UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
OFFICE OF THE COMPTROLLER OF THE CURRENCY

In the Matter of:	)	
	)	
United Fidelity Bank, F.S.B.	)	AMENDS AA-ENF-2026-42
Evansville, Indiana	)	
	)	

FIRST AMENDED PROMPT CORRECTIVE ACTION DIRECTIVE

WHEREAS, the Office of the Comptroller of the Currency ("OCC") has supervisory authority over United Fidelity Bank, F.S.B., Evansville, Indiana ("Bank");

WHEREAS, the Bank's Prompt Corrective Action ("PCA") capital category is critically undercapitalized pursuant to 12 U.S.C. § 1831o and 12 C.F.R. Part 6;

WHEREAS, the OCC is authorized, pursuant to 12 U.S.C. § 1831o and 12 C.F.R. Part 6, to take certain supervisory actions against critically undercapitalized institutions;

WHEREAS, to carry out the purpose of 12 U.S.C. § 1831o and 12 C.F.R. Part 6, the OCC issued a PCA Directive to the Bank on September 17, 2026 ("Prior Directive");

WHEREAS, to further carry out the purpose of 12 U.S.C. § 1831o and 12 C.F.R. Part 6 and in response to the Bank's request in writing pursuant to 12 C.F.R. § 6.24, the OCC now issues this first amended PCA Directive ("Directive") that fully replaces and supersedes the Prior Directive and requires the Bank to immediately take actions and follow the proscriptions herein;

WHEREAS, the Bank entered into a Consent Order with the OCC on October 31, 2023 ("Consent Order");

WHEREAS, the provisions of this Directive supplement and do not replace or supersede, the requirements of the Consent Order; and

NOW THEREFORE, pursuant to the authority vested in the OCC by 12 U.S.C. § 1831o and 12 C.F.R. Part 6, the OCC, through the duly authorized representative of the Comptroller of the Currency ("Comptroller"), hereby issues this Directive.

ARTICLE I

JURISDICTION

(1) The Bank is an "insured depository institution" as that term is defined in 12 U.S.C. § 1813(c)(2) and within the meaning of 12 U.S.C. § 1831o.

(2) The Bank is a Federal savings association within the meaning of 12 U.S.C. § 1813(q)(1)(C), and is chartered and examined by the OCC. *See* 12 U.S.C. §§ 1461 *et seq.*, 5412(b)(2)(B).

(3) The OCC is "the appropriate Federal banking agency" as that term is defined in 12 U.S.C. § 1813(q) and is therefore authorized to initiate and maintain this action against the Bank pursuant to 12 U.S.C. § 1831o.

ARTICLE II

COMPLIANCE RESPONSIBILITIES

(1) This Directive is immediately effective upon receipt by the Bank pursuant to 12 C.F.R. § 6.21(a)(2).

(2) The Bank's board of directors ("Board") shall monitor and oversee the Bank's compliance with all provisions of this Directive. The Board shall meet at least monthly and maintain minutes of its meetings.

ARTICLE III

CAPITAL RESTORATION PLAN

(1) By no later than October 4, 2026, the Bank shall submit an acceptable Capital Restoration Plan pursuant to and that complies with all the requirements of 12 U.S.C. § 1831o(e)(2) and 12 C.F.R. § 6.5 to the Director for Special Supervision ("Director") for approval.

(2) Effective immediately upon receipt of the Director's approval, the Board shall adopt and Bank management, subject to Board review and ongoing monitoring, shall immediately implement and ensure adherence to the Capital Restoration Plan and any amendments or revisions thereto.

(3) The Board shall review and update the Capital Restoration Plan at least monthly and more frequently if necessary or if required by the Director in writing.

ARTICLE IV

SALE OF SHARES PLAN

(1) By no later than October 4, 2026, the Board shall submit a sale of shares plan to the Director for prior written determination of no supervisory objection. The sale of shares plan must detail, with specific time frames, actions the Board and Bank management, subject to Board review and ongoing monitoring, will take to sell enough of its shares so that the Bank will be adequately capitalized after the sale.

(2) Effective immediately upon receipt of the Director's prior written determination of no supervisory objection, the Board shall adopt and Bank management, subject to Board review and ongoing monitoring, shall immediately implement and ensure adherence to the sale of shares plan and any amendments or revisions thereto.

(3) The Bank shall not initiate any action that significantly deviates from the sale of shares plan (that has received written determination of no supervisory objection from the Director and has been adopted by the Board) without a prior written determination of no supervisory objection from the Director.

(4) The Board shall review and update the sale of shares plan at least every month and more frequently if necessary or if required by the Director in writing.

ARTICLE V

OPERATING RESTRICTIONS

(1) Effective immediately upon the issuance of this Directive, the Bank must comply with all PCA provisions set forth in 12 U.S.C. § 1831o and 12 C.F.R. Part 6 that automatically apply to the Bank based upon the Bank's PCA capital category, including:

(a) no capital distributions may be made without the prior written approval of the Director if:

(i) the Bank is less than adequately capitalized; or

(ii) after making the distribution, the Bank would be undercapitalized;

(b) no management fees may be paid to any person having control of the Bank if:

(i) the Bank is less than adequately capitalized; or

(ii) after making the payment, the Bank would be undercapitalized;

(c) the Bank's average total assets during any calendar quarter may not exceed the Bank's average total assets during the preceding quarter unless:

(i) the Director has accepted the Bank's Capital Restoration Plan;

(ii) the increase in assets is consistent with the Bank's Capital Restoration Plan; and

(iii) the Bank's ratio of tangible equity to assets increases during the calendar quarter at a rate sufficient to enable the Bank to become adequately capitalized within a reasonable time;

(d) the Bank may not, directly or indirectly, acquire any interest in any company or insured depository institution, establish or acquire any additional branch office, or engage in any new line of business, unless:

(i) the Director has accepted the Bank's Capital Restoration Plan, the Bank is in compliance with the Capital Restoration Plan, and the Director determines that the Bank's proposed action is consistent with, and will further achievement of the Bank's Capital Restoration Plan; or

(ii) the Federal Deposit Insurance Corporation's Board of Directors determines that the proposed action will further the purposes of 12 U.S.C. § 1831o*;*

(e) the Bank may not make any payment of principal or interest on its subordinated debt, except as permitted by 12 U.S.C. § 1831o(h)(2); and

(f) without the Director's prior written approval, the Bank may not engage in any "covered transaction" as that term is defined in 12 U.S.C. § 371c(b)(7).

(2) Effective immediately upon the issuance of this Directive:

(a) the Bank must comply with 12 U.S.C. § 371c as if the exception in 12 U.S.C. § 371c(d)(1) does not apply;

(b) the Bank may not pay interest rates on deposits made, renewed, or renegotiated after the date of this Directive that exceed the highest documented interest rate paid on deposits of comparable amounts and maturities that are offered contemporaneously by another insured depository institution that has a main office or a branch office in the corresponding geographical market area;

(c) the Bank may not allow its total deposits as of the close of business each day to exceed the total deposits held by the Bank as of the close of business September 17, 2026; and

(d) the Bank may not accept deposits from any correspondent depository institutions, including renewals and rollovers of prior deposits, without first receiving a prior written determination of no supervisory objection from the Director.

(3) Effective immediately upon the issuance of this Directive, the Bank shall not take any of the following actions without receiving the Director's prior written determination of no supervisory objection:

(a) offer any new product or service, or undertake a significant expansion of any existing product or service;

(b) enter into any material transaction, including but not limited to any investment, expansion, acquisition, or other similar action, except that the

Bank may engage in liquidity management transactions in the normal course of business;

(c) enter into any transaction with any subsidiary of the Bank;

(d) make, increase, renew, or extend any commercial loan;

(e) purchase or fund any investment that:

(i) is directly or indirectly secured by commercial real estate; or

(ii) provides funding for any commercial real estate activity;

(f) engage in the sale or transfer of any Bank asset or pool of assets exceeding a fair market value of two-hundred fifty thousand dollars ($250,000). Any asset sale or transfer less than $250,000 should be reported to the Director immediately after the sale;

(g) amend the Bank's charter or bylaws, except to the extent necessary to carry out any other requirement of any law, regulation, or order, and so long as any required notice or application is appropriately provided;

(h) transfer any asset, directly or indirectly, to (collectively hereafter, "Non-Independent Parties"):

(i) a current or former "institution-affiliated party" of the Bank (collectively, "IAP"), as that term is defined in 12 U.S.C. § 1813(u);

(ii) an IAP's "related interest," as that term is defined in 12 U.S.C. § 375b(9)(G) and 12 C.F.R. § 215.2(n);

(iii) an "affiliate," as that term is defined in 12 U.S.C. § 371c(b)(1) and 12 C.F.R. § 223.2(a);

(iv) any director, officer, or employee of any subsidiary or affiliate of Pedcor Financial, LLC, or Pedcor Investments, LLC; or

(v) any person who is a relative (defined broadly to include by blood, marriage, or adoption) of any such person described in this subparagraph (h)(i)-(iv);

(i) engage in any transaction for the transfer of funds, the extension of credit, the acceptance or transference of risk, or the conferring of another type of benefit, directly or indirectly, involving any Non-Independent Parties;

(j) extend credit for any highly leveraged transaction, including but not limited to, any loan that would exceed the Supervisory Loan-to-Value Limits in 12 C.F.R. Part 34, Subpart D, Appendix A; and

(k) pay interest on any new or renewed liabilities at a rate that would increase the Bank's weighted average cost of funds to a level significantly exceeding the prevailing rates of interest on insured deposits in the Bank's normal market areas.

(4) Notwithstanding the asset transfer requirements of paragraph (3) of this Article, the Bank may pay officer and employee compensation in the normal course of business, subject to the requirements in Article IX of this Directive.

ARTICLE VI

PRESERVATION OF BOOKS AND RECORDS

(1) Effective immediately upon the issuance of this Directive, the Board and Bank management, subject to Board review and ongoing monitoring, shall ensure that all of the Bank's documents, books, and records are accurately maintained and preserved on the premises of the

Bank and shall ensure that no Bank documents, books, or records are destroyed, altered, or removed from the Bank's premises until further written notice from the Director. However, such documents, books, and records may be altered and amended in the course of ordinary Bank business to accurately and timely record routine banking transactions.

(2) For purposes of this Article, "documents, books, and records" shall have the broadest possible meaning reasonably imaginable and shall include, without limitation, paper and electronic records of all kinds, reports, notes, calendars, phone logs, electronic mail, voice mail, financial instruments, and tapes.

(3) The Bank shall provide OCC personnel with prompt and unrestricted access to the documents, books, records, directors, officers, and staff of the Bank. The Board and Bank management, subject to Board review and ongoing monitoring, shall ensure all agents and representatives of the Bank provide OCC personnel with prompt and complete access to the documents, books, and records of the Bank.

ARTICLE VII

COMPLIANCE WITH GAAP

(1) Effective immediately upon the issuance of this Directive, Bank management, subject to Board review and ongoing monitoring, shall maintain the Bank's books and records in compliance with Generally Accepted Accounting Principles ("GAAP") and consistent with safe and sound banking practices, including but not limited to accounting for all assets and liabilities in accordance with GAAP.

(2) Effective immediately upon the issuance of this Directive, the Bank shall not make any change in accounting methods, policies, or procedures without the Board's prior written approval and the Director's prior written determination of no supervisory objection. Any

new accounting method, policy, or procedure or any change or other revision to an existing method, policy, or procedure shall be submitted to the Director for a prior written determination of no supervisory objection at least thirty (30) days prior to the effective date of such new, changed, or revised method, policy, or procedure.

(3) Notwithstanding paragraph (2) above, upon written direction by the Director, the Bank shall make appropriate modifications to its accounting methods, policies, and procedures to address any Matters Requiring Attention or citations of violation of law or regulation concerning accounting matters that the OCC may issue to the Bank.

(4) The Bank shall not undertake any action that could result in a material change to the Bank's financial condition without the Director's prior written determination of no supervisory objection.

ARTICLE VIII

LIQUIDITY

(1) Effective immediately upon the issuance of this Directive, the Bank shall ensure that it maintains sufficient on-hand and contingent liquidity to meet its liquidity needs during any liquidity or other stress events, to include:

(a) a designated crisis-management team and administrative structure that will operate during a liquidity event;

(b) revised stress-scenarios and contingency funding availability to reflect current market conditions and ongoing and expected Bank-specific circumstances; and

(c) detailed action plans to identify how the Bank will obtain sufficient liquidity to meet projected shortfalls during stress events.

(2) The Bank shall provide daily liquidity reporting to the Director that reflects the Bank's current liquidity position relative to the requirements of paragraph (1) above.

(3) Effective immediately upon the issuance of this Directive, the Bank shall provide a report of all deposit accounts (segregated by account) for each subsidiary of the Bank (as defined in 12 U.S.C. § 1813(w)(4)), each affiliate of the Bank (as "affiliate" is defined in 12 C.F.R. § 223.2(a)), each insider of the Bank (as "insider" is defined in 12 C.F.R. § 215.2(h)), and each insider of the Bank's affiliates (as "insider" and "affiliate" are defined in 12 C.F.R. § 215.2(h) and (a), respectively), held as of the close of business September 11, 2026, September 18, 2026, and September 25, 2026, to the Director. Beginning October 2, 2026, and every Friday thereafter, the Bank shall provide a report of all these same deposit accounts (segregated by account) held as of the close of business, to the Director.

ARTICLE IX

COMPENSATION

(1) Effective immediately upon the issuance of this Directive, without the Director's prior written determination of no supervisory objection, the Bank shall not:

(a) pay excessive compensation or bonuses to, or on behalf of, any director, officer, or employee;

(b) pay any bonus to any senior executive officer; or

(c) provide compensation to any senior executive officer exceeding that officer's average rate of compensation (excluding bonuses, stock options, and profit sharing) during the 12 calendar months preceding the calendar month in which the Bank's PCA capital category became less than adequately capitalized.

ARTICLE X

THIRD-PARTY CONTRACTS

(1) Effective immediately upon the issuance of this Directive, the Bank shall not enter into any new contracts with or engage any vendor, contractor, or other third party (collectively, "third party") for any services prior to receipt of the Director's written determination of no supervisory objection. This includes, but is not limited to, any contract with a third party to assist in the sale, merger, or recapitalization of the Bank.

(2) Any request for the Director's written determination of no supervisory objection shall be in writing and shall include:

(a) a description of the services to be performed by the third party, including a copy of the proposed contract or engagement;

(b) a description of the Bank's due diligence; and

(c) a determination by the Board that:

(i) the activities to be performed by the third party are fair and reasonable to the Bank;

(ii) the parties are able to perform under the contract or commitment;

(iii) the fees the Bank is required to pay to the third party are reasonable for the services provided; and

(iv) the contract is in the best interests of the Bank and consistent with sound governance and risk management principles.

(3) Following receipt of the Director's written determination of no supervisory objection, Bank management, subject to Board oversight, shall regularly monitor the third party's performance to ensure that the third party is complying with the written contract or

engagement. The Board shall immediately take appropriate action if the third party is not complying with the written contract or engagement and shall maintain documentation of any actions.

ARTICLE XI

GENERAL BOARD RESPONSIBILITIES

(1) The Board shall ensure that the Bank has timely adopted and implemented all corrective actions required by this Directive and shall verify that the Bank adheres to the corrective actions and they are effective in addressing the Bank's deficiencies that resulted in this Directive. The Board shall hold Bank management and personnel accountable for executing their duties and responsibilities pertaining to or resulting from this Directive.

ARTICLE XII

OTHER PROVISIONS

(1) The Bank is in "troubled condition" and is not an "eligible savings association" for purposes of 12 C.F.R. § 5.3.

(2) This Directive supersedes all prior OCC communications issued pursuant to 12 C.F.R. § 5.3.

ARTICLE XIII

CLOSING

(1) This Directive is:

(a) issued pursuant to 12 U.S.C. § 1831o and 12 C.F.R. Part 6; and

(b) enforceable under 12 U.S.C. § 1818(i) and 12 C.F.R. § 6.25.

(2) The provisions of this Directive supplement, and do not replace or supersede, the requirements of the Consent Order. Notwithstanding this Directive, the Bank remains under a

continuing obligation to comply with the Order, comply with applicable laws and regulations, including but not limited to the requirement that the Bank submit an acceptable Capital Restoration Plan, and operate safely and soundly.

(3) It is expressly and clearly understood that if, at any time, the OCC deems it appropriate to undertake any action affecting the Bank or any IAP, nothing in this Directive shall in any way inhibit, estop, bar, or otherwise prevent the OCC from so doing.

(4) Nothing in this Directive is a release, discharge, compromise, settlement, dismissal, or resolution of any actions, or in any way affects any actions that may be or have been brought by any other representative of the United States or an agency thereof, including, without limitation, the United States Department of Justice.

(5) This Directive is effective upon its issuance by the OCC, through the Comptroller's duly authorized representative. Except as otherwise expressly provided herein, all references to "days" in this Directive shall mean calendar days and the computation of any period of time imposed by this Directive shall not include the date of the act or event that commences the period of time. The Bank may, upon a change in circumstances, submit a request for modification or rescission of this Directive, including a request for an extension, amendment, suspension, waiver, or termination of any provision of this Directive or within any plan or program submitted pursuant to this Directive, to the OCC pursuant to 12 C.F.R. § 6.24. Any such request shall be submitted in writing to the Director, shall include a statement setting forth in detail the change in circumstances, and shall be accompanied by relevant supporting documentation. The OCC's decision concerning a request submitted pursuant to this paragraph, which will be communicated to the Board in writing, is final and not subject to further review. During the review of any such request, this Directive shall remain in effect.

(6) The Bank will not be deemed to be in compliance with this Directive until it has adopted, implemented, and adhered to all of the corrective actions set forth in each Article of this Directive; the corrective actions are effective in addressing the Bank's deficiencies; and the OCC has verified and validated the corrective actions. An assessment of the effectiveness of the corrective actions requires sufficient passage of time for the Bank to demonstrate the sustained effectiveness of the corrective actions.

(7) Each citation, guidance, or issuance referenced in this Directive includes any subsequent citation, guidance, or issuance that replaces, supersedes, amends, or revises the referenced cited citation, guidance, or issuance.

(8) This Directive applies to the Bank and all its subsidiaries.

(9) The terms of this Directive, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements, or prior arrangements between the parties, whether oral or written.

(10) No separate promise or inducement of any kind has been made by the OCC, or by its officers, employees, or agents, to cause or induce the Bank to consent to the issuance of this Directive.

(11) All reports, plans, or programs submitted to the OCC pursuant to this Directive shall be forwarded via email to the Director.

IT IS SO ORDERED.

//s// Digitally Signed, Dated 2026.09.29

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Leslie Chumbley
Director for Special Supervision