Flexible Finance, Inc. ("**Flex**") has prepared this Interagency Charter and Federal Deposit Insurance Application (the "**Application**") requesting approval from the Federal Deposit Insurance Corporation (the "**FDIC**") and the Utah Department of Financial Institutions (the "**UDFI**") to organize and operate Flex Bank (the "**Bank**"), which will be a de novo, FDIC-insured, Utah state-chartered nonmember industrial bank. The Bank will be headquartered in the Salt Lake City-Provo area in the State of Utah.

Overview

The Bank's business model will focus on providing consumer-oriented banking and credit solutions that facilitate timely payment of essential living expenses, primarily rent and other recurring bills. The Bank's primary credit product will be the Flex Rent product, an open-end line of credit that allows renters to split their monthly rent payment into multiple payments, timed to align with the renter's income schedule. The Flex Rent product will carry no compounding interest and no late fees, and will not permit loan stacking or revolving balances of Flex Rent loans, requiring repayment in full before reuse. On-time rent payments will be reported to major credit bureau(s), providing an opportunity for renters to build credit history through timely payment of an expense that would not otherwise appear on a credit report.

Under this structure, the consumer will pay a portion of their rent (typically at least half) to the Bank on or around the 1st, the Bank will advance the renter's full rent payment to their landlord on time, and the renter will repay the Bank the balance before the end of the month. This structure is designed to address a documented, structural mismatch between when income arrives and when rent is due, a mismatch discussed further in Section IV.A.3 below. The Bank's product will be designed to bridge that specific, time-limited gap rather than to alter the renter's total housing cost or income.

Additional products to be launched by the Bank include Pay Over Time (short-term installment loans for larger one-time bills), Flexible Bill Pay (a line of credit structured similar to Flex Rent for other essential recurring spend such as utilities and insurance premiums), other credit and deposit products, and a non-credit (i.e., cash transaction) bill pay service for the payment of rent and other essential recurring bills.

The Bank will fund its operations through a combination of consumer and commercial savings accounts, brokered deposits, listing service deposits, and affiliate deposits. The Bank's deposit services will be offered digitally through its website and mobile application. The Bank will have no physical branches.

Flex is establishing the Bank to provide a uniform regulatory framework for its lending activities, reduce reliance on third-party partner banks, create operational efficiencies, and support expansion of affordable credit access to low- and moderate-income communities.

Background Information on Flexible Finance, Inc.

Flex is a Delaware corporation founded in 2019 and headquartered in New York, New York. Flex was co-founded by Shragie Lichtenstein (Chief Executive Officer) and YeTong Shao to help people pay for the things that matter most by aligning the timing of essential bill payments, primarily rent, to income. The platform has grown rapidly, serving more than 3.2 million renters and processing more than $40 billion in rental payments since its founding. Flex employs approximately 530 full-time employees.

Strategic Rationale for the Bank

The formation of the Bank is a natural extension of Flex's business strategy. The Bank will provide Flex and its customers with direct access to FDIC-insured deposit products, a unified regulatory framework, and operational efficiencies in loan origination and servicing while reducing reliance on third-party partner banks.

The Bank will operate as an independent enterprise with its own Board of Directors, management team, and governance structure, but will leverage Flex's capabilities in credit analysis, technology, and servicing where appropriate. Flex's strong revenue growth trajectory, established customer base, and access to ample liquidity support its ability to serve as a source of financial strength to the Bank.

Benefits to the Public and the Bank's Communities

The Bank's formation will benefit low- and moderate-income ("**LMI**") individuals and communities by expanding access to lower-cost alternatives for managing essential living expenses. On a typical $1,500 monthly rent payment, the Bank's Flex Rent product will cost on average around $30-40 per month of use, compared to an average $85 late rent fee (ranging up to 15% of rent), up to $40 per overdraft, $185+ for use of a payday loan, or the prevailing interest rate on any carried credit card balance. Whereas Flex includes payment processing in its cost, each of these alternatives would still require a payment processing fee of ~$5 to 3.25% of rent. Furthermore, and unlike many of these alternatives, Flex's consumer safeguards (no late fees, compounding interest, or loan stacking) enable responsible use of credit to better manage cash flow and avoid harmful tradeoffs and higher cost alternatives. Based on Flex's platform data and estimates of the share of renters who report that using Flex allowed them to pay rent on time, Flex's customers have avoided an estimated $780 million in late rent fees, at a current annual run rate of more than $460 million. The Bank's core products will be specifically designed to serve renters, a population that skews toward LMI demographics. By enabling renters to better manage their cash flow around rent and other essential bill payments, the Bank will serve a critical need in underserved communities.

Flex has conducted or sponsored several analyses of its impact on customer welfare. One analysis of applicants just above and below Flex's credit approval thresholds found that approved applicants showed modest favorable movement on several measures, including fewer severely delinquent accounts, smaller past-due balances, and less use of payday loans vs. similar non-approved applicants. Another Flex-sponsored study of 75,000 multifamily units across 25 states was published in June 2026 by independent economic research firm Metrosight, and found that properties offering Flex showed a 3.7-month increase in median resident tenure and a 3 percentage point higher share of current rents. Furthermore, usage patterns are consistent with a tool that many renters use as needed rather than one creating dependency: Flex data shows most customers using the product six or fewer times annually. Finally, recent survey data shows that among customers who cancelled, nearly one in five cited an improved financial situation or a resolved temporary need as the reason for leaving the platform, more than four times the share who cancelled because their financial situation had worsened.

The Bank will have a robust Community Reinvestment Act ("**CRA**") program, including a CRA Strategic Plan for nationwide lending focused on community development activities benefiting LMI communities. Flex's support of Flex for Good, an independent 501(c)(3) nonprofit organization governed by a majority-independent board of directors, will complement this CRA program. Flex supports Flex for Good by contributing a percentage of company revenue, and by providing no-cost use of its technology platform so that donations and grants can be directed fully toward program activity. As of July 1, 2026, Flex for Good has distributed over $1 million in direct rental assistance grants to more than 800 households to prevent avoidable evictions. Additional information on the Bank's proposed CRA program is set forth below and in the Community Reinvestment Act Plan provided as Public Exhibit A.

Proposed Corporate Structure

The Bank will be chartered as a Utah industrial bank organized as a Utah business corporation. The Bank will have a single class of voting common stock, which will be wholly owned by Flexible Finance, Inc. The Bank will have no subsidiaries upon its chartering.

Governance

The Bank will operate independently from, but with the support of, Flex and its affiliates. The Bank will have a five-member Board of Directors comprised of three independent directors, the Bank's President and Chief Executive Officer, and a representative of Flex's senior management. The Board will maintain an Audit Committee and a Risk and Compliance Committee.

Management and Operations

The Bank's senior management will include a President and Chief Executive Officer, Chief Financial Officer, Chief Credit Officer, Chief Compliance Officer, Chief Operating Officer, General Counsel, and a Chief Audit Officer. The Bank will establish three management-level committees: the Credit Committee, the Asset-Liability Management Committee, and the Compliance and Operations Committee.

Risk Management Approach

The Bank will follow a three lines of defense model. In addition, the Bank will adopt robust policies and procedures to govern the Bank's activities, including activities performed by third parties.

B. Describe any issues about the permissibility of the proposal with regard to applicable state or federal laws or regulations. Identify any regulatory waiver requests and provide adequate justification.

Flex is not aware of any permissibility issues with regard to applicable state or federal laws or regulations. The proposed Utah state-chartered industrial bank is authorized under the Utah Financial Institutions Act, and the proposed activities are permissible for an FDIC-insured industrial bank under applicable federal and state law.

C. List and provide a copy of all applications filed in conjunction with this proposal, such as applications for holding company, trust powers, branch offices, service corporations, and other subsidiaries.

In addition to filing this Application with the FDIC and UDFI, Flex will register with the UDFI as an industrial bank holding company at a later date consistent with the requirements of the Utah Financial Institutions Act.

D. When available, provide a copy of all public or private offering materials and the proposed form of stock certificate, including any required restrictive legends.

Because Flex will be the sole stockholder of the Bank, no offering materials will be used. The Bank's shares will be uncertificated. Therefore, the Application does not include a proposed form of stock certificate.

E. Provide a copy of the proposed articles of association, articles of incorporation, or charter, and proposed bylaws.

The Bank's proposed articles of incorporation and proposed bylaws are included as Confidential Exhibit [D] and Confidential Exhibit [E], respectively.

F. Provide a copy of the business plan. The business plan should address, at a minimum, the topics contained in the appropriate regulatory agency's Business Plan Guidelines.

The Bank's Business Plan is being provided with this Application as Confidential Exhibit [A].

II. Management

A. Provide a list of the organizers, proposed directors, senior executive officers and any individual or group of proposed shareholders acting in concert, that will own or control 10 percent or more of the institution's stock. For each person listed, attach an Interagency Biographical and Financial Report, a Fingerprint card and indicate all positions and offices currently held or to be held with the institution's holding company and its affiliates, if applicable. Include the signed "Oath of Director" for each proposed director. For an FSA filing, provide a RB 20a Certification for each person listed.

The Bank's Board of Directors is proposed to consist of (i) Jeff Berkson, the President and Chief Executive Officer of the Bank, (ii) Christina Edling, the Chief Operating Officer of Flex (parent representative), (iii) Kelly Barnett, an independent director, (iv) Crawford Cragun, an independent director, and (v) Roberta McInerney, an independent director.

The Bank's senior executive officers will consist of the following:

- Jeff Berkson, President and Chief Executive Officer
- Kristine Dickson, Chief Financial Officer
- Milos Sugovic, Chief Credit Officer
- Chelsea Keegan, Chief Compliance Officer
- Danny Gordon, General Counsel
- Chief Operating Officer (in the process of being hired)
- Chief Audit Officer (in the process of being hired)

Flexible Finance, Inc. will own 100 percent of the outstanding shares of the Bank's voting common stock, which will be the sole class of Bank stock outstanding. Flex is a privately-held Delaware corporation.

Interagency Biographical and Financial Reports for the proposed directors and senior executive officers are being provided to the FDIC and UDFI in the Confidential IBFR Volume.

B. Describe each proposed director's qualifications and experience to serve and oversee management's implementation of the business plan. Describe the extent, if any, to which directors or major stockholders are or will be involved in the day-to-day management of the institution. Also list the forms of compensation, if any.

The proposed directors have held senior roles at a variety of financial services companies and are highly qualified to serve on the Board of Directors. As described below, the directors will bring diverse, experienced perspectives to the Board of Directors' oversight of the Bank.

Jeff Berkson, *Bank President & Chief Executive Officer*

Mr. Berkson joined Flex in May 2026 as Chief Banking Officer and is the proposed Bank President and Chief Executive Officer. He offers significant bank leadership, risk management, compliance, credit, enterprise risk management, analytics, and technology experience to the role. From October 2016 to May 2026, Mr. Berkson served as Executive Vice President and Chief Risk Officer of WebBank, where he led the risk function, including enterprise risk management, compliance, credit, model risk management, information technology and security, risk analytics, and audit. Prior to WebBank, Mr. Berkson served as Chief Information Officer at Anchor Bank, a thrift commercial bank in Madison, Wisconsin, from October 2009 to August 2013, in an outsourced capacity. Mr. Berkson received a B.A., Summa Cum Laude, from Duke University.

Christina Edling, *Flex Chief Operating Officer*

Ms. Edling serves as Chief Operating Officer of Flex, overseeing the company's customer-facing and strategy functions, including Marketing, Customer Success, Consumer Protection, People, and Strategy & Operations. Before joining Flex, Ms. Edling spent a decade in management consulting advising financial services and other regulated-industry clients on strategy, innovation, and operational effectiveness. She began her career at the Federal Reserve Bank of New York and in investment banking at Houlihan Lokey. Ms. Edling holds a B.S. in Finance from Georgetown University.

Kelly Barnett, *Independent Director*

Mr. Barnett brings more than 22 years of experience in banking, cards, payments, finance, operations, and strategic partnerships. Since February 2022, he has served as a Director and Consultant to Continental Bank, where he chairs the Board Strategic Partner Committee and works closely with senior management to expand the Bank's strategic partner business. Previously, Mr. Barnett served as President and Chief Financial Officer of WebBank, Chief Operating Officer of Galileo Processing, and Chief Financial Officer of Transportation Alliance Bank. He holds a B.A. and a master's degree in Accounting from the University of Utah and is a Certified Public Accountant.

Crawford Cragun, *Independent Director*

Mr. Cragun has more than 30 years of experience in bank leadership, bank governance, risk management, compliance, operations, consumer finance, mortgage, cards, and financial services. Mr. Cragun most recently served on the Board of Directors of Nelnet Bank and as Executive Vice President, Chief Compliance Officer, and Chief Risk and Compliance Officer at Academy Mortgage. Previously, he served as President and Chief Executive Officer of Ford Credit Bank, where he led the launch of a proposed $12 billion FDIC-insured industrial bank. Prior to Ford Credit Bank, Mr. Cragun served as President, Chief Executive Officer, and Director of Franklin Templeton Bank & Trust, a de novo federal savings bank. Earlier in his career, Mr. Cragun held senior leadership positions at Zions Bank, GE Capital Consumer Financial Services, GMAC Capital Corporation, Citicorp Diners Club, and BMA Management Support Corporation. He previously served on the Boards of the Utah Bankers Association and the Utah Association of Financial Services. Mr. Cragun holds an M.B.A. from the Kelley School of Business at Indiana University and a B.A. from Utah State University.

Roberta McInerney, *Independent Director*

Ms. McInerney has more than three decades of experience in bank regulation, deposit insurance, financial services, and legal matters. She served as Deputy General Counsel of the FDIC from 2007 to 2017, with responsibility for the agency's legal oversight of open-bank regulatory functions, including applications and bank activities, consumer compliance, deposit insurance, enforcement, and rulemaking. In that role, she advised the Chairman, Board members, and other senior officials, and served as a principal legal advisor during the 2008 financial crisis. Ms. McInerney also drafted and negotiated key provisions of the Dodd-Frank Act and oversaw the Dodd-Frank Act's initial implementation across the agency. Earlier in her career, she spent 16 years at the U.S. Department of the Treasury, most recently serving as Assistant General Counsel for Banking and Finance, where she led the Department's domestic finance legal group and advised on banking, legislative matters, government securities, and government-sponsored enterprises. She began her legal career as an attorney at the Board of Governors of the Federal Reserve System. Ms. McInerney is a recipient of the Presidential Meritorious Executive Award. She earned a J.D. from the George Washington University National Law Center and a B.A. in Political Science from Lake Forest College.

C. Provide a list of board committees and members.

The Board of Directors of the Bank will have two committees:

Audit Committee: The Audit Committee will assist the Board in fulfilling its oversight responsibilities in relation to review and approval of audit strategies, annual audit plans, policies and programs, and any changes thereto.

Additional information regarding the functions of the Audit Committee may be found in the Business Plan.

Risk and Compliance Committee: The Risk and Compliance Committee will assist the Board in fulfilling its oversight responsibilities in relation to compliance and risk management activities for the Bank by reviewing and approving the Bank's overall risk philosophy and risk appetite, as well as by overseeing management's implementation of appropriate policies and controls in order to identify, measure, monitor, control, and report risk exposures consistent with the Bank's risk appetite.

Additional information regarding the functions of the Risk and Compliance Committee may be found in the Business Plan.

D. Describe any plans to provide ongoing director education or training.

The Bank will provide education and training to its directors at the outset of each director's tenure and on a regular basis thereafter. Director training will address a variety of topics, including regulatory compliance, governance, and risk management, and will both reinforce concepts of central importance and highlight material developments in law, regulation, and industry best practices. Additional information regarding the Bank's training programs is set forth in the Business Plan.

E. Describe each proposed senior executive officer's duties and responsibilities and qualifications and experience to serve in his/her position. If a person has not yet been selected for a key position, list the criteria that will be required in the selection process. Discuss the proposed terms of employment, including compensation and benefits, and attach a copy of all pertinent documents, including an employment contract or compensation arrangement. Provide the aggregate compensation of all officers.

A description of the duties and responsibilities of each of the Bank's proposed senior executive officers may be found in the Business Plan. Information regarding senior executive officer compensation also may be found in the Business Plan.

F. Describe any potential management interlocking relationships (12 U.S.C. 1467a(h)(2), 3201-3208, or applicable state law) that could occur with the establishment or ownership of the institution. Include a discussion of the permissibility of the interlock with regard to relevant law and regulations or include a request for an exemption.

Flex is not aware of any prohibited management interlocking relationship that would occur with the establishment of the Bank. Information regarding the proposed directors' service at other depository institutions is discussed in the Business Plan.

G. Describe any potential conflicts of interest.

No conflicts of interest have been identified with the proposed formation of the Bank.

H. Describe any transaction, contract, professional fees, or any other type of business relationship involving the institution, the holding company, and its affiliates (if applicable), and any organizer, director, senior executive officer, shareholder owning or controlling 10 percent or more, and other insiders. Include professional services or goods with respect to organizational expenses and bank premises and fixed asset transactions. (Transactions between affiliates of the holding company that do not involve the institution need not be described.)

Business Relationships with Holding Company and its Affiliates

The Bank will enter into a Master Services Agreement with Flex under which Flex will provide certain services to the Bank, including credit services, information technology services, and administrative services. In addition, the Bank will originate and sell certain consumer loans to Flex. The loan purchase and sale arrangements will be documented in a separate agreement. All affiliate relationships will be on terms that are at least as favorable to the Bank as those available from unaffiliated third parties, consistent with the requirements of Sections 23A and 23B of the Federal Reserve Act (Regulation W).

All affiliate transactions have been reviewed by the proposed directors and will be disclosed to prospective shareholders.

Business Relationships with Holding Company Shareholders

It is not contemplated that the Bank will have any business relationships with any individual shareholder that owns, directly or indirectly, 10 percent or more of any class of voting securities of Flex, other than through the corporate-level arrangements with Flex described above.

Business Relationships with Organizers and Other Insiders

Certain senior officers of the Bank (General Counsel, Chief Compliance Officer, and certain non-executive positions) will serve in dual-employee arrangements with both Flex and the Bank. No other business relationships with organizers or insiders are contemplated.

I. Describe all stock benefit plans of the institution and holding company, including stock options, stock warrants, and other similar stock-based compensation plans, for senior executive officers, organizers, directors, and other insiders.

The Bank will ensure that compensation for Bank management and staff aligns with sound industry standards, risk management principles, and federal banking agency guidance, including the 2010 Interagency Guidance on Sound Incentive Compensation Policies. Additionally, the compensation package for Bank employees will generally align with current compensation policies used by Flex. Senior bank employees may be eligible for participation in Flex's equity incentive plans and annual incentive performance bonuses.

III. Capital

A. For each class of stock, provide the number of authorized shares, the number of shares to be issued, par value, voting rights, convertibility features, liquidation rights, and the projected sales price per share. Indicate the amount of net proceeds to be allocated to common stock, paid-in surplus, and other capital segregations.

The Bank will have a single class of voting common stock, and all shares of such class will be owned by Flex. Additional information regarding Flex's capital contribution to the Bank and the Bank's capitalization is available in the Business Plan.

B. Describe any noncash contributions to capital, and provide supporting documents for assigned values, including an independent evaluation or appraisal.

Information regarding Flex's capital contribution to the Bank is available in the Business Plan.

C. Discuss the adequacy of the proposed capital structure relative to internal and external risks, planned operational and financial assumptions, including technology, branching, and projected organization and operating expenses. Present a thorough justification to support the proposed capital, including any off-balance-sheet activities contemplated. Describe any plans for the payment of dividends.

The Bank will aim to maintain target capital ratios that exceed regulatory requirements for well-capitalized status and are commensurate with the Bank's risk profile. The Bank will comply with all applicable risk-based capital requirements, including requirements in the Capital and Liquidity Maintenance Agreement and Parent Company Agreement, as part of its comprehensive capital management strategy. Additional information regarding the Bank's capitalization and approach to dividends is available in the Business Plan.

D. List all known subscribers to stock. For organizers, directors, 10 percent shareholders, senior executive officers, and other insiders, include the number of shares and anticipated investment and the amount of direct and indirect borrowings to finance the investment. Discuss how any debt will be serviced.

Flexible Finance, Inc. will be the sole shareholder of the Bank. Additional information regarding the Bank's capitalization and shareholders is available in the Business Plan.

E. List recipients and amounts of any fees, commissions, or other considerations in connection with the sale of stock.

There will be no fees, commissions, or other consideration paid in connection with the sale of the Bank's stock to Flex.

F. Indicate whether the institution plans to file for S Corporation tax status.

Flex does not plan for the Bank to file for S Corporation tax status.

IV. Convenience and Needs of the Community

NOTE: This information must be consistent with the proposed business plan.

A. Market Characteristics

1. Define the intended geographical market area(s). Include a map of the market area, pinpointing the location of proposed bank's offices and offices of competing depository institutions.

The Bank's main office will be located in the Salt Lake City-Provo area in the State of Utah. However, the Bank's lending operations will be conducted on a nationwide basis through digital channels. The Bank will serve the national market of property managers and tenants that may be onboarded through Flex's established digital platform. There are no plans for the Bank to open any branches. Further information about the Bank's geographical market area is included in the Community Reinvestment Act Plan provided as Public Exhibit A.

2. Describe the competitive factors the institution faces in the proposed market and how the institution will address the convenience and needs of that market to maintain its long-term viability.

As the Bank will serve the national market through digital channels and Flex's established platform of enrolled properties and property management companies, the competitive forces in the local area of its main office are unlikely to be a key driver of the Bank's performance. Instead, the competitive landscape for the Bank's consumer lending products includes other fintech companies and financial institutions offering rent and bill payment solutions, and short-term consumer credit.

As described further in the Business Plan, the Bank's consumer credit products will address the convenience and needs of the U.S. market by offering flexible payment solutions for essential living expenses to qualified consumers and by capitalizing on Flex's existing relationships with property management companies and renters. The Bank's deposit products will address the convenience and needs of the U.S. market by offering competitive rates through digital channels. These features will make the Bank's value proposition competitive against both long-serving and new market competitors.

3. **Discuss the economic environment and the need for the institution in terms of population trends, income, and industry and housing patterns.**

An overview of the general economic conditions of the United States as they relate to the Bank's target market may be found in the Business Plan.

The Bank's products address a significant market need: approximately 44 million U.S. households rent their homes, and a substantial share of these households experience structural mismatches between when income arrives and when rent is due. Seventy percent of U.S. private establishments pay employees weekly or biweekly, meaning a fixed monthly rent due date routinely falls between paychecks for a majority of the workforce. Even among workers paid on a regular schedule, the amount of income received fluctuates from month to month, particularly for hourly and lower-income workers. Research using bank account data found that hourly workers' typical month-to-month change in earnings is approximately 9 percent, with a swing of 21 percent or more in roughly one of every four months. Among Flex's own renter base, approximately 17 percent report irregular or variable income, compared to approximately 10 percent of the U.S. workforce engaged in an alternative work arrangement, such as independent contracting, on-call work, or temporary agency work, according to the Bureau of Labor Statistics' 2023 Contingent Worker Supplement. For this population, the rent-timing challenge is compounded by not knowing in advance how much income will be available when rent comes due. The combined timing and volatility gap is compounded by rent's growing share of household budgets, with around half of renter households now rent-burdened, meaning rent comprises 30 percent or more of their income.

The gap becomes acute for renters with minimal savings buffers, a condition affecting the roughly three in ten U.S. adults who report being unable to cover a $400 emergency expense. It is further strained by the frequency of ordinary financial shocks, such as a car repair, a medical bill, or a reduction in hours, which can quickly convert a manageable timing gap into a critical cash shortfall. These pressures intensify around the same point in the calendar, since rent, utilities, auto payments, and credit card minimums typically cluster in the first days of the month. When these conditions intersect, a renter facing a timing gap has historically absorbed it through a late rent fee, an overdraft, a revolving credit card balance, or a payday loan, each of which can carry a high cost and, in some cases, a compounding structure that a fixed-fee, non-revolving advance does not.

The Bank's products are designed to help customers better manage this cash flow timing and volatility mismatch through flexible payment solutions. Additional information about the economic environment and banking needs of the Salt Lake City-Provo area and the Bank's assessment area is provided in the Community Reinvestment Act Plan, provided as Public Exhibit A.

B. Community Reinvestment Act (CRA) Plan

NOTE: The CRA Plan must be bound separately.

1. **Identify the assessment area(s) according to the CRA regulations.**
2. **Summarize the performance context for the institution based on the factors discussed in the CRA regulations.**
3. **Summarize the credit needs of the institution's proposed assessment area(s).**

4. **Identify the CRA evaluation test under which the institution proposes to be assessed.**

5. **Discuss the institution's programs, products, and activities that will help meet the existing or anticipated needs of its community(ies) under the applicable criteria of the CRA regulation, including the needs of low- and moderate-income geographies and individuals.**

The Bank's assessment area will be the Salt Lake City-Provo-Orem Combined Statistical Area. The Bank will implement a CRA Strategic Plan, provided as Public Exhibit A.

V. Premises and Fixed Assets

A. Provide a physical description for permanent premises and discuss whether they will be publicly and handicapped accessible. Indicate the level and type of property insurance to be carried.

Flex contemplates leasing office space in the Salt Lake City or Utah County area for the Bank's main office. The premises will comply with all applicable accessibility requirements under the Americans with Disabilities Act. Appropriate property insurance will be maintained.

B. If the permanent premises are to be purchased, provide name of seller, purchase price, cost and description of necessary repairs and alterations, and annual depreciation. If the premises are to be constructed, provide the name of the seller, the cost of the land, and the construction costs. Indicate the percentage of the building that will be occupied by the bank. Provide a copy of the appraisal.

The Bank does not intend to purchase or construct premises. The Bank contemplates leasing its main office space.

C. If the permanent premises are to be leased, provide name of owner, terms of the lease, and cost and description of leasehold improvements. Provide a copy of the proposed lease when available.

Flex is in the process of identifying suitable premises for the Bank in the Salt Lake City or Utah County area and will provide further information to the FDIC and UDFI when available.

D. If temporary quarters are planned, provide a description of interim facility, length of use, lease terms, and other associated commitments and costs.

Temporary quarters are not planned for the Bank.

E. State whether proposed premises and fixed asset expenditures conform to applicable statutory limitations.

The Bank's premises and fixed asset expenditures will conform to applicable statutory limitations.

F. Outline the security program that will be developed and implemented, including the security devices.

The Bank will develop and implement an information security program that complies with applicable federal and state laws and regulations, including section 501(b) of the Gramm-Leach-Bliley Act. As the Bank will not have physical branches, no public access facilities, and no physical cash operations, the security program will focus primarily on information security and cybersecurity controls. Physical security measures for the main office will include security cameras and controlled access systems. Additional information regarding the Bank's security program may be found in the Business Plan.

G. Discuss any significant effect the proposal will have on the quality of the human environment. Include in the discussion changes in air and/or water quality, noise levels, energy consumption, congestion of population, solid waste disposal, or environmental integrity of private land within the meaning of the National Environmental Policy Act, 42 U.S.C. 4321, et seq.

The proposal is not expected to have a significant effect on the quality of the human environment. The Bank will lease existing office space and will not operate physical branches or conduct any activities that would materially affect air quality, water quality, noise levels, energy consumption, or waste disposal beyond ordinary office operations.

H. Describe any plan to establish branches or relocate the main office within the first three years. Any acquisition or operating expenses should be reflected in the financial projections.

Flex does not anticipate that the Bank will establish branches or relocate its main office within its first three years of operation. The Bank's business model is digital-focused and does not contemplate physical branch locations. Operating expenses for operation of the Bank's main office are reflected in the Financial Projections provided as Confidential Exhibit B.

I. Indicate if the establishment of the proposed main office and/or any branch site may affect any district, site, building, structure, or object listed in, or eligible for listing in, the National Register of Historic Places pursuant to the National Historic Preservation Act, 54 U.S.C. 306108.

Flex is in the process of identifying suitable premises for the Bank in the Salt Lake City-Provo area and will provide further information to the FDIC and UDFI when available regarding any potential impact on historic properties. It is not anticipated that any historic properties will be affected.

VI. Information Systems

A. State whether the institution plans to market its products and services (the ability to do transactions or account maintenance) via electronic means. If yes, specifically state the products and services that will be offered via electronic banking or the Internet.

As the Bank will have no physical branches, the primary means for customers to interact with the Bank will be through the Bank's website and mobile application. All of the Bank's deposit products and lending services will be offered electronically. Additional information on the Bank's marketing and delivery channels for products and services is available in the Business Plan.

B. Outline the proposed or existing information systems architecture and any proposed changes or upgrades. The information should describe how: (1) the information system will work within existing technology; (2) the information system is suitable to the type of business in which the institution will engage; (3) the security hardware, software, and procedures will be sufficient to protect the institution from unauthorized tampering or access; and (4) the organizers and directors will allocate sufficient resources to the entire technology plan.

A description of the Bank's proposed information systems is set forth in the Business Plan. The Bank has established an IT Governance Policy and IT Risk Management Program to ensure the information systems architecture is suitable for the Bank's digital-first business model and that adequate security controls are maintained.

C. Provide lists or descriptions of the primary systems and flowcharts of the general processes related to the products and services. The level of detail in these system descriptions should be sufficient to enable verification of the cost projections in the pro formas.

A description of the processes related to the Bank's proposed deposit products and consumer lending products is set forth in the Business Plan.

D. Estimate the start-up budget for the information systems related to the products and services and the expected annual operating and maintenance costs (including telecommunications, hardware, software, and personnel).

An estimated start-up budget for the information systems related to the Bank's products and services is provided in the Business Plan.

E. Describe the physical and logical components of security. Describe the security system and discuss the technologies used and key elements for the security controls, internal controls, and audit procedures. Discuss the types of independent testing the institution will conduct to ensure the integrity of the system and its controls.

The Bank's information security program will address both physical and logical security controls, including network security, access controls, encryption, intrusion detection, vulnerability management, and incident response. The Bank will conduct independent testing of its information systems, including penetration testing and security audits, to ensure the integrity of its systems and controls. Internal audit will provide independent assessment of the Bank's technology controls on a regular basis. Additional information regarding the Bank's proposed information security program may be found in the Business Plan.

F. Describe the information security program that will be in place to comply with the "Interagency Guidelines Establishing Standards for Safeguarding Customer Information."

The Bank will implement an information security program that complies with the Interagency Guidelines Establishing Standards for Safeguarding Customer Information (15 U.S.C. 6801, 6805(b); 12 C.F.R. 30, 168, 364). The program will include administrative, technical, and physical safeguards appropriate to the size and complexity of the Bank and the nature and scope of its activities, designed to ensure the security and confidentiality of customer information, protect against anticipated threats or hazards, and protect against unauthorized access that could result in substantial harm or inconvenience to customers. Additional information regarding the Bank's proposed information security program may be found in the Business Plan.

VII. Other Information

A. List activities and functions, including data processing, that will be outsourced to third parties, identifying the parties and noting any affiliations. Describe all terms and conditions of the vendor management activities and provide a copy of the proposed agreement when available. Describe the due diligence conducted and the planned oversight and management program of the vendors' or service providers' relationships (for general vendor management guidance, see the Appendix of the FFIEC's guidance, Risk Management of Outsourced Technology Services).

The Bank anticipates that certain activities will be outsourced to third parties and to Flex. The Business Plan describes the services to be provided by these third parties and Flex and the terms of intercompany agreements that will govern the provision of these services.

B. List all planned expenses related to the organization of the institution and include the name of recipient, type of professional service or goods, and amount. Describe how organization expenses will be paid.

A list of planned expenses related to the organization of the Bank is provided in the Business Plan.

C. Provide evidence that the institution will obtain sufficient fidelity coverage on its officers and employees to conform with generally accepted banking practices.

The Bank will obtain sufficient fidelity coverage for its officers and employees.

D. If applicable, list names and addresses of all correspondent depository institutions that have been established or are planned.

Information regarding the Bank's relationships with third-party depository institutions is available in the Business Plan.

E. Provide a copy of management's policies for loans, investments, liquidity, funds management, interest rate risk, and other relevant policies. Provide a copy of the Bank Secrecy Act program. Contact the appropriate regulatory agencies to discuss the specific timing for submission.

Copies of various proposed policies of the Bank are provided as confidential exhibits to the Business Plan. These include the following proposed policies:

- Loan Policy – Confidential Exhibit M
- Liquidity Policy – Confidential Exhibit N
- Asset Liability Management Policy – Confidential Exhibit O
- Investment Policy – Confidential Exhibit P
- Affiliate Transactions Policy – Confidential Exhibit Q
- Third-Party Risk Management Policy – Confidential Exhibit R
- BSA/CFT/OFAC Policy – Confidential Exhibit S
- Information Technology Governance Policy – Confidential Exhibit T
- Audit Policy – Confidential Exhibit W
- Capital Policy – Confidential Exhibit X
- Compliance Risk Management Policy – Confidential Exhibit Y
- Insider Transactions (Regulation O) Policy – Confidential Exhibit Z
- Conflicts of Interest Policy – Confidential Exhibit AA

F. For Federal Savings Banks or Associations, include information addressing the proposed institution's compliance with qualified thrift lender requirements.

Not applicable.

G. If the institution is, or will be, affiliated with a company engaged in insurance activities that are subject to supervision by a state insurance regulator, provide:

The Bank does not plan to engage in insurance activities and is not affiliated with a company engaged in insurance activities subject to supervision by a state insurance regulator.

OMB Number: 3064-0001
Expiration Date: 01/31/2029

SECTION VI - FDIC CERTIFICATION

We, the organizers, certify that the information contained in this application has been examined carefully and is true, correct, and complete, and is current as of the date of this submission. We also certify that any misrepresentations or omissions of material facts with respect to this application, any attachments to it, and any other documents or information provided in connection with the application for the organization of the proposed financial institution and federal deposit insurance may be grounds for denial or revocation of the charter and/or insurance, or grounds for an objection to the undersigned as proposed director(s) or officer(s) of the proposed financial institution, and may subject the undersigned to other legal sanctions, including the criminal sanctions provided for in 18 U.S.C. 1001, 1007, and 1014. We request that examiners be assigned to make any investigations necessary.

We acknowledge that approval of this application is in the discretion of the appropriate federal banking agency or agencies. Actions or communications, whether oral, written, or electronic, by an agency or its employees in connection with this filing, including approval of the application if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the agency, other federal banking agencies, the United States, any other agency or entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of any federal banking agency to exercise its supervisory, regulatory, or examination powers under applicable law and regulations. We further acknowledge that the foregoing may not be waived or modified by any employee or agent of a federal banking agency or of the United States.

It is understood that the Board of Directors of the Federal Deposit Insurance Corporation (Corporation), in applying the factors set out in federal statutes, will consider the application only with respect to the general character or type of business stated and that the depository institution will not engage in any other business without the prior written consent of the Corporation.

It is further understood that federal deposit insurance will not become effective (a) until the proposed depository institution has been incorporated and authorized to engage in the business of receiving deposits, (b) until the board of directors of the depository institution has adopted a resolution ratifying and confirming the action of the incorporators in making this application with supporting information, (c) until the depository institution has fulfilled such requirements, if any, as the Corporation may impose as a condition of its approval of this application, and (d) until the depository institution has been notified that its membership in the Corporation has been approved.

Name (*Print Name*)	**Signature**	**Date**
Shragie Lichtenstein	Signed by: Shragie Lichtenstein 7BD4174EDDF2438...	July 22, 2026

PUBLIC EXHIBIT A

Community Reinvestment Act Strategic Plan

PRELIMINARY DRAFT FOR INITIAL REGULATORY FEEDBACK

Flex Bank

Community Reinvestment Act

20XX-20XX Strategic Plan

Table of Contents

I. Introduction

a. Community Reinvestment Act Overview

Flex Bank (the "**Bank**") has applied for an industrial bank charter and, if approved, will be subject to the Community Reinvestment Act ("**CRA**"). The Bank is pursuing approval of a de novo charter from the Utah Department of Financial Institutions ("**UDFI**") and deposit insurance from the Federal Deposit Insurance Corporation ("**FDIC**") that will serve as the Bank's primary federal regulator. For purposes of CRA compliance, the Bank has designated the Salt Lake City–Provo–Orem Combined Statistical Area ("**CSA**") as its Assessment Area.

The CRA was enacted by Congress in 1977 to promote access to credit and financial services within the communities served by depository institutions, including low- and moderate-income ("**LMI**") neighborhoods, while maintaining safe and sound operations. CRA regulations are implemented and enforced by each federal banking agency through its respective regulatory framework. Upon commencement of operations, the Bank will be subject to 12 C.F.R. Part 345 – Community Reinvestment of the FDIC Rule and Regulations. In addition to meeting the credit needs of LMI neighborhoods, the CRA provides that depository institutions should meet the needs of LMI borrowers, small businesses, small farms, and provide specific community development activities, dependent on their asset sizes and business models.

Depository institutions are subject to CRA examination procedures based on their asset sizes and potentially subject to a Lending Test, an Investment Test, and a Service Test. As an option, Part 345 of the FDIC Rules and Regulations provide depository institutions with the ability for banks to be evaluated under the *Examination Procedures for Institutions with Strategic Plans*. Utilizing this option allows the Bank to develop a strategic plan, with community input, detailing how the Bank proposes to meet its CRA obligations. This CRA Strategic Plan ("**Plan**") is tailored to the needs of the community using direct community input at the development stage. The Plan will be utilized to assess the Bank's CRA performance by the Bank's Board of Directors ("**Board**") and the FDIC.

b. Flex Bank and Parent Overview

The Bank's parent is Flexible Finance, Inc. ("**Flexible Finance**"), a privately-held Delaware corporation headquartered in New York, New York. Flexible Finance is a financial technology company whose mission is to help people manage essential expenses, including rent and other necessary household obligations. Flexible Finance helps renters align rent payments with their income, reducing financial strain and avoiding late fees and other penalties with clear guardrails to promote responsible use. By splitting rent into smaller, manageable payments, Flexible Finance helps renters stay current and manage their cash flows while ensuring property owners are paid on time. Flexible Finance is also expanding its product offerings beyond rent to assist consumers with paying necessary living expenses. Flexible

Finance provides financial support to Flex for Good, a 501(c)(3) nonprofit organization that provides targeted financial assistance intended to help prevent evictions.

The Bank will initially offer three credit products including the primary Flex Rent product, which is a short-term product. The Bank will offer two additional loan products to help customers pay recurring bills or larger one-time living expenses. Additional loan products will be introduced during the de novo period including a secured credit card for consumers and working capital loans for property management companies ("**PMCs**"). Savings Accounts will initially be offered to consumers and later extended to PMCs during the de novo period. Deposit features will include debit cards, digital wallet, direct deposit, automated clearing house transactions, real time payments, and wire transfers. Brokered deposits will be used to supplement the Bank's funding needs. Consumers will have access to Control Center, a centralized platform designed to give customers complete visibility, flexibility, and control over both recurring and one-off bill payments. The Control Center will offer customers a pay-in-full payment option for rent payments or recurring household bills.

The Bank's customer relationships will exist through Flexible Finance's customer base or through relationships established with over 3,500 property management companies and growing. The Bank will deliver its products through a digital platform and will not operate physical branch locations.

c. Program Oversight and Resources

The Bank's Board and management are committed to maintaining a safe and sound compliance management system while meeting the credit and community development needs in which the Bank operates. Jeff Berkson serves as the Bank's President and has extensive banking experience and understands the importance of the CRA. The Bank has a Board Risk & Compliance Committee that will assist the Board in providing oversight and monitoring adherence to this Plan.

The Chief Compliance Officer, Chelsea Keegan, is primarily responsible for the Bank's CRA function. The Chief Compliance Officer will serve as the CRA Officer and ensure the Bank is meeting its community reinvestment obligations. The Chief Compliance Officer will serve on the Compliance & Operations Committee, a management committee whose responsibilities will include ensuring CRA compliance. The internal audit function will provide for an independent assessment of the Bank's compliance risk management activities including CRA.

II. Plan Development

Management considered multiple factors in developing this Plan, including the Bank's business strategy, product offerings, financial projections, and the competitive environment. Management also relied on a range of data sources and public input to evaluate demographic trends, economic conditions, and identified community needs. This information, together with peer performance analysis, informed the establishment of the Plan's goals for community development lending and investments, grants and donations, and services.

a. Public Notice

The Bank is required to formally solicit public comment on its Plan for at least 30 days by publishing a notice in at least one newspaper of general circulation in each assessment area covered by the Plan. As the Bank only operates in one delineated assessment area, the Bank selected [The Salt Lake Tribune] as the newspaper of general circulation. The newspaper is widely circulated throughout the Bank's Assessment Area.

The notice was published on [insert date] and comments were solicited and considered for 30 days from publication of the notice. Refer to **Appendix A** for the content included in the publication.

b. Citizen Participation

Members of the public were invited to provide input on the various facets of the Bank's Plan. Management met with community leaders concerning a variety of factors including eviction prevention, housing, homelessness, hunger, childcare, education, financial literacy & career development, healthcare / behavioral health, domestic violence, consumer protection, financial security, and other aspects of community development. The information gathered during these discussions assisted in the development of specific goals incorporated into this Plan. Specific organizations consulted with include: [potentially insert list of organizations, contact name, and perhaps contact email]

c. Term and Effective Date of the Plan

The term of the Plan spans three years with a proposed effective date of [XXX 1, 202X], or the date approved by the FDIC. The fiscal year for measuring Plan goals will span from [January] to [December] each Plan year based on the proposed effective date.

d. Capacity and Constraints

In connection with its election to be evaluated pursuant to this Strategic Plan, management assessed various factors that could materially affect its capacity to originate loans, make qualified investments, or provide services within its delineated Assessment Area. The Bank is not subject to any legal, regulatory, or supervisory restrictions that limit the scope or nature of activities it may undertake for purposes of compliance with the CRA. Notwithstanding the foregoing, the Bank's business model and strategic operating framework introduces certain constraints, as further described below.

National Digital Lending Platform

The Bank's lending reflects the core purpose of its parent, Flexible Finance: helping consumers, including LMI households, meet essential recurring expenses such as rent. That purpose is carried out through a nationwide digital platform rather than through lending directed to any particular geography. Loan production is expected to result primarily from Flexible Finance's established customer base and its relationships with PMCs and their residents throughout the United States. The Bank will operate without customer-facing facilities, further limiting its ability to originate loans tied to any particular geographic area. As a result, the Bank does not expect to produce a measurable or predictable volume of retail loans within the Assessment Area.

FDIC CRA regulations recognize that, while a strategic plan should address lending, investment, and service activities and generally emphasize lending-related performance, a different allocation of emphasis may be appropriate based on a bank's specific circumstances. In particular, Section 345.27 permits flexibility where an institution's business model, product offerings, capacity, and constraints support an alternative approach that is responsive to identified community needs.

Consistent with this regulatory framework, and in consideration of the Bank's nationwide, digital lending model, the Bank has determined not to establish retail lending goals tied to the Assessment Area. Instead, the Bank has adopted combined performance objectives for community development loans, investments, philanthropy, and ongoing stakeholder engagement. This structure is intended to ensure the Bank's CRA activities are aligned with its operational model while providing meaningful support for community development initiatives that benefit the Assessment Area.

Because the benefit of the Bank's nationwide lending is delivered without regard to geography, the Bank does not seek CRA performance credit for that retail lending; its measurable CRA performance under this Plan is focused on, but not limited to, community development activity that supports the Assessment Area. A fuller description of the Bank's business model and its convenience-and-needs benefits is set forth in the business plan submitted with the Bank's charter and deposit insurance applications.

Competition

The Assessment Area reflects a highly competitive banking landscape, with approximately 60 depository institutions reporting combined deposits of roughly $1.1 trillion.[1] Access to CRA-eligible community development opportunities within the Assessment Area is significantly influenced by the presence of several large industrial banks headquartered locally. While the Bank remains committed to addressing the credit and community development needs of LMI individuals and households within the Assessment Area, it

[1] FDIC Summary of Deposits as of June 30, 2025.

recognizes that effective community development initiatives may also be carried out through organizations whose operations extend beyond local geographic boundaries.

Consistent with the Interagency Questions and Answers Regarding Community Reinvestment, community development loans, investments, and services may qualify for CRA consideration when they support organizations or activities operating on a statewide or multistate basis, provided the Bank's Assessment Area is included within the organization's mission, mandate, or service population. The guidance further clarifies that CRA consideration is not contingent upon an activity producing an immediate or direct benefit within the Assessment Area, so long as the area is reasonably encompassed within the scope of the organization's service.[2]

Accordingly, the Bank may pursue community development opportunities that align with recognized CRA community development purposes and that reasonably include the Assessment Area within their intended reach. This approach allows the Bank to engage in meaningful and impactful community development efforts while accounting for the competitive dynamics that limit the availability of locally concentrated CRA-qualified opportunities.

De Novo Bank

The Bank expects its community development activities to develop progressively over time due to its de novo status. During the initial year of operations, the Bank's focus will include onboarding new personnel and building the internal processes and expertise needed to effectively identify, assess, and implement appropriate community development service activities. Establishing meaningful engagement in the community requires time to build relationships, assess conditions within the Assessment Area, and ensure staff resources are appropriately aligned. For these reasons, the Bank anticipates a staged approach to community development engagement.

Consistent with this approach, the performance goals set forth in this Plan are structured to increase over the Plan period. Expected activity levels are designed to expand as employees gain experience, internal capabilities strengthen, and additional opportunities emerge that allow the Bank to support community development initiatives in a focused and impactful manner within the Assessment Area.

Remote Employees

Since the Bank operates through a digital delivery model and does not maintain a physical branch network, a portion of its workforce is expected to be located outside the designated Assessment Area. Employees working outside the Assessment Area may therefore have more limited opportunities to participate in community development service activities that directly

[2] Section 345.12(h)-6 of the Interagency Questions and Answers Regarding Community Reinvestment.

benefit the Assessment Area. To ensure that community development service goals remain both practical and meaningful, the Bank will establish annual service benchmarks based solely on employees whose primary work location is within the Assessment Area.

Economic Conditions

Adverse economic conditions, including a potential recession, could affect the Bank's business strategy and may require more conservative actions to preserve earnings and capital. Accordingly, the Bank believes this Plan should maintain flexibility to adjust activity levels as conditions warrant, including the ability to increase lending, investment, or philanthropy during periods of stronger economic performance when demand may be elevated and the Bank's financial capacity is greatest.

III. Assessment Area

a. Description

The Bank delineates the Salt Lake City-Provo-Orem CSA as its Assessment Area that includes the Salt Lake City, Ogden-Clearfield, Provo-Orem Metropolitan Statistical Areas along with the Heber and Brigham City Micropolitan Statistical Areas. The Assessment Area includes 11 contiguous counties, of which 10 are in Utah and one is in Idaho. Each county is delineated in its entirety as illustrated in Appendices C and D. This encompasses the area in which the Bank has its main office.

b. Demographic Information

The following tables present demographic information for the Bank's single Assessment Area, which consists of a total of 590 census tracts. Approximately 22% of the census tracts in the Assessment area are designated as LMI. All low-income census tracts are concentrated in four counties, with Utah County comprising 53%, followed by Salt Lake County at 29%, Weber County at 12%, and Tooele County at 6%. Counties with the largest share of moderate-income census tracts include Salt Lake 50%, Utah 22%, and Weber 14%. No LMI census tracts are located in Morgan, Juab, Summit, Wasatch, or Oneida counties, which are also the least populated counties within the Assessment Area. In addition, no distressed census tracts have been identified in the Assessment Area.

Table 1: Assessment Area Census Tracts by Income Level[3]

Metropolitan Statistical Area	County	CRA Income Level					
		Low	Moderate	Middle	Upper	Unknown	Total
Salt Lake City	Salt Lake	5	56	115	71	4	**251**

[3] 2025 FFIEC Flat File that includes demographic data from the 2020 Census Demographic and Housing Characteristics ("**DHC**") file.

Table 1: Assessment Area Census Tracts by Income Level[3]							
	Tooele	1	6	8	1	1	**17**
Ogden-Clearfield	Box Elder	0	2	7	3	0	**12**
	Davis	0	8	33	25	0	**66**
	Morgan	0	0	2	1	0	**3**
	Weber	2	15	34	7	0	**58**
Provo-Orem	Juab	0	0	2	0	0	**2**
	Utah	9	24	76	43	4	**156**
Heber*	Summit	0	0	3	11	0	**14**
	Wasatch	0	0	2	7	1	**10**
Brigham City* UT-ID**	Oneida	0	0	1	0	0	**1**
Total:		**17**	**111**	**283**	**169**	**10**	**590**
*Micropolitan Statistical Area ** Reflects the Idaho component only							

The population within the Assessment Area is heavily concentrated in Salt Lake, Utah, and Davis counties representing 81% of the population. As a result, population density is vastly different among the counties comprising the Assessment Area, as shown in the Population Per Square Mile column in the table below.

Table 2: Assessment Area Population and Density[4]			
Metropolitan Statistical Area	**County**	**Population**	**Population Per Square Mile (2020)**
Salt Lake City	Salt Lake	1,220,916	1597.2
	Tooele	87,461	10.5
Ogden-Clearfield	Box Elder	65,320	10.0
	Davis	381,227	1212.7
	Morgan	13,383	20.2
	Weber	278,174	455
Provo-Orem	Juab	13,567	3.5
	Utah	759,859	329.0
Heber*	Summit	43,141	22.6

[4] U.S. Census Bureau QuickFacts, Population estimates, July 1, 2025.

Table 2: Assessment Area Population and Density[4]			
	Wasatch	38,514	29.6
Brigham City* UT-ID**	Oneida	5,085	3.8
Total:		**2,906,647**	**Not Applicable**
*Micropolitan Statistical Area **Reflects the Idaho component only			

The table below provides further details on population and housing demographics. Those living in low-income census tracts are far more likely to rent rather than own their home. Home ownership is better in moderate-income census tracts, but a notable portion still live in renter occupied units. The greatest need for LMI housing is within the highest populated counties that include Salt Lake, Utah, and Weber.

Table 3: Select Demographic Information for Assessment Area[5]						
Demographic Characteristic	**#**	**Low**	**Moderate**	**Middle**	**Upper**	**Unknown**
Distribution by Geography Income Level:						
Census Tracts	590	2.88%	18.81%	47.98%	28.64%	1.69%
Population	2,705,693	2.43%	17.73%	49.54%	29.81%	0.49%
Family Population	609,646	1.93%	17.53%	50.21%	30.31%	0.02%
Household Population	820,096	2.47%	20.20%	49.43%	27.84%	0.06%
Housing Units	881,695	2.52%	20.01%	48.48%	28.93%	0.06%
Owner-Occupied Housing Units	579,417	0.63%	14.61%	51.38%	33.38%	0.00%
Renter-Occupied Units	240,679	6.88%	33.68%	44.74%	14.50%	0.20%
Vacant Units	61,599	3.19%	17.44%	35.75%	43.54%	0.08%

[5] 2025 FFIEC Flat File that includes demographic data from the 2020 Census DHC file and fields from the 2016-2020 5 -year American Community Survey (“**ACS**”).

As reflected in the table below, house prices are increasing at a faster pace than income particularly since 2019, which is negatively impacting housing affordability as evidenced by deteriorating trends in the housing affordability ratio. The ratio is calculated by dividing the median household income for the Assessment Area by the median housing value with a lower ratio reflecting less affordable housing.

Table 4: Housing Affordability Ratio for Assessment Area[6]			
ACS Data Source	**Median Household Income**	**Median Housing Value**	**Housing Affordability Ratio**
2024: ACS 1-Year Estimate	$100,920	$566,700	17.8%
2023: ACS 1-Year Estimate	$98,621	$539,500	18.3%
2022: ACS 1-Year Estimate	$93,613	$524,600	17.8%
2021: ACS 1-Year Estimate	$82,797	$438,900	18.9%
2019: ACS 1-Year Estimate	$80,151	$347,700	23.1%

Rental rates have also increased considerably within the Assessment Area. The median gross rent was $1,147 in 2019 and $1,647 in 2024, increasing 44%.[7]

c. Economic Conditions and Characteristics

The following table provides unemployment rates for the Assessment Area compared to the United States. Unemployment rates remain positive compared to the national average but have increased compared to 2023 levels. However, the unemployment rate remains well below peak rates experienced during the pandemic in April 2020 that were generally around double the current rates or more within the Assessment Area.

Table 5: Unemployment Rates Not Seasonally Adjusted[8]			
Area	**12/31/2025**	**12/31/2024**	**12/31/2023**
Salt Lake City MSA	3.4	3.0	2.7
Ogden-Clearfield MSA	3.3	2.8	2.4
Provo-Orem MSA	3.7	3.0	2.5
United States	4.1	3.8	3.5

6 United States Census Bureau, Tables S1903 and B25077.

7 United States Census Bureau, Tables B25064.

8 U.S. Bureau of Labor Statistics via FRED.

The following table shows Employment by Industry for Wage and Salary Employment with 64% of employees contained within Trade, Transportation, and Utilities; Professional and Business Services; Education and Health Services; and Government.

Table 6: Employment by Industry as December 2025[9]		
Description	**Number of Employees in thousands**	**Percent of Employees**
Mining, Logging, and Construction	114.5	7.9%
Manufacturing	122.3	8.4%
Trade, Transportation, and Utilities	260.6	18.0%
Information	40.5	2.8%
Financial Activities	91.2	6.3%
Professional and Business Services	223.4	15.4%
Education and Health Services	217.8	15.0%
Leisure and Hospitality	124.7	8.6%
Other Services	36.7	2.5%
Government	219.1	15.1%

Economic Projections

The Federal Reserve's efforts through restrictive monetary policy have reduced inflation and some initial measures were taken to reduce interest rates in the latter half of 2024. However, interest rate reductions stalled during much of 2025 with attention on international trade agreements and their related impacts on inflation, trade deficits, and economic growth. Additional rate cuts resumed later in 2025 as there was more clarity around the potential economic impacts of the trade agreements and economic projections remain favorable over the longer run. Overall, the current economic trends, including unemployment rates, do not present a material concern at the national or Assessment Area level.

Table 7: Federal Open Market Committee Projections – June 17, 2026				
Indicator	**2026**	**2027**	**2028**	**Longer Run**
Change in real GDP	2.2	2.3	2.2	2.0

[9] U.S. Bureau of Labor Statistics and includes the Salt Lake City, Provo-Orem, and Ogden-Clearfield MSAs.

Table 7: Federal Open Market Committee Projections – June 17, 2026				
Unemployment rate	4.3	4.3	4.2	4.2
PCE inflation	3.6	2.3	2.0	2.0
Core PCE inflation	3.3	2.5	2.1	N/A
Federal funds rate	3.8	3.6	3.4	3.1

IV. Community Needs

The Bank performed a community needs assessment centered on LMI individuals to better evaluate community development needs within the Assessment Area. The assessment drew upon demographic analysis, engagement with local community organizations, and relevant materials published by local government and community-based organizations identified in Appendix B. The key needs identified through this process are summarized below, many of which have been intensified by inflationary pressures in recent years.

Category	**Key Findings / Needs**
Housing	● Housing costs are rising faster than income, reducing affordability for both renters and homeowners. ● State and county initiatives aim to improve affordability, including support for first-time homebuyers and low-income families. ● Eviction-prevention and diversion resources can preserve housing stability before a household enters homelessness. Timely and coordinated access to these resources is an important community need, particularly for renters experiencing short-term financial hardship. ● Affordability challenges stem from shortages of rental units and homes for sale, as well as higher interest rates: o Salt Lake and Utah Counties have shortages of units affordable to households earning below 50% of AMI. o All counties have housing gaps for households earning ≤30% of AMI, with Salt Lake and Utah Counties having the largest deficits. o Provo-Orem is comparatively expensive, with ~75% of MSAs nationwide being more affordable; rents continue rising despite new construction. o Utah County needs an additional 12,000 rental units and 12,000 single-family homes through 2029 (beyond those already permitted).
Homelessness	● Housing affordability issues are contributing to increased homelessness.

Category	Key Findings / Needs

	● Additional drivers include mental illness, domestic violence, and substance abuse.
	● Both first-time and chronic homelessness are increasing.
	● 2025 Point-in-Time counts:
	  o Salt Lake County: 2,863 people (+19% YoY), 33.9% chronically homeless.
	  o Weber County: 480 people (+5.5% YoY), 20.4% chronically homeless.
	  o Utah County: 235 people (+34.2% YoY), 14.9% chronically homeless.

Hunger	● Food insecurity is at or above 10% in all counties. ● Salt Lake, Box Elder, Weber, and Juab counties report the highest rates (13–14%) with rising trends. ● Inflation is intensifying challenges for food-insecure households. ● Salt Lake and Utah Counties have the greatest overall need due to population size. ● Children and minorities experience disproportionately higher food insecurity.
Childcare	● Significant need for affordable, high-quality early childcare across the Assessment Area. ● Greatest shortages exist in Weber, Juab, and Salt Lake Counties. ● Utah and Davis Counties show high need due to large populations of children under age six. ● Wasatch, Juab, and Box Elder Counties have the lowest access to licensed providers. ● Childcare availability is further challenged by reductions in funding, including the expiration of pandemic relief programs in 2024.
Education	● Increased educational support for youth is needed across the Assessment Area. ● Salt Lake, Weber, Juab, Box Elder, and Utah Counties show high levels of free/reduced lunch eligibility and chronic absenteeism. ● Minority students make up 42% of Salt Lake County's student population—the highest in the region—with Hispanic students representing the majority. These populations generally demonstrate increased need for educational support.
Financial Literacy & Career Development	● Need for expanded financial literacy and or coaching programs in schools, after-school settings, and underserved communities (including single parents). ● Need for more career development opportunities offering hands-on skill-building, internships, and business partnerships.

Category	Key Findings / Needs
	● Additional support is needed for adults pursuing economic stability: ESL, GED, vocational training, early-childhood education certification, and postsecondary education programs.
Healthcare / Behavioral Health	● Highest needs among low-income individuals, homeless families, seniors, and victims of domestic violence. ● Limited access to quality healthcare and mental-health services. ● Significant need for programs addressing substance abuse and mental illness. ● Pandemic-related impacts, rising costs, and workforce shortages compound access challenges.
Domestic Violence	● Domestic violence affects all demographics, though women experience higher rates. ● Communities of color experience disproportionately higher rates of domestic and sexual violence. ● In 2025, 3,200 individuals received support from Utah DCFS; over 457,000 calls were made to the LINKLine crisis hotline. ● Individuals in rural areas are less likely to seek help.

V. Plan and Measurable Goals

This section identifies the Bank's strategy for demonstrating CRA performance through the use of clearly defined, measurable performance goals. In establishing these goals, management evaluated a variety of relevant factors, including demographic and economic conditions, results of the community needs assessment, peer institution goals, and the Bank's capacity and operational constraints, as discussed in Section II.d.

Measurable goals focus on three key areas: community development lending and investments, philanthropy, and services. For each area, benchmarks are defined to achieve either a Satisfactory or Outstanding rating, with the Bank aspiring to achieve results consistent with an Outstanding rating. Given the three-year term of this Plan, interim annual goals have been established for each 12-month measurement period. While illustrative examples of eligible CRA activities are provided within each performance category, actual resource allocation decisions will be guided by the Bank's community needs assessment and ongoing engagement with community organizations and governmental entities.

a. Peer Performance

A data-driven methodology was generally applied in developing the goals set forth below to support objective evaluation of the Plan's performance and facilitate comparison with peer institutions. Peer analysis focused on banks operating with nationwide lending platforms with minimal lending activity concentrated within their assessment areas, most of which are headquartered in Utah. The peer group includes Medallion Bank, Merrick Bank, Nelnet Bank, The Bancorp Bank, N.A., and WebBank. Benchmark information was obtained from publicly available CRA Strategic Plans or CRA Performance Evaluations. In addition, the Bank reviewed strategic plans from other institutions outside the formal peer group to further inform and refine its goal-setting approach.

b. Established Goals

Community Development Loans and Investments (Goals #1 and #2)

While community development loans and community development investments are separate categories, the Bank has chosen to treat them jointly when setting performance benchmarks under this Plan. Combining these activities provides greater flexibility to deploy capital where it can most effectively respond to identified needs within the Assessment Area. As noted in Section II.d., the Bank may meet its performance expectations entirely through investments, or through a mix of qualifying loans and investments. This approach aligns with practices commonly used by similarly situated institutions facing comparable strategic and operational limitations. Accordingly, the Plan sets forth annual goals addressing both cumulative balances and new originations of community development loans or investments.

Cumulative Community Development Loan or Investments

The Bank's goals are outlined below followed by supporting peer data. Given the Bank's status as a de novo institution, cumulative performance expectations increase gradually over the initial three-year period. Beyond Year 3, the Bank's cumulative goals are designed to more closely align with those established by peer institutions that are not de novo banks.

Table 8: Goal #1 Cumulative Community Development Loans and Investments to Average Assets		
Measurement Year	**Satisfactory**	**Outstanding**
Year 1	0.40	0.60
Year 2	0.70	1.00
Year 3	1.00	1.30
Calculations: Cumulative Loans and Investments - derived for New Loans and Investments in each fiscal Plan year, plus the outstanding balance of any qualified investments previously originated during any period, plus the current balance of loans originated during prior years covered within this Plan term. Average Assets - calculated by taking the average of line 9 (Total Assets) of Schedule RC-K (Quarterly Averages) of the Consolidated Reports of Condition and Income for the Bank's four quarters in the prior fiscal year. For example, a 2028 goal will be calculated using RC-K		

Table 8: Goal #1 Cumulative Community Development Loans and Investments to Average Assets
averages for 3/31/2027, 6/30/2027, 9/30/2027, and 12/31/2027. For the first year of operation, average assets will be derived based on assets of the current fiscal year.

The section that follows provides comparative benchmark data from peer institutions to inform and support the Bank's goal-setting approach.

Table 9: Annual Interim Peer Goals Cumulative Loans & Investments to Average Assets Satisfactory / Outstanding					
	Year 1	Year 2	Year 3	Year 4	Year 5
Medallion Bank	1.30 / 1.75	1.30 / 1.75	1.30 / 1.75	1.30 / 1.75	1.30 / 1.75
Merrick Bank	1.35 / 1.90	1.35 / 1.90	-	-	-
Nelnet Bank	1.20 / 1.45	1.20 / 1.45	1.20 / 1.45	1.20 / 1.45	1.20 / 1.45
The Bancorp Bank, N.A.*	1.23 / 1.33	1.23 / 1.33	1.23 / 1.33	1.23 / 1.33	1.23 / 1.33
WebBank	1.15 / 1.50	1.15 / 1.50	1.15 / 1.50	1.15 / 1.50	-
*The Bancorp Bank, N.A. states goals as a percentage of Tier 1 Capital. For comparison purposes, the goal is presented by using the bank's Tier 1 Capital as of December 31, 2025 to derive the approximate amount of loans and investments for the numerator and year-to-date average assets at December 31, 2025 for the denominator.					

Peer data indicates that Satisfactory performance for cumulative community development loans and investments falls within a range of 1.15% to 1.35% of average assets, with a peer average of 1.24%. For an Outstanding rating, peer benchmarks range from 1.33% to 1.90%, with an average of 1.55%. Given the Bank's de novo status, cumulative goals fall outside of the peer range but will reach peer levels as the Bank matures.

New Community Development Loan or Investments

In support of the Bank's cumulative lending and investment objective and to demonstrate an ongoing commitment to meaningful community impact, the Bank has also established annual targets for new community development loans and investments. These annual benchmarks promote sustained participation and allow the Bank to remain responsive to changing community needs over time.

Table 10: Goal #2 New Community Development Loans and Investments		
Measurement Year	**Satisfactory**	**Outstanding**
Year 1	0.40%	0.60%
Year 2	0.40%	0.60%
Year 3	0.40%	0.60%

Calculations:
New Loans and Investments: Represents the total committed balance at origination for all qualified loans or investments in the current fiscal plan year. A renewal of a loan or time deposit at a qualifying institution is considered a new activity. However, such loan or investment can only be counted one time during a plan year regardless of its tenure. All time deposits must have a tenure of at least 12 months.
Average Assets: Calculated by taking the average of line 9 (Total Assets) of Schedule RC-K (Quarterly Averages) of the Consolidated Reports of Condition and Income for the Bank's four quarters in the prior fiscal year. For example, a 2028 goal will be calculated using RC-K averages for 3/31/2027, 6/30/2027, 9/30/2027, and 12/31/2027. For the first year of operation, average assets will be derived based on assets of the current fiscal year.
Economic Adjustments: As addressed in Section II.d., economic uncertainties could impact the Bank's capacity to lend or invest. Additionally, there could be a greater need or demand within the Assessment Area during certain times. In recognition of these events, the Bank will allow any excess new loans or investments that exceed goals for a given year to be applied to the subsequent plan year's goal. However, the Bank must meet the minimum threshold for Satisfactory in the current plan year to carry any amount forward. For example, Year 2, the Bank may make 0.80% of average assets in qualifying loans or investments meeting the Outstanding threshold. The Bank may opt to carry forward the dollar amount of loans and investments representing 0.30% of average assets for the Year 3 goal. However, such practice will result in the Bank only meeting the goal for Satisfactory in Year 2 versus Outstanding, and the Bank must still make additional loans or investments necessary to at least meet its Satisfactory goal for Year 3 in this example.

The table below summarizes peer institution benchmarks, which provide context for and inform the Bank's performance standards.

Table 11: Annual Interim Peer Goals New Loans & Investments to Average Assets Satisfactory / Outstanding					
	Year 1	Year 2	Year 3	Year 4	Year 5

Table 11: Annual Interim Peer Goals New Loans & Investments to Average Assets Satisfactory / Outstanding					
Medallion Bank	0.40 / 0.60	0.40 / 0.60	0.40 / 0.60	0.40 / 0.60	0.40 / 0.60
Merrick Bank	0.40 / 0.75	0.40 / 0.80	0.50 / 0.75	NA	NA
Nelnet Bank	0.50 / 0.60	0.50 / 0.60	0.50 / 0.60	0.50 / 0.60	0.50 / 0.60
The Bancorp Bank, N.A.*	0.04 / 0.05	0.04 / 0.05	0.04 / 0.05	0.04 / 0.05	0.04 / 0.05
WebBank	0.40 / 0.60	0.40 / 0.60	0.40 / 0.60	0.40 / 0.60	N/A
*Goals for The Bancorp Bank, N.A. are calculated using annual amounts for new and cumulative loans or investments established in the CRA Strategic Plan divided by December 31, 2025 year-to-date average assets.					

Peer data indicates that Satisfactory performance for new community development loans and investments falls within a range of 0.04% to 0.50% of average assets, with a peer average of 0.35%. For an Outstanding rating, peer benchmarks range from 0.05% to 0.80%, with an average of 0.5%. Guided by these peer metrics, the Bank's established goals are generally consistent with peer performance levels and support attainment of the Bank's cumulative lending and investment objectives.

Potential Opportunities

Community Development Loans and Investments include those activities that provide affordable housing for LMI individuals; community services targeted to LMI individuals; activities that promote economic development by financing small businesses or farms meeting size eligibility requirements defined by regulation; or activities that revitalize or stabilize LMI geographies, designated disaster areas, or certain distressed or underserved nonmetropolitan middle-income geographies. In making investment decisions, the Bank may invest in nationwide funds in accordance with regulatory guidance[10] and which is consistent with our nationwide footprint.

Examples of qualified Community Development Loans and investments include, but are not limited to, investments, grants, deposits, or shares in or to:

- Financial intermediaries (including Community Development Financial Institutions, New Markets Tax Credit-eligible Community Development Entities, Community Development Corporations, minority- and women-owned financial institutions, community loan funds, and low-income or community development credit unions[11]) that primarily lend or

[10] Section 345.23(a)(1) and (2) of the Interagency Questions and Answers Regarding Community Reinvestment

[11] Section 345.21(f) of the Interagency Questions and Answers Regarding Community Reinvestment states the Agencies apply a broader geographic criterion when evaluating capital investments, loan participations, and other ventures undertaken by that institution in cooperation with minority- and women-owned financial institutions and low-income credit unions (MWLI), as provided by the CRA. Thus, such activities will be favorably considered in the

facilitate lending in LMI areas or to LMI individuals in order to promote community development, such as a Community Development Financial Institution ("**CDFI**") that promotes economic development on an Indian reservation;

- Organizations engaged in affordable housing rehabilitation and construction, including multifamily rental housing;
- Organizations, including, for example, Small Business Investment Companies ("**SBIC**"), specialized SBICs, and Rural Business Investment Companies ("**RBIC**") that promote economic development by financing small businesses;
- Community development venture capital companies that promote economic development by financing small businesses;
- Facilities that promote community development by providing community services for LMI individuals, such as youth programs, homeless centers, soup kitchens, health care facilities, battered women's centers, and alcohol and drug recovery centers;
- Projects eligible for low-income housing tax credits;
- State and municipal obligations, such as revenue bonds, that specifically support affordable housing or other community development;
- Not-for-profit organizations serving LMI housing or other community development needs, such as counseling for credit, home-ownership, home maintenance, and other financial literacy programs;
- Organizations supporting activities essential to the capacity of LMI individuals or geographies to utilize credit or to sustain economic development, such as, for example, day care operations and job training programs or workforce development programs that enable LMI individuals to work; and
- Investments in a mortgage-backed security that is primarily secured by loans to LMI borrowers.

Some specific examples of qualified community development loans or investment opportunities within our Assessment Area are listed below and are illustrative only; they do not represent our commitment to find any particular organization.

<u>Community Development Corporation of Utah</u>

Non-profit CDFI that helps the community thrive by empowering people on their path toward financial security, housing stability, and access to affordable homes.

<u>NeighborWorks of Salt Lake Affordable Housing Mission Investment Loan Fund</u>

Provides loans, up to 5 years for up to $2 million, to Exemplary or Strong NeighborWorks Network Organizations and nonprofit entities. It is intended to be used as working capital for projects and programs that build organizational capacity, promote affordable housing, economic development, and community revitalization

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CRA performance evaluation of the institution (as loans, investments, or services, as appropriate), even if the MWLIs are not located in, or such activities do not benefit, the assessment area(s) of the majority-owned institution or the broader statewide or regional area that includes its assessment area(s). Examples could include making a deposit, capital investment, purchasing a participation in a loan, etc.

Opportunity Zones

An opportunity zone is an economically distressed area designated by the U.S. Department of the Treasury to attract private investment from qualified opportunity funds. Utah has 46 designated Opportunity Zone census tracts out of over 8,700 in every state and territory across the country. Of Utah's 46 zones, over 31 are in the Assessment Area.

Rocky Mountain Community Reinvestment Corporation

Facilitates the development and preservation of safe and clean affordable housing and community facilities that serve LMI individuals, families and underserved communities throughout the Rocky Mountain region that includes the assessment area.

Suazo Business Center

A non-profit organization committed to expanding access to business ownership. In 2023, the Center was awarded CDFI certification, a designation that will continue to empower the Center to serve low-income communities.

Utah Housing Corporation ("**UHC**")

Created as a public corporation by State legislation in 1975 to raise funds to assist in the creation of affordable housing opportunities for lower-income Utah households. UHC provides mortgages to qualifying first time homebuyers as well as resources to developers building or renovating affordable apartment projects.

Utah Microloan Fund

A non-profit CDFI, located in Salt Lake City and serving the entire state of Utah.

Community Development Grants and Donations (Goal #3)

The Bank intends to support community development through charitable contributions that benefit its Assessment Area. The Bank's grant and donation targets below are set using fixed dollar amounts, consistent with common peer practices.

Table 12: Annual Grants and Donations (Goal #3)		
Measurement Year	**Satisfactory**	**Outstanding**
Year 1	$40,000	$50,000
Year 2	$50,000	$75,000
Year 3	$60,000	$80,000
Calculations: Economic Adjustments: Consistent with Goal #2, the Bank will permit any grants or donations that exceed the established annual goals to be applied toward the subsequent plan year's goal, if desired. However, the Bank must first meet the minimum Satisfactory threshold for the current plan year before any excess amounts may be carried forward.		

As illustrated in the table below, four peer institutions have established grant or donation goals based on dollar amount. Each bank's asset size is provided for additional perspective.

Table 13: Annual Interim Peer Goals for Grants and Donations Satisfactory / Outstanding					
Peer Bank *Assets (12/31/25)*	Year 1	Year 2	Year 3	Year 4	Year 5
Merrick Bank *$9.3 billion*	$200,000 / $275,000	$200,000 / $275,000	$300,000 / $400,000	NA	NA
Nelnet Bank *$2.1 billion*	$40,000 / $60,000	$50,000 / $70,000	$60,000 / $80,000	$70,000 / $90,000	$80,000 / $100,000
The Bancorp Bank, N.A. *$9.3 billion*	$240,000 / $280,000	$240,000 / $280,000	$260,000 / $300,000	$260,000 / $300,000	$260,000 / $300,000
WebBank *$2.9 billion*	$65,000 / $75,000	$65,000 / $75,000	$65,000 / $75,000	$65,000 / $75,000	N/A

These peer comparisons produce annual grant and donation levels ranging from $40,000 to $300,000 for a Satisfactory rating, with an average of $148,235, and from $60,000 to $400,000 for an Outstanding rating, averaging $182,941. While this information informed the Bank's approach to setting targets, the Bank's de novo status and comparatively smaller asset base limit the relevance of peer dollar amounts on an absolute basis. As a result, the Bank's goals above were calibrated to reflect its financial capacity, community-development commitment, and stage of operations.

Potential Opportunities

As previously discussed, Flexible Finance provides financial and technical support to Flex for Good, a 501(c)(3) nonprofit organization that provides targeted financial assistance intended to help prevent avoidable evictions. While this non-profit provides benefits nationwide, contributions to the fund may be considered in meeting Goal #3 to the extent they satisfy the applicable community-development-purpose and geographic-benefit requirements.[12]

[12] See Section 345.12(h)-6 of the Interagency Questions and Answers Regarding Community Reinvestment. An immediate or direct benefit within the Assessment Area is not required where the supported organization or activity covers a broader area that includes the Assessment Area and its purpose, mandate, or function includes serving qualifying individuals or geographies within the Assessment Area. Before including a contribution toward Goal #3, the Bank will evaluate and document its primary community-development purpose, geographic nexus, and qualifying amount based on the program's structure and available evidence. Potential treatments may include designating contributions for qualifying assistance within the Assessment Area; documenting that the program's mandate and operations include the Assessment Area or an eligible broader statewide or regional area; counting only the substantiated qualifying portion of a contribution; or excluding the contribution where the applicable requirements cannot be demonstrated. The Bank will also evaluate any contribution or related arrangement under Sections 23A and 23B of the Federal Reserve Act and Regulation W, including Flex for Good's affiliate status, whether the arrangement constitutes or gives rise to a covered transaction, the applicability of Section 23B's

Several potential nonprofit organizations within the Assessment Area are also identified to meet community development goals. The examples provided are illustrative only and do not constitute a commitment to fund any specific entity, nor do they limit the range of nonprofit organizations the Bank may support. Management will continue to evaluate and develop additional nonprofit partnerships that meaningfully benefit the Assessment Area.

<u>Community Action Partnership of Utah</u>

Statewide association for Utah's nine Community Action Agencies that envisions an end to poverty in Utah by providing services to low-income families and individuals across the state.

<u>Envision Utah</u>

Engages people to create and sustain communities that are beautiful, prosperous, healthy, and neighborly for current and future residents.

<u>Fight Against Domestic Violence</u>

A 501(c)(3) with a mission to generate resources for domestic violence survivors and service providers through corporate, individual, and community partnerships. The non-profit works with all domestic violence service providers in the state of Utah to support victims/survivors in bridging the gaps that prevent them from living their most safe and stable lives.

<u>Fourth Street Clinic</u>

Helps individuals experiencing homelessness improve their health and quality of life by providing high-quality integrated health care.

<u>Habitat for Humanity Northern Utah and Habitat for Humanity Greater Salt Lake Area</u>

A 501(c)(3) that serves the Assessment Area by focusing on building affordable homes, making critical home repairs, and offering low-cost building materials for families in need. The organization seeks to eliminate poverty, housing and homelessness by making decent shelter a matter of conscience.

<u>Junior Achievement of Utah</u>

Provides kids from all walks of life an opportunity to expand their vision and realize their potential through practical skills in financial literacy, innovative thinking and workplace readiness.

<u>Kids On The Move</u>

A non-profit based in Orem, Utah, who supports families with complex circumstances, including children with special needs, mental health issues, and low-income to provide comprehensive services and accessible resources.

market-terms requirement, and any applicable attribution, quantitative, collateral, approval, or documentation requirements. Final treatment will reflect the transaction's structure and applicable regulatory guidance.

NeighborWorks of Salt Lake and NeighborWorks Mountain Country Home Solutions

501(c)(3) organizations that build on the strengths of neighborhoods, creating opportunities through housing, resident leadership, and youth and economic development in both Salt Lake City and Orem.

Orem Community Foundation

A 501(c)(3) with a funding pillar that includes Human Services to help meet the basic needs of Orem residents including food security, health care, aging services, mental health services, and housing.

Project Read

Provides literacy programs for in-need adults. Many are homeless or require public assistance to meet their daily needs. Project Read students are a presumed benefit category for LMI services.

South Valley Services

Provides safe shelter and ongoing supportive services to women, men, and their children who have been impacted by domestic and sexual violence.

United Way of Utah County and United Way of Salt Lake

Supports community services that address needs for food, education, financial stability, transportation, and volunteer income tax assistance.

University of Utah Opportunity Scholars Program

Supports and enhances the educational experience of first-generation business students as they progress toward graduation. The program provides scholarship and mentoring opportunities that includes students from the following backgrounds: Anglo, African-American, Asian, Eastern European, Hispanic/Latino, Middle Eastern, Native-American, Pacific Islander, and Africa.

Utah Food Bank

Provides food to those in need to fight food insecurity.

Utah Partners for Health

Provides compassionate, comprehensive, quality care to empower underserved individuals, families, and communities in a patient centered medical home providing primary care services to patients of all ages.

Utah Community Action

Founded in 1965 to meet the needs of the community, especially individuals experiencing poverty with a mission to empower individuals, strengthen families, and build communities through education and self-reliance programs.

Community Development Services (Goal #4)

The Bank's community development service objective is measured by the annual number of service hours contributed per full-time employee ("**FTE**"). As a de novo institution, the Bank has structured its service expectations to ramp up over the three-year plan period, allowing sufficient time for employees to become established within the organization and engaged with the community. By the third year of the Plan, the Bank's goals meet or exceed those of four peer institutions and surpass the overall peer average as further supported below. Consistent with Section II.d, employees who do not reside within the Assessment Area are excluded from the FTE count used to calculate service-hour expectations, an approach that aligns with practices followed by most peer institutions and other banks operating under the strategic plan option.

Table 14: Annual Service Hours per FTE (Goal #4)		
Measurement Year	**Satisfactory**	**Outstanding**
Year 1	2.5	3.0
Year 2	3.0	3.5
Year 3	3.5	4.5
Calculation: Hour goals for each year will be determined by the number of FTEs living in the Assessment Area as of December 31 of the preceding year. If employees outside of the Assessment Area or of an affiliate are used to meet service hour goals, then those employees will be added to the FTE count to arrive at an adjusted service hour goal for the plan year.		

The table below presents service-hour benchmarks for peer institutions. Nelnet Bank reports service activity only in total hours; accordingly, its data was converted to an hours-per-FTE basis using employee figures from the September 30, 2024 Report of Income and Condition. All other peers establish service goals based on hours per FTE for employees located within their assessment area or, more broadly, within the state of Utah in some instances.

Table 15: Annual Interim Peer Goals for Service Hours per FTE Satisfactory / Outstanding					
	Year 1	Year 2	Year 3	Year 4	Year 5
Medallion Bank	5.0 / 6.0	5.0 / 6.0	5.0 / 6.0	5.0 / 6.0	5.0 / 6.0
Merrick Bank	3.0 / 4.0	3.0 / 4.0	3.5 / 4.5		
Nelnet Bank	2.5 / 3.8	2.5 / 3.8	2.5 / 3.8	2.5 / 3.8	2.5 / 3.8
The Bancorp Bank, N.A.	1.00 / 1.25	1.00 / 1.25	1.00 / 1.25	1.00 / 1.25	1.00 / 1.25

Table 15: Annual Interim Peer Goals for Service Hours per FTE Satisfactory / Outstanding					
WebBank	4.0 / 5.0	4.0 / 5.0	4.0 / 5.0	4.0 / 5.0	N/A

Peer benchmarks indicate that Satisfactory performance ranges from 1.0 to 5.0 service hours per FTE, with an average of 3.1 hours, while Outstanding performance ranges from 1.25 to 6.0 hours per FTE, averaging 4.0 hours.

Opportunities

Community development services will be related to the provision of financial services.[13] The Bank will seek opportunities to help serve those organizations previously discussed or others identified through the Bank's ongoing assessment of community needs, including qualifying hours associated with Flexible Finance's non-profit organization, Flex for Good, that provides targeted financial assistance intended to help prevent evictions.

VI. Plan Review and Administration

a. Ongoing Monitoring of Plan Goals

The Bank's Board will ensure adequate resources are available to achieve the goals outlined in this Plan. The Board and the Compliance & Operations Committee will monitor the Bank's performance periodically throughout the fiscal Plan year to gauge performance against stated goals. To the extent the Bank has a material change in its mission or strategy, the Bank will consult with the FDIC to submit an amended Plan, and as necessary, seek formal public comment.

b. FDIC Request for Approval

The Bank respectfully submits that it has fulfilled the regulatory requirements for CRA strategic plans, including those governing development of the Plan and the involvement of the public in the determination of community needs. As established herein, the Bank's CRA performance context supports the Bank's measurable Plan goals. The Board and management team believe that FDIC approval of the Bank's Plan is appropriate under the FDIC's criteria for evaluation as outlined in 12 CFR 345.27(g)(3)(i)-(iii).

For the reasons set forth above, the Bank respectfully requests FDIC approval of this Plan.

c. Election of Alternative Performance Evaluation

The Board and senior management intend to meet or exceed all goals established in the Plan. However, the Bank reserves the right to request to be evaluated under the appropriate performance test based on the Bank's asset size.

[13] Section 345.12(i)-3 of the Interagency Questions and Answers Regarding Community Reinvestment

d. Bank Contact Information

For information regarding this Plan, please contact:

Chelsea Keegan
Chief Compliance Officer
Flex Bank
Insert Street Address
[Insert City], UT XXXX
Office Telephone:
Email Address:

Appendix A: Proof of Publication

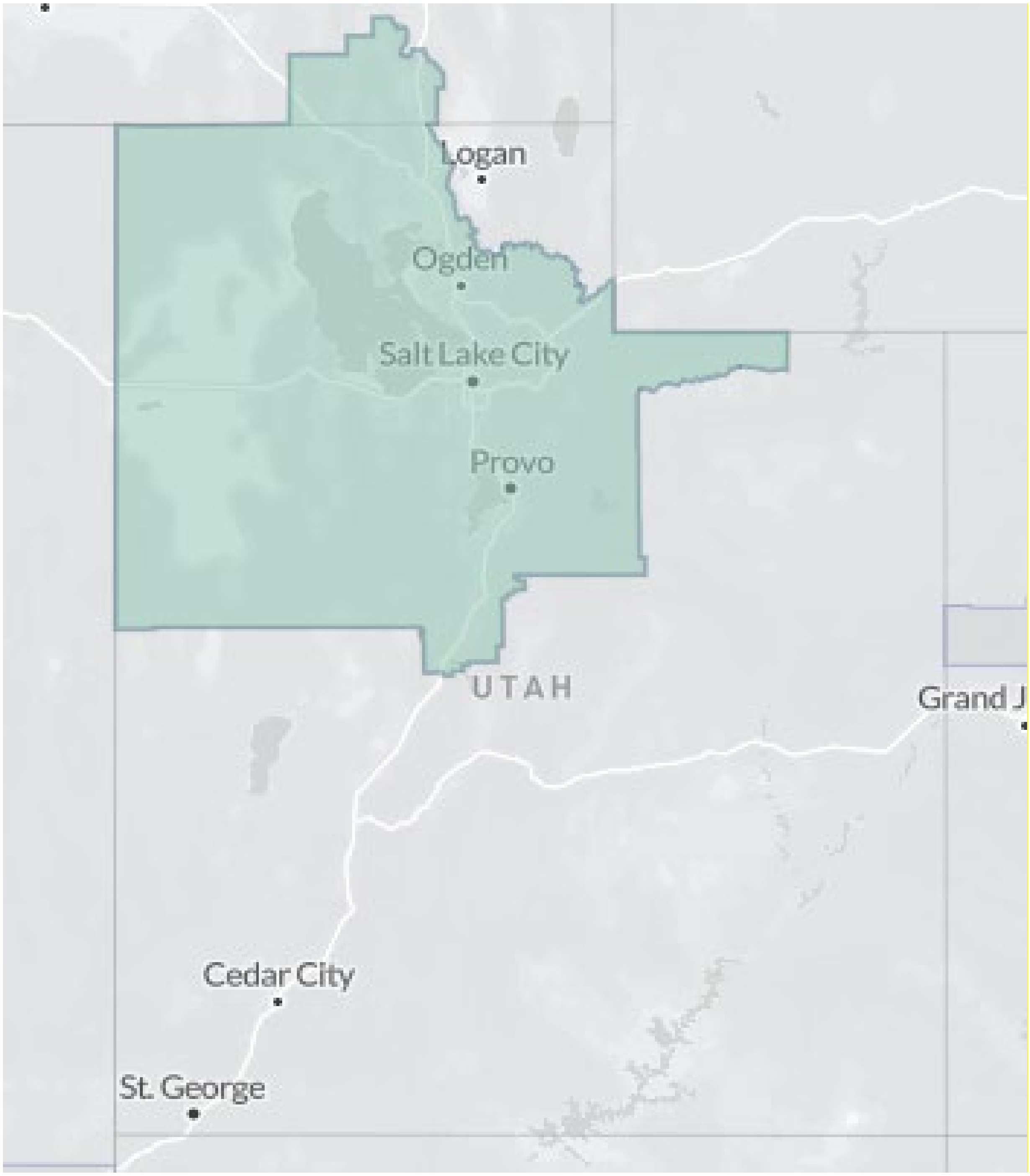
Public Notice (Notice)
Community Reinvestment Act Strategic Plan
Public Comments Invited

Community Reinvestment Act ("**CRA**") regulations require a bank that has developed a CRA Strategic Plan (the "**Plan**") to publish Notice of the Plan and solicit formal written public comment for at least a 30-day period. In conformance with this requirement, the proposed Flex Bank (the "**Bank**") hereby provides notice of its intention to submit a CRA Strategic Plan to the Federal Deposit Insurance Corporation ("**FDIC**"). Written comments from the public concerning the Plan are encouraged. Individuals may request a copy of the Bank's CRA Strategic Plan at no charge, by contacting Chelsea Keegan, Chief Compliance Officer, by email at [XXXX], or by mail at [XXXX]. All written comments regarding the Plan should be directed to Chief Compliance Officer Keegan at the address listed above. Comments will be accepted until [XXXX XX, 202X], following which time the Plan will be submitted for approval to the FDIC. The Bank will review all comments and incorporate suggestions into the Plan at its discretion.

Appendix B: Community Needs Assessment References

1. Comprehensive Housing Market Analysis Provo-Orem, Utah by U.S. Department of Housing and Urban Development, Office of Policy Development and Research as of June 1, 2021
2. City of Provo and Utah Valley Home Consortium Housing and Homeless Needs Assessment 2024, by Civicus Consulting Group, Michael D. Call, Ph.D.
3. An Assessment of the Needs of Low- to Moderate – Income Communities in Salt Lake County and Surrounding Areas by the Utah Center for Financial Services, The University of Utah
4. 2025-2029 Salt Lake City Consolidated Plan, by Department of Community and Neighborhoods and Zions Bancorporation
5. The Utah Annual Data Report on Homelessness
6. Report on Homelessness, January 2024, by The State of Utah Office of Homeless Services
7. Map the Meal Gap by Feeding America
8. Food Security Fact Sheet: Salt Lake County, by Hunger Solution Institute Utah State University
9. Utah Division of Child & Family Services 2025 Annual Report
10. Mapping Care of Kids: A County-Level Look at Utah's Crisis in Licensed Child Care by Voices for Utah Children
11. Utah State-Wide Needs Assessment Domestic Violence, Sexual Violence & Human Trafficking – 2022 Report, by Annie Isabel Fukushima, Gender-Based Violence Consortium University of Utah
12. Community Needs Assessment by Utah Community Action
13. Annual Report 2024, Utah Department of Workforce Services
14. The Power of Partnership 2022-2023 Gratitude Report, by Salt Lake Education Foundation
15. 2024 Education Data by County by Voice for Utah Children

Appendix C: Assessment Area Map



Appendix D: Census Tracts

Each census tract within the Bank's delineated Assessment Area is included in the table by county.

Salt Lake	Salt Lake	Salt Lake	Salt Lake	Salt Lake	Salt Lake	Salt Lake
1001.00	1039.00	1116.02	1127.00	1130.21	1135.20	1146.01
1002.00	1040.00	1117.01	1128.04	1130.22	1135.21	1146.02
1003.06	1041.00	1117.02	1128.05	1130.23	1135.22	1147.00
1003.07	1042.00	1118.01	1128.12	1130.24	1135.23	1148.00
1003.08	1043.00	1118.02	1128.13	1130.25	1135.26	1151.07
1005.00	1044.00	1119.03	1128.14	1131.01	1135.27	1151.08
1006.00	1047.00	1119.04	1128.15	1131.02	1135.28	1151.09
1007.00	1048.00	1119.05	1128.16	1131.05	1135.32	1152.10
1008.00	1049.00	1119.06	1128.18	1131.08	1135.33	1152.11
1010.00	1101.03	1120.01	1128.21	1131.09	1135.36	9800.00
1011.01	1101.04	1120.02	1128.22	1131.10	1135.37	9801.00
1011.02	1101.05	1121.01	1128.23	1131.11	1135.38	
1012.00	1101.06	1121.02	1128.24	1131.12	1135.39	
1014.01	1102.00	1122.01	1128.25	1131.13	1135.40	
1014.02	1103.00	1122.02	1128.26	1131.14	1135.41	
1015.00	1104.01	1123.01	1128.27	1133.07	1135.42	
1016.00	1104.02	1123.02	1128.28	1133.08	1135.43	
1017.00	1105.00	1124.02	1128.29	1133.09	1135.44	
1018.00	1106.00	1124.04	1128.30	1133.10	1135.45	
1019.00	1107.01	1124.05	1128.31	1133.11	1136.00	
1020.00	1107.02	1124.06	1129.04	1133.12	1137.01	
1021.00	1108.00	1125.01	1129.05	1133.13	1137.02	
1023.00	1109.00	1125.03	1129.07	1133.14	1138.01	
1025.01	1110.01	1125.04	1129.12	1134.06	1138.02	
1025.02	1110.02	1125.05	1129.13	1134.08	1138.04	
1026.00	1111.04	1126.04	1129.14	1134.09	1138.05	
1027.01	1111.05	1126.08	1129.16	1134.10	1139.03	
1027.02	1111.06	1126.09	1129.17	1134.11	1139.04	
1028.01	1111.07	1126.10	1129.18	1134.12	1139.05	
1028.02	1111.08	1126.11	1129.20	1134.13	1139.06	
1029.00	1111.09	1126.12	1129.21	1134.14	1139.08	
1030.00	1112.01	1126.13	1130.07	1134.15	1139.09	
1031.00	1112.02	1126.14	1130.08	1135.05	1140.00	
1032.00	1113.02	1126.15	1130.10	1135.09	1141.00	
1033.00	1113.04	1126.16	1130.11	1135.10	1142.00	
1034.00	1113.05	1126.17	1130.12	1135.11	1143.01	

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Salt Lake	Salt Lake	Salt Lake	Salt Lake	Salt Lake	Salt Lake	Salt Lake
1035.00	1113.06	1126.18	1130.13	1135.12	1143.02	
1036.00	1114.00	1126.19	1130.14	1135.13	1143.03	
1037.00	1115.00	1126.20	1130.16	1135.14	1143.04	
1038.00	1116.01	1126.21	1130.17	1135.15	1145.00	

Tooele	Box Elder	Davis	Davis	Morgan	Weber	Weber
1306.00	9601.00	1251.02	1261.08	9701.01	2001.00	2105.11
1307.01	9602.00	1251.03	1262.03	9701.02	2002.02	2105.12
1307.04	9603.01	1251.04	1262.04	9702.00	2002.03	2105.13
1307.05	9603.02	1252.01	1262.05		2002.04	2105.14
1307.06	9604.00	1253.01	1262.06		2003.01	2105.15
1307.07	9605.00	1253.04	1263.03		2003.02	2105.16
1307.08	9606.01	1253.05	1263.04		2004.00	2105.17
1308.00	9606.02	1253.06	1263.05		2005.00	2105.18
1309.00	9607.01	1253.07	1263.06		2006.00	2106.00
1310.01	9607.02	1254.07	1264.02		2007.00	2107.01
1310.03	9608.01	1254.08	1264.04		2008.00	2107.03
1310.04	9608.02	1254.09	1264.05		2009.00	2107.04
1310.05		1254.10	1264.06		2011.00	2108.00
1311.01		1254.11	1265.00		2012.00	2109.00
1311.02		1254.12	1266.00		2013.01	2110.00
1312.00		1254.13	1267.00		2013.02	2111.00
9800.00		1254.14	1268.01		2014.00	2112.01
		1254.15	1268.02		2015.00	2112.02
		1255.01	1269.01		2016.00	
		1255.02	1269.02		2017.00	
		1255.03	1270.02		2018.00	
		1256.00	1270.03		2019.00	
		1257.01	1270.05		2020.00	
		1257.02	1270.06		2101.01	
		1258.01	1271.00		2101.02	
		1258.04	9800.00		2102.01	
		1258.05			2102.03	
		1258.07			2102.04	
		1258.09			2103.03	
		1258.10			2103.04	
		1259.05			2103.05	
		1259.06			2103.06	
		1259.07			2104.04	
		1259.08			2104.05	
		1260.01			2104.06	

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Tooele	Box Elder	Davis	Davis	Morgan	Weber	Weber
		1260.02			2104.07	
		1261.01			2104.08	
		1261.05			2105.08	
		1261.06			2105.09	
		1261.07			2105.10	

Juab	Utah	Utah	Utah	Utah	Summit	Wasatch
0101.00	0001.02	0012.01	0031.04	0102.16	9641.01	9405.01
0102.00	0001.03	0012.02	0031.05	0102.17	9641.03	9601.00
	0001.04	0013.00	0031.06	0102.19	9641.04	9602.01
	0001.05	0014.01	0032.01	0102.20	9642.01	9602.02
	0002.03	0014.03	0032.03	0102.21	9642.02	9602.03
	0002.05	0014.04	0032.04	0102.22	9642.03	9602.04
	0002.06	0015.01	0032.05	0102.23	9643.03	9604.01
	0002.07	0015.03	0033.01	0102.24	9643.04	9604.02
	0002.08	0015.04	0033.02	0102.25	9643.05	9605.00
	0004.00	0016.01	0034.01	0102.26	9643.06	9801.00
	0005.04	0016.02	0034.03	0103.03	9643.07	
	0005.05	0017.01	0034.04	0103.05	9643.08	
	0005.06	0017.02	0034.05	0103.06	9644.01	
	0005.07	0018.01	0101.07	0103.07	9644.02	
	0005.08	0018.02	0101.10	0103.08		
	0005.10	0018.03	0101.14	0104.04		
	0005.11	0019.00	0101.15	0104.05		
	0006.01	0020.01	0101.16	0104.06		**Oneida**
	0006.03	0020.02	0101.17	0104.07		9601.00
	0006.04	0021.01	0101.18	0104.08		
	0007.03	0021.02	0101.19	0104.09		
	0007.06	0022.04	0101.20	0104.10		
	0007.07	0022.05	0101.21	0104.11		
	0007.08	0022.06	0101.22	0105.03		
	0007.09	0022.08	0101.23	0105.04		
	0007.10	0022.09	0101.24	0105.05		
	0007.11	0022.10	0101.25	0105.06		
	0008.01	0022.11	0101.26	0106.00		
	0008.03	0022.12	0101.27	0107.00		
	0008.04	0022.13	0101.28	0109.00		
	0009.01	0023.00	0101.29	9801.00		
	0009.03	0024.00	0101.30	9802.00		

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Juab	Utah	Utah	Utah	Utah	Summit	Wasatch
	0009.04	0025.00	0101.31	9803.00		
	0010.01	0027.02	0101.32	9804.00		
	0010.02	0027.03	0102.08	9805.00		
	0011.03	0029.01	0102.09	9806.00		
	0011.05	0029.02	0102.10			
	0011.06	0030.01	0102.11			
	0011.07	0030.02	0102.12			
	0011.08	0031.03	0102.13			

PUBLIC EXHIBIT B

Form of Newspaper Notice

<u>Flex Bank: Form of Public Notice</u>

Flex Bank
Public Notice

To be published in the Salt Lake Tribune on July 26, 2026 (print and electronic edition); July 27, 2026 (electronic edition); and July 28, 2026 (electronic edition).

Notice is given that Flexible Finance, Inc., as sole organizer, has applied to the Utah Department of Financial Institutions ("UDFI") for approval to charter Flex Bank, an industrial bank to be organized under the laws of the state of Utah and to be headquartered in the Salt Lake City, Utah metropolitan area, and to the Federal Deposit Insurance Corporation ("FDIC") for approval of deposit insurance for Flex Bank.

Any person wishing to comment on this application may file his or her comments in writing with the regional director of the FDIC at the New York FDIC office, 350 Fifth Avenue, Suite 1200, New York, NY 10118-0110, and with the Commissioner of the UDFI, 324 South State Street, Suite 201, P.O. Box 146800, Salt Lake City, Utah 84114-6800, not later than 30 days after the date of publication of this notice. The non-confidential portions of the application are on file at the New York FDIC office and the UDFI office and are available for public inspection during regular business hours. Photocopies of the non-confidential portion of the application file will be made available upon request.