PUBLIC DISCLOSURE

April 27, 2026

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The First National Bank of Fairfax
Charter Number: 9771

16 South East First Street
Fairfax, MN 55332

Office of the Comptroller of the Currency

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

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

Contents

Overall CRA Rating

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

The Lending Test is rated: Outstanding.

The major factors that support this rating include:

- The distribution of loans to farms of different sizes is excellent.
- A majority of the bank's loans are inside its assessment area (AA).
- The bank's loan-to-deposit (LTD) ratio is reasonable.
- There are no complaints regarding the bank's CRA performance.
- The geographic distribution of loans is not meaningful.

Loan-to-Deposit Ratio

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

The First National Bank of Fairfax's (FNB Fairfax) LTD ratio averaged 66.68 percent from the first quarter of 2020 through the fourth quarter of 2025 (24 quarters). The bank's quarterly LTD ratio ranged from a low of 43.52 percent in the fourth quarter of 2025 to a high of 93.23 percent in the fourth quarter of 2020.

FNB Fairfax's average LTD ratio ranked second out of four similarly situated institutions. Similarly situated institutions had total assets ranging from $36 million to $234 million and operated at least one location in the bank's AA during the evaluation period. Similarly situated institutions had average LTD ratios ranging from 39.60 percent to 68.74 percent.

Lending in Assessment Area

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

The bank originated and purchased 75.00 percent of loans by number and 63.00 percent of loans by dollar inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

Table 1: Lending Inside and Outside of the Assessment Area										**2023-2025**
Loan Category	**Number of Loans**				**Total #**	**Dollar Amount of Loans $(000s)**				**Total $(000s)**
	Inside		**Outside**			**Inside**		**Outside**		
	#	**%**	**#**	**%**		**$**	**%**	**$**	**%**	
Small Farm	15	75.00	5	25.00	20	2,691	63.00	1,580	37.00	4,271
Total	**15**	**75.00**	**5**	**25.00**	**20**	**2,691**	**63.00**	**1,580**	**37.00**	**4,271**

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

Description of Institution

FNB Fairfax is a $36 million single-state national bank with one location in Fairfax, MN. The bank does not have any deposit-taking ATMs. There were no mergers, acquisitions, branch openings, or branch closings during the evaluation period. FNB Fairfax is wholly owned by Fort Ridgely National Bancorporation, Inc, a single bank holding company also headquartered in Fairfax, MN. For this evaluation, FNB Fairfax had one AA and one state rating area.

FNB Fairfax is a rural bank that offers traditional banking products and services. According to the Call Report as of December 31, 2025, the bank's loan portfolio totaled $10.3 million or 28.46 percent of total assets. The bank's loan portfolio by dollar consists of 62.42 percent agricultural loans, 35.98 percent commercial loans, 1.06 percent consumer loans, and 0.54 percent residential real estate loans. As of December 31, 2025, the bank's tier 1 capital totaled $13.5 million and tier one leverage ratio was 35.90 percent.

There are no known financial, legal, or other factors impeding the bank's ability to help meet the credit needs of its AA. FNB Fairfax received an "Outstanding" rating in its previous CRA examination dated November 9, 2020.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated FNB Fairfax's CRA performance using small bank performance standards consisting of the Lending Test. The evaluation period for the Lending Test was January 1, 2023, through December 31, 2025.

For the Lending Test, we selected the primary loan product for the AA based on the number and dollar volume of loan originations and purchases during the evaluation period. We determined the primary product to be farm loans. Farm loans represented the highest lending activity by both dollar volume and number at 78.08 percent and 60.37 percent, respectively.

Selection of Areas for Full-Scope Review

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

Ratings

The bank's overall rating is based on the rating for the State of Minnesota since it is the only rating area. The State of Minnesota rating is based on performance in the bank's single AA.

Discriminatory or Other Illegal Credit Practices Review

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

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

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

State Rating

State of Minnesota

CRA rating for the State of Minnesota: Outstanding.

The Lending Test is rated: Outstanding.

The major factors that support this rating include:

- The distribution of loans to farms of different sizes is excellent.
- There are no complaints regarding the bank's CRA performance.
- The geographic distribution of loans is not meaningful.

Description of Institution's Operations in Minnesota

FNB Fairfax has one AA, referred to as the MN Non-MSA AA. The bank's AA consists of Renville County, which includes six middle-income census tracts (CT). The bank's main office in Fairfax is in Renville County.

Competition in the AA is strong. As of June 30, 2025, the FDIC Deposit Market Share Report indicated nine deposit-taking institutions operated in Renville County. FNB Fairfax ranked eighth with a deposit market share of 5.09 percent. Major competitors included Frandsen Bank & Trust, FM Bank, and HomeTown Bank, which together held 64.44 percent of the deposit market.

As part of this evaluation, we contacted two community members that work for organizations that serve Renville County and surrounding counties. The first contact focuses on economic and housing development within the AA. The second contact provides technical assistance to communities, businesses, and local organizations. The contacts stated that economic conditions are slowing down. The local economy is largely agriculture driven and commodity prices are low and decreasing. Farmers in the area are being stretched thin due to the rising prices of propane and natural gas. Employers in the area are consistently having difficulty filling positions. Poverty levels in the area are low. Recent local housing studies identified the need for new housing units and affordable housing, but contacts said new construction is not keeping pace with demand and has been slow due to rising costs. One contact expressed that banks in the area have been helpful and involved in community efforts and indicated that banks have helped with gap financing and creating multi-family housing.

The following table provides demographic and economic data for the AA during the analysis period.

Assessment Area – MN Non-MSA						
						2023-2025
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	6	0.00	0.00	100.00	0.00	0.00
Population by Geography	14,723	0.00	0.00	100.00	0.00	0.00
Housing Units by Geography	7,334	0.00	0.00	100.00	0.00	0.00
Owner-Occupied Housing by Geography	4,663	0.00	0.00	100.00	0.00	0.00
Occupied Rental Units by Geography	1,369	0.00	0.00	100.00	0.00	0.00
Vacant Units by Geography	1,302	0.00	0.00	100.00	0.00	0.00
Businesses by Geography	588	0.00	0.00	100.00	0.00	0.00
Farms by Geography	158	0.00	0.00	100.00	0.00	0.00
Family Distribution by Income Level	3,759	16.36	21.04	25.65	36.95	0.00
Household Distribution by Income Level	6,032	23.18	15.37	22.02	39.44	0.00
Unemployment rate (%)	2.90	0.00	0.00	2.90	0.00	0.00
Households Below Poverty Level (%)	11.02	0.00	0.00	11.02	0.00	0.00
Median Family Income (Non-MSAs - MN)		$74,710			**Median Housing Value**	$114,000
Median Family Income (Non-MSAs - MN) for 2025		$95,200			**Median Gross Rent**	$642
					Families Below Poverty Level	5.05
FFIEC File - 2024 Census *2025 Dun & Bradstreet SBSF Demographics* *Due to rounding, totals may not equal 100.0%* *(*) The NA category consists of geographies that have not been assigned an income classification*						

Scope of Evaluation in Minnesota

The Minnesota state rating is based on the performance in the MN Non-MSA AA. The MN Non-MSA AA was selected for full-scope review.

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

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

Distribution of Loans by Income Level of the Geography

The geographic distribution of loans is not meaningful because the AA contains no low- or moderate-income (LMI) geographies.

Refer to Table 11 in the state of Minnesota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to farms.

Lending Gap Analysis

Lending gap analysis was not performed because it is not meaningful since there are no LMI geographies in the bank's AA.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to farms of different sizes.

Small Loans to Farms

Refer to Table 12 in the state of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to farms.

The distribution of loans to farms of different sizes is excellent. The bank's percentage of loans to small farms significantly exceeded the aggregate lending percentage and was near to the percentage of small farms in the AA. We placed more weight on the bank's performance in comparison to aggregate lending since it was more representative of lending opportunity.

Responses to Complaints

The bank received no CRA related complaints since the prior CRA evaluation.

Appendix A: Scope of Examination

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

Time Period Reviewed:	01/01/2023 to 12/31/2025	
Bank Products Reviewed:	Farm Loans	
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	**Type of Exam**	**Other Information**
Minnesota		
Minnesota Non-MSA	Full-scope	Renville County

Appendix B: Summary of MMSA and State Ratings

RATINGS	
Overall Bank:	Lending Test Rating
The First National Bank of Fairfax	Outstanding
State:	
Minnesota	Outstanding

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

Table 11. **Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - Compares the percentage distribution of the number of small loans (less than or equal to $500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's AA.

Table 12. **Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to $500,000) originated and purchased by the bank to farms with revenues of $1 million or less to: (1) the percentage distribution of farms with revenues of greater than $1 million; and, (2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.

Minnesota

Table 11: Assessment Area Distribution of Loans to Farms by Income Category of the Geography																			2023 - 2025
Assessment Area:	Total Loans to Farm				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total Number	Overall Market	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate
MN Non-MSA	20	4,481	100.00	437	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	**20**	**4,481**	**100.00**	**437**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**100.00**	**100.00**	**100.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Source: FFIEC File - 2024 Census; 1/1/2023 - 12/31/2025 Bank Data, 2025 Dunn & Bradstreet SBSF Demographics, 2023, 2024 CRA Aggregate Data, "--" data not available.

Due to rounding, totals may not equal 100.0%

Table 12: Assessment Area Distribution of Loans to Farms by Gross Annual Revenue											2023 - 2025
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	$	% of Total Number	Overall Market	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
MN Non-MSA	20	4,481	100.00	437	96.84	90.00	53.78	1.90	10.00	1.27	0.00
Total	**20**	**4,481**	**100.00**	**437**	**96.84**	**90.00**	**53.78**	**1.90**	**10.00**	**1.27**	**0.00**

Source: FFIEC File - 2024 Census; 1/1/2023 - 12/31/2025 Bank Data, 2025 Dunn & Bradstreet SBSF Demographics, 2023, 2024 CRA Aggregate Data, "--" data not available.

Due to rounding, totals may not equal 100.0%