



PUBLIC DISCLOSURE

March 2, 2026

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

VersaBank USA National Association
Charter Number: 23457

580 Main Street
Holdingford, MN 56340

Office of the Comptroller of the Currency

222 S 9th Street, Suite 800
Minneapolis, MN 55402

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Outstanding**.

The Lending Test is rated: Outstanding.

The major factors that support this rating include:

- The bank's loan-to-deposit (LTD) ratio is more than reasonable.
- The bank originated a substantial majority of its loans within its assessment area (AA).
- The distribution of loans among borrowers of different income levels is excellent.
- The distribution of loans by income level of the geography is not meaningful.
- There are no complaints regarding the bank's CRA performance.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's LTD ratio is more than reasonable.

The bank's quarterly LTD ratio averaged 102.18 percent over the 18 quarters since the previous CRA evaluation, based on Call Report data. The bank's LTD ratio ranged from a low of 67.58 percent in the fourth quarter of 2024 to a high of 163.66 percent in the first quarter of 2025. VersaBank USA ranked second among five similarly situated banks operating in or near the bank's AA with total assets of \$118 million to \$748 million. Comparable banks had an average LTD ratio between 75.69 percent and 102.35 percent.

Lending in Assessment Area

A substantial majority of the bank's loans are inside its AA.

The bank originated 100.00 percent of its loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Consumer	15	100.00	0	0.00	15	260	100.00	0	0.00	260
Total	15	100.00	0	0.00	15	260	100.00	0	0.00	260

Source: 1/1/2023 - 12/31/2025 Bank Data.
Due to rounding, totals may not equal 100.0%

Description of Institution

VersaBank USA is a national bank headquartered in Holdingford, Minnesota (MN). The bank had total assets of \$748 million, as of December 31, 2025. The main office in Holdingford is the bank's only brick and mortar full-service location. The bank opened an administrative center in Minneapolis in 2025, which is not accessible to customers. The bank operates a cash-dispensing automated teller machine (ATM) at its main office and has no deposit-taking ATMs. There were no branch or deposit-taking

ATM openings or closings since the last CRA evaluation. VersaBank USA is owned by VersaHoldings US Corp (VersaHoldings), a bank holding company located in Minneapolis, MN. VersaHoldings is a wholly owned U.S. subsidiary of VersaBank, a Canadian chartered bank. VersaBank USA has one AA, and the bank's performance in the AA is reflected in the State of Minnesota rating area.

The bank's ownership, name, and business plan changed during the evaluation period. Effective August 30, 2024, the bank changed its name from Stearns Bank Holdingford, N.A. to VersaBank USA N.A., all voting shares of the bank were acquired by VersaHoldings, and the bank began implementing a new business plan focused on a nationwide receivable purchase program (RPP). VersaBank USA continues to offer retail loans and deposits at the Holdingford location exclusively as a small part of the bank's business plan.

The bank experienced substantial growth during the evaluation period due to the VersaBank USA acquisition. Based on Call Report data from December 31, 2022 and December 31, 2025, total assets grew from \$77 million to \$748 million, brokered deposits grew from zero to \$475 million, and tier one capital increased by \$161 million. As of December 31, 2025, the bank reported \$388 million in total loans. The loan portfolio consisted almost entirely of business loans associated with RPP, which represented 99.8 percent of total loans. There were minimal balances of consumer, home mortgage, and farm loans. Tier one capital totaled \$183 million, and the leverage ratio was 33.72 percent.

The bank received a "Satisfactory" rating in the prior CRA evaluation, dated October 4, 2021. There were no financial or legal factors impeding the bank's ability to help meet the credit needs in its AA during the evaluation period.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated the bank's CRA performance using small bank performance standards, which consist of the Lending Test. The evaluation period was January 1, 2023 through December 31, 2025. For the complaint analysis, the evaluation period was October 5, 2021 to March 2, 2025 to cover the full timeframe since the prior CRA evaluation.

To evaluate the bank's lending performance, we selected a primary product based on the number and dollar volume of loan originations and purchases during the evaluation period. Consumer loans were selected as the primary product given the product type represented the largest portion of total retail lending by number and dollar. Consumer loans were 88 percent by number and 51 percent by dollar of total loan originations. Small loans to farms represented six percent by number and 44 percent by dollar. Farm loans were not selected as a primary product despite representing a significant amount by dollar because the bank made only one loan in this category. Small loans to businesses represented six percent by number and five percent by dollar. There were no home mortgage loan originations or purchases during the evaluation period.

Selection of Areas for Full-Scope Review

The bank has a single AA, which received a full-scope review. Refer to Appendix A, Scope of Examination, for details on the bank's AA.

Ratings

The bank's overall rating is based on the State of Minnesota rating as it is the only rating area.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) (March 29, 2024) in determining a national banks or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Minnesota

CRA rating for the State of Minnesota: Outstanding.

The Lending Test is rated: Outstanding.

The major factors that support this rating include:

- The distribution of loans among borrowers of different income levels is excellent.
- The distribution of loans by income level of the geography is not meaningful.
- There are no complaints regarding the bank's CRA performance.

Description of Institution's Operations in Minnesota

During the evaluation period, the bank had one location in Stearns County, Minnesota. The bank delineated a single AA covering portions of Stearns and Morrison Counties in central Minnesota. The AA was comprised of five census tracts (CT) in total, which included four CTs in Stearns County and one CT in Morrison County. The AA is referred to as the St. Cloud MSA throughout this evaluation. The geographic distribution of CTs by income level within the AA included no low- or moderate-income (LMI), three middle-income, and two upper-income. Stearns County is part of the St. Cloud Metropolitan Statistical Area (MSA), while Morrison County is in a non-MSA. We determined the single CT in Morrison did not substantially extend beyond the MSA boundary. The geographies were combined as a single AA for CRA evaluation purposes.

Competition in the market is considerable and includes large, regional, and community banks. According to the FDIC Deposit Market Share Report, as of June 30, 2025, VersaBank USA had a 1.23 percent deposit market share within Stearns and Morrison Counties. VersaBank USA ranked 20th among 59 deposit-taking institutions. Stearns Bank, Old National Bank, and U.S. Bank had the largest deposit market shares respectively, and in aggregate captured 45.70 percent of the deposits.

As part of this evaluation, we contacted an individual from a local community organization to discuss the local economic conditions, lending opportunities, and bank involvement in meeting community needs. The organization contacted serves central Minnesota through programming and grants aimed at strengthening local economies and communities. The community contact indicated that Holdingford is a very small, rural community. The area is primarily agricultural land and has an older population. The contact said the economic conditions in the AA were stressed during the evaluation period due to cost of living increases and employment challenges. The job market within the AA is challenging due to lower wages and a lack of professional jobs with higher pay and benefits. Most jobs are outside the AA, in the larger cities like Saint Cloud. The housing market in the AA is challenging due to a limited supply of houses. The AA credit needs included small farm, small business, and home mortgage loans. The contact said local banks and credit unions appear to be adequately meeting credit needs.

The table below provides demographic and economic data for the AA.

St. Cloud MSA

Assessment Area - St Cloud MSA						
						2023 - 2025
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	5	0.00	0.00	60.00	40.00	0.00
Population by Geography	21,394	0.00	0.00	53.35	46.65	0.00
Housing Units by Geography	8,689	0.00	0.00	54.00	46.00	0.00
Owner-Occupied Housing by Geography	7,132	0.00	0.00	52.97	47.03	0.00
Occupied Rental Units by Geography	1,013	0.00	0.00	49.16	50.84	0.00
Vacant Units by Geography	544	0.00	0.00	76.47	23.53	0.00
Businesses by Geography	700	0.00	0.00	48.14	51.86	0.00
Farms by Geography	125	0.00	0.00	60.80	39.20	0.00
Family Distribution by Income Level	5,947	11.72	15.47	25.78	47.03	0.00
Household Distribution by Income Level	8,145	16.98	11.64	17.47	53.91	0.00
Unemployment rate (%)	2.97	0.00	0.00	2.56	3.42	0.00
Households Below Poverty Level (%)	5.44	0.00	0.00	6.34	4.45	0.00
Median Family Income (41060 - St. Cloud, MN MSA)		\$80,403		Median Housing Value		\$213,000
Median Family Income (Non-MSAs - MN)		\$74,710		Median Gross Rent		\$742
Median Family Income (41060 - St. Cloud, MN MSA) for 2025		\$103,200		Families Below Poverty Level		2.96
Median Family Income (Non-MSAs - MN) for 2025		\$95,200				
FFIEC File - 2024 Census						
2025 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

Scope of Evaluation in Minnesota

The bank has a single AA in the State of Minnesota, which received a full-scope review. Refer to Appendix A, Scope of Examination, for details on the bank's AA. Consumer loans were the primary lending product. We reviewed the full population of 15 consumer loans to evaluate the bank's lending performance inside its AA and the borrower and geographic distribution of loans.

LENDING TEST

The bank's performance under the Lending Test in Minnesota is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the St. Cloud MSA AA is excellent.

Distribution of Loans by Income Level of the Geography

Geographic distribution is not meaningful. There were no LMI census tracts in the bank's AA during the evaluation period.

Consumer Loans

Refer to Table 13 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

Lending Gap Analysis

Lending gap analysis is not meaningful since there were no LMI geographies in the bank's AA during the evaluation period.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels given the product lines offered by the bank.

Consumer Loans

Refer to Table 14 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

VersaBank USA demonstrates an excellent distribution of consumer loans to individuals of different income levels. The bank's percentage of consumer loans to moderate-income borrowers significantly exceeded the percentages of moderate-income households in the AA. The bank made no loans to low-income borrowers, which was below the percentage of low-income households in the AA. In the AA, 5.44 percent of households were in poverty, and those households were counted in the low-income household figure. Households in poverty were less likely to qualify for a loan, which limited lending opportunities to low-income borrowers.

Responses to Complaints

There are no complaints regarding the bank's CRA performance.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	01/01/2023 to 12/31/2025	
Bank Products Reviewed:	Consumer loans	
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Minnesota		
St. Cloud MSA	Full-scope	Partial counties of Stearns and Morrison. Census tracts in the AA include the following by county: Stearns – 102.00, 104.01, 104.02, 104.03 Morrison – 7808.00

Appendix B: Summary of MMSA and State Ratings

RATINGS	
Overall Bank:	Lending Test Rating
VersaBank USA National Association	Outstanding
State:	
Minnesota	Outstanding

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/AA.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances. Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the Small Business Administration Development Company or Small Business Investment Company programs' size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including low- and moderate-income areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): Loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a ‘male householder’ and no wife present) or ‘female householder’ (a family with a ‘female householder’ and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of CD loans and qualified investments, branch distribution, and CD services).

Low-Income: Individual income that is at less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/AA.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a Core Based Statistical Area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Multistate Metropolitan Statistical Area (MMSA): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Prior Period Investments: Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rating Area: A rated area is a state or multistate metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have

original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Unfunded Commitments: Legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/AA. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table 13. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table 14. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/AA.

Minnesota

Table 13: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2023 - 2025	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
St Cloud MSA	15	260	100.00	0.00	0.00	0.00	0.00	52.50	73.33	47.50	26.67	0.00	0.00	
Total	15	260	100.00	0.00	0.00	0.00	0.00	52.50	73.33	47.50	26.67	0.00	0.00	

Source: FFIEC File - 2024 Census; 1/1/2023 - 12/31/2025 Bank Data.
 Due to rounding, totals may not equal 100.0%

Table 14: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2023 - 2025	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total Number	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
St Cloud MSA	15	260	100.00	16.98	0.00	11.64	73.33	17.47	20.00	53.91	6.67	0.00	0.00	
Total	15	260	100.00	16.98	0.00	11.64	73.33	17.47	20.00	53.91	6.67	0.00	0.00	

Source: FFIEC File - 2024 Census; 1/1/2023 - 12/31/2025 Bank Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%