CRA Strategic Plan

PUBLIC VERSION

FOR PUBLIC COMMENT

for

VALT Bank, N.A. (in organization)
Eagle, ID

August 13, 2026

VALT BANK, N.A. (in organization) Public Version

Executive Summary

VALT Bank, N.A. (in organization) ("the Bank") is a de novo national bank in organization, headquartered in Eagle, Idaho, within the Boise City Metropolitan Statistical Area ("Boise City MSA"). The Bank will operate as a digital-only institution serving small and midsized businesses (SMBs) nationwide through uniform, technology-enabled delivery of deposit, lending, payments, and related banking services. This Community Reinvestment Act (CRA) Strategic Plan establishes a three-year framework for how the Bank will meet its CRA obligations under 12 C.F.R. § 25.27. This public version excludes confidential commercial and financial information submitted separately to the Office of the Comptroller of the Currency ("OCC").

The Bank designates the Boise City MSA as its CRA assessment area. The assessment area consists of Ada, Boise, Canyon, Gem, and Owyhee counties in Idaho and includes the location of the Bank's main office in Eagle, Idaho. Although the Bank's business model is digital and national in scope, the measurable goals established under this Strategic Plan are anchored to the Boise City MSA assessment area. The Bank's nationwide digital operating model remains relevant to performance context, product design, delivery strategy, and operational capacity, but it does not alter the Bank's designated CRA assessment area or the measurement geography for the goals established in this Plan. This Strategic Plan emphasizes lending and lending-related activities while addressing lending, investment, and service-related performance categories. The Plan establishes quantitative goals for small-business lending, community development lending, qualified investments, and qualifying community development outreach or service activities. The goals were calibrated to reflect the Bank's assessment-area characteristics, proposed SMB-focused business model, anticipated product mix, de novo operating stage, projected capacity, and safety-and-soundness considerations.

Over the three-year plan period, the Bank commits to measurable small-business lending goals based on loan-count originations within the Boise City MSA assessment area, using the measure-specific denominators defined in Section 4. These goals include thresholds for: (i) loans to businesses with gross annual revenues of $1 million or less; (ii) loans to businesses located in low- or moderate-income census tracts; and (iii) loans with original amounts of $1 million or less. These lending goals are designed to support measurable responsiveness to smaller businesses and LMI geographies within the assessment area while remaining consistent with the Bank's target-market strategy and anticipated composition and size distribution of its commercial lending activities.

The Bank also commits to measurable community development goals within the Boise City MSA assessment area. These include at least $6.5 million in qualified community development loans, $2.0 million in qualified investments, and at least six qualifying community development outreach or service activities over the three-year plan period. Outstanding performance thresholds are separately established in the applicable goal tables. Community development activities may include qualified loans, investments, grants, technical assistance, financial education, nonprofit board or advisory participation, and other qualifying activities supporting LMI communities or underserved small businesses within the assessment area.

A defining feature of the Bank's business model is the integration of financial education and customer support into its digital banking platform. The Bank's platform is intended to provide contextual resources that help small-business customers better understand payments, liquidity management, credit usage, fraud prevention, and cash-flow management. These resources complement the Bank's broader CRA strategy by supporting informed and responsible use of financial products by small businesses.

The Board of Directors will retain oversight responsibility for CRA performance under this Strategic Plan. Management will provide regular reporting to the Board or its designated committee regarding performance against the Plan's measurable goals, including small-business lending distributions, community development lending, qualified investments, and qualifying outreach or service activity. A designated CRA Officer will manage day-to-day CRA responsibilities, coordinate CRA-qualified activities, and maintain supporting documentation for performance reporting and examination purposes.

The Bank will publish notice of the draft Strategic Plan, make the public version available for review, and solicit public comment for no fewer than 30 days before OCC approval. Public comments will be documented, reviewed by management and the Board or its designated committee, and considered before final submission to the OCC. After approval, the approved Strategic Plan will be made available consistent with applicable CRA requirements.

This Strategic Plan establishes a measurable, transparent, and de novo-appropriate framework for evaluating the Bank's CRA performance. It aligns the Bank's CRA commitments with its digital SMB-focused operating model while maintaining accountability to the Boise City MSA assessment area and supporting access to credit, community development financing, and small-business support in LMI and underserved communities.

Public Version Notice: This document is the public version of the Community Reinvestment Act ("CRA") Strategic Plan for VALT Bank, N.A. (in organization). Confidential commercial and financial information, including internal projections and detailed goal-calibration analyses, has been omitted and provided separately to the Office of the Comptroller of the Currency ("OCC").

Section 1 – Introduction and Purpose

VALT Bank, N.A. (in organization) ("the Bank") is a de novo national bank headquartered in Eagle, Idaho, within the Boise City Metropolitan Statistical Area (MSA). The Bank will operate as a digital-only institution serving small and midsized businesses (SMBs) nationwide through uniform, technology-enabled delivery. All account opening, lending, payments, and customer support services will be conducted remotely, supported by standardized underwriting and integrated financial education tools designed to promote equitable access and informed use of financial products.

Purpose of the Strategic Plan

The purpose of this CRA Strategic Plan is to define how the Bank will meet its obligations under the Community Reinvestment Act ("CRA") and how its performance will be evaluated by the Office of the Comptroller of the Currency ("OCC"). The Plan is submitted pursuant to 12 C.F.R. § 25.27 and establishes measurable goals for lending, community development activities, services, and outreach over a three-year period beginning on January 16, 2027.

The Bank's CRA Assessment Area ("AA") is the Boise City Metropolitan Statistical Area ("Boise City MSA"), consisting of Ada, Boise, Canyon, Gem, and Owyhee counties in Idaho. The Bank recognizes that this assessment area is required under the current CRA regulatory framework because the Bank's main office is located within the Boise City MSA.

Although the Bank operates as a digital-only institution serving small and midsized businesses ("SMBs") nationwide through uniform technology-enabled delivery systems, its CRA performance under this Strategic Plan will be anchored to the Boise City MSA assessment area. The Bank's measurable goals are designed to support small-business lending, community development lending, qualified investments, and qualifying community development outreach or service activity benefiting the Boise City MSA assessment area.

This Strategic Plan is designed to align CRA performance evaluation with the Bank's business model, operational capacity, and delivery systems while maintaining meaningful and measurable commitments within the Bank's assessment area.

Performance Context

Small businesses represent the backbone of the U.S. economy, numbering approximately 33 million firms and accounting for nearly half of private-sector employment. Yet access to affordable credit remains uneven: the Federal Reserve's 2023 Small Business Credit Survey reported that 40% of small businesses seeking credit did not apply because they expected to be denied, while more than 20% of applicants were rejected outright. These gaps are particularly acute in low- and moderate-income (LMI) communities, in rural areas, and among women-, minority-, and veteran-owned firms. A digital-only bank with broad digital accessibility will help bridge these gaps by reducing geographic barriers and embedding financial literacy into every customer interaction.

Accountability and Oversight

To ensure accountability, the Bank will establish measurable annual goals under this Plan. These commitments will balance ambition with safety and soundness, ensuring that goals are prudent, achievable, and responsive to community credit needs. Goals will be monitored against performance and documented in the Bank's CRA Public File. The Public File will also contain all written public comments received on this Plan, together with the Bank's responses, consistent with applicable CRA public participation and public file requirements.

Governance and oversight are central to this framework. CRA performance will be subject to Board-level review at least quarterly, through a designated Board committee, with reporting on small business lending volumes, borrower revenue distribution, community development financing, service activities, and outreach expenditures. A designated CRA Officer will be responsible for day-to-day management of CRA responsibilities, including monitoring performance against Strategic Plan goals, coordinating CRA-qualified activities, and supporting reporting to management and the Board. This oversight structure integrates CRA compliance into the Bank's enterprise risk management framework, placing it on equal footing with safety, soundness, and consumer compliance obligations.

Public Participation and Duration

Transparency and public participation will also be prioritized. The Bank will publish notice of the draft Plan and make the public version available for review for no fewer than 30 days through a publicly accessible online location. The Bank will also provide an electronic copy via email, at no cost upon request and may conduct outreach to community development organizations and other stakeholders. All comments received will be documented, considered by management and the Board, and included with the Bank's submission to the OCC. After approval, the approved Plan will be made publicly available.

Finally, this Plan establishes a three-year horizon consistent with the Bank's initial business plan and capital formation strategy. This timeframe provides a meaningful window for demonstrating CRA performance early in operations, while allowing for continuity of lending, investment, and service activities. Amendments will only be made if material changes occur, consistent with 12 C.F.R. Part 25. Any material amendments will be submitted to the OCC for prior approval and developed in accordance with applicable public-participation requirements before implementation.

Section 2 – Assessment Areas

Regulatory Requirements

Pursuant to 12 C.F.R. Part 25, the Bank has designated the Boise City Metropolitan Statistical Area ("Boise City MSA") as its CRA Assessment Area ("AA"). The Boise City MSA consists of Ada, Boise, Canyon, Gem, and Owyhee counties in Idaho and includes the location of the Bank's main office in Eagle, Idaho.

Community Development Focus Within the Assessment Area

The Bank is committed to directing measurable community development activity into the Boise City MSA assessment area during the term of this Strategic Plan. The Bank's community development goals were calibrated based on the assessment area's demographic and business characteristics, potential community development needs, potential partner channels, and the Bank's projected de novo capacity.

The Bank may partner with CDFIs, loan funds, nonprofit organizations, small-business technical-assistance providers, and other mission-driven intermediaries to support CRA-qualified lending, investments, and services benefiting low- and moderate-income communities and underserved small businesses within the Boise City MSA assessment area.

Assessment Area Data and Demographic Context

To support designation of the Boise City MSA assessment area, and the Bank's performance context, this Plan incorporates census tract, small business, and demographic data drawn from FFIEC, U.S. Census Bureau, SBA, and Federal Reserve sources. Full detail is provided in Appendix A.

Boise City MSA Assessment Area. The Boise City MSA comprises five counties: Ada, Boise, Canyon, Gem, and Owyhee[1]. According to FFIEC Census and Demographic Data (2024–2025), the MSA includes 192 census tracts, of which 43 (22%) are classified as LMI. U.S. Census Bureau County Business Patterns (2023) report approximately 23,885 employer establishments and 17,420 employer businesses[2], including approximately 14,152 employer businesses with 1-19 employees, representing approximately 81% of employer businesses

---

[1] **Source:** U.S. Office of Management and Budget, *OMB Bulletin No. 23-01, Revised Delineations of Metropolitan Statistical Areas, Micropolitan Statistical Areas, Combined Statistical Areas, and Guidance on Uses of the Delineations of These Areas* (July 21, 2023). The Boise City, ID Metropolitan Statistical Area delineation in effect as of January 1, 2026 includes Ada, Boise, Canyon, Gem, and Owyhee counties.

[2] CBP employer establishments generally represent individual business locations with paid employees, while SUSB employer businesses/firms generally represent business entities, including firms that may operate multiple locations. These measures are not identical to the broader term "small businesses," but they provide relevant context for the assessment-area business base.

reported in the U.S. Census Bureau Statistics of U.S. Businesses (SUSB) data for the assessment area. The 2024 population estimate for the Boise MSA is approximately 845,877, reflecting sustained growth and demand for small business services.

The SBA Office of Advocacy (2024) reports approximately 33 million small businesses nationwide, about 16 million of which are concentrated in professional services, healthcare, construction, trade, and service-sector businesses. This national data provides additional regarding the scale and composition of the small-business market. For CRA goal-calibration purposes, however, the Bank focused on the Boise City MSA assessment area, including the assessment-area business composition, employer-business size distribution, LMI census tract distribution, and local community development needs described in Appendix A. According to the Federal Reserve's 2023 Small Business Credit Survey, 48% of employer small businesses applied for financing in the prior 12 months, yet only 31% received the full amount requested. These trends support the Bank's focus on accessible small-business banking, payments, and credit solutions, while the measurable goals under this Plan remain tied to activity benefiting the Boise City MSA assessment area.

Comparison with Other Strategic Plans

In developing this Strategic Plan, the Bank reviewed publicly available CRA Strategic Plans for selected institutions with business-model characteristics relevant to the Bank's proposed operations. For purposes of this Strategic Plan, "peer", "comparator", or "comparator institution" means an institution reviewed for methodological or operating-model relevance, not an institution that is identical to the Bank in asset size, charter status, age, geography, product mix, assessment-area structure, or operating history.

The comparator review focused on institutions with one or more characteristics relevant to the Bank's proposed operating model, including digital or branchless, or branch-light delivery, geographically dispersed operations, specialized commercial or small-business banking models, limited or nontraditional branch networks, CRA Strategic Plan evaluation frameworks, or community development methodologies tailored to nontraditional business models. The purpose of the review was to understand how approved CRA Strategic Plans structure measurable goals, define performance categories, calibrate community development financing commitments, and address lending, investment, and service-related activities in light of business-model capacity and constraints.

The Bank did not mechanically adopt comparator performance levels. The reviewed institutions generally had different asset sizes, operating histories, assessment-area structures, product mixes, staffing levels, and community development relationships. Accordingly, the Bank used the comparator review to inform methodology and reasonableness, while calibrating its specific goals to the Boise City MSA assessment area, the Bank's proposed product mix, de novo operating stage, and projected capacity. Additional detail regarding the comparator review is provided in Appendix E.

Implications for CRA Evaluation

The Bank's CRA performance will be evaluated based on qualifying activities conducted within the Boise City MSA assessment area. Although the Bank's business model is digitally focused and geographically dispersed, the Bank commits to maintaining measurable small-business lending, community development lending, qualified investment, and qualifying community development outreach or service activity benefiting the Boise City MSA assessment area throughout the term of this Strategic Plan.

The Bank's nationwide digital operating model remains relevant to performance context, product design, and delivery strategy, but it does not alter the Bank's designated CRA assessment area or the measurement geography for the goals established in this Strategic Plan.

Section 3 – Performance Context

The Community Reinvestment Act (CRA) requires banks to consider the credit needs of their communities in light of demographic and economic conditions (12 C.F.R. § 25.21(b)). For VALT Bank, N.A. (in organization), performance context must be understood within the Boise City Metropolitan Statistical Area ("Boise City MSA"), the Bank's designated CRA assessment area, while also considering the Bank's nationwide digital operating model as relevant performance context for product design, delivery strategy, and operational capacity.

Local Context: Boise City MSA

The Boise City MSA has experienced sustained population and business growth. According to the U.S. Census Bureau (2024 ACS), the MSA's population is approximately 845,877 residents, up more than 35% since 2010. Employer establishments[3] number 23,885 (U.S. Census Bureau, CBP 2023), with concentrations in professional services, healthcare, trade, and construction.

The FFIEC 2024 estimated median family income for the Boise City, ID MSA is $98,000. Notwithstanding this overall income level, 22% of census tracts in the Boise City MSA are classified as low- or moderate-income (LMI), and the assessment area includes measurable small-business and community development needs. Access to affordable credit remains a challenge for early-stage small businesses in the Bank's target industries, including businesses operating in or serving LMI census tracts within the assessment area. As detailed in Appendix A, these counties represent meaningful concentrations of both small businesses and LMI census tracts, underscoring the importance of community development activity. Boise-area housing and community development planning materials identify continuing affordability pressures, including the need for additional affordable housing and housing rehabilitation. These conditions are relevant to the Bank's CRA performance context because they affect the broader economic environment for workers, households, and small businesses in the assessment area and may support qualified community development lending, investment, and service

---

[3] "Employer establishments" as referred to in the US Census Bureau CBP 2023 represent individual business locations with paid employees.

opportunities.

National Small-Business Context Relevant to the Bank's Digital Operating Model

Although the Bank's CRA evaluation will remain anchored to the Boise City MSA assessment area, national small business credit conditions provide relevant performance context for the Bank's digital-only operating model, product design, and community development strategy.

- The U.S. hosts approximately 33 million small businesses (SBA, 2024). including substantial concentrations in professional services, healthcare, construction, trade, and other service-based industries, which together represent a substantial portion of the national small-business market. Appendix A shows that the Boise City MSA assessment area also includes a substantial base of smaller employer businesses and industries supporting the relevance of the Bank's small-business-focused strategy within the assessment area.
- Publicly available small-business credit research, including Federal Reserve Small Business Credit Survey materials, indicates that small businesses continue to face meaningful financing gaps, including unmet credit needs, partial approvals, and lower full-approval rates for certain borrower segments.
- VALT expects the majority of its lending activity to consist of relatively smaller-dollar business loans. Although the Bank's primary target market consists of small and midsized businesses, the Bank can reasonably expect a meaningful portion of its lending activity, based on number of originations, to consist of loans to businesses with gross annual revenues of $1 million or less. The Bank also expects a substantial amount of its lending activity to consist of loans within the CRA small-business loan-size threshold. These loans are critical for working capital, equipment purchases, and cash-flow management in the Bank's target industries.
- Federal Reserve Small Business Credit Survey data indicate that financing gaps remain meaningful for small businesses, particularly where firms need credit but do not apply because they expect denial, or where applicants receive less than the full amount requested. These gaps are especially relevant to lower-revenue firms and businesses operating in LMI or underserved geographies.

National Small Business Credit Needs at a Glance

This snapshot highlights the systemic challenges facing small businesses nationwide and illustrates how VALT's anticipated lending profile—focused on smaller-dollar business loans evaluated under CRA thresholds of $1 million or less—aligns with unmet small-business credit demand.

National Small Business Credit Needs at a Glance

33M	Total U.S. small businesses (SBA, 2024)
16M	In VALT's target industries (prof. services, healthcare, construction, trade, services)
48%	Applied for financing in past year (Fed SBCS 2023)
31%	Received full amount requested (Fed SBCS 2023)
13%	Minority-owned firms receiving full amount requested
$70B	Annual unmet SMB financing demand (Fed, 2022)
90%	Households with broadband access (Census ACS 2023)

Digital Inclusion, Access, and Alternative Delivery Strategy

Digital adoption supports the feasibility of the Bank's branchless delivery model. The Census Bureau's 2023 American Community Survey reports that more than 90% of U.S. households subscribe to broadband service, indicating that digital channels are now a widely available means of accessing financial services. At the same time, digital access and digital financial capability are not uniform across all communities, and remaining gaps may affect certain rural, lower-income, or otherwise underserved users. For that reason, the Bank's alternative delivery strategy will rely not only on online and mobile access, but also on remote customer support, clear onboarding, embedded education, and community development outreach or service activities designed to help small businesses use digital financial tools effectively.

The Bank will not rely on branches as its primary service-delivery system. Instead, the Bank's alternative delivery strategy will include digital onboarding, online and mobile account access, electronic payment capabilities, remote customer support, and embedded small-business education resources. These delivery methods support the Bank's product strategy and help explain why the Plan uses measurable lending, community development financing, and qualifying outreach/service goals rather than branch-based service metrics.

Implications for CRA Performance

The Bank's CRA performance under this Strategic Plan will be evaluated based on activities conducted within the Boise City MSA assessment area. The Bank expects the majority of its lending activity to consist of small-business loans originated through digital channels nationwide. Consistent with the current CRA regulatory framework, however, the Bank's CRA evaluation will remain anchored to its delineated assessment area.

Accordingly, the Bank commits to maintaining measurable small-business lending, community development lending, qualified investment, and qualifying community development outreach or service activity benefiting the Boise City MSA assessment area throughout the term of this Strategic Plan.

Equity considerations: The Bank's outreach and community development activities may include engagement with organizations supporting women-, minority-, and veteran-owned firms, as well as partnerships with intermediaries such as CDFIs and minority business associations, where those activities otherwise meet applicable CRA qualification and geographic eligibility requirements.

These performance-context considerations informed the Bank's goal calibration, including the use of measurable lending thresholds tied to assessment-area originations and staged community development goals designed to reflect the Bank's de novo operating profile, projected capacity, and expected development of community development relationships.

Section 4 – Goals and Performance Standards

Framework

VALT Bank, N.A. (in organization) establishes the following measurable goals to guide CRA performance under this three-year Strategic Plan. These goals reflect the Bank's digital-only delivery model, the performance context described in Section 3, the comparative materials summarized in Appendix E, and the Bank's projected operational capacity as a de novo institution.

This Strategic Plan addresses lending, investment, and service-related performance categories, with primary emphasis on small-business lending and lending-related community development activity. This emphasis reflects the Bank's proposed business strategy, product offerings, de novo operating stage, assessment-area characteristics, projected capacity, and operational constraints.

The Plan addresses the service-related performance category through qualifying community development outreach or service activities benefiting the Boise City MSA assessment area, rather than through branch-based retail service measures, because the Bank will operate as a digital-only institution without a branch network and with staffing expected to largely be dispersed and remote.

The measurable goals established under this Strategic Plan were developed based on the Bank's assessment-area demographics, small-business composition, community-development opportunities, with a projected operational capacity as a de novo institution, together with assessment area data described in Appendix A and comparative methodologies reflected in publicly available CRA Strategic Plans for institutions with relevant business-model characteristics. The Bank designed these goals to be measurable, supportable, and responsive to identified community credit and service needs within the Boise City MSA assessment area, while remaining consistent with the Bank's digital-only operating model, staffing profile, balance-sheet capacity, and safety-and-soundness considerations.

Consistent with the current CRA regulatory framework, the Bank's CRA performance will remain principally anchored to the Boise City MSA assessment area. The measurable goals established under this Strategic Plan are designed to be evaluated on activity benefiting the Boise City MSA assessment area. Accordingly, the goals and performance standards established under this Strategic Plan are intended to:

- Establish quantitative benchmarks for lending, community development investments, and services.
- Ensure measurable goals intended to address identified credit and community development needs including activity within LMI census tracts and support for small businesses.
- Balance CRA commitments with ambition and safe and sound operational growth during the Bank's initial operating period.
- Provide transparent standards for evaluating whether CRA performance is "Satisfactory" or "Outstanding."

VALT views financial education as an extension of its core mission to help small businesses thrive. By embedding education into digital tools and outreach, the Bank promotes sound financial practices and broadens access to information that supports long-term business sustainability.

Goals Calibration and Appropriateness to the Bank

The measurable goals established under this Strategic Plan were calibrated to be reasonable, supportable, and appropriate for the Bank's proposed business model, de novo operating stage, assessment-area characteristics, and projected operational capacity. Because the Bank will be newly chartered and does not have historical CRA performance data at the start of the plan period, the Bank calibrated its goals using forward-looking performance context, assessment-area data, product design considerations, potential community development opportunities, and comparative CRA Strategic Plan methodologies.

The Bank's calibration approach considered: (i) demographic and business-composition data for the Boise City MSA assessment area; (ii) publicly available Census Bureau data regarding employer-firm receipts and business size; (iii) the anticipated composition and size distribution of the Bank's commercial lending activities; (iv) projected balance-sheet, liquidity, capital, staffing, and operational capacity during the de novo period; and (v) methodologies reflected in publicly available CRA Strategic Plans for institutions with relevant business-model characteristics.

The resulting goals are intended to be meaningful and measurable while remaining prudent for a newly chartered digital-only institution. Supplemental goal-calibration support has been provided separately to the OCC.

Small Business Lending Goals

For purposes of this Strategic Plan:

- "Small business loan" means a business loan with an original amount of $1 million or less, consistent with CRA reporting standards.
- "Business with gross annual revenues of $1 million or less" means a business for which the Bank has collected or otherwise obtained gross annual revenue information at or before origination.

- Gross annual revenue data will be based on revenue information obtained from the borrower during onboarding or origination and used by the Bank in making the credit decision, such as borrower-provided financial information, tax returns, or application information. Third-party revenue information may be used to verify the accuracy of borrower-provided revenue information or to develop performance context, but third-party revenue information that was not used in the credit decision will not be used as the basis for reporting or measuring the GAR <= $1 million lending goal.

For purposes of these lending measures, "small-business loans" include all loans originated by the Bank within the Boise City MSA assessment area that are reported or reportable as small-business loans under applicable CRA reporting standards, regardless of product type. This may include, as applicable, qualifying business credit-card, term loan, line-of-credit, equipment-finance, SBA, and other commercial credit products originated for business purposes and meeting applicable CRA small-business loan reporting criteria. Community development loans are not included in the numerator or denominator of the small-business lending percentage measures unless they are also reported or reportable as small-business loans and are counted in a manner consistent with applicable CRA reporting standards.

Unless otherwise specified, lending performance measures under this Strategic Plan will be calculated annually and cumulatively using loan-count originations during the applicable evaluation period, rather than aggregate balances outstanding as of a measurement date. Each percentage-based small-business lending goal is defined independently as follows:

Loans to businesses with gross annual revenues (GAR) of $1 million or less. The denominator is the total number of small-business loans originated by the Bank during the applicable evaluation period within the Boise City MSA assessment area. The numerator is the number of those small-business loans originated to businesses with gross annual revenues of $1 million or less.

Loans to businesses located in LMI census tracts. The denominator is the total number of small-business loans originated by the Bank during the applicable evaluation period within the Boise City MSA assessment area. The numerator is the number of those small-business loans originated to businesses located in low- or moderate-income census tracts within the Boise City MSA assessment area.

Loans with original loan amounts of $1 million or less. The denominator is the total number of business-purpose loans originated by the Bank during the applicable evaluation period within the Boise City MSA assessment area. The numerator is the number of those business-purpose loans with original loan amounts of $1 million or less.

The Bank will maintain loan-level reporting controls to ensure that each loan origination is counted only once in the denominator for the applicable evaluation period. For the GAR and LMI-geography measures, the applicable denominator consists of small-business loan originations. For the loan-size measure, the applicable denominator consists of business-purpose loan originations. A loan may be included in the numerator for each measure it satisfies, but overlapping numerator counts will not be aggregated or presented as separate loans or used to inflate the Bank's total level of lending.

Community development loans will not be included in the numerator or denominator of these percentage-based small-business lending measures unless they are also reported or reportable as small-business loans and are counted consistently with applicable CRA reporting standards.

As noted above, gross annual revenue will be based on revenue information obtained from the borrower during onboarding or origination and used by the Bank in making the credit decision. Verified third-party revenue information may be used to confirm the accuracy of borrower-provided information or to support performance-context analysis, but it will not be used as a substitute for borrower revenue information used in the credit decision for purposes of measuring the GAR <= $1 million goal.

Performance thresholds for ‘Satisfactory’ and ‘Outstanding’ ratings are expressed as fixed percentage thresholds in the table below.

The Bank also considered the projected origination volumes underlying the percentage thresholds. The annual thresholds increase over the plan period to reflect expected operational maturation. Because projected origination volume is not uniform across the plan period, internal CRA monitoring and Board reporting will include both the percentage result and the underlying numerator and denominator. Performance under this Strategic Plan, however, will be measured against the applicable percentage thresholds.

The Bank’s measurement methodology and performance-calibration approach are generally consistent with methodologies reflected in publicly available approved CRA Strategic Plans for institutions with relevant business-model characteristics, as summarized in Appendix E.

Small Business Lending Goals

Measure	Performance Standard	Year 1	Year 2	Year 3	3-Year Standard
% of loans originated to businesses with gross annual revenues ≤ $1 million	Satisfactory	≥8%	≥9%	≥10%	≥9% cumulative
	Outstanding	≥9%	≥10%	≥11%	≥10% cumulative
% of loans originated to businesses located in LMI census tracts	Satisfactory	≥12%	≥13%	≥14%	≥13% cumulative
	Outstanding	≥13%	≥14%	≥15%	≥14% cumulative
% of loans with original loan amounts ≤ $1 million	Satisfactory	≥75%	≥76%	≥77%	≥76% cumulative
	Outstanding	≥85%	≥86%	≥87%	≥86% cumulative

Rationale: These goals are intended to support measurable and responsive small-business lending activity within the Boise City MSA assessment area while remaining consistent with the Bank's proposed digital-only operating model, staffing profile, product mix, and de novo growth trajectory. The goals were calibrated using assessment-area demographic and business-composition data described in Appendix A, and comparative methodologies reflected in publicly available CRA Strategic Plans for institutions with relevant business-model characteristics summarized in Appendix E.

In calibrating the small-business lending goals, the Bank considered the composition of the Boise City MSA assessment area, including the number and percentage of LMI census tracts, the concentration of smaller employer businesses, and publicly available Census Bureau receipts-size data used as a proxy for annual revenue distribution, indicating that businesses with annual receipts below $1 million represent a substantial portion of employer businesses in the assessment area. The Bank also considered the anticipated composition and size distribution of its commercial lending activities in calibrating the lending goals.

Although the Bank's primary target market generally consists of established small and midsized businesses, the Bank's commercial credit products are not limited by design to businesses above the $1 million revenue threshold. The Bank therefore expects that businesses with gross annual revenues of $1 million or less may qualify for business-purpose credit where consistent with applicable credit standards. The goals relating to businesses with gross annual revenues of $1 million or less are therefore intended to establish a measurable smaller-business responsiveness standard during the de novo period, rather than to reflect a historical borrower-revenue distribution. The Satisfactory thresholds were set below the overall Boise City MSA business-universe share of firms with annual revenues of $1 million or less, as approximated by Census Bureau receipts-size categories, to reflect the Bank's primary target-market strategy, digital-only acquisition model, and lack of historical lending data. The Outstanding thresholds are set above the Satisfactory thresholds to reflect stronger smaller-business responsiveness, while remaining consistent with the Bank's primary target market of established small and midsized businesses.

Because the Bank will operate through a digital delivery model and expects customer acquisition to occur both within and outside the Boise City MSA assessment area, the Bank selected percentage-based small-business lending goals measured against actual assessment-area originations. This methodology is intended to provide a fair and measurable standard for assessment-area performance while recognizing that absolute assessment-area loan volume may vary during the Bank's de novo ramp-up period.

The goal relating to loans originated to businesses located in LMI census tracts is intended to establish a measurable geographic-distribution standard within the Bank's assessment area. The loan-size measure relating to loans with original amounts of $1 million or less is included as a Bank-selected Strategic Plan metric based on recognized CRA small-business loan reporting and evaluation concepts. The measure is intended to demonstrate that the Bank's assessment-area lending remains concentrated in smaller-dollar business credit during the initial plan period consistent with the anticipated size distribution of the Bank's commercial lending activities. These thresholds will be reassessed in future Strategic Plan cycles as actual portfolio performance, borrower-revenue characteristics, and assessment-area lending patterns become available.

Community Development Lending & Investment Goals

For purposes of the community development goals, qualified community development loans, qualified investments, and qualifying community development outreach or service activities will be measured based on activities benefiting the Bank's Boise City MSA assessment area. The Bank may consider other activities to the extent permitted under applicable CRA regulations and guidance, but the measurable goals established in this Strategic Plan are designed to be satisfied through activities benefiting the Boise City MSA assessment area.

Unless otherwise specified, community development performance measures under this Strategic Plan will be evaluated annually and cumulatively based on: (i) the aggregate dollar amount of qualified community development loans originated or funded during the applicable evaluation period; (ii) the aggregate dollar amount of qualified investments made during the applicable evaluation period; and (iii) the number of qualifying community development outreach or service activities conducted during the applicable evaluation period.

Qualified community development activities may include qualified community development loans, qualified investments, financial education, technical assistance, nonprofit board participation, small-business advisory services, or similar qualifying activities conducted in partnership with organizations serving low- and moderate-income communities or underserved small businesses within the Boise City MSA assessment area consistent with applicable CRA regulations and guidance including the community development definitions in 12 C.F.R. § 25.12. Qualifying community development outreach or service activities must have a primary purpose of community development and, where counted as community development services, must relate to the provision of financial services or otherwise satisfy applicable CRA qualification standards.

For purposes of this Strategic Plan, qualified investments include eligible investments, deposits, membership shares, grants, donations, or other lawful investment-type activities that have a primary purpose of community development and benefit the Boise City MSA assessment area. The Bank will maintain documentation supporting the CRA qualification and geographic eligibility of all community development activities considered under this Strategic Plan.

Community Development Lending, Investment, and Outreach/Service Activity Goals

Measure	Performance Standard	Year 1	Year 2	Year 3	3-Year Standard
Qualified Community Development loans ($ millions)	Satisfactory	≥$1.0	≥$2.5	≥$3.0	≥$6.5 cumulative
	Outstanding	≥$1.25	≥$3.0	≥$3.75	≥$8.0 cumulative
Qualified Investments ($ millions)	Satisfactory	≥$0.5	≥$0.7	≥$0.8	≥$2.0 cumulative
	Outstanding	≥$0.75	≥$1.0	≥$1.25	≥$3.0 cumulative
Qualified community development outreach or service activities benefiting the Boise City MSA assessment area (number)	Satisfactory	≥1	≥2	≥3	≥6 cumulative
	Outstanding	≥2	≥3	≥4	≥9 cumulative

Qualified community development activities may include investments in or loans to CDFIs, CRA-qualified loan funds, nonprofit community development organizations, small-business investment vehicles serving LMI communities, financial literacy or technical assistance activities qualifying as community development services, and other qualifying activities permitted under applicable CRA regulations and guidance.

Rationale: These goals are intended to support measurable and responsive community development activity while remaining consistent with the Bank's projected operational capacity, staffing profile, balance-sheet growth, liquidity profile, capital position, and de novo growth trajectory. The goals were calibrated using assessment-area demographic and economic characteristics described in Appendix A, publicly available community development needs information, anticipated community development opportunities within the Boise City MSA assessment area, and comparative methodologies reflected in publicly available CRA Strategic Plans for institutions with relevant business-model characteristics summarized in Appendix E.

In calibrating the community development lending and qualified investment goals, the Bank considered its projected de novo growth trajectory, balance-sheet capacity, liquidity profile, capital position, expected operating ramp-up, and the time required to identify, diligence, underwrite, document, and monitor qualifying community development opportunities.

The Bank selected an activity-based outreach and service measure, rather than a service-hours-per-employee measure, because it better reflects the Bank's de novo status, digital-only delivery model, absence of branches, limited expected employee presence in the Boise City MSA assessment area, and largely dispersed, remote workforce. The Bank cannot reasonably predict the number of employees who will reside or work in the Boise City MSA during each year of the initial plan period. An activity-based measure therefore provides a clearer and more reliable standard for evaluating meaningful community development outreach or service activity benefiting the assessment area, while still requiring each counted activity to satisfy applicable CRA qualification standards. The Bank recognizes that the activity-based outreach and service goal requires intentional allocation of management attention, employee time, and other appropriate resources, and the Bank is committing to devote the resources reasonably necessary to conduct and document the qualifying activities established under this Strategic Plan.

For Satisfactory performance, the outreach/service activity goal requires at least one qualifying activity in Year 1, at least two qualifying activities in Year 2, and at least three qualifying activities in Year 3, with at least six cumulative qualifying activities over the three-year plan period. For Outstanding performance, the goal requires at least two qualifying activities in Year 1, at least three qualifying activities in Year 2, and at least four qualifying activities in Year 3, with at least nine cumulative qualifying activities over the three-year plan period. The Bank also considered whether the Boise City MSA assessment area presents a reasonable community development opportunity universe to support the proposed goals. Publicly available Boise-area housing and community development materials identify continuing needs relating to affordable housing, housing rehabilitation, public services, infrastructure, and support for low- and moderate-income and vulnerable populations. In addition, the assessment area includes a substantial small-business base and potential partner channels, including CDFIs, nonprofit community development organizations, affordable-housing organizations, small-business technical-assistance providers, and other mission-driven intermediaries. These factors support the reasonableness of the proposed community development lending, qualified investment, and outreach/service goals, while recognizing that each activity must independently satisfy CRA qualification, geographic eligibility, credit, liquidity, capital, and safety-and-soundness requirements.

The Bank reviewed comparator strategic-plan methodologies for directional context, but did not calibrate its community development goals to mechanically match comparator ratios. The comparator institutions reviewed generally had operating histories, established CRA programs, mature balance sheets, and existing community development relationships. By contrast, the Bank will begin operations without historical CRA performance or mature community development pipelines. The proposed community development goals are therefore intended to be meaningful relative to the Bank's projected capacity while remaining prudent for a de novo institution.

Data Collection & Reporting

The CRA Officer will maintain periodic performance reporting sufficient to measure progress against the Strategic Plan goals, including small-business loan originations and distributions, business-purpose loan originations used to calculate the loan-size measure, borrower revenue information, LMI tract lending, qualified community development loans, qualified investments, and qualifying community development outreach or service activities. Lending records used for CRA reporting and Strategic Plan performance measurement will be maintained at the loan level using unique loan identifiers and coding for borrower revenue, census tract, original loan amount, applicable CRA reporting status, and origination date, with review controls designed to prevent duplicate counting or the aggregation of overlapping loan characteristics as separate originations. Supporting documentation will be retained to evidence performance against applicable Satisfactory and Outstanding standards, including documentation supporting the CRA qualification and geographic eligibility of community development activities.

Public Comment & Adjustment

The Bank will publish these goals for public comment for no fewer than 30 days. Any comments received will be considered, and if material adjustments are warranted, they will be reflected in the final plan submitted to the OCC. Otherwise, these goals will govern performance evaluation for the three-year horizon.

Evaluation Election and Performance Standards

The Bank elects to be evaluated under this CRA Strategic Plan pursuant to 12 C.F.R. § 25.27. During the Plan term, the Bank requests that the OCC evaluate CRA performance based on the measurable annual and cumulative Satisfactory and Outstanding goals established in this Plan for small-business lending, community development lending, qualified investments, and qualifying community development outreach or service activities.

Performance under this CRA Strategic Plan will be evaluated against the measurable annual and cumulative goals set forth above, consistent with 12 C.F.R. § 25.27. Outstanding performance thresholds are defined within each goal table.

The Bank's performance will be assessed based on achievement of the measurable goals established for small-business lending, community development lending and investments, and qualifying community development outreach or service activities within the Bank's Boise City MSA assessment area where relevant under the Strategic Plan.

Satisfactory and Outstanding performance thresholds are identified within the applicable goal tables.

Section 5 – Community Development Activities

Overview

The Bank's community development activities are intended to complement its small business lending strategy and support access to credit, technical assistance, and community development resources for low- and moderate-income (LMI) communities and underserved small businesses within the Boise City MSA assessment area. These activities are aligned with the community credit needs identified in Section 3 and are intended to support community development activities benefiting the Boise City MSA assessment area, consistent with applicable CRA guidance. Community development activities may include qualified community development lending, investments, grants, and services that have a primary purpose of community development, with emphasis on small business support in LMI geographies.

Community Development Lending

The Bank will prioritize community development (CD) lending opportunities that directly expand access to credit for small businesses in LMI communities. While recognizing the importance of affordable housing, VALT will emphasize CD activities where it has operational strengths—small business credit, payments, and banking services. The Bank may also support affordable-housing, community facilities, or mixed-use community development opportunities through qualified loans, investments, grants, or intermediaries where such activities satisfy applicable CRA criteria and are consistent with safety and soundness.

Specifically, the Bank may:

- Provide direct loans to Community Development Financial Institutions (CDFIs) specializing in small business financing, including those serving minority-, women-, and veteran-owned firms.
- Participate in regional or multistate CD loan pools, enabling scalable contributions to larger projects.
- Offer credit facilities to CDFIs, nonprofit community development organizations, business accelerators, community development loan funds, or small-business technical-assistance providers supporting entrepreneurs, underserved small businesses, or businesses located in or serving LMI geographies within the Boise City MSA assessment area.

These activities are intended to support collaborative community development efforts involving CDFIs, non-profit community development organizations, and other mission-driven intermediaries serving low- and moderate-income communities and underserved small businesses.

Community Development Investments & Contributions

Given the Bank's de novo status and projected balance-sheet growth, its community development investment activity will be calibrated to the Bank's capital, liquidity, and safety-and-soundness profile.

Anticipated activities include:

- Equity stakes or pooled investments in minority business funds or Small Business Investment Companies (SBICs) with a focus on underserved entrepreneurs.
- Grants or donations to nonprofit organizations providing financial literacy training, small business coaching, or capacity-building programs.
- Investments, deposits, grants, or participations involving CDFIs, nonprofit community development organizations, affordable-housing intermediaries, community development loan funds, or other mission-driven organizations serving LMI communities or small businesses within the Boise City MSA assessment area.

All investments will be evaluated for consistency with safety and soundness and the Bank's capital position.

Community Development Services

Community development services may include participation in organizations, programs, or initiatives supporting low- and moderate-income ("LMI") communities or underserved small businesses within the Boise City MSA assessment area, provided that each counted activity has a primary purpose of community development and relates to the provision of financial services or otherwise satisfies applicable CRA qualification standards. The Bank expects these activities to be delivered through a combination of leadership involvement, technical assistance, financial education, and digital small-business support resources. Qualifying activities may include:

- Serving on Boards or advisory committees of CDFIs, nonprofit community development organizations, minority chambers of commerce, or similar mission-driven organizations.
- Providing technical assistance or specialized expertise in areas such as risk management, payments, cybersecurity awareness, compliance, fraud prevention, or financial operations to nonprofits, CDFIs, or community development intermediaries supporting small businesses operating within LMI geographies or underserved markets.
- Supporting financial education and small-business technical assistance activities designed to improve financial capability, responsible credit usage, fraud awareness, cybersecurity practices, and cash-flow management for underserved small businesses and businesses operating within LMI geographies.

The Bank's digital platform may also incorporate contextual financial education and decision-support resources intended to assist small-business customers in understanding payments, liquidity management, credit usage, fraud prevention, and related financial-management concepts. These tools are intended to complement the Bank's broader small-business support activities and community development objectives consistent with the Bank's digital operating model.

Integration with Digital Operating Model

The Bank's digital operating model will support community development activity by enabling remote delivery of technical assistance, financial education, small-business support resources, and engagement with community development partners. Although the Bank's business model is national in scope, the community development goals under this Strategic Plan are designed to benefit the Boise City MSA assessment area. The Bank will document the CRA qualification and geographic eligibility of each community development activity considered under the Plan.

Section 6 – Public Participation Process

The Community Reinvestment Act requires banks operating under an approved Strategic Plan to provide the public with an opportunity to review and comment on the proposed plan prior to regulatory approval. The Bank will meet these requirements through a transparent public participation process designed to solicit feedback, ensure accountability, and maintain public trust.

In developing this Strategic Plan the Bank sought input from selected community development and small-business organizations serving the Boise City MSA regarding community credit needs, small-business needs, affordable housing and community development needs, and potential community development opportunities. No responses were received. The Bank also supplemented its demographic, economic, housing, and small-business data with a review of publicly available CRA Performance Evaluations issued by the OCC, FDIC, and Federal Reserve for institutions with assessment areas covering the Boise City MSA or portions of it. The evaluations provided examiner-documented community-contact observations and performance context relevant to the assessment area. This informal outreach and supplemental review are separate from, and do not replace, the formal public comment process described below.

Consistent with 12 C.F.R §25.27(d), the Bank will publish notice of its proposed CRA Strategic Plan in appropriate media outlets and make the plan available for public review for at least 30 days prior to OCC action. During this period, any member of the public may submit written comments regarding the plan's content, commitments, or performance standards. All comments received during this 30-day period will be documented in full, reviewed by management, and presented to the Board or designated Board committee for consideration prior to submission of the final plan to the OCC. In connection with submission of the final Strategic Plan, the Bank expects to provide the OCC with appropriate documentation relating to the public participation process, including copies of published notices, evidence of website posting, summaries of public comments received, and the Bank's responses or consideration of such comments, as applicable.

Once the Plan is approved, the approved Strategic Plan will be made available through a publicly accessible online location. Approved Strategic Plans are also made publicly available on the OCC's website. The Bank will also maintain its CRA public file, which will include: (i) all written comments received during the Bank's formal public-comment period; (ii) the Bank's responses to those comments; and (iii) summaries of how comments were considered by management and the Board in finalizing the Plan.

The Bank may receive informal comments after the Bank's formal public-comment period has ended. Such comments will not trigger resubmission of the Strategic Plan but will be documented and reviewed internally as part of ongoing CRA oversight. Such comments may be used to inform Board discussions, management decisions, and development of future CRA Strategic Plans.

Section 7 – Board & Management Oversight

The Board of Directors retains oversight responsibility for the Bank's performance under this CRA Strategic Plan. Oversight of CRA performance is fully integrated into the Bank's governance framework, ensuring that CRA compliance is integrated into the Bank's broader governance, compliance, and risk-management framework.

The Board will approve the CRA Strategic Plan before the Plan is released for formal public comment. Following completion of the public comment period, the Board or its designated committee will review the comments received and approve or ratify the final Strategic Plan before its submission to the OCC. Any material changes made in response to public comment will be specifically presented for approval. CRA performance will be monitored by the Board through its designated committee, which will review performance at least quarterly. At each review, management will present performance against Strategic Plan goals, identify variances, and discuss corrective actions where necessary.

A designated CRA Officer will manage day-to-day CRA responsibilities, including monitoring performance against goals, coordinating CRA-qualified activities, and ensuring that reporting obligations are met. CRA oversight will be integrated into the Bank's Enterprise Risk Management and Compliance Monitoring frameworks to ensure tracking, testing, and reporting with the same level of formality as required under applicable OCC guidance.

Management will provide quarterly CRA performance reports to the Board or its designated committee covering (i) loan origination volumes and distributions versus targets; (ii) community development lending, investment, and contribution activity; and (iii) overall performance against applicable Satisfactory and Outstanding performance standards established under this Strategic Plan. An annual cumulative report will summarize performance trends, identified variances, corrective actions where appropriate, and overall progress toward Strategic Plan goals.

Section 8 – Plan Duration & Amendments

This CRA Strategic Plan will have an effective date of January 16, 2027, which will be at least three months after the date the Plan is submitted to the OCC for approval. The Plan will remain in effect for a period of three years beginning on the effective date, unless a different effective date is approved by the OCC.

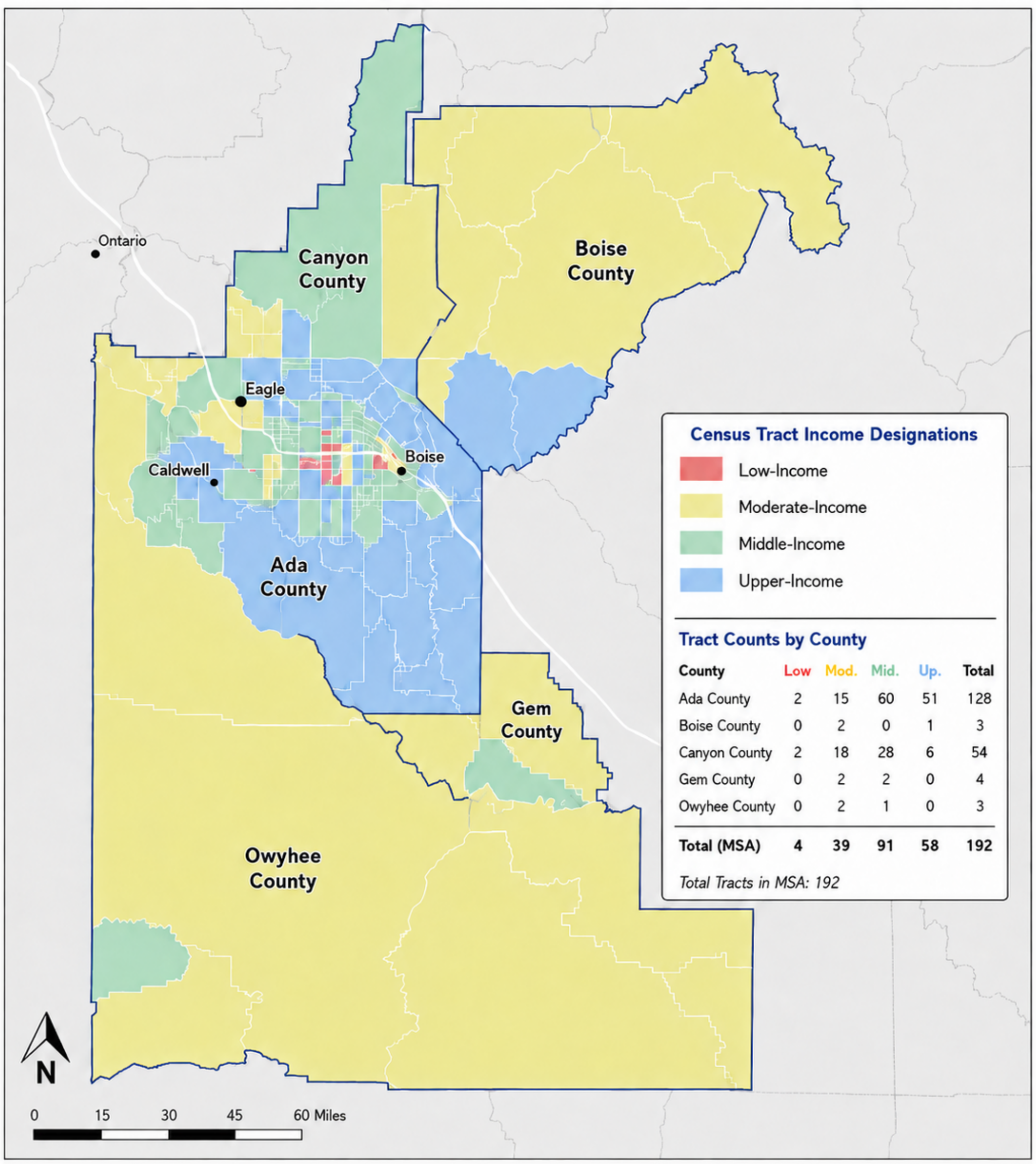
If material changes become necessary during the three-year term, the Bank will submit such amendments for OCC review and approval prior to implementation. Examples of material changes include modifying the Bank's designated assessment area(s), significant changes to the business model or delivery strategy, or altering performance standards or measurable goals set forth in this Plan. Minor adjustments or refinements that do not materially alter the Plan will be managed internally, documented in the CRA public file, and reported to the Board through the established governance process.

At the conclusion of the three-year term, the Bank will reassess its CRA performance, consider updated community credit needs and market conditions, and prepare a new CRA Strategic Plan for OCC approval. CRA-qualified lending, investment, and service activities will continue without interruption between plan cycles.

Appendix A – Assessment Area Maps & Demographics

This appendix provides demographic, census tract, and small-business context for the Bank's CRA assessment area within the Boise City MSA. The colored area shown on the accompanying map represents the Bank's assessment area, and the census tract color classifications are defined in the map legend. The data are drawn from FFIEC Census and Demographic Data (2024–2025), U.S. Census Bureau County Business Patterns ("CBP") (2023), U.S. Census Bureau Statistics of U.S. Businesses ("SUSB") (2023), and the American Community Survey ("ACS").

Boise City, Idaho MSA (CBSA 14260) – Census Tract Income Designations



Sources: FFIEC Census Tract List (2024-2025) and OMB Bulletin No. 23-01. Map prepared for CRA planning purposes.

Assessment Area Maps

Consistent with CRA regulation and guidance, the Bank has designated the complete Boise City Metropolitan Statistical Area (MSA), which includes its main office in Eagle, Idaho, as its CRA assessment area. The assessment area consists of Ada, Boise, Canyon, Gem, and Owyhee Counties, as depicted in the map above. The Bank is not designating a broader statewide, regional, or nationwide assessment area. All measurable goals under this Strategic Plan are anchored to activity benefiting the delineated Boise City MSA assessment area; the Bank's nationwide digital operations are discussed only as performance context.

Census Tract Distribution

Boise City MSA Census Tracts by County (FFIEC 2024–2025)

County	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Total
Ada	2	15	60	51	128
Boise	0	2	0	1	3
Canyon	2	18	28	6	54
Gem	0	2	2	0	4
Owyhee	0	2	1	0	3
Total	4	39	91	58	192

Approximately 28% of census tracts within the Boise City MSA assessment area are classified as rural based on FFIEC Census Data 2024-2025. Based on 2024 American Community Survey (ACS) estimates, approximately 33% of households within the Boise City MSA fall within low- and moderate-income ranges.

The Boise City MSA includes 192 census tracts, including 4 low-income tracts (2%) and 39 moderate-income tracts (20%), resulting in a combined total of 43 low- and moderate-income census tracts representing approximately 22% of total census tracts within the assessment area. Relative to many larger metropolitan areas, the Boise City MSA contains a comparatively limited concentration of low-income census tracts and a moderate concentration of moderate-income census tracts. The assessment area also includes a geographically dispersed small-business economy across Ada, Canyon, Boise, Gem, and Owyhee counties.

These characteristics influence the Bank's assessment of lending opportunities, community development needs, and measurable-goal calibration within the assessment area.

Employer Establishments

Boise City MSA Employer Business Locations/Establishments (CBP 2023)

County	Employer Locations	Source
Ada	17,028	U.S. Census Bureau, CBP 2023
Canyon	5,933	U.S. Census Bureau, CBP 2023
Gem	472	U.S. Census Bureau, CBP 2023
Owyhee	262	U.S. Census Bureau, CBP 2023
Boise	190	U.S. Census Bureau, CBP 2023
Total	23,885	

Boise City MSA Employer Businesses by Employee Size (SUSB 2023)

Employer Business Size	Employer Businesses	% of Employer Businesses
1-19 Employees	14,152	81.2%
20-499 Employees	2,168	12.4%
500+ Employees	1,100	6.3%
Total	17,420	99.9%*

*Percentages may not total exactly due to rounding.

Selected Employer Businesses by Industry Sectors (SUSB 2023)

Industry Sector	Employer Businesses
Construction	4,134
Health Care and Social Assistance	2,723
Retail Trade	2,281
Other Services	1,798
Administrative and Support Services	1,561
Finance and Insurance	1,397
Information	367
Educational Services	302

Management of Companies and Enterprises	137
Agriculture, Forestry, Fishing and Hunting	68
All Other Industries[4]	2,652
Total Employer Businesses	17,420

SUSB data reflect employer businesses categorized by employment size. CBP data reflect employer locations or establishments. Because a business may operate more than one location, CBP and SUSB totals are not expected to match. Selected industries were presented to illustrate the composition of the assessment-area employer-business base. ‘All Other Industries’ includes all remaining industry sectors within the assessment area not separately identified in the table.

Business Formation Activity

Entrants/Exits	**Employer Businesses**
Business Establishment Entrants	2,555
Business Establishment Exits	2,303

County Business Patterns (“CBP”) establishment data reflect individual business locations operating within the assessment area. Statistics of U.S. Businesses (“SUSB”) firm data reflect consolidated business entities, which may operate multiple business locations. Accordingly, totals between the tables may not reconcile directly.

Boise City MSA Summary

The assessment area also reflects ongoing business formation activity, including approximately 2,555 establishment entrants during the 2023 reporting period.

Population Context

Based on ACS 2024 estimates, the Boise City MSA includes approximately 845,877 residents, with approximately 33% of households classified as low- or moderate-income. The assessment area also includes a geographically dispersed small-business economy across Ada, Canyon, Boise, Gem, and Owyhee counties.

Implications for CRA Evaluation

The Boise City MSA presents measurable opportunities for small business lending, community development financing, and community development services consistent with the Bank’s proposed business model and strategic goals. The Bank’s measurable goals were calibrated by considering

[4] Selected industries are presented to illustrate the compositions of the assessment-area employer-business base. ‘All Other Industries’ includes all remaining industry sectors within the assessment area not separately presented.

assessment-area demographic characteristics, census tract distribution, business composition within the assessment area, business-size characteristics, projected staffing and operational capacity during the de novo period, and comparative methodologies reflected in publicly available CRA Strategic Plans for institutions with relevant business-model characteristics. The assessment area includes approximately 23,885 employer establishments across a diverse range of industries, including professional services, healthcare, construction, trade, and service-sector businesses. The assessment area also includes 43 low- and moderate-income census tracts, representing approximately 22% of total census tracts within the assessment area. The assessment-area data summarized in this appendix were used as part of the Bank's goal-calibration process, including the lending goals relating to businesses located in LMI census tracts, businesses with gross annual revenues of $1 million or less, and loans with original amounts of $1 million or less.

Appendix B – Peer Comparisons

The Bank will operate in a highly competitive environment that spans multiple categories of financial service providers. These include large regional and national banks, fintech and neobank providers, community banks and credit unions, and nontraditional financial service companies. Each competitor type has distinct advantages but also structural limitations. This appendix compares VALT against these categories, highlighting strengths, limitations, CRA implications, and VALT's differentiated positioning.

Large Regional & National Banks

By contrast with VALT's digital-first model, large regional and national banks hold dominant market share among SMBs due to their scale, wide product offerings, and brand recognition. They benefit from extensive branch networks and established CRA programs. However, large regional and national banks frequently operate through complex operational structures, legacy technology, and traditional servicing models that may create friction for certain small businesses, particularly those seeking streamlined digital-first banking solutions or operating in areas where convenient branch access may be limited.

Fintech & Neobank Providers

Fintechs and neobanks have grown rapidly by delivering modern digital experiences, fast onboarding, and user-friendly payment tools. They appeal especially to technology-forward SMBs. Their limitations, however, include narrower product sets, lack of direct FDIC insurance, and reliance on third-party partner banks for core banking functions.

Importantly, these firms are not subject to CRA obligations, leaving a gap in service to LMI businesses. VALT combines the seamless digital delivery associated with fintechs with the safety, breadth, and accountability of a chartered bank, supporting delivery of CRA-responsive lending and community development activities in underserved markets.

Community Banks & Credit Unions

Community banks and credit unions are known for strong personal relationships and localized service. Many have historically excelled at meeting CRA obligations within their branch-based assessment areas. However, limited resources for technology investments and geographic restrictions constrain their ability to scale or deliver integrated digital-first platforms. VALT bridges this gap by combining the relationship orientation of smaller institutions with the scalability of a nationwide digital bank. Its embedded financial education and remote service model allow VALT to serve SMBs across geographies while maintaining CRA accountability.

Nontraditional Competitors

Non-bank service providers, such as accounting and enterprise software platforms, have expanded into financial services by adding payment tools and limited cash-flow features. While these services are convenient for businesses already using their software, they remain narrow in scope, rely on outside banks for deposits and lending, and often impose higher costs or slower settlement times due to added intermediaries. These companies are not subject to CRA obligations and thus are not required to contribute to expanding financial inclusion. By contrast, VALT, as a proposed chartered financial institution, integrates payments and treasury services directly into its banking platform, providing SMBs with faster, lower-cost solutions while supporting delivery of CRA-qualified lending and community development activities across its digital operating footprint consistent with CRA requirements.

Summary Comparison Table

Competitor Type	**Strengths**	**Limitations**	**CRA Implications**	**VALT Differentiation**
Large Regional/National Banks	Scale, full product sets, brand recognition	Legacy technology, branch-based models, complex account structures	Strong CRA programs, but more complex digital and servicing environments	Digital-first, simplified nationwide delivery
Fintech/Neobank Providers	Modern UX, fast onboarding, digital appeal	Narrow product sets, no charter, reliance on partner banks	Not subject to CRA	Combines fintech-style delivery with chartered bank breadth and accountability
Community Banks/Credit Unions	Personal relationships, community focus	Limited technology investment, geographically constrained	Strong local CRA, limited scalability	Nationwide reach, digital scale, embedded financial education
Nontraditional Competitors	Software integration, growing adoption	Limited services, reliance on third parties, And potentially higher-cost or slower payment features	Not subject to CRA	Integrated banking and payments with faster, lower-cost delivery

Appendix C – Public Comment & Outreach Documentation

Consistent with applicable CRA regulations governing strategic plans and public participation, VALT Bank, N.A. (in organization) is required to publish notice of its draft Community Reinvestment Act (CRA) Strategic Plan and provide the public with an opportunity to review and comment prior to OCC approval. This appendix documents the Bank's compliance with public notice requirements, provides a sample public notice, and outlines the framework for summarizing comments and Bank responses. The appendix also establishes procedures for ongoing maintenance of the CRA Public File.

1. Public Notice

Sample Public Notice

VALT Bank, N.A. (in organization), headquartered in Eagle, Idaho, has prepared a proposed Community Reinvestment Act (CRA) Strategic Plan for the period January 16, 2027 through January 15, 2030. The Plan describes how the Bank intends help to meet the credit and financial service needs of its community, including low- and moderate-income areas, consistent with safe and sound operations.

The public is invited to review and comment on the proposed Plan. The Plan is available at no cost at www.VALTBank.com/CRA/. A free electronic copy of the Plan may also be requested by emailing jpeckham@VALTinvestorgroup.com.

Written comments regarding the Plan may be submitted to: John Peckham, Chief Risk Officer, jpeckham@VALTinvestorgroup.com

All comments must be received by September 21, 2026.

Publication Details (to be completed prior to submission):

Newspapers of general circulation: Idaho Statesman, Idaho Press (supplemental)

Request an electronic copy: John Peckham, Chief Risk Officer, jpeckham@VALTinvestorgroup.com

Public online location: [Insert Box link and dates available]

Publication dates: [Insert Dates]

2. Summary of Comments Received

Following the conclusion of the public comment period, the Bank will compile and summarize all comments received. Summaries will capture key themes, organized by topic (e.g., access to credit, digital delivery, financial education). This section will be updated to reflect the record of public input.

3. Bank Responses to Comments

For each substantive comment received, the Bank will provide a written response explaining whether and how the recommendation was incorporated into the Strategic Plan.

Comments will be summarized for the Risk and Compliance Committee of the Board. The written responses from management and the disposition of the comments will also be summarized. Where comments cannot be adopted, the Bank will provide a rationale. These responses will be documented and maintained in the CRA Public File.

4. Ongoing Public File Maintenance

All comments and the Bank's responses will be retained in the Bank's CRA Public File.

Comments will be summarized annually for review by the Risk & Compliance Committee of the Board.

Documentation of outreach and responses will be updated periodically and made available for examiner review consistent with applicable CRA recordkeeping requirements.

Appendix D – Boise Community Development Partners and Example Activities

Purpose

This appendix provides illustrative examples of community development (CD) lending, investment, and service opportunities in the Boise City MSA, the Bank's CRA assessment area. These examples are intended to demonstrate the range of potential partnerships that may be considered by the Bank. They are not binding commitments but represent the types of activities VALT may pursue to support community development activities within the assessment area.

Note: The community-development organizations listed in this appendix are representative of potential partners within the Bank's assessment area (Boise City MSA). These organizations and activity types are illustrative only and do not represent binding commitments or confirmed partnerships. Additional community-development activities may be identified during the plan period, but activities counted toward the measurable community development goals will be documented for CRA qualification and benefit to the Boise City MSA.

Potential Community Development Partners in Boise

Partner Category	Focus Area	Example Opportunities
CDFIs and community development loan funds	Affordable housing, small-business lending, community facilities, economic development	CD loans, participations, deposits, grants, or qualified investments
Small-business technical-assistance providers	Entrepreneur training, business planning, cash-flow support	Financial education, workshops, technical assistance, referrals
Affordable-housing and neighborhood development nonprofits	Affordable housing, rehabilitation, housing counseling, mixed-use community development	Grants, investments, CD loans, technical assistance
Local chambers and business associations	Small-business outreach and economic development	Outreach to underserved SMBs, education sessions, referral partnerships
Public-sector or quasi-public community development programs	Housing, infrastructure, public services, economic development	Coordination on community development needs and potential eligible activities

Illustrative Community Development Activities

VALT may demonstrate community development activity that may qualify for CRA consideration in the Boise City MSA through activities such as:

- Financing or participating in small business incubator space development in LMI tracts.
- Supporting technical assistance and training programs for underserved entrepreneurs in partnership with the Idaho SBDC.
- Providing capital or liquidity facilities to Boise-based CDFIs, enabling expanded small business lending.
- Sponsoring or staffing financial education workshops focused on financial literacy, responsible credit usage, and cash flow management.
- Partnering with minority chambers of commerce or local business associations to expand outreach to women-, minority-, and veteran-owned firms.
- Supporting digital financial education or technical-assistance resources for small-business owners in LMI tracts.

Alignment with Strategic Plan

The examples above demonstrate how VALT can support measurable community development activity in its assessment area while remaining aligned with its digital-first, small business banking model. These opportunities complement the goals outlined in Section 4 and illustrate a pathway for ensuring local accountability in the Boise MSA.

Appendix E - Comparative Review of CRA Strategic Plan Methodologies

Introduction and Methodology

In developing this Strategic Plan, VALT Bank, N.A. (in organization) reviewed publicly available CRA Strategic Plans, for selected institutions with business-model characteristics relevant to the Bank's proposed operations. The reviewed institutions included digitally focused, specialized, recently transformed, branchless or branch-light, and geographically dispersed banking organizations whose operating models involve a significant portion of lending, deposit, or operational activity occurring outside traditional branch-based assessment areas.

The Bank reviewed these institutions as methodological and operating-model comparators rather than as direct peers on asset size, charter age, geography, product mix, assessment-area structure, or operating history. The reviewed materials were evaluated to better understand measurable-goal methodologies, lending-performance structures, community development financing approaches, community development service methodologies, and assessment area ("AA") and broader statewide or regional area ("BSRA") frameworks utilized by certain institutions operating under nontraditional banking models.

The Bank's review identified several recurring themes across approved strategic plans, including: (i) emphasis on lending performance within low- and moderate-income ("LMI") geographies and smaller-business segments; (ii) phased or escalating measurable goals during periods of organizational growth or transition; (iii) employee- or FTE-based service methodologies; (iv) separate treatment of assessment area ("AA") and broader statewide or regional area ("BSRA") activity; and (v) methodologies tailored to operational capacity, staffing levels, geographic concentration, and business-model characteristics.

The primary comparator institutions included in the comparative tables below are Newtek Bank, N.A.; LendingClub Bank, N.A.; The Bancorp Bank, N.A.; Pathward, N.A.; Esquire Bank, N.A.; and SoFi Bank, N.A., because their publicly available CRA Strategic Plans reflected methodologies and operational structures most relevant to the Bank's proposed operating model. These institutions were reviewed as methodological and operating-model comparators, not as direct peers based on asset size, charter stage, geography, product mix, or operating history.

The Bank also reviewed additional strategic plans and related materials for Varo Bank, Bank of Whittier, VersaBank USA, and First Century Bank. These additional institutions informed the Bank's broader understanding of strategic-plan structures and nontraditional banking models but were not included in the detailed comparative tables because certain methodologies, operating models, or measurable-goal structures were less directly relevant to the Bank's proposed operating model.

Because publicly available CRA Strategic Plans vary substantially in structure, disclosure detail, institution size, operating model, staffing levels, product mix, assessment-area structure, and strategic focus, the Bank reviewed the comparative information directionally and comparatively rather than attempting direct quantitative normalization or equivalency across institutions.

I. Lending Methodologies and Comparative Observations

The reviewed strategic plans demonstrated that institutions operating under digital, specialized, branchless or branch-light, or geographically dispersed business models frequently emphasized lending performance as a primary CRA performance driver.

The reviewed plans also demonstrated varying approaches to measuring lending responsiveness, including comparator-based methodologies, demographic-distribution methodologies, and phased measurable-goal structures aligned with organizational growth and operational capacity.

VALT Bank, N.A. (in organization) expects lending performance within its Boise City MSA assessment area to represent the primary component of the Bank's CRA strategy. The Bank's measurable lending goals were calibrated based on assessment-area demographics, the Bank's proposed small-business lending model, and comparative methodologies observed within reviewed strategic plans.

Institution	Lending Methodology	Observed Goal Structure
Newtek Bank, N.A.	Comparator-based SBA and LMI lending methodology	70%–105% comparator thresholds[1]
LendingClub Bank, N.A.	Lending goals measured relative to businesses with GAR ≤ $1 million and businesses located within LMI geographies	70%–120% comparator thresholds[2]
The Bancorp Bank, N.A.	Limited direct lending emphasis; greater reliance on community development financing and services	Strategic plan emphasized community development financing and services due to branchless specialty-bank operating model
Pathward, N.A.	Limited direct lending emphasis; greater reliance on community development financing and services	Strategic plan emphasized community development financing and services due to branchless/BaaS operating structure
Esquire Bank, N.A.	Combined small-business and community development lending	1.40%–1.70% of average assets

	methodology measured against average assets	
SoFi Bank, N.A.	Phased measurable-goal structure designed to increase during early operational years	Escalating measurable goals during the plan period

[1] Comparator thresholds measured lending performance relative to the percentage of businesses located within LMI census tracts within the applicable assessment area.

[2] Comparator thresholds measured lending performance relative to the percentage of businesses with GAR of $1 million or less and/or businesses located within LMI census tracts within the applicable assessment area.

The Bank expects lending performance within its Boise City MSA assessment area to represent the primary component of the Bank's CRA strategy.

II. Community Development Financing Methodologies and Comparative Observations

The reviewed strategic plans reflected multiple methodologies for establishing community development financing goals, including fixed-dollar goals, percentage-of-assets methodologies, and percentage-of-capital methodologies. Several reviewed institutions operating under specialized, branchless, branch-light, or digital business models also incorporated broader statewide or regional community development structures to supplement activity occurring within primary assessment areas.

Institution	**Community Development Financing Methodology**	**Observed Goal Structure**
Newtek Bank, N.A.	Community development financing goals measured as a percentage of Tier 1 capital	7%–14% of Tier 1 capital
LendingClub Bank, N.A.	Community development financing goals measured as a percentage of average assets	0.34%–0.57% of average assets
The Bancorp Bank, N.A.	Fixed-dollar assessment-area CD lending/ investment goals, plus BSRA CD lending/investment goals	AA fixed-dollar goals; BSRA goals of 13%–14% of Tier 1 capital

	measured as a percentage of Tier 1 capital	
Pathward, N.A.	Fixed-dollar assessment-area CD lending/investment goals, plus BSRA CD lending/investment goals measured as a percentage of Tier 1 capital	AA fixed-dollar goals; BSRA goals of 13%–17% of Tier 1 capital
Esquire Bank, N.A.	Combined lending and investment methodology measured against average assets	1.40%–1.70% of average assets
SoFi Bank, N.A.	Phased financing methodology tied to organizational growth and average assets	Escalating measurable goals during plan period

The reviewed plans demonstrated that institutions operating under branchless or branch-light, digital, or specialized business models frequently balanced community development financing commitments against operational-growth objectives, staffing levels, and balance-sheet capacity.

As a de novo institution focused primarily on small-business lending and prudent balance-sheet growth, the Bank expects community development financing to serve as a supporting component of its overall CRA strategy rather than the primary driver of CRA performance.

III. Community Development Service Methodologies and Comparative Observations

The reviewed strategic plans reflected a broad range of employee-based and FTE-based community development service methodologies. Several reviewed institutions incorporated scalable outreach, financial education, executive participation, and geographically dispersed staffing structures into their community development service frameworks.

Institution	Service Methodology	Observed Goal Structure
Newtek Bank, N.A.	Escalating FTE-based methodology tied to organizational growth	3–8 hours per FTE

LendingClub Bank, N.A.	Employee-based service-hour methodology allocated by employee residence across multiple AAs and the BSRA	Service-hour allocations tied to employee counts by geography
The Bancorp Bank, N.A.	FTE-based methodology tied to staffing levels	1–1.25 hours per FTE
Pathward, N.A.	Assessment-area staffing methodology tied to Sioux Falls employee counts	1–1.25 hours per FTE
Esquire Bank, N.A.	VP-level staffing methodology with phased escalation; goals calculated using VP-level-and-above employees, while hours may be performed by any employee	2.5–4 hours per VP-level FTE
SoFi Bank, N.A.	Employee-based phased methodology across multiple AAs designed to increase during early operational years	Escalating employee-based goals during years 1–3

The reviewed plans also demonstrated that institutions operating digital or geographically dispersed business models frequently tailored service methodologies to reflect realistic staffing levels, remote-work structures, scalable financial education or outreach activities, and geographically dispersed employee bases.

The Bank expects community development services to focus primarily on financial education, small-business outreach, technical assistance, and executive-level community engagement activities delivered through digital and other scalable channels consistent with the Bank's digital-only operating model and geographically dispersed workforce.

IV. Overall Comparative Observations

The Bank's comparative review demonstrated that approved CRA Strategic Plans frequently incorporate phased or escalating measurable-goal structures, employee- or FTE-based service methodologies, average-assets or Tier 1 capital financing methodologies, separate AA and BSRA activity structures, and methodologies tailored to operational capacity, staffing levels, geographic concentration, and business-model characteristics.

The reviewed materials also demonstrated that institutions operating under digitally focused, branchless or branch-light, specialized, or geographically dispersed business models frequently tailor CRA methodologies to reflect lending activity occurring outside traditional branch-based assessment areas, geographically dispersed operational structures, limited staffing concentrations within a single assessment area, and the operational realities associated with nontraditional banking models.

The Bank considered these observed methodologies and performance structures, together with the performance context described elsewhere in this Strategic Plan, in developing the measurable goals and standards contained in this Plan.

V. Public CRA Performance Evaluation Review

In addition to reviewing publicly available CRA Strategic Plans, the Bank reviewed available public CRA Performance Evaluations for selected institutions with relevant business-model or strategic-plan characteristics. The Performance Evaluations were not used to establish direct peer benchmarks because the reviewed institutions differ from the Bank in asset size, operating history, charter stage, assessment-area structure, product mix, staffing model, and community development relationships. However, the evaluations were useful in confirming that CRA Strategic Plans are commonly evaluated based on measurable goals tailored to the institution's business model, capacity, assessment-area structure, product mix, and documented community development opportunities.

The reviewed Performance Evaluations also informed the Bank's approach to community development outreach and service measurement. Several evaluations reflect that service-hour goals can be affected by staffing location, the number of employees available in the assessment area, the type of service performed, and whether the activity qualifies as community development service under applicable CRA standards. Because the Bank will operate as a de novo, digital-only institution without a branch network and with a largely dispersed, remote workforce, the Bank determined that a measured activity-based goal is a more appropriate and transparent initial plan-period measure than a service-hours-per-employee goal. Under this approach, each counted activity must have a primary purpose of community development and, where counted as a community development service, must relate to the provision of financial services or otherwise satisfy applicable CRA qualification standards.