UNITED STATES

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C. 20429

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year ended December 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

FDIC Certificate No. 57449

MEDALLION BANK

(Exact name of registrant as specified in its charter)

Utah	**32-0052486**
(State of Incorporation)	**(IRS Employer Identification No.)**

1100 East 6600 South, Suite 510, Salt Lake City, Utah 84121
(Address of principal executive offices) (Zip Code)

(866) 688-6983
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series G	**MBNKO**	**The Nasdaq Stock Market LLC**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES ☐ NO ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES ☐ NO ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). YES ☐ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
Emerging growth company	☒		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☒

No voting or non-voting common equity is held by non-affiliates of the registrant.

The number of outstanding shares of registrant's common stock, par value $1.00, all of which is held by Medallion Financial Corp., as of March 12, 2026 was 1,000,000.

MEDALLION BANK
FORM 10-K

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Form 10-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance, as well as the effects of current economic and geopolitical conditions, operating performance, financial condition, liquidity and prospects. These statements are often, but not always, made through the use of words or phrases such as "may," "might," "should," "could," "predict," "potential," "believe," "expect," "continue," "will," "anticipate," "seek," "estimate," "intend," "plan," "projection," "would" and "outlook," or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, estimates and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

A number of important factors could cause our actual results to differ materially from those indicated in these forward-looking statements, including those more fully described under "Risk Factors," beginning on page 15 of this Form 10-K or the following:

- The concentration of our business in consumer lending, which carries a risk of loss that is different from and typically higher than the risk of loss associated with commercial lending and which has been, and could in the future be, adversely affected by an economic downturn;
- The effects of inflation, economic uncertainty and changes in U.S. trade policies on loan and origination volumes, credit performance and net interest income;
- Our dependence on the credit performance of our loans;
- Our reliance on our relationships with dealers, contractors and financial service providers ("FSPs");
- Our use of brokered deposit sources for substantially all of our deposit-gathering activities;
- Our dependence on our senior management team for our future success;
- The sufficiency of our allowance for credit losses to cover losses on our loans;
- Competition with other lenders;
- Our access to sources of liquidity and capital to address our liquidity and capital needs;
- A reduction in demand for our products and failure by us to adapt to such reduction;
- Our determinations with respect to sales of loans we may conduct and the impact of such sales on our retained portfolios; and
- Changes in laws, regulations, or policies that apply to us.

The foregoing factors should not be considered an exhaustive list and should be read together with the other cautionary statements included in this Form 10-K. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by applicable law.

ITEM 1. OUR BUSINESS

General

We are a Utah-chartered, Federal Deposit Insurance Corporation ("FDIC") insured industrial bank headquartered in Salt Lake City, Utah. We specialize in providing consumer loans through dealers and financial service providers ("FSPs") for the purchase of recreation products such as recreational vehicles and boats, and through contractors and FSPs for the purchase of home improvements, such as replacement windows and roofs, along with offering loan origination services to fintech partners. Formed in 2002 and opened in December 2003, we are a wholly owned subsidiary of Medallion Financial Corp. ("MFIN"), a finance company. As a consolidated subsidiary of MFIN, Medallion Bank's (the "Bank's") assets, liabilities, results of operations and cash flows are reflected in MFIN's consolidated financial statements. Financial information relating to the Bank in the Bank's disclosures, including this Form 10-K, may not be comparable to financial information about the Bank in MFIN's Securities and Exchange Commission ("SEC") filings because of intercompany assets, liabilities, revenues and expenses between the Bank, on the one hand, and MFIN and MFIN's other consolidated subsidiaries, on the other hand, that are eliminated in consolidation, as well as methodological differences in segment disclosures. The methodological differences in segment disclosures reflect differences in the assets, liabilities, revenues, expenses, and activities of the Bank, on a standalone basis, and MFIN, on a consolidated basis.

In 2004, our first full year of operation, we acquired a consumer loan portfolio and hired the related employees from a company exiting the banking business. Following this acquisition, we began originating consumer loans used to purchase recreational vehicles ("RVs") and boats (which we refer to as our "Recreation Lending" segment and our "Recreation" loans). We have since expanded this niche RV/marine finance business, which is now our primary business segment and our largest loan portfolio. In 2012, we diversified the Bank by adding a quality-oriented, home improvement consumer finance business (which we refer to as our "Home Improvement Lending" segment and our "Home Improvement" loans). The team of employees we hired in connection with this expansion brought substantial prime credit underwriting experience into the Bank. In 2019, we began operating a lending program that supports non-bank financial service providers, including financial technology companies ("Strategic Partners") offering loans and other financial services to their customers (which we refer to as our "Strategic Partnership Program" and our "Strategic Partnership" loans). This program generates fee and short-term interest income against a small and rapidly churning portfolio of Strategic Partnership loans. Today, our two consumer lending segments and our Strategic Partnership Program constitute substantially all of the activity at the Bank.

In the second half of 2014, we ceased originating loans to finance the purchase of taxi medallions (which we refer to as our "Taxi Medallion" loans and previously referred to as "Medallion" loans). In December 2024, we determined that our remaining Taxi Medallion loans were indistinguishable from our other Taxi Medallion assets and we began reporting these as other assets and referring to them as our "Taxi Medallion" assets. On October 1, 2025, the Bank sold the remaining balance and off-balance sheet exposure of Taxi Medallion assets to an MFIN affiliate for the agreed upon amount of $12.0 million, as determined by an independent third-party assessment. As of December 31, 2025, we had no remaining assets related to our legacy Taxi Medallion portfolio. For more information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Segment Results —Other."

As of December 2025, we had total assets of $2.6 billion, including loans, net of the allowance for credit losses, of $2.3 billion, and equity capital of $450.2 million. We seek to maintain capital ratios in excess of those required for "Well Capitalized" status under the FDIC's regulatory framework, including a 15% Tier 1 leverage ratio (Tier 1 capital to average assets), which is well in excess of the 5% threshold for "Well Capitalized" status. For the year ended December 2025, we had pre-tax income of $99.4 million and after-tax net income of $72.2 million.

As used throughout this Form 10-K, all references to "Medallion Bank," the "Bank," "we," "us," and "our" mean Medallion Bank, an industrial bank organized and existing under the laws of the State of Utah, unless the context otherwise requires. References to this "Form 10-K" are to our Annual Report on Form 10-K for the year ended December 31, 2025. All references to 2025, 2024 and 2023 refer to our years ended, or the dates, as the context requires, December 31, 2025, December 31, 2024 and December 31, 2023, respectively.

Any discrepancies included in this Form 10-K between totals and the sums of the percentages and dollar amounts presented are due to rounding.

Unless otherwise specified, loans are exclusive of loans held for sale, and loan portfolios and loan balances are presented inclusive of net deferred loan acquisition costs. References to "gross" loans are to the face amounts of the loans, i.e., loan balances presented exclusive of net deferred loan acquisition costs. Effective December 31, 2024, we reclassified all Taxi Medallion loans and commercial loans as other assets, and presented all Strategic Partnership loans as held for sale. During the fourth quarter of 2025, we reclassified $56.2 million of Recreation loans from loans held for sale to loans receivable. All financial comparisons and ratios, such as delinquency and net charge-off ratios, related to the loan portfolio exclude loans classified as held for sale and reflect the loan status as of the end of the applicable reporting period.

Our Business

Our primary business is consumer lending, substantially all of which is conducted through third-party sellers of consumer goods and services in our Recreation Lending and Home Improvement Lending segments and in our Strategic Partnership Program. As of December 2025, our Recreation and Home Improvement loan portfolios together were $2.4 billion, representing 92.8% of our total assets and 100% of our loan portfolio (exclusive of loans held for sale), with a weighted average yield (which is equal to gross interest income minus amortization of loan origination costs) of 12.18% for the year ended December 2025. Business in the consumer lending segments is moderately seasonal, with the spring and summer quarters (the second and third quarters) being more active both for the purchase of recreation products and home improvements, which correspondingly results in higher origination volumes during those quarters. Consumers typically make fewer purchases of recreation products and home improvements during the fall and winter quarters (the fourth and first quarters, respectively), which results in lower origination volumes during those quarters. The degree to which our consumer loan businesses are seasonal also depends upon weather, with heavy winters making the business more seasonal.

We make consumer loans to borrowers residing in all 50 U.S. states, plus the District of Columbia, and currently work with dealers in 46 states in connection with our Recreation Lending segment, with contractors in 46 states in connection with our Home Improvement Lending segment, and with four Strategic Partners operating nationally. We serve our dealers and contractors primarily using digital tools such as lending websites and mobile applications for phone or tablet, or via Application Programming Interfaces (“APIs”) designed to facilitate system-to-system credit transactions. We have dedicated teams of business development, relationship management and customer service employees that provide dealers and contractors with the support and services they require to meet the needs of their customers. Additionally, we have dedicated teams of relationship management and regulatory compliance employees serving our Strategic Partners and ensuring their operations meet the Bank's standards.

Recreation Lending

Our Recreation Lending segment has typically been a return-oriented business focused on originating Recreation loans at the point of sale via dealers and FSPs. In addition to offering prime credit financing, we specialize in helping recreation product dealers finance customers with past credit challenges, including bankruptcy, tax liens, collections and other credit issues. All of our Recreation loans are serviced by a third-party loan servicer, and we have used the same loan servicer since the business’s inception.

Recreation loans represented $1.6 billion, or 67%, of our loan portfolio, as of December 2025. The loans are secured primarily by RVs, boats and collector cars with a smaller proportion of loans secured by other collateral such as trailers, powersport vehicles and boat motors. The weighted average yield of our Recreation loan portfolio was 13.39% for the year ended December 2025. During the year ended December 2025, we originated $468.5 million of Recreation loans, a decrease of $58.2 million from the year ended December 2024.

Recreation Lending operates like a traditional indirect auto finance business including the use of technology at the point of sale to facilitate the transaction. We maintain non-exclusive relationships with approximately 3,400 dealers and FSPs, not all of which are active at any one time. FSPs are entities that provide finance and insurance (“F&I”) services to small dealers that do not have the desire or ability to provide F&I services themselves, and financing services directly to consumers. The ability of FSPs to aggregate the financing and relationship management for many small dealers, and to engage in transactions in low-cost ways through the use of APIs or digital tools, makes them valuable to the Bank. We receive approximately half of our loan volume from dealers and the other half from FSPs. Management monitors the number of dealers and FSPs and their relative contributions as a means of assessing market share and segment growth. Over time, changes in these metrics will provide investors with information about origination concentration and growth trends in the segment. In the year ended December 2025, 39% of Recreation Lending’s new loan originations were from our top ten relationships. The percentage of new loan originations by the top ten dealer and FSP relationships is a measure of concentration within the segment’s loan originations, which management uses to determine whether to undertake diversification efforts, and which provides investors with information about origination concentration.

Home Improvement Lending

We work directly with contractors and FSPs to offer flexible consumer financing for window, siding and roof replacements, swimming pool installations, and other home improvement projects. Our core product is a standard installment loan, which features affordable monthly payments and competitive interest rates for prime credit customers at no cost to the contractor. We also offer a variety of promotional loan options to help contractors close a challenging sale. Promotional loan options include same-as-cash, reduced rate, no interest and deferred payment features, which allow borrowers to reduce the total cost of financing or start repayments when it is most convenient. All credit transactions are submitted to the Bank electronically, with the majority delivered via API or a custom mobile application designed for the contractor’s phone or tablet.

Home Improvement loans represented $810.2 million, or 33%, of our loan portfolio as of December 2025. The loans are typically secured by the personal property installed, and the security interest for some of these loans is perfected with a Uniform Commercial Code (“UCC”) fixture filing. The weighted average yield of the Home Improvement loan portfolio was 9.95% for the year ended December 2025. During the year ended December 2025, we originated $224.5 million of Home Improvement loans, a decrease of $74.2 million from the year ended December 2024.

Home Improvement Lending operates in a manner similar to Recreation Lending, with a few key differences. We currently maintain a smaller number of non-exclusive relationships; the Bank has relationships with approximately 700 contractors and FSPs. Management monitors the number of contractors and FSPs and their relative contributions as a means of assessing market share and segment growth. Over time, changes in these metrics will provide investors with information about origination concentration and growth trends in the segment. Most of our home improvement-financed sales take place in the borrower’s home instead of a store, with the contractor presenting the borrower with a bid that includes a financing option. A substantial proportion of our home improvement-financed sales are facilitated by contractor salespeople with limited financing background rather than by contractor employees that provide financing services. The result is contractor demand for financing services that facilitate an in-home transaction (e.g., digital tools including mobile applications for phone or tablet, support for E-SIGN compliant electronic signatures, and extended operating hours) and additional resources to help the salesperson throughout the financing process. In the year ended December 2025, 61% of Home Improvement Lending’s new loan originations were from our top ten contractor and FSP relationships. The percentage of new loan originations by the top ten contractor and FSP relationships is a measure of concentration within the segment's loan originations, which management uses to determine whether to undertake diversification efforts, and which provides investors with information about origination concentration.

Other

Our remaining operations, which are reported in our “Other” segment in the financial statements contained elsewhere in this report, include our legacy portfolio of Taxi Medallion assets and related operations, our Strategic Partnership Program, and other loans, as well as cash, investments and net non-interest earning assets. As of December 2025, the Bank has no Taxi Medallion exposure.

As of December 2025, we have four active Strategic Partners. The associated activities are currently limited to originating loans or other receivables facilitated by our Strategic Partners and selling those loans or receivables to our Strategic Partners or other third parties without recourse within a specified time after origination. Revenues in the Strategic Partnership Program are currently derived primarily from contracted program fees paid to us by our Strategic Partners and interest income earned while the loans or receivables remain on our books, offset by any transaction fees paid by us to our Strategic Partners for their role in processing loan applications or servicing loans. The scope of our activities may change over time as we further develop this line of business.

Competition

Banks, credit unions, and finance companies (both traditional and technology-driven) compete with us in originating Recreation and Home Improvement loans, and banks and credit unions compete with us in forming Strategic Partnerships. Many of these competitors have greater resources than we do and certain competitors are subject to less regulation than we are. As a result, we may be unable to compete successfully.

Due to the non-prime focus of the Recreation Lending segment, competition is largely from a small number of direct competitors. Home Improvement Lending competes against a much larger number of financing sources for prime credit loans, including a growing number of technology-enabled direct lenders. When the consumer lending market is active and expanding, competitors emerge and reduce our market share in both segments. During recessions or other economic disruptions, historically, competitors reduce their activities in the non-prime portion of the market, and some fail or become non-competitive in the prime portion of the market. In these circumstances, our market share in each segment may grow. Management works to remain competitive in each segment, but resists the pressure to make product or pricing changes that do not support our long-term value orientation and prudent growth plans. Technological change, including the rapid expansion of artificial intelligence ("AI") tools, continues to create both threats and opportunities in our markets. Management seeks to maintain competitive parity using proven technology, and seeks to avoid technological initiatives or investments with a low likelihood of producing long-term competitive advantage.

Human Capital Resources

As of December 2025, we employed 142 persons. Our employees, including our named executive officers, are also MFIN employees and, for efficiency, payroll is processed through MFIN and our employees participate in MFIN's benefits and equity compensation plans.

Equal employment opportunity is a fundamental principle at the Bank, where employment is based upon personal capabilities, qualifications and performance. We prohibit and do not tolerate discrimination against employees, applicants, interns or any other covered persons, and the Bank seeks to provide a workplace free of discrimination on the basis of race, color, creed, religion, national origin, ancestry, ethnicity, citizenship status, physical or mental disability, age, sex (including pregnancy), gender (including gender identity and expression), marital status, familial status, veteran status, genetic information or any other protected characteristic as established by applicable federal, state or local law.

We incentivize our employees through a combination of salary, equity compensation and other benefits, which are provided through MFIN with the costs covered by or reimbursed by the Bank. We provide some of our employees with incentive bonuses in the form of MFIN restricted stock and, in the recent past, stock options. We believe employee equity ownership helps us attract, retain, motivate and reward key employees, while aligning compensation for these employees with our stockholder's interests by linking realizable pay with MFIN's stock performance.

MFIN’s Compensation Committee reviews Bank management’s compensation recommendations and advises Bank management and our Board of Directors (our "Board") on broad compensation policies, such as management salary levels, annual incentive bonuses, long-term incentive plans, including equity-based compensation programs, and other benefit and perquisite programs.

We participate in MFIN’s 401(k) Investment Plan and other generally available benefit programs like health insurance, paid and unpaid leaves, life insurance, disability coverage, accident insurance and critical illness insurance; we believe that the availability of these benefit programs generally enhances employee productivity and loyalty to the Bank. We believe it is important for our employees to provide service to the communities in which they live, and we encourage them to take time, including prearranged work time, to participate in activities of local civic organizations, charitable or nonprofit organizations, or educational institutions. We value employee development and training, and are committed to identifying and developing the talents of our next-generation leaders. Our employee benefits, provided through MFIN's plans, are also intended to help protect the health, well-being and financial security of our employees.

SUPERVISION AND REGULATION

The following discussion is intended only to summarize some of the significant statutes and regulations that affect us and the banking industry, and therefore is not a comprehensive survey of the legal and regulatory framework applicable to the Bank.

Overview

We are subject to extensive federal and state banking laws, regulations, and policies that are intended primarily for the protection of depositors, the Deposit Insurance Fund, customers, and the banking system as a whole, and not for the protection of our other creditors or shareholders. Under our banking charter, we are authorized to make consumer and commercial loans, and may accept all FDIC-insured deposits other than demand deposits (checking accounts). As a state-chartered, Federal Reserve non-member bank with FDIC-insured deposits, we are examined, supervised and regulated by the FDIC and the Utah Department of Financial Institutions ("Utah DFI"). The statutes enforced by, and regulations and policies of, these agencies affect almost all aspects of our business, including by prescribing permissible types of loans and investments, the amount of required capital, the permissible scope of our activities and various other requirements. If our regulators were to determine that we have violated banking laws and regulations, including by engaging in unsafe and unsound practices, we could be subject to enforcement and other regulatory actions, which could have an adverse effect on our business, results of operations and financial condition.

Capital Standards

We are subject to risk-based and leverage-based capital ratio requirements under the U.S. Basel III capital rules, adopted by the federal banking regulators.

Under the risk-based capital standards, our assets, exposures and certain off-balance sheet items are assigned to broad risk categories, each with designated weights, and the resulting capital ratios represent capital as a percentage of total risk-weighted assets. The minimum capital ratios applicable to us are as follows:

- **CET1 Risk-Based Capital Ratio**, equal to the ratio of Common Equity Tier 1 (“CET1”) capital to risk-weighted assets. CET1 capital primarily includes common shareholders' equity subject to certain regulatory adjustments and deductions, including with respect to goodwill, intangible assets, certain deferred tax assets and accumulated other comprehensive income. The minimum CET1 risk-based capital ratio requirement is 4.5%.

- **Tier 1 Risk-Based Capital Ratio**, equal to the ratio of Tier 1 capital to risk-weighted assets. Tier 1 capital primarily consists of CET1 capital and perpetual preferred stock. The minimum Tier 1 risk-based capital ratio requirement is 6%.

- **Total Risk-Based Capital Ratio**, equal to the ratio of total capital, including CET1 capital, additional Tier 1 capital and Tier 2 capital, to risk-weighted assets. Our Tier 2 capital primarily includes allowance for credit losses up to 1.25% of our risk-weighted assets. The minimum total risk-based capital ratio requirement is 8%.

- **Tier 1 Leverage Ratio**, equal to the ratio of Tier 1 capital to quarterly average assets (net of goodwill, certain other intangible assets and certain other deductions). The minimum Tier 1 leverage ratio requirement is 4%.

The prompt corrective action framework, which generally applies to FDIC-insured depository institutions, including us, also includes capital requirements we must satisfy to, among other things, be able to accept brokered deposits without limitations. See “Prompt Corrective Action” and “Brokered Deposits” below.

In addition to meeting the minimum capital requirements, under the U.S. Basel III capital rules we must also maintain the required capital conservation buffer of 2.5% to avoid becoming subject to restrictions on capital distributions (including dividends on our preferred stock) and certain discretionary bonus payments to management. The capital conservation buffer is calculated as a ratio of CET1 capital to risk-weighted assets, and it effectively increases the required minimum risk-based capital ratios.

The table below shows the capital requirements we are required to maintain:

	Minimum U.S. Basel III Regulatory Capital Ratio Plus Capital Conservation Buffer
CET1 risk-based capital ratio	7.0%
Tier 1 risk-based capital ratio	8.5%
Total risk-based capital ratio	10.5%

For purposes of calculating the denominator of the three risk-based capital ratios, the assets of covered banking organizations are given risk weights that, under the U.S. Basel III capital rules, range from 0% to 1,250% depending on the nature of the asset. Most of our loans are assigned a 100% risk weight, with loans that are 90 days or more past due or on nonaccrual assigned a 150% risk weight. In addition, direct obligations of the U.S. Department of the Treasury ("U.S. Treasury") or obligations unconditionally guaranteed by the U.S. government have a 0% risk weight, while general obligation claims on states or other political subdivisions of the United States are assigned a 20% risk weight, except for municipal or state revenue bonds, which have a 50% risk weight.

The U.S. Basel III capital rules provide for limited recognition in CET1 capital, and deduction from CET1 capital above certain thresholds, of three categories of assets: (i) deferred tax assets arising from temporary differences that cannot be realized through net operating loss carrybacks (net of related valuation allowances and of deferred tax liabilities); (ii) mortgage servicing assets (net of associated deferred tax liabilities); and (iii) investments in more than 10% of the issued and outstanding common stock of unconsolidated financial institutions (net of associated deferred tax liabilities). The federal banking regulators have adopted a rule that is designed to simplify the capital treatment of those categories of assets for banking organizations, such as us, that are not subject to the advanced approaches in the U.S. Basel III capital rules.

The Economic Growth, Regulatory Relief, and Consumer Protection Act of 2018 (“EGRRCPA”) required the federal banking regulators to adopt regulations to implement an exemption from the U.S. Basel III capital rules for smaller banking organizations, including us, that maintain a “Community Bank Leverage Ratio” of at least 8% to 10%. Specifically, the EGRRCPA provides that if any depository institution or depository institution holding company with less than $10 billion in total consolidated assets maintains tangible equity in excess of this leverage ratio, as implemented by the federal banking regulators, it would be deemed to be in compliance with (i) the leverage and risk-based capital requirements promulgated by the federal banking agencies; (ii) in the case of a depository institution, the capital ratio requirements to be considered “well-capitalized” under the federal banking agencies’ “prompt corrective action” regime; and (iii) “any other capital or leverage requirements” to which the depository institution or holding company is subject, unless the appropriate federal banking agency determines otherwise based on the particular institution’s risk profile.

The FDIC has adopted a rule implementing the Community Bank Leverage Ratio. Under the rule, the Community Bank Leverage Ratio is the same as the Tier 1 Leverage Ratio under the Basel III capital rules, and a qualifying small banking organization, such as us, that has less than $10 billion in total consolidated assets and meets certain risk-based criteria, can choose to apply the Community Bank Leverage Ratio framework if its Community Bank Leverage Ratio is greater than 9%. In November 2025, federal banking regulators proposed reducing the Community Bank Leverage Ratio from 9% to 8%. We have not elected and currently do not expect to elect to apply the Community Bank Leverage Ratio framework, but will continue to assess the framework and may choose to apply it in the future.

As a condition to receipt of FDIC insurance, we entered into a capital maintenance agreement with the FDIC (the "2003 Capital Maintenance Agreement") requiring us to maintain a 15% leverage ratio (Tier 1 capital to average assets) and an adequate allowance for credit losses.

Prompt Corrective Action

We are subject to FDIC regulations, which apply to every FDIC-insured depository institution, setting out a system of mandatory and discretionary supervisory actions that generally become more severe as the capital levels of an individual institution decline. Pursuant to provisions of the Federal Deposit Insurance Act (“FDIA”), and related regulations with respect to prompt corrective action, the federal banking regulators must take “prompt corrective action” with respect to FDIC-insured depository institutions that do not meet minimum capital requirements. The FDIA sets forth the following five capital categories: “well-capitalized,” “adequately capitalized,” “undercapitalized,” “significantly undercapitalized” and “critically undercapitalized.” An insured depository institution’s capital category depends upon how its capital levels compare with various relevant capital measures and certain other factors that are established by regulation.

	“Well-capitalized”	**“Adequately capitalized”**
CET1 risk-based capital ratio	6.5%	4.5%
Tier 1 risk-based capital ratio	8.0%	6.0%
Total risk-based capital ratio	10.0%	8.0%
Tier 1 leverage ratio	5.0%	4.0%

If a bank meets the quantitative thresholds for well-capitalized status provided above and is not subject to any written agreement, order or directive from the appropriate regulatory agency to meet and maintain a specific capital level, it will qualify as well-capitalized. Failure to be well-capitalized or to meet minimum capital requirements could result in certain mandatory and possible additional discretionary actions by regulators that, if undertaken, could have a material adverse effect on our operations or financial condition. See “Brokered Deposits” below for additional information. Failure to be well-capitalized or to meet minimum capital requirements could also result in restrictions on our ability to pay dividends or otherwise distribute capital or to receive regulatory approval of applications. Pursuant to the 2003 Capital Maintenance Agreement, we have agreed that our capital levels will at all times meet or exceed the levels required for us to be considered well-capitalized under FDIC rules.

Brokered Deposits

We use brokered deposits to fund a substantial portion of our activities. Under the FDIA and related regulations, FDIC-insured institutions, such as us, may only accept brokered deposits without FDIC permission if they meet specified capital standards and are not subject to any written agreement, order or directive to meet and maintain a specific capital level, and are subject to restrictions with respect to the interest they may pay on deposits unless they are "well-capitalized." In particular, the FDIA and the FDIC’s regulations prohibit an insured depository institution from accepting brokered deposits unless it is "well-capitalized" or is "adequately capitalized" and receives a waiver from the FDIC.

Under FDIC regulations governing brokered deposits and interest rate restrictions, a bank that is “adequately capitalized” and accepts brokered deposits under a waiver from the FDIC may not pay an interest rate, at the time any such deposit is accepted, in excess of: (i) 75 basis points over certain national rates described in the FDIC’s regulations; or (ii) 90% of the highest interest rate paid on a particular deposit product in the bank’s local market area, if the bank provides notice to the FDIC and evidence of such local rate. There are no such restrictions under the FDIA on a bank that is “well-capitalized.”

Pursuant to the 2003 Capital Maintenance Agreement, we have agreed that our capital levels will at all times meet or exceed the level required for us to be considered well-capitalized under FDIC rules. If we were no longer able to accept or renew brokered deposits as a result of failing to meet the requisite capital standards or as a result of being subject to a written agreement, order or directive to meet and maintain a specific capital level, there would be a material adverse effect on our business, financial condition, liquidity and results of operations. See “Risk Factors — Our use of brokered deposits for our deposit-gathering activities may not be available when needed. The inability to accept and renew brokered deposits would have a material adverse effect on our business, financial condition, liquidity and results of operations.”

Deposit Insurance

Our deposits have the benefit of FDIC insurance up to the applicable limits. The FDIC’s Deposit Insurance Fund (“DIF”) is funded by assessments on insured depository institutions, such as us. Our assessment (subject to adjustment by the FDIC) is currently based on our average total consolidated assets less our average tangible equity during the assessment period, our supervisory ratings, and specified forward-looking financial measures used to calculate the assessment rate.

From time to time, the FDIC increases base deposit insurance assessment rates. In addition, the FDIC must recover, by special assessment, losses to the FDIC deposit insurance fund as a result of the FDIC's use of the systemic risk exception to the least cost resolution test under the FDIA.

Payment of Dividends

The power of the board of directors of an insured depository institution to declare a cash dividend or other distribution with respect to capital is subject to statutory and regulatory restrictions that limit the amount available for such distribution, depending upon earnings, financial condition and cash needs of the institution, as well as general business conditions. Insured depository institutions are also prohibited from paying management fees to any controlling persons or, with certain limited exceptions, making capital distributions, including dividends, if after such transaction the institution would be less than adequately capitalized.

Under Utah law, we may only declare dividends to our shareholders out of our net profits, after providing for all expenses, losses, interest and taxes accrued or due. Further, we are required to transfer to a surplus fund at least 10% of our net profits before dividends for the period covered by the dividend until the surplus fund reaches 100% of our capital stock. As of December 2025, our risk-based capital ratios were above the regulatory minimums that incorporated the 2.5% capital conservation buffer and satisfy the aforementioned Utah law. Any amount paid from our net earnings into a fund for the retirement of outstanding debt capital instruments or preferred stock for the period covered by the dividend will be considered an addition to our surplus fund if, upon the retirement of such instruments, the amount paid into the retirement fund for the period may be properly carried to our surplus fund.

The federal banking agencies also have authority to prohibit depository institutions from engaging in business practices that are considered unsafe or unsound, possibly including payment of dividends or other payments under certain circumstances even if such payments are not expressly prohibited by statute.

In addition, as discussed under "Capital Standards," if our risk-based capital ratios do not satisfy the minimum risk-based requirements plus the capital conservation buffer, we will face graduated constraints on, among other things, capital distributions (including dividends on our preferred stock) based on the amount of the shortfall and the amount of our eligible retained income. For these purposes, eligible retained income is defined as the greater of: (i) net income for the four preceding quarters, net of distributions and associated tax effects not reflected in net income; and (ii) the average net income over the preceding four quarters.

Safety and Soundness

The FDIA also implemented certain specific restrictions on transactions and required federal banking regulators to adopt overall safety and soundness standards for depository institutions related to internal controls, information systems and internal audit systems, loan documentation, credit underwriting, interest rate risk exposure, asset growth, asset quality, earnings, stock valuation and compensation, fees and benefits, and such other operational and managerial standards as the agencies deem appropriate. Guidelines adopted by the federal banking regulators establish general standards relating to internal controls and information systems, internal audit systems, loan documentation, credit underwriting, interest rate exposure, asset growth and compensation, fees and benefits. In general, these guidelines require, among other things, appropriate systems and practices to identify and manage the risk and exposures specified in the guidelines. These guidelines also prohibit excessive compensation as an unsafe and unsound practice, and describe compensation as excessive when the amounts paid are unreasonable or disproportionate to the services performed by an executive officer, employee, director or principal shareholder. The federal banking agencies may require an institution to submit to an acceptable compliance plan, as well as have the flexibility to pursue other more appropriate or effective courses of action given the specific circumstances and severity of an institution's noncompliance with one or more standards. The FDIC may also terminate deposit insurance upon a finding that the institution has engaged in unsafe and unsound practices, is in an unsafe or unsound condition to continue operations, or has violated any applicable law, regulation, rule, order or condition imposed by the FDIC.

In October 2025, the FDIC and the Office of the Comptroller of the Currency (the "OCC") issued a proposed rule that would define the term "unsafe or unsound practice" for purposes of their enforcement powers under the FDIA. The proposed definition would focus on whether the practice is likely to materially harm, or already has materially harmed, the financial condition of an institution.

Among other things, in addition to the restrictions on brokered deposits discussed above, the FDIA limits the interest rates paid on deposits by undercapitalized institutions and limits the aggregate extensions of credit by a depository institution to an executive officer, director, principal shareholder or related interest.

Consumer Financial Protection

We are subject to a number of federal and state consumer protection laws that extensively govern our consumer lending businesses. These laws include, but are not limited to, the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Truth in Lending Act, the Electronic Fund Transfer Act and these laws' respective state-law counterparts, as well as laws regarding unfair and deceptive acts and practices. These federal and state laws, among other things, require disclosures of the cost of credit and terms of deposit accounts, provide substantive consumer rights, prohibit discrimination in credit transactions, regulate the use of credit report information, provide financial privacy protections, prohibit unfair and deceptive practices and subject us to substantial regulatory oversight. Violations of applicable consumer protection laws can result in significant potential liability from litigation brought by customers, including actual damages, restitution and attorneys' fees. Federal banking regulators, state attorneys general and state and local consumer protection agencies may also seek to enforce consumer protection requirements and obtain these and other remedies, including regulatory sanctions, customer rescission rights, and civil money penalties. Failure to comply with consumer protection requirements may also result in substantial reputational harm that could adversely affect our business.

Community Reinvestment Act of 1977

We are subject to certain requirements and reporting obligations under the Community Reinvestment Act ("CRA"). Under the CRA, we have an obligation, consistent with safe and sound operations, to help meet the credit needs of our entire assessment area, including low- and moderate-income individuals and communities in that assessment area. Currently, our assessment area is Salt Lake County, Utah. In connection with its examination of us, the FDIC is required to assess our CRA performance in the areas of lending, investments and services. The FDIC may take compliance with the CRA into account when regulating and supervising our other activities. The CRA also requires the agencies to take into account banks' records of meeting community credit needs when evaluating applications for, among other things, new branches or mergers. We have elected to be evaluated for our compliance with CRA requirements based on a strategic plan we adopted with public involvement and regulatory approval. That strategic plan includes measurable goals for helping to meet the credit needs of our assessment area, and is available on our website. The CRA provides that CRA examination ratings be made public. We received a rating of "Outstanding" in our most recently completed CRA examination.

In October 2023, the Federal Reserve, the FDIC and the OCC jointly issued a final rule that significantly amended the agencies' regulatory framework implementing the CRA. Thereafter, a federal court issued a preliminary injunction enjoining the U.S. federal bank regulatory agencies from enforcing the revised regulations while litigation challenging those regulations remains pending. In July 2025, the federal bank regulatory agencies issued a proposal to rescind the CRA final rule issued in 2023 and to reinstate the CRA framework that was in effect prior to the 2023 final rule.

Transactions with Affiliates and Insiders

We are subject to certain federal laws that restrict and control our ability to extend credit and provide to or receive services from our affiliates under Sections 23A and 23B of the Federal Reserve Act and Regulation W promulgated thereunder. An affiliate of a bank is any company or entity that controls, is controlled by or is under common control with the bank. These restrictions include quantitative and qualitative limits on the amounts and types of transactions that may take place, including the transfer of funds by us to certain of our affiliates in the form of loans, extensions of credit, investments, or purchases of assets. These restrictions also require that credit transactions with affiliates be collateralized and that our transactions with affiliates be on terms no less favorable to us than comparable transactions with unrelated third parties. Generally, our covered transactions with any affiliate are limited to 10% of our capital stock and surplus, and covered transactions with all affiliates are limited to 20% of our capital stock and surplus.

We are also subject to limits under federal law on our ability to extend credit to our directors, executive officers and principal shareholders (persons that beneficially own or control more than 10% of any class of our voting stock), as well as to entities owned or controlled by such persons. Among other things, extensions of credit to such insiders are required to be made on terms that are substantially the same as, and follow credit underwriting procedures that are not less stringent than, those prevailing for comparable transactions with non-insiders. Also, the terms of such extensions of credit may not involve more than the normal risk of non-repayment or present other unfavorable features and may not exceed certain limitations on the amount of credit extended to such persons individually and in the aggregate. Certain extensions of credit also require the approval of our Board.

Financial Privacy and Cybersecurity

Federal and state law contains extensive consumer privacy protection provisions. The Gramm-Leach-Bliley Act requires financial institutions to periodically disclose their privacy policies and practices relating to sharing such information and enables retail customers to opt out of institutions' ability to share information with unaffiliated third parties under certain circumstances. Other federal and state laws and regulations impact our ability to share certain information with affiliates and non-affiliates for marketing and/or non-marketing purposes, or to contact customers with marketing offers. The Gramm-Leach-Bliley Act also requires financial institutions to implement a comprehensive information security program that includes administrative, technical and physical safeguards to ensure the security and confidentiality of customer records and information. Federal law also makes it a criminal offense, except in limited circumstances, to obtain or attempt to obtain customer information of a financial nature by fraudulent or deceptive means.

State regulators have been increasingly active in implementing privacy and cybersecurity standards and regulations. In recent years, several states adopted regulations requiring certain financial institutions to implement cybersecurity programs and providing detailed requirements with respect to these programs, including data encryption requirements. Many states have also implemented or modified their data breach notification and data privacy requirements.

In addition, pursuant to requirements applicable to FDIC-supervised banking organizations, such as us, we are required to notify the FDIC within 36 hours of incidents that have materially disrupted or degraded, or are reasonably likely to materially disrupt or degrade, the banking organization's ability to deliver services to a material portion of its customer base, jeopardize the viability of key operations of the banking organization, or pose a threat to the financial stability of the United States.

Anti-Money Laundering and the USA PATRIOT Act

We are subject to the anti-money laundering ("AML") provisions of the Bank Secrecy Act ("BSA"), as amended by the USA PATRIOT Act (the "PATRIOT Act"), and implementing regulations issued by the FDIC and the U.S. Treasury. The PATRIOT Act, which includes the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001, is intended to facilitate the detection and prosecution of terrorism and international money laundering. The PATRIOT Act establishes standards for verifying customer identification incidental to the opening of new accounts. Other provisions of the PATRIOT Act provide for special information sharing procedures governing communications with the government and other financial institutions with respect to suspected terrorists and money laundering activity, and enhancements to suspicious activity reporting, including electronic filing of suspicious activity reports over a secure filing network. The BSA requires all financial institutions, including banks, to, among other things, establish a risk-based system of internal controls reasonably designed to prevent money laundering and the financing of terrorism. The BSA includes a variety of record-keeping and reporting requirements (such as cash and suspicious activity reporting), as well as due diligence/know-your-customer documentation requirements. The U.S. Treasury's Office of Financial Crimes Enforcement Network ("FinCEN") issued a final rule, applicable as of May 2018, to clarify and enhance customer due diligence requirements for financial institutions. The rule (among other things) imposes certain obligations on covered financial institutions with respect to their "legal entity customers," including corporations, limited liability companies and other similar entities. For each such customer that opens an account (including an existing customer opening a new account), the covered financial institution must identify and verify the customer's "beneficial owners," who are specifically defined in the rule. Bank regulators routinely examine institutions for compliance with customer due diligence obligations.

The Anti-Money Laundering Act of 2020 ("AMLA"), which amends the BSA, is intended to comprehensively reform and modernize U.S. anti-money laundering laws. Among other things, the AMLA codifies a risk-based approach to AML compliance for financial institutions; requires the U.S. Department of the Treasury to periodically promulgate priorities for anti-money laundering and countering the financing of terrorism; requires the development of standards by the Treasury Department for testing technology and internal processes for BSA compliance; expands enforcement- and investigations-related authority, including a significant expansion in the available sanctions for certain BSA violations, and expands BSA whistleblower incentives and protections. Certain of the statutory provisions in the AMLA require rulemakings beyond those that have already been finalized, reports and other measures. The impact of the AMLA, including on our compliance costs and compliance risk relating to the BSA, will depend on, among other things, these additional rulemakings and implementation guidance.

In June 2024, FinCEN proposed to amend the anti-money laundering/countering the financing of terrorism ("AML/CFT") cybercrime program requirements for all financial institutions subject to the BSA that have AML/CFT program obligations, including us. The proposal would, among other things, require a financial institution's risk assessment process to identify, evaluate and document the financial institution's money laundering, terrorist financing and other illicit activity risks, and update such risk assessments on a periodic basis. In July 2024, the U.S. federal bank regulatory agencies proposed amendments to their respective BSA program rules to align those rules with the June 2024 FinCEN proposal. FinCEN has not yet issued a final rule.

Change in Bank Control

Because we are an "insured depository institution" within the meaning of the FDIA and the Change in Bank Control Act and MFIN is a "financial institution holding company" within the meaning of the Utah Financial Institutions Act, federal and Utah law and regulations prohibit any person or company from acquiring control of us or MFIN, without, in most cases, prior written approval of the FDIC or the Commissioner of the Utah DFI, as applicable. Under the Change in Bank Control Act, control is conclusively presumed if, among other things, a person or company acquires 25% or more of any class of our voting stock. A rebuttable presumption of control arises if a person or company acquires 10% or more of any class of voting stock and is subject to a number of specified "control factors" as set forth in the applicable regulations.

Under the Utah Financial Institutions Act, control is defined as the power, directly or indirectly, or through or in concert with one or more persons, to: (a) direct or exercise a controlling influence over (i) the management or policies of a financial institution or (ii) the election of a majority of the directors or trustees of an institution; or (b) vote 25% or more of any class of voting securities of a financial institution. In addition, under Utah law there is a rebuttable presumption that a person has control of a Utah financial institution if the person has the power, directly or indirectly, or through or in concert with one or more persons, to vote more than 10% but less than 25% of any class of voting securities of a financial institution.

If any holder of any series of preferred stock (including our Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series G (the "Series G Preferred Stock")) is or becomes entitled to vote for the election of directors, such series will be deemed a class of voting stock, and any other person will be required to obtain the non-objection of the FDIC under the Change in Bank Control Act to acquire or maintain 10% or more of that series. Investors are responsible for ensuring that they do not, directly or indirectly, acquire shares of our preferred stock in excess of the amount which can be acquired without regulatory approval.

Examination and Supervision

Federal and state banking agencies require us to prepare annual reports on financial condition and to conduct an annual audit of financial affairs in compliance with minimum standards and procedures. We must undergo regular on-site examinations by the FDIC and the Utah DFI, which examine us for adherence to a range of legal and regulatory compliance responsibilities. A bank regulator conducting an examination has complete access to the books and records of the examined institution. The results of the examination are confidential, with the exception of the CRA examination discussed above. The cost of examinations may be assessed against the examined institution as the agency deems necessary or appropriate.

Incentive Compensation

The FDIC has issued comprehensive guidance on incentive compensation policies intended to ensure that the incentive compensation policies of banking organizations do not undermine the safety and soundness of such organizations by encouraging excessive risk taking. The guidance, which covers all employees that have the ability to materially affect the risk profile of an organization, either individually or as part of a group, is based upon the key principles that a banking organization’s incentive compensation arrangements should: (i) provide incentives that appropriately balance risk and financial results in a manner that does not encourage employees to expose their organizations to imprudent risk; (ii) be compatible with effective internal controls and risk management; and (iii) be supported by strong corporate governance, including active and effective oversight by the organization’s board of directors.

The Dodd-Frank Act requires the federal banking regulators and the SEC to establish joint regulations or guidelines at specified regulated entities having at least $1 billion in total assets, such as us, prohibiting incentive-based payment arrangements that encourage inappropriate risk-taking by providing an executive officer, employee, director or principal shareholder with excessive compensation, fees, or benefits or that could lead to material financial loss to the entity. The federal banking regulators and the SEC proposed revised rules in 2016, some of which re-proposed revised rules in 2024, none of which have been finalized.

Valid When Made and True Lender

The FDIC has adopted a rule clarifying that a loan made by a state-chartered bank is considered “valid when made” pursuant to the preemptive authority in Section 27 of the FDIA, and therefore the loan’s original terms, including, among others, its interest rate, are valid and enforceable by any subsequent assignee, transferee, or buyer, regardless of the usury laws of other states (the “Valid-When-Made Rule”). Under the Valid-When-Made Rule, the interest rate on a bank-made loan remains valid and enforceable even after the bank sells or transfers it to a party that could not have originated the loan on the same terms as the bank. In adopting the Valid-When-Made Rule, the FDIC noted that the rule is not intended to address the “true lender” of a loan.

Future Legislation

Congress may enact legislation from time to time that affects the regulation of the financial services industry, and state legislatures may enact legislation from time to time affecting the regulation of financial institutions chartered by or operating in those states. Federal and state regulatory agencies also periodically propose and adopt changes to their regulations or change the manner in which existing regulations are applied. The substance or impact of pending or future legislation or regulation, or the application thereof, cannot be predicted, although enactment of the proposed legislation could impact the regulatory structure under which we operate and may significantly increase our costs, impede the efficiency of our internal business processes, require us to increase our regulatory capital and modify our business strategy, and limit our ability to pursue business opportunities in an efficient manner.

AVAILABLE INFORMATION

We are subject to the information reporting requirements of the Exchange Act, as administered and enforced by the FDIC, and we are subject to FDIC rules promulgated thereunder. Consequently, we file annual, quarterly and current reports and other information with the FDIC, copies of which are made available to the public over the internet at *https://efr.fdic.gov/fcxweb/efr/index.html.*

We make available, free of charge through our website, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after such reports are filed with or furnished to the FDIC. Certain financial information filed by us with the FDIC is also available electronically at the FDIC's website at *http://www.fdic.gov*. We also maintain a website containing additional information about us at *www.medallionbank.com*. Our Code of Ethical Conduct and Insider Trading Policy can be located in the Governance Documents section of our website at *http://investor.medallionbank.com/govdocs*. We intend to disclose future amendments to, or waivers from, certain provisions of our Code of Ethical Conduct and Insider Trading Policy on the above website within four business days following the date of such amendment or waiver. Documents are available in print free of charge to any shareholder who requests a copy from our Secretary or Investor Relations.

In addition, MFIN makes available its SEC filings, including its annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, on its website at *www.medallion.com/investors.html*. As a consolidated subsidiary of MFIN, the Bank's assets, liabilities, results of operations and cash flows are reflected in MFIN's consolidated financial statements. Financial information relating to the Bank in our disclosures, including this Form 10-K, may not be comparable to financial information about the Bank in MFIN's SEC filings because of intercompany assets, liabilities, revenues and expenses between the Bank, on the one hand, and MFIN and MFIN's other consolidated subsidiaries, on the other hand, that are eliminated in consolidation, as well as methodological differences in segment disclosures. The methodological differences in segment disclosures reflect differences in the assets, liabilities, revenues, expenses, and activities of the Bank, on a standalone basis, and MFIN, on a consolidated basis.

Information contained on MFIN's website is not part of, nor is it incorporated by reference into, this Form 10-K.

ITEM 1A. RISK FACTORS

Operational and Liquidity Risks

Our business, financial condition and results of operations could be negatively impacted if we are unsuccessful in developing and maintaining our relationships with dealers, contractors and FSPs.

We originate loans for retention in our loan portfolios by working with third-party sellers of consumer products and not by working directly with consumers. As a result, our ability to originate consumer loans for our portfolio depends on our relationships with a limited number of dealers, contractors and FSPs. Although we have relationships with various dealers, contractors and FSPs, none of our relationships are exclusive and each may be terminated at any time. In addition, a large proportion of our new loan originations is concentrated in our top ten relationships, and the loss of a significant relationship could have a negative effect on demand for our products and our new loan originations. There is also significant competition for the contractor and FSP relationships we depend on in connection with our Home Improvement Lending segment. The loss of any of these relationships, our failure to develop additional relationships, and circumstances in which our existing dealers, contractor, and FSP relationships generate decreased sales and loan volume all may have a material adverse effect on a substantial part of our business, financial condition and results of operations.

Our use of brokered deposits for our deposit-gathering activities may not be available when needed. The inability to accept and renew brokered deposits would have a material adverse effect on our business, financial condition, liquidity and results of operations.

We rely on the established brokered deposit market to originate deposits to fund our operations. Additionally, our business, strategy and prospects are dependent on our ability to accept and renew brokered deposits without limitation and, therefore, dependent on our ability to be "well-capitalized" under the FDIC's regulatory framework.

Our brokered deposits consist of deposits raised through the brokered deposit market rather than through retail branches. Although we have developed contractual relationships with a diversified group of investment brokers, and the brokered deposit market is well developed and utilized by many banking institutions, conditions could arise that might affect the availability of brokered deposits. Although we primarily fund our business using FDIC-insured deposits that generally cannot be withdrawn prior to maturity, there can be no assurance that this funding source will continue to be available on the same terms, or at all. In addition, our ability to rely on brokered deposits as a source of funding is subject to capitalization requirements set forth in the FDIC's prompt corrective action framework. We may not accept or renew brokered deposits unless we are "well-capitalized" or we are "adequately capitalized" and we receive a waiver from the FDIC. A bank that is "adequately capitalized" and that accepts or renews brokered deposits under a waiver from the FDIC is subject to additional restrictions on the interest rates it may offer. See "Supervision and Regulation" for additional information.

If our capital levels fall below the "well-capitalized" level as defined by the FDIC, or if we otherwise fail to maintain "well-capitalized" status, our ability to raise brokered deposits would be materially impaired. If our capital levels fall below the "adequately capitalized" level as defined by the FDIC, we would be unable to raise brokered deposits. Any impairment or inability to raise brokered deposits would have a material adverse effect on our business, financial condition, liquidity and results of operations. Brokered deposits may also not be as stable as other types of deposits, and if we experience a period of sustained operating losses, the cost of attracting deposits from the brokered deposit market could increase significantly. Our ability to manage our growth to stay within the "well-capitalized" level is critical to our ability to retain open access to this funding source.

Investors in our securities, including our preferred stock, may be adversely affected and may face significant losses (including the possibility of losing their entire investment) if we are unable to accept or renew brokered deposits or if our access to the brokered deposit market were impaired.

Security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer.

In the ordinary course of our business, we collect and store sensitive data, including our proprietary business information and that of our customers, and personally identifiable information of our customers and employees, in third-party data centers (including those operated by cloud service providers), and on our networks. The secure processing, maintenance, and transmission of this information is critical to our operations. Despite our security and business continuity measures, our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions, or vulnerable to other disruptions as a result of systems failures, operational events, employee error or incidents affecting our third-party and cloud service providers (or providers to those third-party service providers). Any such breach or disruption could compromise our networks, and the information stored there could be accessed, publicly disclosed, destroyed, lost or stolen. Any such access, disclosure, destruction or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information and regulatory penalties, disrupt our operations and damage our reputation, which could adversely affect our business. In addition, we may also be required to incur significant costs in connection with any regulatory investigation or civil litigation resulting from a security breach or other information technology disruption that affects us. We and our service providers have implemented work-from-home arrangements, which has increased the risk of security breaches and other disruptions.

We have been, and likely will continue to be, the target of attempted cyber-attacks, computer viruses, malicious code, phishing attacks, denial of service attacks and other information security threats. To date, cyber-attacks have not had a material impact on our financial condition, results or business. However, we could suffer material financial or other losses in the future and we are not able to predict the severity of these attacks. Our risk and exposure to these matters remains heightened because of, among other things, the evolving nature of these threats, the current global economic and political environment, our work-from-home arrangements, our use of cloud service providers, the outsourcing of some of our business operations, and the interconnectivity and interdependence of third parties to our systems. In addition, our increasing interconnectivity with service providers, dealers, contractors, Strategic Partners and FSPs, including through APIs, increases the risk that a security breach or other disruption affecting a third party materially affects our ability to conduct business. Regulatory agencies have also become increasingly focused on cybersecurity incidents, and we may incur additional expenses in order to comply with new obligations.

Our operations could be interrupted if certain external vendors on which we rely experience difficulty, terminate their services or fail to comply with banking laws and regulations.

We depend to a significant extent on relationships with third parties that provide services, primarily information technology services critical to our operations. Currently, we obtain services from third parties that include information technology infrastructure and support, plus loan origination, loan servicing, and accounting systems and support. If any of our third-party service providers experience difficulties or terminate their services and we are unable to replace our service providers with other service providers, our operations could be interrupted. It may be difficult for us to replace some of our third-party vendors, particularly vendors providing our loan origination, loan servicing and accounting services, in a timely manner if they are unwilling or unable to provide us with these services in the future for any reason. If an interruption were to continue for a significant period of time, it could have a material adverse effect on our business, financial condition or results of operations. Even if we are able to replace these third parties, it may be at higher cost to us, which could have a material adverse effect on our business, financial condition or results of operations. In addition, if a third-party provider fails to provide the services we require, fails to meet contractual requirements, such as compliance with applicable laws and regulations, or suffers a cyber-attack or other security breach, our business could suffer economic and reputational harm that could have a material adverse effect on our business, financial condition or results of operations.

We are dependent upon our senior management team for our future success.

Our future success will depend, to a significant extent, on the continued service and coordination of our senior management team, particularly Donald Poulton, our Chief Executive Officer, Justin Haley, our President, Travis Betenson, our Chief Financial Officer, Steven Hannay, our Chief Lending Officer, Jonathan Allen, our Chief Compliance Officer, and Joel Cannon, our SVP of Sales & Marketing. Changes in key management positions may temporarily affect our financial performance and results of operations as we adjust to the loss of personnel with deep institutional knowledge, and as new management becomes familiar with our business. In addition, although we have employment agreements in place with certain members of our senior management team, they may still elect to leave at any time. The departure of any of these individuals and our inability to attract and retain qualified replacements, or to successfully integrate newly-hired personnel within our organization, could have a material adverse effect on our ability to manage or grow our business and effectively mitigate risk.

Climate-related physical risk could disrupt our business and the risk of divergent climate-related requirements and stakeholder expectations could increase compliance costs and uncertainty.

Extreme weather events and shifts in climate may disrupt our operations, the operations of the FSPs, dealers or contractors with which we have relationships, or the businesses and employers of our borrowers. Any such disruptions could adversely affect our business, results of operations and ability to originate new loans. We are exposed to risks arising from evolving public policy and regulatory frameworks and from shifts in market behavior and public sentiment regarding efforts to reduce reliance on carbon-intensive activities, which could adversely affect our business, results of operations and client relationships. The transition to a less carbon-dependent economy could also have a negative impact on origination volumes in our Recreation Lending segment if demand for recreational vehicles decreases due to climate-related concerns. In addition, our credit risks could increase and demand for our products could decrease if and to the extent our borrowers work in industries that are negatively affected by climate change.

Further, differences among jurisdictions and stakeholders in their respective approaches to climate change could increase the likelihood that we are subject to potentially competing legal and regulatory requirements and stakeholder expectations relating to climate-related matters. The risk associated with, and the perspective of regulators, employees and other stakeholders regarding, climate change is evolving rapidly, which makes it difficult to assess the ultimate impact on us of climate change-related risks and uncertainties. Moreover, in light of differing stakeholder perspectives regarding climate change, actions we take, or are perceived not to take, concerning climate-related matters may be criticized by some stakeholders, which could adversely affect our business, market position, and efforts to recruit and retain employees.

The development and use of AI present risks and challenges that may adversely impact our business.

We or our third-party vendors, service providers, Strategic Partners, dealers, contractors or FSPs with which we have relationships have in the past developed and incorporated, and may in the future develop or incorporate AI technology in certain business processes, services or products. Although we currently do not use any AI tools or models in critical areas of our business, and are not aware of any third-parties that use AI tools or models in a manner that would materially affect our business, the development and use of AI present a number of risks and challenges to our business. The legal and regulatory environment relating to AI is uncertain and rapidly evolving, both in the U.S. and internationally, and includes regulatory schemes targeted specifically at AI, as well as provisions regarding intellectual property, privacy, consumer protection, employment and other laws applicable to the use of AI. These evolving laws and regulations could increase our compliance costs and the risk of non-compliance. AI models, notably generative and agentic AI models, may produce output or take action that is incorrect, result in the release of private, confidential or proprietary information, reflect biases included in the data on which they are trained, infringe on the intellectual property rights of others, or that is otherwise harmful. In addition, the complexity of many AI models makes it challenging to understand why they are generating particular outputs. This limited transparency increases the challenges associated with assessing the proper operation of AI models, understanding and monitoring the capabilities of the AI models, reducing erroneous output, eliminating bias, and complying with regulations that require documentation or explanation of the basis on which decisions are made. Further, we may increase our use of AI models in the future, and in doing so, we may rely on AI models developed by third parties. Such reliance would be dependent in part on the manner in which those third parties develop and train their models, including risks arising from the inclusion of any unauthorized material in the training data for their models, and on the effectiveness of the steps these third parties have taken to limit the risks associated with the output of their models, matters over which we may have limited visibility. Additionally, we are exposed to risks related to the use of AI technologies by third-party vendors, clients, counterparties, clearinghouses and other financial intermediaries. Any of these risks could expose us to liability or adverse legal or regulatory consequences and harm our reputation, public perception of our business, or the effectiveness of our security measures.

In addition to our use of AI technologies, we are exposed to risks arising from the use of AI technologies by bad actors to commit fraud and misappropriate funds and to facilitate cyberattacks. Generative or agentic AI, if used to perpetrate fraud or launch cyberattacks, could create panic at a particular financial institution or exchange, which could pose a threat to financial stability.

We may need to raise additional capital in the future, and such capital may not be available when needed or at all.

We may need to raise additional capital in the future to have sufficient capital resources and liquidity to meet our commitments, including the terms of the 2003 Capital Maintenance Agreement, and fund our business needs and future growth, particularly if the quality of our assets or earnings were to deteriorate significantly. Our ability to raise additional capital, if needed, will depend on, among other things, conditions in the capital markets at that time, which are outside of our control, and our financial condition. As a wholly owned subsidiary, we also depend on MFIN to provide additional common equity Tier 1 capital, and MFIN's ability to provide such capital could depend on its ability to access the capital markets. We may not be able to obtain capital on acceptable terms, or at all. Any occurrence that may limit our access to the capital markets, such as a decline in the confidence of capital markets investors or other disruptions in capital markets, may adversely affect our capital costs and our ability to raise capital and, in turn, our liquidity. Further, if we need to raise capital in the future, we may have to do so when many other financial institutions are seeking to raise capital and would then have to compete with those institutions for investors. An inability to raise additional capital on acceptable terms when needed could have a material adverse effect on our business, financial condition or results of operations.

A reduction in demand for our products and failure by us to adapt to such reduction could adversely affect our business, financial condition and results of operations.

The demand for the products we offer may be reduced due to a variety of factors, such as the risk of recession and other economic conditions, demographic patterns, changes in customer preferences or financial conditions, regulatory restrictions that decrease customer access to particular products, or the availability of competing products. If we fail to adapt to significant changes in our customers' demand for, or access to, our products, our revenues could decrease and our operations could be adversely affected. Even if we do make changes to our product offerings to fulfill customer demand, customers may resist such changes or may reject such products. Moreover, the effect of any product change on the results of our business may not be fully ascertainable until the change has been in effect for some time, and, by that time, it may be too late to make further modifications to such product without causing further adverse effects to our business, results of operations and financial condition.

Competition with other lenders could adversely affect us.

The consumer lending market is very competitive and is served by a variety of entities, including banks, savings and loan associations, credit unions, independent finance companies, and financial technology companies. The Recreation Lending and Home Improvement Lending markets are also highly fragmented, with a small number of lenders capturing large shares of each market and many smaller lenders competing for the remaining market share. Our competitors often seek to provide financing on terms more favorable to consumers or dealers, contractors and FSPs than we offer. Many of these competitors also have long-standing relationships with dealers, contractors and FSPs and may offer other forms of financing that we do not offer, e.g., credit card lending. We anticipate that we will encounter greater competition as we expand our operations, and competition may also increase in more stable or favorable economic conditions. In addition, certain of our competitors are not subject to the same regulatory requirements that we are and, as a result, these competitors may have advantages in conducting certain business and providing certain services and may be more aggressive in their loan origination activities. Increasing competition could also require us to lower the rates we charge on loans in order to maintain our desired loan origination volume, which could also have a material adverse effect on our business, financial condition and results of operations.

Our business depends on our ability to adapt to rapid technological change.

The financial services industry is continually undergoing rapid technological change with frequent introductions of new, technology-driven products and services. The effective use of technology increases efficiency and enables financial institutions to serve customers better. Our future success depends, in part, upon our ability to address the needs of customers by using technology to provide products and services that will satisfy customer demands, as well as to create additional efficiencies in our operations. Many of our competitors have substantially greater resources to invest in technological improvements than we do. We may not be able to implement new, technology-driven products and services effectively or be successful in marketing these products and services to our customers. In addition, the implementation of technological changes and upgrades to maintain current systems and integrate new ones may also cause service interruptions, transaction processing errors and system conversion delays and may cause us to fail to comply with applicable laws. Failure to successfully keep pace with technological change affecting the financial services industry and failure to avoid interruptions, errors and delays could have a material adverse effect on our business, financial condition or results of operations.

We expect that new technologies and business processes applicable to the banking industry will continue to emerge, and these new technologies and business processes may be better than those we currently use. Because the pace of technological change is high and our industry is intensely competitive, we may not be able to sustain our investment in new technology as critical systems and applications become obsolete or as better ones become available. A failure to maintain current technology and business processes could cause disruptions in our operations or cause our products and services to be less competitive, all of which could have a material adverse effect on our business, financial condition or results of operations.

We have in the past and may in the future pursue new strategies and lines of business, and we may face enhanced risks as a result of these changes in strategy, including from transacting with a broader array of customers and exposure to new assets, activities, markets, and regulatory requirements.

Since the formation of the Bank in 2002, we have expanded and changed our strategy and pursued new business lines on more than one occasion, including expanding into our Recreation Lending, Home Improvement Lending and Strategic Partnership Program businesses and transitioning away from Taxi Medallion loan origination, which officially ended in September 2014 and all the assets of which were sold in the quarter ended December 2025.

We may continue to change our strategy and enter new lines of business, including through the acquisition of another company, acquisitions of new types of loan portfolios or other asset classes, expansion of our deposit-taking activities, or otherwise, in the future. Any new business initiatives have in the past and may in the future expose us to new and enhanced risks, including new credit-related, compliance, fraud, market and operational risks, increased compliance and operating costs, different and potentially greater regulatory scrutiny of such new activities and assets, and may expose us to new types of customers as well as asset classes, activities and markets.

Any new business initiatives and strategies we may pursue in the future may be less successful than anticipated and may not advance our intended business strategy. We may not realize a satisfactory return on investments or acquisitions, we may experience difficulty in managing new portfolios or integrating operations, and management's attention from our other businesses could be diverted. Any of these results could ultimately have an adverse effect on our business, financial condition or results of operations.

Our strategic investments may not produce anticipated returns.

The Bank's strategic investments may not generate the anticipated financial or operational benefits, which could adversely affect our results of operations. We allocate capital to initiatives such as acquiring interest-earning assets, expanding personnel, and enhancing technology and advertising, with the expectation that these investments will support long-term growth. Investments in portfolio expansion may require higher than expected provision for credit losses if performance weakens or market conditions deteriorate. Investments in personnel may increase salary and benefits expense without producing corresponding revenue if productivity or business development efforts fall short. Similarly, expenditures on technology and advertising may not yield the expected increases in customer engagement or loan originations, limiting our ability to achieve projected returns. If these investments do not perform as expected, our profitability and competitive position could be materially and adversely affected.

Credit and Interest Rate Risks

Our business is heavily concentrated in consumer lending, which carries a risk of loss that is different from and typically higher than the risk of loss associated with commercial lending and which could be adversely affected by an economic downturn.

Our business is heavily concentrated in consumer lending. As a result, we are more susceptible to fluctuations and risks particular to consumer credit than a more diversified company would be. Our business is particularly sensitive to macroeconomic conditions that affect the U.S. economy, consumer spending and consumer credit. This includes, for example, the risk of recession, the impacts of inflation, which has in recent years and could continue to have an adverse effect on consumer spending, a rising interest rate environment, as well as the impact that geopolitical responses to international regional wars have had on commodity prices and the economic environment generally in the United States. We are also more susceptible to the risks of increased regulations and legal and other regulatory actions that are targeted at consumer credit or the specific consumer credit products that we offer (including promotional financing). Our business concentration could have a material adverse effect on our results of operations.

By its nature, lending to consumers carries with it different risks and typically a higher risk of consistent loss than commercial lending. Although the net interest margins are intended to be higher to compensate the Bank for this increased risk, an economic downturn could result in higher loss rates and lower returns than expected, and could affect the profitability of our consumer loan portfolios. During periods of economic slowdown, delinquencies, defaults, repossessions, and losses generally increase, and consumers may reduce their discretionary spending in areas such as recreation and home improvement, which constitute the significant majority of our business. These periods have been, and may continue to be, accompanied by increasing unemployment rates and declining values of consumer products securing outstanding accounts, which weaken collateral coverage and increase the amount of a loss in the event of default.

Additionally, the risk of recession, higher gasoline prices, volatile real estate values and market conditions, resets of adjustable rate mortgages to higher interest rates, increases in inflation, tariffs on products or component parts of the collateral we finance, general availability of consumer credit, or other factors that impact consumer confidence or disposable income, could increase loss frequency and decrease consumer demand for RVs, boats, trailers and other consumer products (including in connection with home improvement projects), as well as weaken collateral values on certain types of consumer products. Any decrease in consumer demand for those products could have a material adverse effect on our ability to originate new loans and, accordingly, on our business, financial condition and results of operations.

Although declines in commodity prices, and more particularly gasoline prices, generally are financially beneficial to the individual consumer, these declines may also have a negative impact on unemployment rates in geographic areas that are highly dependent upon the oil and natural gas industry, which could adversely affect the credit quality of consumers in those areas.

Our balance sheet consists of a significant percentage of non-prime consumer loans, which are associated with higher than average delinquency rates and losses. The actual rates of delinquencies, defaults, repossessions, and losses on these loans could be more dramatically affected by a general economic downturn. In addition, during an economic slowdown or recession, our servicing costs may increase without a corresponding increase in our net interest income.

Furthermore, our business is significantly affected by monetary and regulatory policies of the U.S. federal government and its agencies. Changes in any of these policies are influenced by macroeconomic conditions and other factors that are beyond our control and could have a material adverse effect on us through interest rate changes, costs of compliance with increased regulation, and other factors. For example, the Federal Reserve raised the Federal Funds Rate several times in 2022 and 2023. If inflationary pressures return, our interest expense could increase faster than our interest income, reducing our net interest income and net interest margin, and continuing adverse impacts on consumer spending could reduce demand for our consumer loan products. These developments, along with U.S. government credit, debt ceiling and deficit concerns, global economic uncertainties and market volatility, have caused and could continue to cause interest rates to be volatile.

The process we use to estimate losses inherent in our credit exposure requires complex judgments, including forecasts of economic conditions and how those economic conditions might impair the ability of our borrowers to repay their loans. The degree of uncertainty concerning economic conditions may adversely affect the accuracy of our estimates, which may, in turn, impact the reliability of the process and the quality of our assets.

Our financial condition, liquidity and results of operations depend on the credit performance of our loans.

During the year ended December 2025, 36% of our Recreation and less than 1% of our Home Improvement loans originated were non-prime receivables that meet the regulatory definition of subprime, with obligors who do not qualify for conventional consumer finance products as a result of, among other things, adverse credit histories. As of December 2025, 25% of our combined Recreation and Home Improvement loan portfolios consisted of non-prime receivables. While our underwriting guidelines are designed to confirm that, notwithstanding such factors, the obligor would be a reasonable credit risk, the receivables nonetheless are expected to experience higher default rates than a portfolio of obligations of prime obligors. The weakening of our underwriting guidelines for any reason, such as in response to the competitive environment, in an effort to originate higher yielding loans, a lack of discipline or diligence by our employees in underwriting and monitoring loans, or our inability to adequately adapt policies and procedures to changes in economic or other conditions, may result in loan defaults and charge-offs that may necessitate increases to our allowance for credit losses, each of which could adversely affect our net income and financial condition. In the event of a default on a Recreation loan, generally the most practical recovery method is repossession of the financed vehicle, although the collateral value of the vehicle usually does not fully cover the outstanding account balance and costs of recovery. Repossession sales that do not yield sufficient proceeds to repay the receivables in full typically result in losses on those receivables.

In addition, our prime portfolio has grown in proportion to our overall portfolio over the past several years. While prime portfolios typically have lower default rates than non-prime portfolios, we have less ability to make risk adjustments to the pricing of prime loans compared to non-prime loans. As a result, to the extent our prime portfolio continues to grow, a larger proportion of our business will consist of loans with respect to which we will have less flexibility to adjust pricing to absorb losses. As a result of these factors, we may sustain higher losses than anticipated in our prime portfolio. Additionally, if our prime credit losses are higher than expected then we may also be at risk with regard to our forecasted losses, which could impact our loss reserves and results of operations.

If our underwriting processes do not adequately assess risk, contain errors or are otherwise ineffective, whether due to automation, inaccurate or incomplete customer information, or otherwise, our reputation and relationships with dealers, contractors and FSPs could be harmed, our market share could decline and our financial condition, liquidity and result of operations could be adversely affected.

Our ability to maintain relationships with dealers, contractors and FSPs is significantly dependent on our ability to effectively evaluate a borrower's credit profile and likelihood of default in a timely fashion. To conduct this evaluation, we utilize credit, pricing, loss forecasting and scoring models that allow us to automate elements of our underwriting processes. Our models are based on algorithms that evaluate several factors, including behavioral data, transactional data, bank data and employment information, which may not effectively predict future credit loss. We have also been increasing the role of technology and automation in our credit underwriting processes. If we are unable to effectively segment borrowers into relative risk profiles, we may be unable to offer attractive interest rates. Additionally, if these models fail to adequately assess the creditworthiness of our borrowers, whether due to flaws in model design, inaccurate or insufficient data (whether acquired by us or provided by our dealers, contractors and FSPs), or otherwise, we may experience higher than forecasted losses and our financial condition, liquidity and results of operations could be adversely affected.

We regularly refine these algorithms based on new data and changing macro-economic conditions. However, the models that we use may not accurately assess the creditworthiness of our borrowers and may not be effective in assessing creditworthiness in the future. In addition, allegations, whether or not accurate, that underwriting decisions do not treat borrowers fairly, or comply with applicable laws or regulations, can result in negative publicity, reputational harm and regulatory scrutiny.

Changes in interest rates may adversely impact our profitability and risk profile.

Our profitability may be directly affected by interest rate levels and fluctuations in interest rates. As interest rates change, our gross interest rate spread on originations either increases or decreases because the rates charged on the loans originated are limited by market and competitive conditions, sometimes restricting our ability to pass on increased interest costs to the consumer. Additionally, although a significant percentage of our borrowers are non-prime and are not highly sensitive to interest rate movement, increases in interest rates may reduce the volume of loans we originate. While we monitor the interest rate environment and seek to mitigate the impact of increased interest rates, we cannot provide assurance that the impact of changes in interest rates can be successfully mitigated.

In addition, the majority of our loan portfolio consists of fixed-rate loans. To the extent our funding costs increase in response to an increase in market rates of interest, an abrupt increase in market rates of interest may have an adverse impact on our results of operations until we are able to originate new loans at higher prevailing interest rates. As noted above, the Federal Reserve has raised certain benchmark interest rates in the recent past in an effort to combat inflation.

Our allowance for credit losses may prove to be insufficient to cover losses on our loans.

We maintain an allowance for credit losses (a reserve established through a provision for losses that decreases our earnings and that, accordingly, affects our financial condition) that we believe is appropriate to provide for current expected losses in our loan portfolio.

The process for establishing an allowance for credit losses is critical to our results of operations and financial condition, and requires complex models and judgments, including forecasts of economic conditions and other assumptions. Changes in economic conditions affecting borrowers, growth in our loan portfolio, changes in the credit characteristics of our loan portfolio, new information regarding our loans and other factors, both within and outside of our control, may require an increase in the allowance for credit losses. In cases where we modify loans, if the modified loans do not perform as anticipated, we may be required to establish additional allowances on these loans.

We periodically review and update our methodology, models and the underlying assumptions, estimates and assessments we use to establish our allowance for credit losses to reflect our view of current conditions. Moreover, our regulators, as part of their supervisory function, periodically review the methodology, models and the underlying assumptions, estimates and assessments we use for calculating, and the adequacy of, our allowance for credit losses. Our regulators, based on their judgment, may conclude that we should modify our methodology, models or the underlying assumptions, estimates and assessments, increase our allowance for credit losses and/or recognize further losses. We continue to review and evaluate our methodology, models and the underlying assumptions, estimates and assessments we use and we will implement further enhancements or changes to them, as needed. We cannot provide assurance that our credit loss reserves will be sufficient to cover actual losses. Future increases in the allowance for credit losses or recognized losses (as a result of any review, update, regulatory guidance, changes in accounting standards or otherwise) will result in a decrease in net earnings and capital and could have a material adverse effect on our business, results of operations and financial condition.

We are subject to a variety of risks in connection with any sales of loans we may conduct.

From time to time, we have sold portfolios of our consumer loans to manage our capital levels and facilitate future originations to meet customer demand. We completed a sale of a portfolio of our Recreation loans in April 2025, and we may conduct additional sales of portions of our consumer loan portfolios in the future. These loan sales subject us to a variety of risks, which we discuss further below.

When we sell consumer loans we are required to make customary representations and warranties to the purchaser about the loans and the manner in which they were originated and serviced. If any of these representations and warranties are incorrect, we may be required to indemnify the purchaser for any related losses, or we may be required to repurchase or provide substitute loans for part or all of the affected loans. We may also be required to repurchase loans as a result of borrower fraud on a loan we have sold. In the past we have had to, and may in the future have to, indemnify purchasers for losses or repurchase loans in connection with alleged breaches of representations and warranties. Such indemnifications and repurchases could have a material adverse effect on our liquidity, business, financial condition or results of operations.

In addition, we must report as held for sale any loans which we have undertaken to sell, whether or not a purchase agreement for the loans has been executed. We must exercise our judgment in determining when loans must be reclassified from held for investment status to held for sale status under applicable accounting guidelines, and loans that have been reclassified to held for sale may ultimately not be sold in a timely manner, or at all. Any failure to accurately report loans as held for sale could result in regulatory investigations and monetary penalties, which could have a material adverse effect on our business, financial condition or results of operations. In addition, our policy is to carry loans held for sale at the lower of cost or fair value. Prior to being sold, any loans classified as held for sale may be adversely affected by market conditions, including changes in interest rates, and by changes in the borrower's creditworthiness, and the fair value associated with these loans, including any loans originated for sale to the secondary market, may decline prior to being sold. We may be required to reduce the value of any loans we mark held for sale as a result, which could have a material adverse effect on our business, financial condition or results of operations.

Loan portfolio sales we have conducted have generally included loans with stronger credit characteristics than the overall composition of our loan portfolio. Accordingly, following those transactions, the overall credit characteristics of our loan portfolio declined due to the transfer of the loans with stronger credit characteristics. Because the loans subject to the foregoing loan sale are seasoned and have lower interest rates and higher average FICO scores than the overall Recreation loan portfolio, the credit and other characteristics of our assets could change following a sale. For example, our net interest margin would be positively affected because assets with less favorable credit characteristics typically generate more net interest income and higher net interest margin, while long-term credit performance would likely marginally worsen with the lower average FICO scores in the loan portfolio.

Although we have engaged in sales of loan portfolios in the past and believe it is likely we will sell loans to manage growth in the future, there can be no assurance that we will continue to sell loans. When we have engaged in loan sales in the past, our non-interest income for the period in which the sale occurred has increased relative to periods in which we did not conduct loan sales. Accordingly, if attractive sale opportunities were not available, or the Bank were to decide not to pursue sales of loan portfolios in order to support its growth objectives, we may not sell any loans, which, in turn, could have a material adverse effect on our non-interest income.

Legal and Regulatory Risks

The banking industry is highly regulated, and the regulatory framework, together with any future legislative or regulatory changes, may have a significant adverse effect on our operations.

The banking industry is extensively regulated and supervised under both federal and state laws and regulations that are intended primarily for the protection of depositors, customers, federal deposit insurance funds and the banking system as a whole, and not for the protection of security holders. We are subject to regulation and supervision by the FDIC and the Utah DFI. The laws and regulations applicable to us govern a variety of matters, including permissible types, amounts and terms of loans and investments we may make, the maximum interest rate that may be charged, the amount of reserves we must hold against deposits we take, the types of deposits we may accept, maintenance of adequate capital and liquidity, changes in the control of us and MFIN, restrictions on dividends and establishment of new offices. We must obtain approval from our regulators before engaging in certain activities or acquisitions, and there is the risk that such approvals may not be obtained, either in a timely manner or at all. Our regulators also have the ability to compel us to take, or restrict us from taking, certain actions entirely, such as actions that our regulators deem to constitute an unsafe or unsound banking practice. Our failure to comply with any applicable laws or regulations, or regulatory policies and interpretations of such laws and regulations, could result in sanctions by regulatory agencies, civil money penalties or damage to our reputation, all of which could have a material adverse effect on our business, financial condition or results of operations.

Federal and state banking laws and regulations, as well as interpretations and implementations of these laws and regulations, are continually undergoing substantial review and change. Financial institutions generally have also been subjected to increased scrutiny from regulatory authorities. Election outcomes may also drive shifts in governmental policy that could adversely affect us or, more broadly, the business environment in which we operate. These changes and increased scrutiny have resulted and may continue to result in increased costs of doing business and may in the future result in decreased revenues and net income, reduce our ability to effectively compete to attract and retain customers, or make it less attractive for us to continue providing certain products and services. Any future changes in federal and state law and regulations, as well as the interpretations and implementations, or modifications or repeals, of such laws and regulations, could affect us in substantial and unpredictable ways, including those listed above or other ways that could have a material adverse effect on our business, financial condition or results of operations.

Our inability to remain in compliance with regulatory requirements could have a material adverse effect on our operations in a given market and on our reputation generally. No assurance can be given that applicable laws or regulations will not be amended or construed differently or that new laws and regulations will not be adopted, either of which could materially adversely affect our business, financial condition, or results of operations.

Increases in FDIC insurance premiums may adversely affect our earnings.

Our deposits are insured by the FDIC up to legal limits and, accordingly, we are subject to FDIC deposit insurance assessments. We have in the past and may in the future be required to pay higher FDIC premiums, and the FDIC has imposed, and could impose in the future, special assessments. See “Supervision and Regulation—Deposit Insurance.” Future increases of FDIC insurance premiums or special assessments could have a material adverse effect on our business, financial condition or results of operations.

Non-compliance with the USA PATRIOT Act, the Bank Secrecy Act or other laws and regulations could result in fines or sanctions against us.

The USA PATRIOT Act of 2001 and the BSA require financial institutions to design and implement programs to prevent financial institutions from being used for money laundering and terrorist activities. If such activities are detected, financial institutions are obligated to file suspicious activity reports with FinCEN. These rules require financial institutions to establish procedures for identifying and verifying the identity of customers, and beneficial owners of certain legal entity customers, seeking to open new financial accounts. Federal and state bank regulators also have focused on compliance with BSA and anti-money laundering regulations. Failure to comply with these regulations could result in fines or sanctions, including restrictions on conducting acquisitions or expanding activities. Although we have policies and procedures designed to assist in compliance with the BSA and other anti-money laundering laws and regulations, there can be no assurance that such policies or procedures will work effectively all of the time or protect us against liability for actions taken by our employees, agents, and intermediaries with respect to our business or any businesses that we may acquire. Failure to maintain and implement adequate programs to combat money laundering and terrorist financing could also have serious reputational consequences for us, which could have a material adverse effect on our business, financial condition or results of operations.

Regulations relating to privacy, information security and data protection could increase our costs, affect or limit how we collect and use personal information and adversely affect our business opportunities.

We are subject to various privacy, information security and data protection laws, including requirements concerning security breach notification, and we could be negatively affected by these laws. For example, our business is subject to the Gramm-Leach-Bliley Act which, among other things: (i) imposes certain limitations on our ability to share nonpublic personal information about our customers with nonaffiliated third parties; (ii) requires that we provide certain disclosures to customers about our information collection, sharing and security practices and afford customers the right to “opt out” of any information sharing by us with nonaffiliated third parties (with certain exceptions); and (iii) requires that we develop, implement and maintain a written comprehensive information security program containing safeguards appropriate based on our size and complexity, the nature and scope of our activities, and the sensitivity of customer information we process, as well as plans for responding to data security breaches. Various state and federal banking regulators and states have also enacted data security breach notification requirements with varying levels of individual, consumer, regulatory or law enforcement notification requirements in certain circumstances in the event of a security breach. Moreover, legislators and regulators are increasingly adopting or revising privacy, information security and data protection laws that potentially could have a significant impact on our current and planned privacy, data protection and information security-related practices, our collection, use, sharing, retention and safeguarding of consumer or employee information, and some of our current or planned business activities. This could also increase our costs of compliance and business operations and could reduce income from certain business initiatives. This includes increased privacy-related enforcement activity at the federal level, by the Federal Trade Commission, as well as at the state level.

Compliance with current or future privacy, data protection and information security laws (including those regarding security breach notification) could result in higher compliance and technology costs and could restrict our ability to provide certain products and services, which could have a material adverse effect on our business, financial condition or results of operations. Our failure to comply with privacy, data protection and information security laws could result in potentially significant regulatory or governmental investigations or actions, litigation, fines, sanctions and damage to our reputation, which could have a material adverse effect on our business, financial condition or results of operations.

Our use of third-party vendors and our other ongoing third-party business relationships are subject to regulatory requirements and scrutiny.

We regularly use third-party vendors as part of our business. We also have substantial ongoing business relationships with other third parties. These types of third-party relationships are subject to demanding regulatory requirements and attention by our federal and state bank regulators. Regulation requires us to adopt enhanced due diligence, ongoing monitoring and control over our third-party vendors and other ongoing third-party business relationships. In certain cases, we may in the future be required to renegotiate our agreements with these vendors to meet these enhanced requirements, which could increase our costs and potentially limit our competitiveness. We expect that our regulators will hold us responsible for deficiencies in our oversight and control of our third-party relationships and in the performance of the parties with which we have these relationships. As a result, if our regulators conclude that we have not exercised adequate oversight and control over our third-party vendors or other ongoing third-party business relationships, or that such third parties have not performed appropriately, we could be subject to enforcement actions, including civil money penalties or other administrative or judicial penalties or fines, as well as requirements for customer remediation, any of which could have a material adverse effect on our business, financial condition or results of operations.

If any of the various dealers, contractors, FSPs or Strategic Partners through which we originate loans fails to fulfill their obligations to consumers or comply with applicable law, we may incur remediation costs. Although the dealers, contractors, FSPs and Strategic Partners that we contract with are required to fulfill their contractual commitments to consumers and to comply with applicable law, from time to time they might not, or a borrower might allege that they did not. This, in turn, can result in claims against us or in loans being uncollectible. In those cases, we may decide that it is beneficial to remediate the situation, either by assisting the borrowers to get a refund, working with the dealers, contractors, FSPs or Strategic Partners to modify the terms of the loans or reducing the amount due by making a concession to the borrower or otherwise. Historically, the cost of remediation has not been material to our business, but it could be in the future.

Misconduct by current or former employees could expose us to significant legal liability and reputational harm.

We are vulnerable to reputational harm because we operate in an industry in which integrity and the confidence of the dealers, contractors, FSPs and Strategic Partners that sell our loan products are of critical importance. Our current and former directors, employees and controlling shareholder could engage or could have engaged in misconduct that adversely affects our business. For example, if such a person were to engage, or previously engaged, in fraudulent, illegal or suspicious activities, we could be subject to regulatory sanctions and suffer serious harm to our reputation (as a consequence of the negative perception resulting from such activities), financial position, third-party relationships, and ability to forge new relationships with third-party dealers, contractors, FSPs or Strategic Partners. Our business often requires that we deal with confidential information. If our current and former directors, employees or controlling shareholder were to improperly use or disclose this information or previously improperly used or disclosed this information, even if inadvertently, we could suffer serious harm to our reputation, financial position and current and future business relationships. It is not always possible to deter employee misconduct, and the precautions we take to detect and prevent this activity may not always be effective. Misconduct by our current and former employees or directors, or our controlling shareholder, or even unsubstantiated allegations of misconduct, could result in a material adverse effect on our business, financial condition or results of operations.

Risks Related to Our Preferred Stock

Shares of our preferred stock are equity securities and are not debt obligations or insured deposits.

Shares of our preferred stock are equity interests in the Bank. The shares are not debt obligations or bank deposits and are not insured or guaranteed by the FDIC or any other government agency. An investment in our preferred stock has risks, and you may lose your entire investment.

Our performance, general market conditions and unpredictable factors could adversely affect the market price for our preferred stock, which could result in rapid and substantial losses for our shareholders.

The market price of our outstanding Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series G ("Series G Preferred Stock") has been and could continue to be highly volatile and subject to large fluctuations. Further, new series of preferred stock we may issue in the future will not have an active trading market when issued, and an active trading market for such new series of preferred stock may not develop or, even if it develops, may not be sustained. Even if an active trading market develops, the trading volume on such series of preferred stock may fluctuate and cause significant price variations to occur. If the market price of a series of our preferred stock, including the Series G Preferred Stock, declines significantly, holders of such series of preferred stock may be unable to resell their shares of such series of preferred stock at or above the purchase price, if at all.

Several factors, many of which are beyond our control, could negatively affect the price of our preferred stock, or result in fluctuations in the price or trading volume of our preferred stock. These factors include:

a. whether we declare or fail to declare dividends on our preferred stock from time to time;

b. our operating performance, financial condition and prospects, or the operating performance, financial condition and prospects of our competitors;

c. actual or potential litigation and governmental investigations;

d. our creditworthiness;

e. the ratings given to us or our securities by credit rating agencies, including the ratings given to the Series G Preferred Stock or any other series of preferred stock we may issue in the future;

f. prevailing interest rates;

g. the dividend rate structure of our preferred stock, and the market acceptance of any base rate or benchmark for the dividend rate or fallback provisions in the preferred stock;

h. publication of research reports about us or the financial services industry in general;

i. developments in the credit markets and the markets for securities relating to consumer financing, and developments with respect to financial institutions generally;

j. failure of securities analysts to cover us or our preferred stock;

k. additions to or departures of our key personnel;

l. adverse market reactions to any indebtedness we may incur or securities we may issue in the future;

m. actions by MFIN, our controlling shareholder;

n. the market for similar securities; and

o. economic, financial, geopolitical, regulatory or judicial events that affect us or the financial markets generally.

In addition, conditions in the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future, which could have an adverse effect on the market price for our preferred stock. Accordingly, the shares of our preferred stock that an investor purchases may trade at a discount to their cost. If any of the foregoing occurs, it could cause the price of our preferred stock to fall and may expose us to lawsuits that, even if unsuccessful, could be costly to defend and a distraction to management.

Holders of our preferred stock are not entitled to receive dividends unless declared by us, and dividends are not cumulative; additionally, if we do not pay full dividends on the Series E Preferred Stock, we will not be able to pay dividends on our other preferred stock.

Dividends on our issued preferred stock are not cumulative, and we expect that dividends on any future preferred stock we issue will not be cumulative in order for such preferred stock to qualify as additional Tier 1 capital. If our Board (or a duly authorized committee thereof) does not declare a dividend on a series of our preferred stock for any dividend period, including if prevented from doing so by bank regulators or applicable bank regulatory requirements (including rules and regulations regarding capital adequacy), holders of such series of preferred stock will not be entitled to receive any such dividend, and any such undeclared and unpaid dividend will not accumulate or be payable. Additionally, the terms of our outstanding Senior Non-Cumulative Perpetual Preferred Stock, Series E ("Series E Preferred Stock") prohibit us from declaring or paying any dividends or distributions on our common stock, any other junior stock and any parity stock, including our other preferred stock, at any time when we have not declared and paid in full dividends on the Series E Preferred Stock. Therefore, if we do not pay full dividends on any outstanding shares of Series E Preferred Stock, we will not be able to pay any dividends on our other preferred stock

As an FDIC-insured, Utah-chartered industrial bank supervised and regulated by the Utah DFI and the FDIC, our ability to declare and pay dividends on and redeem our preferred stock depends on certain federal and state regulatory considerations. In particular, Utah law permits us to declare dividends: (i) only out of our net profits, after providing for all expenses, losses, interest and taxes accrued or due from the Bank; and (ii) for each period, only after we have transferred at least 10% of our net profits before dividends for the period to a surplus fund. We are required to make this transfer of 10% of our net profits prior to any dividend until the surplus reaches 100% of our capital stock. As of December 2025, our dividend surplus fund exceeded 100% of our capital stock.

In addition, the comprehensive capital framework for U.S. banking organizations, as implemented by the FDIC, imposes on banks the need to maintain more and higher quality regulatory capital than has historically been the case. These capital requirements could adversely affect our ability to pay dividends or may result in additional limitations on our ability to pay dividends on or redeem our preferred stock. Under the FDIC's capital rules, dividends on our preferred stock may only be paid out of our net income, retained earnings or surplus related to other additional Tier 1 capital instruments. In addition, the FDIC's capital rules include a capital conservation buffer, which can be satisfied only with CET1 capital. If our risk-based capital ratios do not satisfy minimum requirements plus the capital conservation buffer, we will face graduated constraints on, among other things, capital distributions (including dividends on our preferred stock) based on the amount of the shortfall and the amount of our eligible retained income (that is, four quarter trailing net income, net of distributions and tax effects not reflected in net income). In addition, if payment of dividends on our preferred stock for any dividend period would cause us to fail to comply with any applicable law or regulation, we will not declare or pay a dividend for such dividend period. In such a case, holders of our preferred stock will not be entitled to receive any dividend for that dividend period, and the unpaid dividend will cease to accrue or be payable.

Our Board (or a duly authorized committee thereof) could also determine that it would be in our best interest to pay less than the full amount of stated dividends or no dividends on a series of our preferred stock for any dividend period, even at a time when sufficient funds were available to make the payment. In making this determination, our Board (or a duly authorized committee thereof) would consider all the factors it considered relevant, which we expect would include our financial condition and capital needs, the impact of current or pending legislation and regulations, and general economic conditions.

As a result of our obligations to creditors and holders of securities ranking equal to our preferred stock, we may not be able to make dividend or liquidation payments to holders of our preferred stock.

Our preferred stock ranks:

a. junior to our deposits, borrowings and any other obligations to our creditors upon our liquidation;

b. equal to our shares of other preferred stock, including our Series E Preferred Stock and our Series G Preferred Stock, issued on a parity basis with regard to payment of dividends (except as provided below) and amounts due upon liquidation, dissolution or winding-up; and

c. senior to our common stock with regard to payment of dividends and amounts due upon liquidation, dissolution or winding-up.

Payment of amounts due on our preferred stock will be subordinated to all of our existing and future deposits and other debt. Upon our liquidation, our obligations to our depositors and creditors would rank senior to our preferred stock. We may also in the future issue shares of preferred stock that rank senior to our then-outstanding preferred stock as to dividend and liquidation payments, subject to the requisite consent of the holders of our then-outstanding preferred stock.

We may in the future issue additional shares of the Series G Preferred Stock and/or shares of another class or series of preferred stock ranking on a parity with our then-outstanding preferred stock with respect to the payment of dividends and the distribution of assets upon liquidation, dissolution or winding-up. Upon declaration of a dividend, or upon our liquidation, dissolution or winding-up, we are required to pay the holders of any preferred stock issued on a parity basis at the same time and in the same proportions. Consequently, if we do not have sufficient funds to pay scheduled dividends to the holders of the preferred stock issued on a parity basis, we may not declare or pay a portion of the scheduled dividends. Similarly, upon our liquidation, dissolution or winding-up, if we do not have sufficient funds to pay the full liquidation preference to the holders of the preferred stock issued on a parity basis, holders of our preferred stock may receive less than the liquidation preference of their shares.

As of December 2025, we had 26,303 shares of our Series E Preferred Stock, with an aggregate liquidation amount of $26,303,000, issued and outstanding, and 3,100,000 shares of our Series G Preferred Stock, with an aggregate liquidation amount of $77,500,000, issued and outstanding.

We may issue additional shares of a series of our preferred stock, securities convertible or exchangeable for a series of our preferred stock or a new series of preferred stock that ranks equally with an outstanding series of our preferred stock, and thereby materially and adversely affect the price of an outstanding series of our preferred stock.

We are not restricted from authorizing or issuing additional shares of a series of our preferred stock, securities convertible or exchangeable for a series of our preferred stock, or a new series of preferred stock that ranks equally with a series of our then-outstanding preferred stock, in each case, including with respect to our Series G Preferred Stock. We have no obligation to consider the interest of the holders of a series of our preferred stock, including the Series G Preferred Stock, in engaging in any such offering or transaction. If we issue such additional securities, it may materially and adversely affect the price of an outstanding series of our preferred stock.

Risks Related to Our Status as a Public Company and Controlled Company

Changes in our accounting policies or in accounting standards could materially and adversely affect how we report our results of operations and financial condition.

From time to time, standard setters, including the Financial Accounting Standards Board (the "FASB") or the U.S. Securities and Exchange Commission (the "SEC"), change the financial accounting and reporting standards that govern the preparation of our financial statements. For example, we adopted FASB's Accounting Standards Update 2016-13, *Measurement of Credit Losses on Financial Instruments* (commonly referred to as CECL) in January 2023. It substantially changed the accounting for our credit losses on loans and other financial assets, removing the previously existing "probable" threshold in U.S. generally accepted accounting principles ("GAAP") for recognizing credit losses, and instead requiring us to reflect their estimate of credit losses over the lives of the financial assets. Changes like these can be difficult to predict and can materially affect how we record and report our financial condition and results of operations.

We are an emerging growth company within the meaning of the Exchange Act and because we have decided to take advantage of certain exemptions from various reporting and other requirements applicable to emerging growth companies, our preferred stock could be less attractive to investors and we will become subject to additional, potentially costly requirements at such time as we are no longer an emerging growth company.

For as long as we remain an "emerging growth company," as defined in the JOBS Act, we will have the option to take advantage of certain exemptions from various reporting and other requirements that are applicable to other public companies that are not emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404(b) of Sarbanes-Oxley, reduced disclosure obligations regarding executive compensation in our registration statements, periodic reports and proxy statements and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. We have elected to, and expect to continue to, take advantage of certain of these and other exemptions until we are no longer an emerging growth company. In particular, we have elected to use the extended transition period for complying with new or revised accounting standards, which means that the financial statements included elsewhere in this Form 10-K and in our future public filings may not be comparable to the financial statements of companies that comply with effective dates for new or revised accounting standards applicable to public companies that are not "smaller reporting companies," as that term is defined in the regulations of the SEC.

In addition, at such time as we are no longer an emerging growth company and become subject to the auditor attestation requirements of Section 404(b) of Sarbanes-Oxley, this process will require significant documentation of policies, procedures and systems, review of that documentation by our internal auditing and accounting staff and our outside independent registered public accounting firm, and testing of our internal control over financial reporting by our internal auditing and accounting staff and our outside independent registered public accounting firm. Now that the FDIC threshold has increased from $1 billion to $5 billion, we are no longer directly subject to similar requirements under the FDIC's regulations for state Federal Reserve non-member banks, and any obligations related to Section 404 of Sarbanes-Oxley only apply to us indirectly through MFIN. The process required by Section 404 of Sarbanes-Oxley would involve time and attention, could strain our internal resources, and could result in higher than anticipated operating expenses and outside auditor fees. If our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting or if we are not able to implement the requirements of Section 404 of Sarbanes-Oxley in a timely and capable manner, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our preferred stock could be negatively affected, and we could become subject to investigations by Nasdaq and the FDIC or other regulatory authorities, which could require additional financial and management resources.

We will remain an emerging growth company until the earliest of: (i) the end of the fiscal year during which we have total annual gross revenues of $1.235 billion or more; (ii) the end of the fiscal year following the fifth anniversary of the completion of an offering of common stock by us pursuant to an effective registration statement; (iii) the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt; or (iv) the end of the first fiscal year in which: (A) the market value of our equity securities that are held by non-affiliates exceeds $700 million as of June 30 of that year; (B) we have been a public reporting company under the Exchange Act for at least twelve calendar months; and (C) we have filed at least one annual report on Form 10-K.

As long as MFIN owns a majority of our common stock, we will rely on certain exemptions from the corporate governance requirements of Nasdaq available for "controlled companies."

We are a "controlled company" within the meaning of the corporate governance listing standards of Nasdaq because MFIN owns 100% of our outstanding common stock. As a controlled company, we have elected, and expect to continue to elect, not to comply with the corporate governance requirements of Nasdaq requiring a fully independent corporate governance and nominating committee and a fully independent compensation committee. Two of our seven directors do not qualify as "independent directors" under the applicable rules of Nasdaq. As a result, holders of our preferred stock will not have certain of the protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of Nasdaq.

We are a wholly owned subsidiary of MFIN and are dependent on MFIN and certain of our affiliates for various services and capital.

We are a wholly owned subsidiary of MFIN. As a wholly owned subsidiary, we rely on MFIN and our affiliates generally, including for the provision of various services and capital. We have historically received Taxi Medallion asset servicing, collection and other customer services, loan origination, and marketing services from certain of our affiliates. We also receive certain corporate services, including support for human resources and legal, from MFIN, and MFIN processes payroll for our employees and provides the benefits and equity compensation plans in which our employees participate. The services we receive from MFIN and our affiliates have in the past and may in the future change as a result of our overall strategy and due to one-time or opportunistic events.

As a consequence of the foregoing, in the event our relationships with our affiliates are not maintained, for any reason, including as a result of possible strategic decisions that MFIN may make from time to time or as a result of material adverse changes in MFIN's performance, the cost of operating and funding our business may increase, we may experience disruptions to our operations as we implement alternative arrangements to our affiliate relationships, and our business, financial condition and earnings may be materially and adversely affected.

As a condition of receipt of FDIC insurance, we entered into the 2003 Capital Maintenance Agreement, which requires us to maintain a 15% leverage ratio (Tier 1 capital to average assets). The 2003 Capital Maintenance Agreement also requires MFIN to contribute additional capital to the Bank in the event that our capital ratios fall below the levels required by the agreement. Although we do not depend on MFIN as a source of funding, as a wholly owned subsidiary, in the event that we require capital from MFIN, there is no guarantee that MFIN will be able or will agree to provide it.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

We maintain an information security program (the "ISP") designed to assess, identify and manage the risks to the Bank associated with cybersecurity threats. Oversight of the ISP is provided by our Board, with day-to-day ISP management integrated into the Bank's risk management program and delegated to an IT Steering Committee and the Bank's Information Security Officer. Our Information Security Officer is also our Chief Information Officer, a member of the Bank's management team, and has more than two decades of experience with information security and cybersecurity matters. The IT Steering Committee meets quarterly, is chaired by the Information Security Officer, and has a membership comprised of executive and other key managers and technical employees of the Bank. The Board annually reviews the ISP and receives an annual presentation from the Information Security Officer and periodic reporting from management related to cybersecurity threats and activities, including the quarterly minutes of the IT Steering Committee. As part of its general oversight activities, the Board reviews changes to and approves the Bank's Information Security Policy, Business Continuity Plan, and Vendor Management Policy. Management maintains an incident response procedure that addresses disclosure requirements, including the material cybersecurity incident disclosure requirement effective for the Bank on December 18, 2023. Management also operates a vendor management program that is designed to identify and mitigate vendor risks, including information security and cybersecurity risks.

In addition to the Bank's Information Security Officer, we retain the services of experienced technical employees, information security and cybersecurity specialists, internal auditors, and third-party vendors specializing in cybersecurity risk assessment, vulnerability and penetration testing, and controls audits. Audit services are overseen by the Audit Committee. See "Corporate Governance - Committees of our Board of Directors" below. Employees directly engaged in managing cybersecurity risk and operations obtain and maintain cybersecurity-related technical certifications, including the CISSP, CISM and CCSP designations, and serve on outside cybersecurity committees, as members of information security/cybersecurity associations and as adjunct instructors at local universities. Because the majority of our cybersecurity employees are also directly involved in IT operations management, we believe our staffing arrangements facilitate their ability to have full visibility into emerging cybersecurity risks or incidents.

In the year ended December 2025, management did not identify any cybersecurity incidents or threats that have materially affected or are reasonably likely to materially affect the Bank.

ITEM 2. PROPERTIES

We lease space in Salt Lake City, Utah as our headquarters and for the Recreation Lending, Home Improvement Lending and Other segments. We do not own any real property, other than foreclosed properties obtained in lieu of loan repayments. We believe that our leased property is in good operating condition and is suitable for our current business operations.

ITEM 3. LEGAL PROCEEDINGS

We are currently involved in various legal proceedings incidental to the ordinary course of our business, including collection matters with respect to certain loans. We intend to vigorously defend any outstanding claims and pursue our legal rights. In the opinion of our management and based upon the advice of legal counsel there is no proceeding pending, or to the knowledge of management threatened, which in the event of an adverse decision could result in a material adverse effect on our results of operations or financial condition.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

OTHER INFORMATION

On December 29, 2021, the SEC filed a civil complaint in the U.S. District Court for the Southern District of New York (the "Court") against MFIN and its President and Chief Operating Officer (who is also a director of the Bank) alleging certain violations of the antifraud, books and records, internal controls and anti-touting provisions of the federal securities laws. The Bank was not named as a defendant. The litigation related to certain issues that occurred during the period 2015 to 2017, including; (i) MFIN’s retention of third parties in 2015 and 2016 concerning posting information about MFIN on certain financial websites; and (ii) MFIN’s financial reporting and disclosures concerning certain assets, including the Bank, in 2016 and 2017, a period when MFIN had previously reported as a business development company (“BDC”) under the Investment Company Act of 1940. In December 2024, MFIN and its President and Chief Operating Officer reached an agreement in principle with the Division of Enforcement of the SEC, that if approved by the Commissioners of the SEC and the Court, would resolve this litigation. On May 30, 2025, the Court entered a Final Judgment as to MFIN and its President and Chief Operating Officer, resolving this litigation. The parties agreed to settle the matter with the SEC, consenting to the entry of the Final Judgment, without admitting or denying the allegations of the SEC complaint. Pursuant to the Final Judgment, among other things, (i) the parties were enjoined from violating specified provisions of the federal securities laws and rules thereunder, (ii) MFIN paid a civil penalty of $3,000,000 (which amount was previously accrued in the fourth quarter of 2024) and (iii) MFIN agreed to certain compliance-related undertakings.

PART II

ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

There is no established trading market for the Bank's common stock.

Holders

The information set forth in Part III, Item 12 “Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters” of this Form 10-K is incorporated herein by reference.

Securities Authorized for Issuance under Equity Compensation Plans

Not applicable.

Performance Graph

Not applicable.

Unregistered Sales of Equity Securities and Use of Proceeds

None.

Purchases of Equity Securities by the Issuer and Affiliated Purchases

Not applicable.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Objective

The following is a discussion of our financial condition as of December 2025, as compared to December 2024, and our results of operations for the years ended December 2025 and 2024. This section is intended to provide management's perspective of its results of operations. This discussion and analysis should be read in conjunction with our annual audited financial statements and related notes thereto presented elsewhere. In addition to historical information, this discussion includes certain forward-looking statements regarding events and trends that may affect our future results. Such statements are subject to risks and uncertainties that could cause our actual results to differ materially. See “Cautionary Note Regarding Forward-Looking Statements.” For a more complete discussion of the factors that could affect our future results, see "Risk Factors" beginning on page 15.

For a comparison of our results of operations for the year ended December 2024 to the year ended December 2023, see Part II Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 2024, which was filed with the Federal Deposit Insurance Corporation (“FDIC") on March 27, 2025.

Introduction and Business Overview

We are a Utah-chartered, FDIC-insured industrial bank headquartered in Salt Lake City, Utah. Formed in 2002, we are a wholly owned subsidiary of Medallion Financial Corp. ("MFIN"), a finance company. We specialize in providing consumer loans through dealers and financial service providers ("FSPs") for the purchase of recreational vehicles ("RVs"), boats and trailers (which we refer to as our “Recreation Lending” segment and our “Recreation” loans) and through contractors and FSPs for the purchase of home improvements such as replacement windows and roofs (which we refer to as our “Home Improvement Lending” segment and our “Home Improvement” loans), along with offering loan origination services to fintech partners (which we refer to as our "Strategic

Partnership Program" and our "Strategic Partnership" loans). Prior to September 2014, we originated loans to finance the purchase of taxi medallions ("Taxi Medallion" loans or assets), and in the quarter ended December 2025 we sold our remaining Taxi Medallion assets to an MFIN affiliate.

As of December 2025, we had total assets of $2.6 billion including net loans of $2.3 billion. Consumer loans made up 100.0% of our loan portfolio as of December 2025, $1.6 billion of which was Recreation loans and $810.2 million of which was Home Improvement loans. In December 2024, we determined that our remaining Taxi Medallion loans were indistinguishable from our other assets and began reporting them in other assets. On October 1, 2025, the Bank sold the remaining balance and off-balance sheet exposure of Taxi Medallion assets to an MFIN affiliate for the agreed upon amount of $12.0 million, as determined by an independent third-party assessment. As of December 2025, we had no remaining assets related to our legacy Taxi Medallion portfolio. Equity capital was $450.2 million as of December 2025, and pre-tax income and after-tax net income were $99.4 million and $72.2 million, respectively, for the year ended December 2025.

Our business is funded primarily with time certificates of deposit originated nationally through various brokered deposit relationships. In 2020, we began originating time deposits through internet listing services deposits and, in 2023, we began offering retail savings deposits through a third-party service provider. Each of these deposit sources offers a low-cost source of funding compared to credit facilities and other funding sources utilized by non-bank lending businesses. We have no branch operations, which contributes to our low efficiency ratio.

Business Environment

The U.S. financial markets have continued to experience volatility as concerns about persisting inflation, elevated interest rates, economic policies related to tariffs and trade, and ongoing geopolitical tensions have weighed on market participants and consumers. These factors have resulted in generally higher interest expense for deposits and fluctuating loan demand for certain banking institutions, including us. U.S. trade policy that features an increased reliance on tariffs may increase the cost of the products we finance, and loan demand may decline as a result. Higher commodity prices, whether as a result of conflict in the Middle East or otherwise, could also decrease loan demand. Additionally, depending on the scope and targets of tariffs, supply chain disruptions could result in sharp reductions in the supply of products we finance, which could have short-term negative effects on demand for our consumer loans, but longer-term improvements in auction values at sale due to higher used product prices and the average size of Recreation loans. Prolonged uncertainty, elevated tariff levels, the widespread use of tariffs in U.S. trade policy or rising commodity prices could also increase unemployment rates and otherwise weaken economic conditions, which could adversely affect the creditworthiness of our borrowers and our provision for credit losses and charge-offs.

The U.S. Federal Reserve decreased its policy rate by 50 basis points in the third quarter of 2024, by 50 basis points in the fourth quarter of 2024, by 25 basis points in the third quarter of 2025 and by 50 basis points in the fourth quarter of 2025. Rates continue to be elevated compared to recent historical averages, and the demand for our products and creditworthiness of our borrowers may continue to be adversely affected until market interest rates are further reduced. High market interest rates could continue to increase our cost of funds, which has adversely affected, and could continue to adversely affect, our net interest margin. Continued reductions in the U.S. Federal Reserve's policy rate may eventually affect the rates we are able to charge on new loan originations, resulting in lower yields in future periods but a commensurately lower cost of funds. We have experienced, and may again experience, changes in loan origination credit quality mix, particularly for Recreation loans, that result in increased credit quality at origination but at the expense of loan interest income yield, or vice versa.

Over the last decade, a period of unusually low market interest rates followed by U.S. government actions to stabilize the economy during the COVID pandemic raised our net interest margin significantly over historical levels. Since the end of the COVID pandemic and during the U.S. Federal Reserve's subsequent efforts to combat persistent inflation, our net interest margin has been normalizing. In an environment of historically normal interest rates, and absent changes in strategy, management expects to produce a net interest margin more consistent with today's net interest margin than the elevated net interest margins of 2017-2023.

In recent years, market participants and regulators have focused on the impact that rising interest rates have had on the market values of available-for-sale and held-to-maturity securities portfolios of banks. Our investment portfolio is small, and unrealized losses were not material, relative to our total assets and shareholders' equity as of December 2025.

For additional information on the impact on our business of macroeconomic conditions that affect the U.S. economy, consumer spending and consumer credit, see "Risk Factors" beginning on page 15.

Critical Accounting Estimates

We follow financial accounting and reporting policies that are in accordance with U.S. generally accepted accounting principles ("GAAP"). Some of these significant accounting policies require management to make difficult, subjective or complex judgments. The policy noted below, however, is deemed to be our “critical accounting policy” under the definition given to this term by the SEC: those made in accordance with GAAP that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition or results of operations. These estimates are most important to the presentation of a company’s financial condition and results of operations, and require management’s most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

The judgments used by management in applying the critical accounting policy may be affected by deterioration in the economic environment, which may result in changes to future financial results. Specifically, subsequent evaluations of the loan portfolio, in light of the factors then prevailing, may result in significant changes to the allowance for credit losses in future periods, and the inability to collect on outstanding loans could result in increased credit losses.

Allowance for Credit Losses

In analyzing the adequacy of the allowance for credit losses for Recreation and Home Improvement loans, we segment our loan portfolio by risk pool to reach what we believe to be an appropriate level of homogeneity and use a probability of default ("PD")/ loss given default ("LGD") model to calculate the allowance. For each loan, PD and LGD values are assigned based on the risk pool and delinquency status of the loan. Those values are determined by historical delinquent loan performance for the respective loan pool and actual loss rates within that pool, including the history of recoveries. The PD value time series for each loan is then modified using a model that incorporates statistically significant macroeconomic factors, such as unemployment rate and consumer spending, to predict increases or decreases in expected default rates. Those modifications are applied over a twelve-month reasonable and supportable forecast period followed by a six-month reversion period. As a final step, qualitative factors may be added to each loan pool based on management judgment, increasing or decreasing the size of the allowance for a particular loan pool. Performing loans are recorded at book value and the general reserve maintained to absorb expected losses is consistent with GAAP.

Management is primarily responsible for the overall adequacy of the allowance. The allowance is evaluated on a regular basis, at least quarterly, by management and is based upon management’s periodic review of the factors noted above. In addition, allowance adequacy is also approved by the board of directors and assessed by the Bank’s internal audit function, which performs independent credit reviews and a review of the allowance model. Bank regulators, as an integral part of their supervisory functions, periodically review our loan portfolio and related allowance for credit losses. These regulatory agencies may require us to increase our allowance for credit losses or to recognize further loan charge-offs based upon their judgments, which may be different from ours. An increase in the allowance for credit losses required by these regulatory agencies could materially adversely affect our financial condition and results of operations.

Under the CECL lifetime loss standard in effect since January 1, 2023, we calculate the allowance for credit losses using both quantitative and qualitative factors. The quantitative loss factors applied in the methodology are periodically re-evaluated and adjusted to reflect changes in credit characteristics of our loans, loan prepayment and other cash flow-related behaviors, and macroeconomic factors. Periodically, we update our allowance model assumptions based on prior experience. In the fourth quarter of 2025, we updated our prepayment speed assumptions and calculation method, transitioning from a pooled analysis to a loan-level approach, which increased modeled prepayment speeds for most credit pools and had the effect of decreasing the allowance for credit losses for both Recreation and Home Improvement loans. Earlier in 2025, we revised our assumptions to include a redevelopment of our macroeconomic factor model, which increased the allowance's sensitivity to unemployment, the consumer price index, and labor force participation. We also further segmented the Recreation loan portfolio by credit risk and further segmented the Home Improvement portfolio by product type. These adjustments had the effect of increasing the allowance for credit losses for both Recreation and Home Improvement loans.

Our quantitative loss factor rates increased 25 basis points for Recreation loans and decreased 7 basis points for Home Improvement loans in December 2025 compared to December 2024. The increase for Recreation loans was largely due to increases in delinquency and net charge-offs, as well as the change in our macroeconomic factor model while the decrease for Home Improvement loans was largely due to improving delinquency and changes in the composition of the loan portfolio. Our qualitative loss factor rates increased by 9 basis points for Recreation loans and was unchanged for Home Improvement loans in the year ended December 2025 compared to December 2024, which was associated with management's assessment of the adequate reserve level for the portfolios. As context, while the quantitative model accounts for $104.0 million of the recorded allowance for credit losses (“ACL”), the qualitative component is comparatively insignificant, at just $1.5 million of the total ACL. If our qualitative loss factor rates were to increase (or decrease) 50 basis points, our Recreation and Home Improvement general reserve would increase (or decrease) by $7.8 million and $4.1 million, respectively.

We charge off Recreation, Home Improvement and other loans in the period that such loans are deemed uncollectible or when they reach 120 days delinquent.

Key Elements for the year ended December 2025 compared to the year ended December 2024

- Net income was $72.2 million for the year ended December 2025, compared to $60.6 million for the year ended December 2024. See "Net Income" in "Results of Operations" later in this Form 10-K.

- Pre-provision net revenue ("PPNR"), which is a non-GAAP financial measure calculated by excluding our provision for credit losses from our pre-tax income, was $180.6 million for the year ended December 2025, compared to PPNR of $157.1 million for the year ended December 2024. The increase in PPNR was driven by an increase in interest income as a result of growth in our Recreation loan portfolio, higher yields in our Recreation and Home Improvement loan portfolios, as well as an increase in non-interest income as a result of growth in Strategic Partnership Program loan originations and gain on the sale of Taxi Medallion assets, partially offset by an increase in interest expense. See "Non-GAAP Financial Measures" below for additional information, including a reconciliation of PPNR to the most comparable GAAP presentation.

- Recreation and Home Improvement loan origination volumes decreased 16.0% to $692.9 million during the year ended December 2025, compared to the year ended December 2024, driven primarily by prudent underwriting restrictions in both the Recreation and Home Improvement Lending segments and capital management efforts, particularly during the first half of 2025.

- Loan origination volume related to our Strategic Partnership Program increased to $771.6 million during the year ended December 2025 from $203.6 million during the year ended December 2024, driven by a relationship added in late 2024 and continued growth of our three previously existing relationships.

- Net interest income increased 6.4% to $217.9 million for the year ended December 2025, compared to the year ended December 2024, primarily due to growth in our Recreation loan portfolio, and higher yields in both our Recreation and Home Improvement loan portfolios.

- Our efficiency ratio, which is calculated by dividing total non-interest expense by the sum of net interest income and non-interest income, was 23.57% for the year ended December 2025, an improvement of 50 basis points from the efficiency ratio for the year ended December 2024, primarily due to increased non-interest income, partially offset by increased salary and benefit costs, loan servicing costs, and depreciation and amortization expense during the period.

- Loan delinquencies 30 days or greater increased by 1 basis point to 4.26% of period-end loan portfolio balances as of December 2025, compared to December 2024, driven by deterioration in credit performance for Recreation loans, largely offset by improvements in credit performance for Home Improvement loans.

- Our annual net charge-off rate increased 10 basis points to 2.92% for the year ended December 2025, compared to the year ended December 2024. The increase in the year ended December 2025 was due to an increase in net charge-offs in the Recreation loan portfolio and a decrease in Taxi Medallion related recoveries, partially offset by a decrease in net charge-offs in the Home Improvement loan portfolio.

- Our provision for credit losses was $81.2 million, increasing by $5.4 million for the year ended December 2025, compared to the year ended December 2024. The increase was primarily due to portfolio growth, an increase in charge-offs and delinquencies in the Recreation loan portfolio, a non-recurring $2.6 million charge to reclassify Recreation loans from loans held for sale to loans receivable, and a decrease in Taxi Medallion-related recoveries, partially offset by decreases in charge-offs and delinquencies in the Home Improvement loan portfolio.

- Our Tier 1 capital increased by $64.5 million from December 2024, primarily due to the capital raised through our Series G Preferred Stock issuance, partially offset by the redemption of our Series F Preferred Stock on July 1, 2025. Our Tier 1 leverage ratio was 17.8% at December 2025 and 15.7% at December 2024.

Results of Operations

Net Income

Net income was $72.2 million for the year ended December 2025, compared to net income of $60.6 million for the year ended December 2024. The increase in net income for the year ended December 2025 was driven by the sale of Taxi Medallion assets and increases in both net interest income and non-interest income, partially offset by an increase in non-interest expense.

The returns on average shareholders’ equity and average total assets for the year ended December 2025 were 17.05% and 2.84%, respectively, compared to 16.62% and 2.52%, for the year ended December 2024, respectively. The return on average shareholders' equity increase for the year ended December 2025 was primarily driven by the increase in net income, and partially offset by an increase in average equity resulting from the Series G Preferred Stock issuance. The increase in return on average total assets was driven by the sale of Taxi Medallion assets and net income growth that outpaced loan portfolio expansion, due in part to interest income growth, increased Strategic Partnership Program fees and gain on the sale of Recreation loans in the year ended December 2025.

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Interest income	$ 298,279	$ 275,220
Interest expense	80,365	70,509
Net interest income	217,914	204,711
Provision for credit losses	81,209	75,845
Net interest income after provision for credit losses	136,705	128,866
Non-interest income	18,347	2,134
Non-interest expense	55,694	49,794
Earnings before provision for income taxes	99,358	81,206
Provision for income taxes	27,172	20,624
Net income	$ 72,186	$ 60,582

Other Financial and Statistical Data

The table below presents our selected other financial and statistical data for the years ended December 2025 and 2024:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Equity to assets	17.21%	15.00%
Total loan receivables	$ 2,427,458	$ 2,249,614
Allowance for credit losses as a % of period-end loan receivables		
Recreation	5.32%	5.00%
Recreation Allowance	$ (85,956)	$ (71,102)
Home Improvement	2.41%	2.48%
Home Improvement Allowance	$ (19,563)	$ (20,536)
30+ days past due as a % of period-end loan receivables		
Recreation	5.93%	5.95%
Home Improvement	1.05%	1.12%
Asset quality ratios		
Gross nonperforming loans to total gross loans	0.61%	0.54%
Allowance for credit losses to gross nonperforming loans	724.07%	772.40%

Average Balance Sheet

The following tables provide average balance sheet details for the periods indicated, which are used in the discussion of interest income, interest expense and net interest income that follows:

	As of and for the Year Ended December 31,								
	2025			2024			2023		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
	(dollars in thousands)								
Assets[1]									
Interest-earning assets									
Interest-earning cash and cash equivalents	$ 904	$ 14	1.55%	$ 1,250	$ 19	1.52%	$ 1,250	$ 19	1.52%
Federal funds sold	108,684	3,686	3.39	100,246	3,789	3.78	80,878	3,130	3.87
Securities available for sale	59,909	2,604	4.35	55,004	2,447	4.45	52,065	1,978	3.80
Equity securities	1,760	54	3.07	1,745	51	2.92	1,720	44	2.56
Taxi Medallion assets	—	190	—	—	—	—	—	—	—
Loans held for sale	82,238	10,883	13.23	—	—	—	—	—	—
Loan receivables									
Recreation	1,495,245	200,224	13.39	1,463,938	194,131	13.26	1,283,435	167,765	13.07
Home Improvement	810,642	80,624	9.95	785,237	74,036	9.43	709,864	62,703	8.83
Taxi Medallion[2]	—	—	—	1,074	255	23.74	3,194	655	20.51
Other	—	—	—	4,156	492	11.84	3,101	373	12.00
Total loan receivables	2,305,887	280,848	12.18	2,254,405	268,914	11.93	1,999,594	231,496	11.58
Allowance for credit losses	(96,650)			(85,436)			(72,687)		
Net loan receivables	2,209,237			2,168,969			1,926,907		
Non-interest-earning assets									
Cash and due from banks	779			516			380		
Accrued interest receivable	15,763			13,514			13,016		
Repossessed inventory – Recreation	2,418			1,668			1,499		
Repossessed inventory – Taxi Medallion	9,178			11,941			16,712		
Other assets held in bankruptcy	969			1,800			1,800		
Deferred and other tax assets, net	14,336			13,164			11,201		
Other assets	36,790			33,103			28,723		
Total assets	$ 2,542,965			$ 2,402,920			$ 2,136,151		
Interest-bearing liabilities									
Interest-bearing deposit accounts	$ 2,048,980	$ 80,311	3.92%	$ 1,969,548	$ 70,363	3.57%	$ 1,759,568	$ 47,767	2.71%
Borrowings	21,154	54	0.26	20,385	146	0.72	2,923	18	0.62
Total interest-bearing liabilities	$ 2,070,134	$ 80,365	3.88%	1,989,933	$ 70,509	3.54%	1,762,491	$ 47,785	2.71%
Non-interest-bearing liabilities									
Accrued interest payable	4,143			4,479			2,553		
Other liabilities	19,223			18,394			16,960		
Due to affiliates	605			659			631		
Dividends payable	2,833			2,412			2,105		
Taxes payable	22,532			22,435			26,453		
Shareholders' equity	423,495			364,608			324,958		
Total liabilities and equity	$ 2,542,965			$ 2,402,920			$ 2,136,151		
Interest rate spread			7.77%			7.86%			8.37%
Net interest income		$ 217,914			$ 204,711			$ 188,882	
Net interest margin			8.51%			8.48%			8.84%

(1) Certain prior year amounts have been reclassified for consistency with the current year presentation.
(2) Interest recovered on Taxi Medallion loans that were charged off in prior periods.

	Year Ended December 31, 2025 vs. 2024			Year Ended December 31, 2024 vs. 2023		
	Increase (Decrease) Due to Change In			Increase (Decrease) Due to Change In		
	Average Volume	Average Yield/ Rate	Net Change	Average Volume	Average Yield/ Rate	Net Change
	(in thousands)					
Interest-earning assets:						
Interest earning cash and equivalents	$ (5)	$ —	$ (5)	$ —	$ —	$ —
Federal funds sold	286	(389)	(103)	732	(73)	659
Securities available for sale	213	(56)	157	131	338	469
Taxi Medallion assets	—	190	190	—	—	—
Loans held for sale	10,883	—	10,883	—	—	—
Loan receivables:						
Recreation	4,193	1,900	6,093	23,936	2,430	26,366
Home Improvement	2,527	4,061	6,588	7,107	4,226	11,333
Taxi Medallion	—	(255)	(255)	(521)	130	(391)
Other	—	(492)	(492)	123	(12)	111
Total loan receivables	6,720	5,214	11,934	30,645	6,774	37,419
Change in interest income from total interest-earning assets	$ 18,097	$ 4,769	$ 22,866	$ 31,508	$ 7,039	$ 38,547
Interest-bearing liabilities:						
Interest-bearing deposit accounts	3,113	6,835	9,948	7,502	15,095	22,597
Borrowings	2	(94)	(92)	125	3	128
Change in interest expense from total interest-bearing liabilities	3,115	6,741	9,856	7,627	15,098	22,725
Total change in net interest income	$ 14,982	$ (1,972)	$ 13,010	$ 23,881	$ (8,059)	$ 15,822

Net Interest Income

Net interest income is the difference between interest earned on assets and interest incurred on liabilities, and typically constitutes a substantial majority of our total revenue. For the year ended December 2025, net interest income was $217.9 million, compared to $204.7 million for the year ended December 2024. The following sections provide a description of the component parts of net interest income:

Interest Income

Interest income is comprised of interest and fees on loans, which includes discounts paid by dealers, contractors and FSPs to compensate us for all or part of the promotional financing provided to their customers, and interest on cash and cash equivalents and investment securities. We include interest and fees on loans and any past due interest and fees deemed to be collectible in interest income. Fees on loans and certain direct loan origination costs are deferred and amortized over the expected life of the loan to better match income and expense in accordance with GAAP. Both fees and costs are captured in interest and fees on loans, with fees increasing yield and costs decreasing yield. See Note 1. "Organization and Summary of Significant Accounting Policies" in the annual audited financial statements included elsewhere in this Form 10-K for additional information on our revenue recognition policy for interest income.

Interest income increased by $23.1 million, or 8.38%, for the year ended December 2025, compared to the year ended December 2024, due primarily to higher yields in our Recreation and Home Improvement loan portfolios and growth in the Recreation loan portfolio.

The yield on our average loans outstanding increased to 12.18% for the year ended December 2025, compared to 11.93% for year ended December 2024. The rising yield was due to increases in the average interest rates on new loans originated for both Recreation and Home Improvement loans, particularly in the first half of 2025, as well as growth in the proportion of the higher yielding Recreation loan portfolio.

The yield we earn on our loans is a function of the rates we are able to charge on those loans, which are governed, to an extent, by the overall interest rate environment. The Federal Reserve's decision to decrease its policy rate by 100 basis points in 2024, and by 75 basis points in 2025, as well as the market's sentiment on the timing of those and future decisions, may have an impact on the rates we are able to charge on new loan originations. Likewise, the cost of new borrowings, particularly deposits, is also tied to the market sentiment of the timing of future interest rate decisions. To the extent that further interest rate decreases are anticipated, and to the extent those policy rates translate into market rate changes, we could expect a decrease in both the rate charged on new loan originations as well as a decrease in the cost of newly issued borrowings.

Interest Expense

Interest expense increased by $9.9 million, or 13.98%, for the year ended December 2025, compared to the year ended December 2024, driven by an increase in our overall cost of funds. Our average cost of funds increased to 3.88% for the year ended December 2025, compared to 3.54% for the year ended December 2024, mostly due to increases in the interest rates paid on newly issued deposits compared to maturing deposits, reflecting the current higher interest rate environment relative to historical lows.

Provision for Credit Losses

Our provision for credit losses was $81.2 million for the year ended December 2025, compared to $75.8 million for the year ended December 2024, an increase of $5.4 million, or 7.07%. The increase was primarily due to portfolio growth, a non-recurring $2.6 million charge to reclassify Recreation loans from held for sale to loans receivable, lower net recoveries on our Taxi Medallion asset portfolio, and an increase in delinquency for Recreation loans, partially offset by decreases in Home Improvement charge-offs and delinquency. The benefit for credit losses for Taxi Medallion loans for the year ended December 2025 was $2.9 million, compared to $5.6 million for the year ended December 2024.

Recreation and Home Improvement Loan Provisions

The provision for Recreation loans for the year ended December 2025 was $73.9 million, compared to $68.0 million for the year ended December 2024. The increase in Recreation loan provision was due to an increase in delinquency and net charge-offs in 2025 compared to 2024, portfolio growth, and a non-recurring $2.6 million charge to reclassify Recreation loans from loans held for sale to loans receivable. The provision for Home Improvement loans for the year ended December 2025 was $10.2 million, compared to $13.5 million for the year ended December 2024. The decrease in Home Improvement provision was due to the improving credit losses and the effects of a smaller loan portfolio on the required allowance for credit losses.

Periodically, we update our allowance model assumptions based on prior experience. In the fourth quarter of 2025, we updated our prepayment speed assumptions and calculation method, transitioning from a pooled analysis to a loan-level approach, which increased modeled prepayment speeds and had the effect of decreasing the allowance for credit losses for both Recreation and Home Improvement loans, and had a consistent impact on provisions. Earlier in 2025, we revised our assumptions to include a redevelopment of our macroeconomic factor model, which increased the allowance's sensitivity to unemployment, the consumer price index, and labor force participation. We also further segmented the Recreation loan portfolio by credit risk and further segmented the Home Improvement portfolio by product type. These adjustments had the effect of increasing the allowance for credit losses for both Recreation and Home Improvement loans, which had consistent effects on the provisions for credit losses.

Our quantitative loss rate calculation increased 25 basis points for Recreation loans and decreased 7 basis points for Home Improvement loans in December 2025, compared to December 2024. The increase for Recreation loans was largely a result of increases in delinquency and net charge-offs, as well as the change to our macroeconomic factor model, while the decrease in Home Improvement was due to improving delinquency and loss, and changes in the composition of the loan portfolio. Our qualitative loss factor rates increased 9 basis points for Recreation loans and was unchanged for Home Improvement loans in the period ended December 2025, compared to December 2024, associated with management's assessment of the adequate reserve level for the portfolios.

For additional information about the provision for credit losses and the allowance, see the discussion of asset quality and the allowance for credit losses below, as well as in Note 3. “Loans and Allowance for Credit Losses” in the annual audited financial statements included elsewhere in this Form 10-K.

Non-Interest Income

For the year ended December 2025, non-interest income was $18.3 million, compared to $2.1 million for the year ended December 2024. The increase for the year ended December 2025 was due primarily to a gain realized from the sale of the Bank’s remaining Taxi Medallion assets to an MFIN affiliate in the fourth quarter of 2025, a gain realized from the sale of Recreation loans in April 2025 and an increase in Strategic Partnership Program fee income.

Non-Interest Expense

Non-interest expense was $55.7 million for the year ended December 2025, compared to $49.8 million for the year ended December 2024. The increase for the year ended December 2025 was due primarily to an increase in our salary and benefits costs (which reflected an increase in our headcount to 142 employees as of December 2025, compared to 135 employees as of December 2024), higher depreciation and amortization expense associated with the replacement of our aging loan servicing system, and higher professional fees. Our employee growth has largely been a function of preparing for expected future volume and asset growth, and investing in risk management activities.

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Salaries and benefits	$ 21,809	$ 19,985
Loan servicing	12,711	12,248
Collection costs	6,541	6,095
Insurance including FDIC assessment	4,075	4,397
Professional fees	2,365	1,694
Information technology	1,526	1,186
Depreciation and amortization	2,339	587
Occupancy and equipment	644	580
Advertising	343	356
Other	3,341	2,666
Total	$ 55,694	$ 49,794

Transactions with Affiliates

We benefit from services we receive from MFIN and certain other affiliates. In 2010, MFIN formed Medallion Servicing Corp. ("MSC") to provide loan servicing, collection and other customer services to the Bank pursuant to a loan servicing agreement. Until the fourth quarter of 2025, MSC's services to the Bank included support related to the liquidation of our Taxi Medallion assets, loans in the process of foreclosure, and certain other assets; however, following the sale of the Bank's remaining Taxi Medallion assets, the Bank no longer utilizes MSC for these services. We also receive certain corporate services, including human resources and legal support, from MFIN pursuant to a corporate services agreement. Costs related to human resources services will depend on the number of employees at the Bank, and costs for legal support will vary from period to period depending on the projects active at the time. As of December 2025 and December 2024, the Bank held a $100,000 collateral deposit due to MFIN.

In the year ended December 2025, we compensated MFIN for loan servicing in the amount of $1.0 million, which was a decrease of $0.5 million over the related compensation in the year ended December 2024. This decrease was due to a decline in servicing and collection activity associated with Taxi Medallion assets and the cessation of those activities following the sale of our Taxi Medallion assets to an MFIN affiliate on October 1, 2025, followed by the termination of our servicing agreement on February 18, 2026. We compensated MFIN in the amount of $0.5 million for corporate services in the year ended December 2025, an increase of $0.1 million compared to the related compensation in the year ended December 2024.

Provision for Income Taxes

Our income tax expense reflects management's best estimate of current and future taxes to be paid. In projecting future taxable income, we begin with historical results and incorporate assumptions about the amount of future state and federal operating income. These assumptions about future taxable income require judgment and are consistent with the plans we use to manage our segments.

As a consolidated entity with MFIN for tax purposes, the Bank makes its estimated federal tax payments to MFIN instead of directly to the Internal Revenue Service. The Bank makes some of its state tax payments directly to states to which it has an obligation and some on a consolidated basis with MFIN. Under a Tax Sharing Agreement between the Bank and MFIN, the Bank paid MFIN $20.6 million in 2025 associated with its federal and state tax obligations.

In the year ended December 2025, we recognized income tax expense of $27.2 million compared to $20.6 million in the year ended December 2024. Our effective income tax rates for the years ended December 2025 and 2024, were 27.3% and 25.4%, respectively. The increase in our 2025 effective tax rate was due to a 2023 tax benefit true-up of $1.7 million included in 2024 and additional state taxes paid in 2025 compared to 2024.

Segment Results

Based on our internal operating structure, we determined our operations are organized into three reportable segments representing our two core businesses – Recreation Lending and Home Improvement Lending – and an Other segment. As we grow and develop our Strategic Partnership Program, which is currently included within our Other segment, we will monitor our segment composition for sufficiency.

Our Recreation Lending segment is a consumer finance business that works with third-party dealers and FSPs for the purpose of financing RVs, boats and other consumer recreational equipment. The Home Improvement Lending segment is a consumer finance business that works with contractors and FSPs in order to finance residential home improvements. The Other segment consists of our remaining operations, including activities related to our Strategic Partnership Program, Taxi Medallion assets, and other loans. The primary factors considered in determining the reportable segments for our core businesses include the nature of the underlying collateral financed, the resources used to provide the products and services to our dealers, contractors, FSPs and Strategic Partners, and our internal operating structure.

The segment information reported is based on the "management approach" as described in ASC 280. The Bank's segment results are intended to reflect each segment as if it were a stand-alone business. Management's accounting process uses various estimates and allocation methodologies to measure the performance of each segment. To establish the financial performance for each segment, the Bank allocates funding costs and certain non-interest expenses to each segment, as applicable.

As a consolidated subsidiary of MFIN, the Bank's assets, liabilities, results of operations and cash flows are reflected in MFIN's consolidated financial statements. Financial information relating to the Bank in the Bank's disclosures, including this Form 10-K, may not be comparable to financial information about the Bank in MFIN's SEC filings because of intercompany assets, liabilities, revenues and expenses between the Bank, on the one hand, and MFIN and MFIN's other consolidated subsidiaries, on the other hand, that are eliminated in consolidation, as well as methodological differences in segment disclosures. The methodological differences in segment disclosures reflect differences in the assets, liabilities, revenues, expenses and activities of the Bank, on a standalone basis, and MFIN, on a consolidated basis.

Recreation Lending

The Recreation Lending segment has historically been a return-oriented prime and non-prime consumer finance business which is a significant source of income for the Bank, accounting for 70% of our interest income for the year ended December 2025, and 71% for the year ended December 2024. The loans are secured primarily by RVs, boats and collector cars.

	Year Ended December 31, 2025	Year Ended December 31, 2024
	(dollars in thousands)	
Gross interest income	$ 223,974	$ 207,633
Amortization of loan origination costs[1]	(14,653)	(13,502)
Non-interest income	1,937	756
Interest expense	(47,236)	(41,762)
Provision for credit losses	(73,908)	(67,994)
Servicing fees	(12,760)	(12,038)
Salaries	(11,084)	(10,815)
Direct	(2,890)	(1,840)
Overhead	(7,451)	(6,042)
Net income before taxes	$ 55,929	$ 54,396
Average outstanding assets	$1,566,133	$1,463,938
(as a % of average outstanding assets)		
Gross interest income	14.30%	14.18%
Amortization of loan origination costs[1]	(0.94)	(0.92)
Non-interest income	0.12	0.05
Interest expense	(3.02)	(2.85)
Provision for credit losses[2]	(4.72)	(4.64)
Servicing fees	(0.81)	(0.82)
Salaries	(0.71)	(0.74)
Direct	(0.18)	(0.13)
Overhead	(0.48)	(0.41)
Net income before taxes	3.57	3.72

(1) Includes amortization of loan origination costs for loans and loans held for sale.
(2) Provision for credit losses as a % of average loans outstanding was 4.94% for the year ended December 2025.

Net income before taxes increased to $55.9 million in the year ended December 2025 from $54.4 million for the year ended December 2024, primarily due to an increase in loan interest income resulting from growth in loans, a gain resulting from the sale of Recreation loans in April 2025, partially offset by an increase in provision expense and increased interest expense.

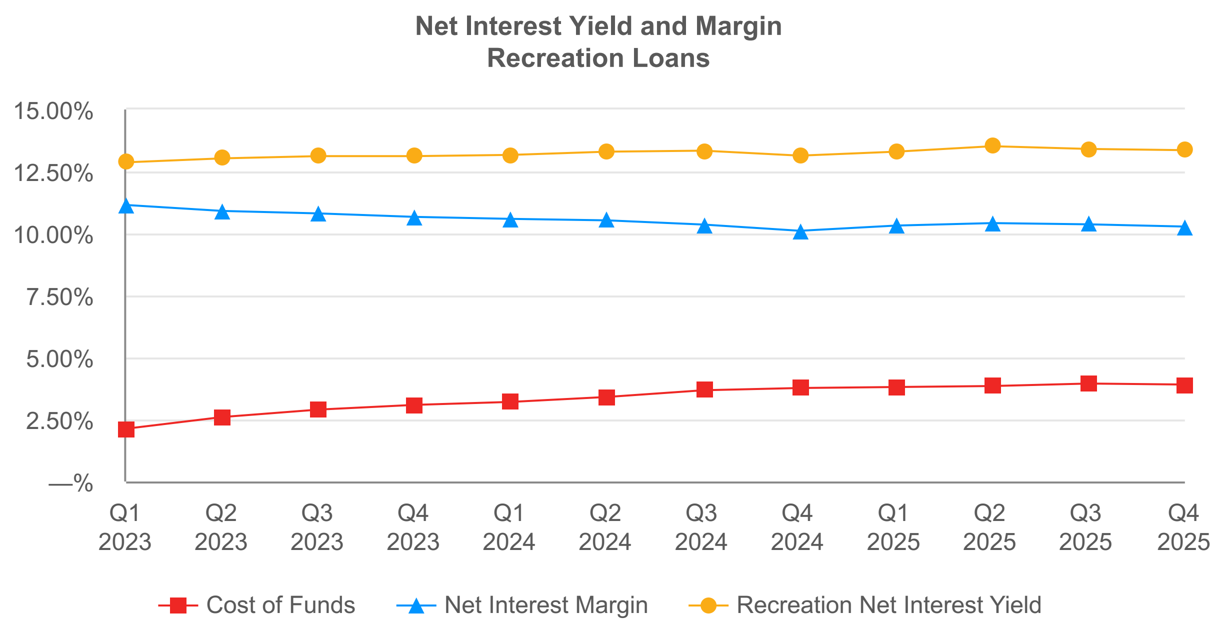
During the year ended December 2025, we originated $468.5 million of Recreation loans, a decrease of $58.2 million from the year ended December 2024. The decrease in the year ended December 2025 was driven by a decline in loan applicant quality, and management's efforts to manage loan performance and asset growth, primarily in the first half of 2025. The increase in origination volumes the second half of 2025 reflects the impact of the capital raised in our Series G Preferred Stock offering in May 2025 on our lending capacity. In the table below are the quarterly loan originations for the last two years:

	2025	2024
	(in thousands)	
Q1	$ 86,833	$ 105,765
Q2	142,789	209,563
Q3	141,667	139,105
Q4	97,178	72,201

In addition to offering prime credit financing, we specialize in helping recreation product dealers finance customers with past credit challenges, which include bankruptcy, tax liens, collections and other credit issues. As of December 2025 and 2024, the weighted average origination FICO scores of our loans outstanding were 686 and 683 for this portfolio, respectively. The weighted average FICO scores at the time of origination for the loans funded in the years ended December 2025 and 2024 were 688 and 686, respectively. Management uses weighted average FICO scores as an indicator of portfolio risk. Due to our use during underwriting of custom credit scoring models that we believe more effectively assess credit risk than FICO scores alone, weighted average FICO scores alone are not a comprehensive assessment of credit risk.

There were no Recreation loans held for sale on the balance sheet as of December 2025. During the fourth quarter of 2025, we reclassified $56.2 million of Recreation loans from loans held for sale to loans receivable. All financial comparisons and ratios, such as delinquency and net charge off ratios, related to the loan portfolio exclude loans classified as held for sale and reflect the loan status as of the end of the applicable reporting period. The gross and net interest yield of our Recreation segment assets were 14.30% and 13.36% for the year ended December 2025, respectively, compared to 14.18% and 13.26% for the year ended December 2024, respectively.

Recreation loans represented $1.6 billion, or 67%, of the Bank's loan portfolio as of December 2025, compared to $1.4 billion, or 63%, of the Bank's loan portfolio as of December 2024. The gross and net interest yields of our Recreation loan portfolio were 14.35% and 13.39% for the year ended December 2025, respectively. The Recreation net interest margin was 10.35% for the year ended December 2025, compared to 10.41% for the year ended December 2024. Due to market interest rate increases starting in 2022, our funding costs increased faster than our net interest yields, compressing our net interest margin until recent periods as shown in the chart below.



The Bank maintains relationships with approximately 3,400 dealers and FSPs, not all of which are active at any one time. The ability of FSPs to aggregate the financing and relationship management for many small dealers makes them valuable to the Bank. Management monitors the number of dealers and FSPs and their relative contributions as a means of assessing market share and segment growth. Over time, changes in these metrics will provide investors with information about origination concentration and growth trends in the segment. In the year ended December 2025, 39% of Recreation Lending's new loan originations were from our top ten dealer and FSP relationships, compared to 38% for the year ended December 2024. The percentage of new loan originations by the top ten dealer and FSP relationships is a measure of concentration within the segment, which management uses to determine whether to undertake diversification efforts, and which provides investors with information about origination concentration.

The Recreation loan portfolio consists of tens of thousands of geographically distributed loans with an average loan size of $22,200 as of December 2025. The loans are fixed rate loans with an average term at origination of 14.6 years. The weighted average maturity of our loans outstanding is 11.2 years. See "Loan Portfolios." The loan terms and weighted average maturities aid management in making appropriate funding type and maturity decisions and provide investors with information about the characteristics of our loan portfolio and asset-liability management activities. Recreation loans are made to borrowers residing in all fifty states, with the highest concentrations in Texas and Florida at 17% and 10% at December 2025, respectively, compared to concentrations in Texas and Florida at 16% and 10% of loans outstanding at December 2024, respectively, and with no other states over 10%. Recreation loans are secured primarily by RVs, boats and collector cars, with RV loans making up 54% of the portfolio, boat loans making up 22% of the portfolio, and collector cars making up 13% of the portfolio at December 2025, compared to 55%, 20% and 11%, at December 2024, respectively, with no other collateral types over 10%. The percentages of new loan originations by state and by collateral type provide management and investors with information about concentration exposures, which management uses to monitor concentrations and determine whether to undertake diversification efforts.

Our Recreation Lending net charge-offs for the year ended December 2025 were $59.1 million, or 3.95% of average loans outstanding, compared to $54.4 million, or 3.72%, for the year ended December 2024. The increase in net charge-offs in our Recreation Lending segment in the year ended December 2025 was due to relative declines in credit performance, particularly for RV loans.

Our Recreation Lending provisions for credit losses for the year ended December 2025 were 4.72% of average loans outstanding, compared to provisions for credit losses of 4.64% for the year ended December 2024. The increase from the year ended December 2024 to December 2025 was largely due to portfolio growth, an increase in delinquencies and charge-offs in the Recreation loan portfolio, and a non-recurring $2.6 million charge to reclassify Recreation loans from held for sale to loans receivable.

We maintain an allowance for Recreation credit losses that was $86.0 million, or 5.32%, of Recreation loans as of December 2025. The recovery rates and typical time periods for repossessing and liquidating the collateral underlying our Recreation loans mitigates our exposure to credit losses in this portfolio. Our practice is to perfect security interests in the underlying collateral, when possible, except when it is impractical given the small size of the loan or collateral perfection requirements in particular states. If state law permits titling of collateral, we typically perfect our interest via the titling process, which designates the Bank as a lien holder on the title for the collateral and thus facilitates the process for repossession under applicable state law. If a UCC filing is the only mechanism to perfect our interest in collateral, we record that UCC filing in state records.

Home Improvement Lending

The Home Improvement Lending segment originates loans secured primarily by window, siding, and roof replacements, and swimming pool installations.

	Year Ended December 31,	
	2025	**2024**
	(dollars in thousands)	
Gross interest income	$ 76,507	$ 69,749
Accretion of loan origination fees	4,117	4,287
Non-interest income	12	11
Interest expense	(26,416)	(23,826)
Provision for credit losses	(10,181)	(13,458)
Servicing fees	(3,061)	(3,263)
Salaries	(7,398)	(7,003)
Direct	(1,189)	(629)
Overhead	(4,203)	(3,344)
Net income before taxes	$ 28,188	$ 22,524
Average outstanding assets	$ 810,642	$ 785,237
(as a % of average outstanding assets)		
Gross interest income	9.44 %	8.88 %
Accretion of loan origination fees	0.51	0.55
Non-interest income	—	—
Interest expense	(3.26)	(3.03)
Provision for credit losses	(1.26)	(1.71)
Servicing fees	(0.38)	(0.42)
Salaries	(0.91)	(0.89)
Direct	(0.15)	(0.08)
Overhead	(0.52)	(0.43)
Net income before taxes	3.48	2.87

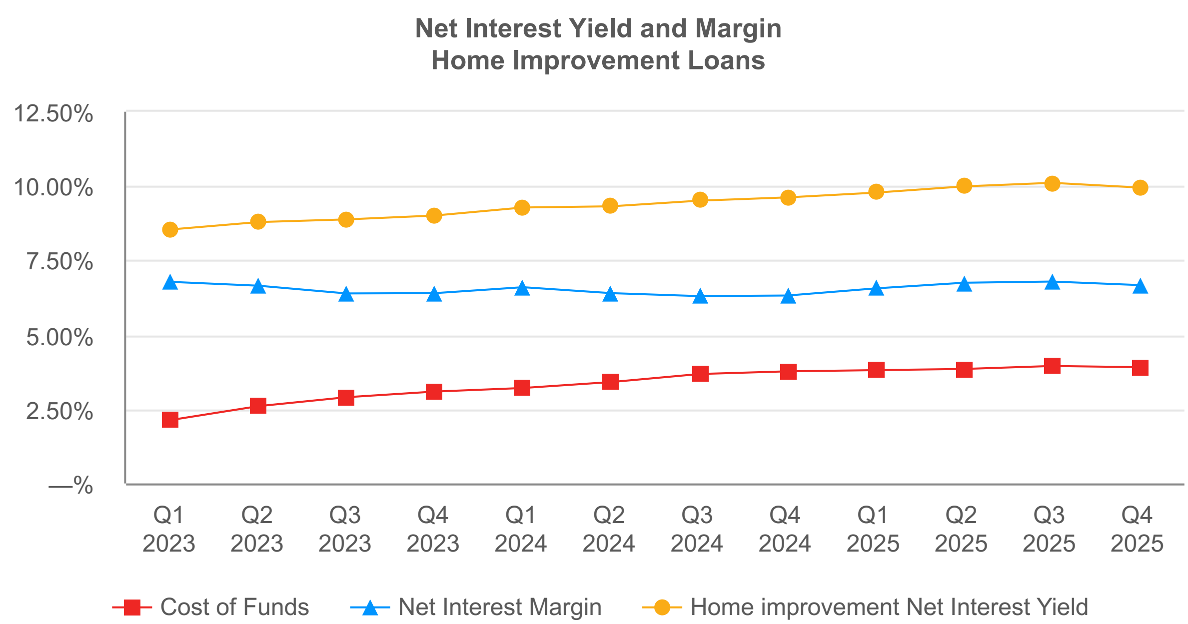
Net income before taxes increased to $28.2 million in the year ended December 2025, from $22.5 million in the year ended December 2024, primarily due to an increase in net interest income and a decrease in provision for credit losses. The decrease in provision for credit losses was due to slowing growth in the loan portfolio and significantly improving delinquency and net charge-offs.

During the year ended December 2025, we originated $224.5 million of Home Improvement loans, a decrease of $74.2 million from the year ended December 2024, driven primarily by management's efforts to manage loan performance by refocusing on originating loans for types of home improvements correlated with strong credit performance. In the table below are the quarterly loan originations for the last two years:

	2025	2024
	(in thousands)	
Q1	$ 48,796	$ 51,576
Q2	54,253	67,990
Q3	59,711	96,545
Q4	61,718	82,531

Home Improvement loans represented $810.2 million, or 33%, of the Bank's loan portfolios as of December 2025, compared to $827.2 million, or 37% of the Bank's loan portfolios as of December 2024. Home Improvement Lending provides us with high-quality assets; the weighted average origination FICO scores of our loans outstanding in this portfolio were 767 as of both December 2025 and 2024. The weighted average FICO scores at the time of origination for the loans funded in the years ended December 2025 and 2024 were 779 and 781, respectively. Management uses weighted average FICO scores as an indicator of portfolio risk. Due to our use of custom credit scoring models during underwriting, which we believe more effectively assess credit risk than FICO scores alone, weighted average FICO scores alone are not a comprehensive assessment of credit risk.

The gross and net interest yield of the Home Improvement Lending portfolio were 9.44% and 9.95% for the year ended December 2025, respectively, compared to 8.88% and 9.43% for the year ended December 2024, respectively. The Home Improvement net interest margin was 6.69% for the year ended December 2025, compared to 6.39% for the year ended December 2024. Due to market interest rate increases starting in 2022, our funding costs increased faster than our net interest yields, compressing our net interest margin until rising in recent periods as shown in the chart below.



The Bank currently has active relationships with approximately 700 contractors and FSPs. Management monitors the number of contractors and FSPs and their relative contributions as a means of assessing market share and segment growth. Over time, changes in these metrics will provide investors with information about origination concentration and growth trends in the segment. In the year ended December 2025, 61% of Home Improvement Lending's new loan originations were from our top ten contractor and FSP relationships, compared to 48% for the year ended December 2024. The Home Improvement loan portfolio is concentrated in swimming pools, roofs and windows at 32%, 28% and 11% at December 2025, respectively, compared to concentrations in swimming pools, roofs and windows at 27%, 36%, and 13% at December 2024, respectively, with no other collateral types over 10%. Home

Improvement loans are made to borrowers residing in all fifty states, with the highest concentrations in Florida and Texas at 14% and 12% as of December 2025, respectively, compared to concentrations in Florida and Texas at 12% and 11% as of December 2024, respectively, and with no other states over 10%. The percentage of new loan originations by the top ten relationships, by collateral type and by state provides management and investors with information about concentration exposures that management uses to determine whether to undertake diversification efforts.

The weighted average maturity of our loans outstanding was 12.6 years as of December 2025 and the average loan size was $22,400. The average loan term at origination is 15.2 years. See "Loan Portfolios." The loan terms and weighted average maturities aid management in making appropriate funding type and maturity decisions and provide investors with information about the characteristics of our loan portfolio and asset-liability management activities.

Our Home Improvement Lending net charge-offs for the year ended December 2025 were $11.2 million, calculated as 1.38% of average loans outstanding, compared to $13.9 million, or 1.78%, for the year ended December 2024. The decrease in net charge-offs for the year ended December 2025 was largely due to improving credit performance across the portfolio and changes in portfolio composition toward higher performing home improvements.

Our Home Improvement Lending provision for credit losses for the year ended December 2025 was 1.26% of average loans outstanding, compared to 1.71% for the year ended December 2024. The decrease in the year ended December 2025 was largely due to improvement in the credit performance across the portfolio as well as slowing portfolio growth.

We maintain an allowance for Home Improvement credit losses that was $19.6 million, or 2.41%, of the Home Improvement loan portfolio as of December 2025. Losses in the Home Improvement loan portfolio are initially gross losses because recoveries are relatively slow, sometimes taking years to realize. This is due to the nature of the UCC fixture filing, which is our means of perfecting the security interest for Home Improvement loans. Recovery is generally realized upon the sale or refinance of the underlying real property. We obtain the right to file a UCC fixture filing in county records for all loans in the security agreement of our loan, but our practice is to record UCC fixture filings at origination for only those loans which finance swimming pool installations, for home improvement projects with large loan amounts, or for borrowers who have relatively low credit scores. We often record UCC fixture filings after origination for loans without perfected collateral that become delinquent. The UCC fixture filing does not give us the right to foreclose, and we do not repossess collateral. Instead, the UCC filing appears in real property records to notify lienholders of our interest in the personal property affixed to that real property.

Other

The Other segment includes activities related to our Strategic Partnership Program and Taxi Medallion assets, as well as cash, investments and net non-interest earning assets.

	Year Ended December 31,	
	2025	2024
	(dollars in thousands)	
Gross interest income	$ 8,334	$ 7,053
Amortization of loan origination costs	—	—
Non-interest income	16,397	1,367
Interest expense	(6,713)	(4,921)
Provision for credit losses	2,880	5,607
Servicing fees	(1,237)	(1,978)
Salaries	(3,327)	(2,167)
Direct	(79)	(81)
Overhead	(1,014)	(594)
Net income before taxes	$ 15,241	$ 4,286
Average outstanding assets	$ 182,607	$ 163,475

Net income before taxes for the Other segment was $15.2 million in the year ended December 2025, compared to a net income before taxes of $4.3 million for the year ended December 2024. The increase was driven by the sale of our Taxi Medallion assets to an affiliate (reflected in non-interest income) and higher interest income, partially offset by higher interest expense and lower net recoveries on our Taxi Medallion asset portfolio.

Previously included in loans within the Other segment was a Taxi Medallion loan portfolio. In December 2024, we determined that our remaining Taxi Medallion loans were indistinguishable from our other Taxi Medallion assets, and we removed them from our loan portfolio and reclassified them as other assets. On October 1, 2025, the Bank sold the remaining balance and off-balance sheet exposure of Taxi Medallion assets to an MFIN affiliate for the agreed upon amount of $12.0 million, as determined by an independent third-party assessment. With the completion of the sale, we will have no loan servicing costs paid to related parties. Our Taxi Medallion net recoveries for the year ended December 2025 were $2.9 million, calculated as 1.58% of average outstanding assets, compared to $5.0 million, and 3.05% for the year ended December 2024.

Effective December 2024, we reclassified all Strategic Partnership loans as held for sale. The segment had no loans receivable at amortized cost and $15.1 million in loans held for sale as of December 2025. The Bank engages in the daily sale of Strategic Partnership loans as part of its ongoing operations.

In the table below are the quarterly Strategic Partnership Program originations for the last two years:

	2025	2024
	(in thousands)	
Q1	$ 136,240	$ 15,746
Q2	168,636	24,287
Q3	208,352	39,919
Q4	258,336	123,675

Loan Portfolios

Loans, which exclude loans held for sale, increased to $2.4 billion as of December 2025, compared to $2.2 billion as of December 2024, driven by Recreation loan portfolio growth, partially offset by a decline in the size of the Home Improvement loan portfolio. Our total loan-to-deposit ratio, which includes federal funds purchased, increased to 113.8% as of December 2025, compared to 105.8% as of December 2024.

	As of December 31, 2025		As of December 31, 2024	
	Amount	%	Amount	%
	(dollars in thousands)			
Loan receivables				
Recreation	$ 1,617,221	66.6%	$ 1,422,403	63.2%
Home Improvement	810,237	33.4	827,211	36.8
Total	$ 2,427,458	100.00%	$ 2,249,614	100.00%

As of December 2025 and December 2024, the Recreation loan portfolio represented 67% and 63% of outstanding loan balances, respectively, while our Home Improvement loan portfolio represented 33% and 37%, respectively.

Because of high prepayment speeds due both to early pay-downs and payoffs, the average life associated with our Recreation and Home Improvement loan portfolios is significantly shorter than the average maturity. The average life of our Recreation loans is projected to be 49 months, while the average life of our Home Improvement loans is projected to be 40 months. The average life of our loans aids management in making appropriate funding type and maturity decisions and provides investors with information about the characteristics of our loan portfolios and asset-liability management activities. Our calculations use the contractual amortization amount plus projected credit losses and monthly prepayment speeds consistent with our experience over the prior 12 months for both portfolios. In the case of Recreation loans, the projected loss assumption is 3.10%, and the prepayment speed assumption is 1.38% per month. For Home Improvement loans, the projected loss assumption is 1.37%, and the prepayment speed assumption is 1.98% per month. For comparison, the average maturities referenced elsewhere in this Form 10-K are based on the contractual terms of the loans in each portfolio.

The following table presents the Bank's contractual years to maturity for our fixed rate and adjustable rate Recreation and Home Improvement loans:

	As of December 31, 2025				
	Years to Maturity				
	Within 1 year	1-5 years	5-15 years	15+ years	Total[1]
			(in thousands)		
Fixed rate					
Recreation	$ 3,865	$ 106,238	$ 1,348,534	$ 103,155	$ 1,561,792
Home Improvement	6,857	208,271	559,248	38,809	813,185
Adjustable rate					
Recreation	$ 292	$ 17	$ —	$ —	$ 309
Home Improvement	—	—	—	—	—
Total gross loans	$ 11,014	$ 314,526	$ 1,907,782	$ 141,964	$ 2,375,286

(1) Amounts exclude net deferred origination costs and fees of $52.2 million.

Credit Quality

For Recreation and Home Improvement loans, we consider the borrower's payment history and current payment performance as leading indicators of credit quality. Recreation and Home Improvement loans are generally considered nonperforming when they become 90 days delinquent based on contractual terms, at which time the accrual of interest income is discontinued, or when otherwise individually evaluated and specifically reserved.

	Gross Performing	Gross Nonperforming	Total[1]
		(in thousands)	
As of December 31, 2025			
Recreation	$ 1,548,827	$ 13,274	$ 1,562,101
Home Improvement	811,886	1,299	813,185
Total	$ 2,360,713	$ 14,573	$ 2,375,286
As of December 31, 2024			
Recreation	$ 1,365,114	$ 10,472	$ 1,375,586
Home Improvement	829,685	1,392	831,077
Total	$ 2,194,799	$ 11,864	$ 2,206,663

(1) Amounts exclude net deferred origination costs and fees of $52.2 million and $43.0 million as of December 2025 and December 2024, respectively.

The increase in the value of gross nonperforming loans as of December 2025 compared to December 2024 was due to deterioration in credit performance for Recreation loans, partially offset by improvements in credit performance for Home Improvement loans.

During the year ended December 2025, 64% of our Recreation loans originated were prime receivables and 36% were non-prime receivables with obligors who do not qualify for conventional consumer finance products as a result of, among other things, adverse credit histories. Since our historical competitive advantage includes the origination of non-prime Recreation loans, we do not currently expect the percentage of non-prime receivables with respect to Recreation loans at origination to decrease significantly from current levels. The table below shows non-prime loan originations as a percentage of total loan originations for Recreation loans.

Recreation Loans

Year Ended	Total Originations	Non-prime Originations	Non-prime %
	(dollars in thousands)		
2025(1)	$ 468,467	$ 169,498	36 %
2024	526,634	185,334	35
2023	447,039	152,045	34
2022	513,062	180,697	35
2021	441,911	130,296	30

(1) Includes originations through December 31, 2025.

During the year ended December 2025, more than 99% of our Home Improvement loans originated were prime receivables and less than 1% were non-prime receivables with obligors who have adverse credit histories. Management uses Home Improvement loans as a prime credit offset to non-prime Recreation loans, increasing or decreasing the overall mix of non-prime loans on the balance sheet. The table below shows non-prime loan originations as a percentage of total loan originations for Home Improvement loans.

Home Improvement Loans

Year Ended	Total Originations	Non-prime Originations	Non-prime %
	(dollars in thousands)		
2025(1)	$ 224,478	$ 65	*
2024	298,642	586	*
2023	357,394	3,094	1
2022	392,543	5,068	1
2021	258,049	4,034	2

(1) Includes originations through December 31, 2025.
(*) Less than 1%

Nonperforming Assets

Nonperforming assets include nonperforming loans as well as other repossessed assets. Loans are generally placed on nonaccrual status, making them nonperforming loans, upon becoming 90 days past due. At the time a loan is placed on nonaccrual status, the accrued but uncollected interest receivable is reversed and accounted for on a cash basis or cost recovery basis, until qualifying for return to accrual status.

	As of December 31,	
	2025	2024
	(dollars in thousands)	
Loans on nonaccrual:		
Recreation	$ 13,274	$ 10,472
Home Improvement	1,299	1,392
Total	$ 14,573	$ 11,864
Other repossessed inventory - Recreation	$ 2,589	$ 1,993
Other repossessed inventory - Taxi Medallion	—	1,333
Other remarketed assets, net	—	5,959
Other assets held in bankruptcy	—	1,800
Total nonperforming assets	$ 17,162	$ 22,949
Asset quality ratios:		
Total gross nonaccrual loans to total loans	0.60%	0.53%
Total nonperforming assets to total assets	0.66%	0.90%
Allowance for credit losses to gross nonaccrual loans	724.07%	772.40%
Allowance for credit losses to total loans	4.35%	4.07%

Our repossessed and net remarketed assets as of December 2025 and December 2024 were $2.6 million and $9.3 million, respectively. The decrease was driven by the sale of the remaining balance sheet exposure of Taxi Medallion assets.

Delinquencies

Loan delinquencies of 30 days or more as a percentage of period-end loan balances outstanding increased slightly to 4.26% as of December 2025, compared to 4.25% as of December 2024. The 1 basis point increase was driven by increased Recreation loan delinquencies, mostly offset by decreased Home Improvement loan delinquencies as credit performance improved in recent loan vintages.

	Current	30-59	60-89	90+	Total[(1)]
			(in thousands)		
As of December 31, 2025					
Recreation	$ 1,469,444	$ 56,911	$ 22,890	$ 12,856	$ 1,562,101
Home Improvement	804,627	4,891	2,367	1,300	813,185
Total	$ 2,274,071	$ 61,802	$ 25,257	$ 14,156	$ 2,375,286
As of December 31, 2024					
Recreation	$ 1,291,023	$ 54,169	$ 20,376	$ 10,018	$ 1,375,586
Home Improvement	821,852	5,407	2,432	1,386	831,077
Total	$ 2,112,875	$ 59,576	$ 22,808	$ 11,404	$ 2,206,663

(1) Amounts exclude net deferred origination costs and fees of $52.2 million and $43.0 million as of December 2025 and December 2024, respectively.

Net Charge-Offs

Net charge-offs consist of the unpaid principal balance of loans that we determine are uncollectible, net of recovered amounts. For loans with tangible collateral that we repossess with intent to sell, charge-offs are also net of the estimated fair value of that collateral minus disposition costs. We exclude accrued and unpaid finance charges and fees from recorded charge-off amounts. Instead, charged off and recovered finance charges and fees are included in interest and fees on loans.

Charge-offs are recorded as a reduction to the allowance for credit losses, and subsequent recoveries of previously charged off amounts are credited to the allowance for credit losses. Costs incurred to recover charged off loans are recorded as collection expense and included in other expense in our statements of comprehensive income.

	Year Ended December 31,	
	2025	2024
Recreation	3.95%	3.72%
Home Improvement	1.38%	1.78%
Taxi Medallion[1]	(1.58%)	(453.17%)
Other	—%	(0.22%)

(1) Negative percentage indicates a recovery. In the year ended December 2025, we had recoveries of prior period Taxi Medallion loan charge-offs but no longer carry any Taxi Medallion loans for the calculation denominator, and therefore the calculation uses average total assets.

Our net charge-offs during the year ended December 2025 increased to $67.3 million, compared to $63.5 million in the year ended December 2024. The increase in net charge-offs during the year ended December 2025 was largely due to elevated loan losses in the Recreation portfolio and partly offset by falling loan losses in the Home Improvement portfolio. We recorded $2.9 million in total net Taxi Medallion-related recoveries for the year ended December 2025, compared to $4.9 million for the year ended December 2024.

Allowance for Credit Losses

The allowance is maintained at a level estimated by management to absorb current expected credit losses in the loan portfolios and is based on management’s continuing evaluation of the portfolio, the related credit characteristics, loan prepayment and other cash flow-related behaviors, and macroeconomic factors affecting the portfolios. As of December 2025 and December 2024, our allowance for credit losses ("ACL") totaled $105.5 million and $91.6 million, which represented 4.35% and 4.07% of total loans, respectively. The increase in the size of the allowance as of December 2025 was primarily driven by asset growth and credit losses in the Recreation portfolio and additional qualitative factors associated with management's assessment of the adequate reserve level for the portfolios, partially offset by improving delinquencies in the Home Improvement loan portfolio.

For a summary of our accounting methodologies relating to the allowance for credit losses, see the Allowance for Credit Losses section of our significant accounting policies in Note 1. "Organization and Summary of Significant Accounting Policies" in the annual audited financial statements included elsewhere in this Form 10-K.

	As of December 31, 2025				As of December 31, 2024			
	Loan Amount	% of Total Loans	Allowance Amount	Allowance as a % of Loan Amount	Loan Amount	% of Total Loans	Allowance Amount	Allowance as a % of Loan Amount
	(dollars in thousands)							
Loan receivables:								
Recreation	$1,617,221	66.6%	$ 85,956	5.3%	$1,422,403	63.2%	$ 71,102	5.0%
Home Improvement	810,237	33.4	19,563	2.4	827,211	36.8	20,536	2.5
Total	$2,427,458	100.00%	$ 105,519	4.3%	$2,249,614	100.00%	$ 91,638	4.1%

	Year Ended December 31,	
	2025	2024
	(dollars in thousands)	
Beginning balance - ACL	$ 91,638	$ 79,283
Charge-offs:		
Recreation	$ 75,486	$ 69,349
Home Improvement	16,577	18,035
Taxi Medallion	—	120
Other	—	—
Total	$ 92,063	$ 87,504
Recoveries:		
Recreation	$ 16,432	$ 14,924
Home Improvement	5,423	4,094
Taxi Medallion	2,880	4,987
Other	—	9
Total	$ 24,735	$ 24,014
Net charge-offs	$ 67,328	$ 63,490
Provision	$ 81,209	$ 75,845
Ending balance - ACL	$ 105,519	$ 91,638
Ratios:		
ACL to total loans	4.35%	4.07%
Net charge-offs to average loans	2.92%	2.82%

Funding, Liquidity and Capital Resources

Our funding, liquidity and capital policies are designed to ensure that the Bank has the liquidity and capital resources to support our daily operations, our expected business growth, potential risks associated with our lending activities, and our regulatory and policy requirements in a cost-effective and prudent manner through expected and unexpected market environments. The table below presents the components of our sources of funding:

	For the Year Ended December 31, 2025			For the Year Ended December 31, 2024		
	Average Balance	%	Average Rate	Average Balance	%	Average Rate
	(dollars in thousands)					
Interest-bearing deposit accounts(1)	$2,048,980	98.98%	3.92%	$ 1,969,548	98.98%	3.57%
Borrowings	21,154	1.02	0.26	20,385	1.02	0.72
Total interest-bearing liabilities	$2,070,134	100.00%	3.88%	$ 1,989,933	100.00%	3.54%

(1) Certain prior year amounts have been reclassified for consistency with the current year presentation.

The increase in the average interest rate on interest-bearing deposits from 3.57% for the year ended December 2024 to 3.92% for the year ended December 2025 was primarily due to increases in interest rates paid on new deposits compared to rates on maturing deposits.

Deposits

We obtain substantially all of the funding for our business through time certificates of deposit in amounts less than or equal to the current FDIC deposit insurance coverage limit of $250,000, originated nationally through a variety of deposit broker relationships. Brokered deposits typically offer a low-cost and operationally efficient source of funding compared to credit facilities and other funding sources utilized by non-bank lending businesses. Except in the case of death or adjudicated incapacity, brokered deposits may not be withdrawn prior to maturity, which aids us in the management of our liquidity position. In October 2020, we began to originate time deposits through internet listing services. These deposits are from other organizations, primarily financial institutions and, as of December 2025 and December 2024, we had $17.2 million and $10.4 million in listing service deposits, respectively. Under our banking charter, we are not authorized to accept demand deposits, but we are able to offer savings accounts. During 2023, we began offering retail savings deposits through a third-party service provider, which had a balance of $3.7 million, or 0.18% of our total deposits, as of December 2025. Retail savings deposits, while improving our deposit diversity, may be withdrawn by depositors with few limitations. We do not currently plan for these deposits to be a significant percentage of our overall deposits, though we may increase our offering of retail savings deposits in the event of a return to a more traditional market yield curve.

We monitor the term, maturity schedule and concentrations of our brokered and listing service time deposits to manage our funding risk, and we regularly assess the Bank's liquidity position through stress tests. As of December 2025 and December 2024, the weighted average maturity of our time certificates of deposit was 688 days and 609 days, respectively. The increase was driven by the extension of deposit maturities as we reestablished a match-funded position following the Recreation loan sale in April 2025. As a policy, we maintain a minimum of eight active deposit broker relationships, which is intended to ensure that our funding is stable and consistent.

Our ability to use brokered deposits to fund our business is subject to the capitalization requirements set forth in the FDIC's regulatory framework. A bank may not accept or renew brokered deposits unless it is "Well Capitalized," or it is "Adequately Capitalized" and receives a waiver from the FDIC. A bank that is "Adequately Capitalized" and accepts or renews brokered deposits is subject to additional restrictions on the interest rates it may offer. There are no such restrictions under the FDIA on a bank that is "Well Capitalized." As described below, we seek to maintain our capital ratios well above the quantitative thresholds for "Well Capitalized" status.

Short-Term Borrowings

Our short-term borrowings consist of unsecured federal funds lines offered by our correspondent banks, and a secured Federal Reserve discount window facility, to address temporary funding needs when it is not necessary or feasible to acquire time certificates of deposit through our network of brokers. The unsecured federal funds lines are accommodations that can be terminated at any time for any reason. As of both December 2025 and December 2024, we had two active unsecured federal funds lines with credit limits of $35.0 million and $40.0 million. As of December 31, 2025 and December 31, 2024, the Bank had a secured Federal Reserve discount window facility with credit availability of approximately $292.9 million and $101.4 million, respectively, which gave us a total of $367.9 million and $176.4 million in short-term borrowing capacity, respectively. The discount window facility is not committed, and any borrowings by the Bank from the discount window facility are at the discretion of the Federal Reserve. On January 13, 2026, approximately $1 billion of Recreation loans, in addition to the previously-pledged Home Improvement loans, were pledged as secured collateral to the Federal Reserve discount window facility, increasing the total loans pledged to just under $1.6 billion. As of January 31, 2026, the advance rate was 57%, with a total borrowing line of credit of approximately $900 million.

As of December 2025 and December 2024, $50.0 million and $35.0 million was drawn against the Federal Reserve discount window facility, respectively. The unsecured federal funds line was undrawn as of December 2025.

Liquidity

We seek to ensure that we have adequate liquidity to sustain business operations, fund asset growth and meet regulatory expectations under normal and stress conditions. We maintain policies outlining the overall framework and general principles for managing liquidity risk, which is the responsibility of our Asset and Liability Management Committee. Those policies include a general strategy of matching maturities of deposits and loans, maintaining cash and securities at a minimum of 5% of total assets, and ensuring consistent access to a variety of funding sources. On a regular basis, we perform liquidity stress testing and contingency planning as part of our liquidity management process. During such tests, we evaluate a range of stress scenarios including Bank-specific and systemic events that could impact funding sources and our ability to meet liquidity needs.

We maintain a portfolio of cash and investment securities for liquidity purposes, which as of December 2025 and December 2024 had $207.6 million and $181.0 million, respectively, of cash and cash equivalents and agency residential mortgage-backed securities, non-mortgage-backed agency securities, and Utah Housing Corporation bonds. As additional sources of liquidity, as of December 2025 and December 2024, we had an aggregate of $317.9 million and $141.4 million, respectively, of unused capacity in unsecured federal funds lines from correspondent banks and the secured discount window facility with the Federal Reserve. See “Short-Term Borrowings” above for details about these credit facilities.

As a general matter, our investments are highly liquid, giving us the ability to readily convert them to cash. The level and composition of our liquidity portfolio may fluctuate based upon the level of expected maturities of our funding sources as well as operational requirements, market conditions, and management's judgment. Investment securities are considered liquid assets because they can be sold and the unrealized losses would not have a meaningful impact on regulatory capital.

Capital and Payment of Dividends

As a Utah state-chartered industrial bank, we are required to maintain minimum levels of regulatory capital. These standards generally are as stringent as the comparable capital requirements imposed on national banks. We are also subject to FDIC regulations that apply to every FDIC-insured depository institution, a system of mandatory and discretionary supervisory actions that generally become more severe as the capital levels of an individual institution decline. The regulations establish five capital categories for purposes of determining our treatment under these prompt corrective action (“PCA”) provisions: “Well Capitalized,” “Adequately Capitalized,” “Undercapitalized,” “Significantly Undercapitalized,” or “Critically Undercapitalized.”

We are currently and have historically been capitalized in excess of minimum regulatory requirements. As of December 2025, our common equity Tier 1, Tier 1 and Total risk-based capital ratios were 14.4%, 18.4% and 19.7%, respectively, and we had a Tier 1 capital to total assets leverage ratio of 17.8%. On May 22, 2025, the Bank closed a public offering of its Series G Preferred Stock, which yielded net proceeds of $73.1 million. As of December 2024, our common equity Tier 1, Tier 1 and Total risk-based capital ratios were 13.3%, 16.1% and 17.4%, respectively, and we had a Tier 1 leverage capital to total assets ratio of 15.7%.

	As of December 31, 2025		As of December 31, 2024		Minimum Regulatory Requirements[1]	Well Capitalized Requirements
	Amount	Ratio	Amount	Ratio		
	(dollars in thousands)					
Tier 1 leverage capital	$ 455,467	17.8%	$ 391,016	15.7%	4.0%	5.0%
CET-1 risk-based capital	356,038	14.4	322,229	13.3	7.0	6.5
Tier 1 risk-based capital	455,467	18.4	391,016	16.1	8.5	8.0
Total risk-based capital	487,292	19.7	422,139	17.4	10.5	10.0

(1) As a condition to receipt of FDIC insurance, we entered into the 2003 Capital Maintenance Agreement requiring us to maintain a 15% Tier 1 leverage ratio. This level of capital far exceeds the minimum requirement for capital adequacy purposes and is above the threshold for "Well Capitalized" status under the FDIC’s regulatory framework. As of December 2025, the Bank had excess tier 1 leverage capital of $71.7 million over the minimum required pursuant to the 2003 Capital Maintenance Agreement, which was $383.8 million based on our total assets as of that date.

Failure to meet minimum capital requirements can result in the initiation of certain mandatory and possible additional discretionary actions by regulators that, if undertaken, could limit our business activities and have a material adverse effect on our business, results of operations and financial condition. In addition, because we obtain substantially all of the funding for our businesses from brokered certificates of deposit, failure to maintain “Well Capitalized” status would have a material adverse effect on our business, results of operations and financial condition.

During the year ended December 2024, we paid total dividends on our common stock of $24.0 million to MFIN. In January 2025, the Bank's Board of Directors (the "Board") declared a $6.0 million cash dividend on the common stock that was paid on February 15, 2025. On April 24, 2025, the Board declared a $6.0 million cash dividend on the common stock that was paid on May 15, 2025. On July 24, 2025, the Board declared a $6.0 million cash dividend on the common stock that was paid on August 15, 2025. On October 23, 2025, the Board declared a $6.0 million cash dividend on the common stock that was paid on November 14, 2025. On January 29, 2026, the Board declared a $7.0 million cash dividend and a $10 million special dividend on the common stock that were paid on February 17, 2026.

On January 23, 2025, the Board declared a quarterly cash dividend of $0.50 per share on the Bank's Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series F ("Series F Preferred Stock"), to shareholders of record at the close of business on March 17, 2025, which was paid on April 1, 2025. On April 24, 2025, the Board declared a quarterly cash dividend of $0.67982 per share based on a dividend rate of 10.75761% on the Series F Preferred Stock to shareholders of record at the close of business on June 16, 2025, which was paid on July 1, 2025. On July 1, 2025, the Bank redeemed its Series F Preferred Stock, in its entirety, for an aggregate amount of $46.0 million.

On May 22, 2025, the Bank closed a public offering of Series G Preferred Stock, with an aggregate liquidation amount of $77.5 million and which trades on the Nasdaq Capital Market under the ticker symbol "MBNKO". On July 24, 2025, the Bank’s Board of Directors declared a quarterly cash dividend of $0.80625 per share (calculated from date of issuance on May 22, 2025 through September 30, 2025) on the Series G Preferred Stock. The dividend was paid on October 1, 2025, to holders of record at the close of business on September 15, 2025. On October 23, 2025, the Board declared a quarterly cash dividend of $0.5625 per share on the Series G Preferred Stock to shareholders of record at the close of business on December 15, 2025, which was paid on January 2, 2026. On January 29, 2026, the Board declared a quarterly cash dividend of $0.5625 per share on the Series G Preferred Stock to shareholders of record at the close of business on March 16, 2026, which is payable on April 1, 2026.

We paid dividends on our Series E Preferred Stock issued to the U.S. Treasury under the Small Business Lending Fund Program of $2.4 million in each of the years ended December 2025 and 2024. The dividend rate of 9% will remain stable for so long as our Series E Preferred Stock remains outstanding. In addition, if the Bank is not “publicly traded” within the meaning of our Articles, then so long as any share of the Series E Preferred Stock remains outstanding, no dividend or distribution may be declared or paid on our common equity, any other shares of junior stock or parity stock. So long as our shares of Series G Preferred Stock are listed on The Nasdaq Capital Market or another securities exchange, we will not be negatively impacted by that restriction.

Subject to market conditions, from time to time, we may seek to issue one or more additional series of preferred stock in order to increase our capital levels, grow our consumer loan portfolios or, depending on the size and other terms of any such issuance and subject to receipt of any required regulatory approvals, redeem some or all of the outstanding preferred stock that is redeemable at our option. Any determination to seek to redeem some or all of our outstanding preferred stock would be based on our actual and anticipated capital levels and capital deployment opportunities. There can be no assurance that we will issue additional series of preferred stock or, if we do, that we will apply the proceeds to redeem any preferred stock.

Regulatory Capital Requirements

We are subject to risk-based and leverage-based capital ratio requirements under the U.S. Basel III capital rules adopted by the federal banking regulators.

The rules establish minimum risk-based capital ratios and prompt corrective action thresholds that require banking organizations to maintain a minimum common equity Tier 1 (“CET1”) capital ratio of 4.5%, a Tier 1 capital ratio of 6.0%, a total capital ratio of 8.0% and a minimum leverage ratio of 4.0%, calculated as the ratio of Tier 1 capital to average consolidated assets for the quarter. Additionally, as conditions of granting the Bank’s application for federal deposit insurance, the FDIC ordered that the Tier 1 leverage capital to total assets ratio, as defined, be not less than 15%, and that an adequate allowance for credit losses be maintained.

A capital conservation buffer of 2.5% above the risk-based capital ratios is required for banking institutions to avoid restrictions on their ability to make capital distributions, including paying dividends. As of December 2025, our risk-based capital ratios were above the regulatory minimums that incorporated the 2.5% capital conservation buffer.

Recently Issued Accounting Standards

For discussion of accounting standards recently issued but not yet effective, refer to Note 1. “Organization and Summary of Significant Accounting Policies” in the annual audited financial statements included elsewhere in this Form 10-K.

Non-GAAP Financial Measures

This Form 10-K presents non-GAAP financial measures, in addition to GAAP financial measures, to provide investors with additional information. The adjustments to reconcile from the applicable GAAP financial measures to the non-GAAP financial measures are presented in the following table. We consider these adjustments to be relevant to ongoing operating results and provide a meaningful basis for period-to-period comparisons. We use these non-GAAP financial measures to assess our performance and for presentations of our performance to investors. We believe that presenting these non-GAAP financial measures permits investors to assess our performance on the same holistic basis as that applied by our management and the financial services industry.

Non-GAAP financial measures have inherent limitations and are not necessarily comparable to similar financial measures that may be presented by other financial services companies. Although non-GAAP financial measures are frequently used to evaluate a company, they have limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of results reported under GAAP.

Pre-Provision Net Revenue

PPNR is calculated by excluding our provision for credit losses from our pre-tax income for the relevant period. PPNR enables management and others to assess the performance of the Bank exclusive of the effects of the provision for credit losses and the ability of the Bank to generate earnings sufficient to cover credit losses. We believe PPNR is a useful performance indicator because it allows the investor to better view the revenue growth generated by our consumer lending platform and to estimate potential earnings through the credit cycle.

	For the Year Ended December 31,	
	2025	**2024**
	(in thousands)	
GAAP net income	$ 72,186	$ 60,582
Plus: Provision for credit losses	81,209	75,845
Plus: Income tax expense	27,172	20,624
Pre-provision net revenue	$ 180,567	$ 157,051

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is defined as the sensitivity of income, fair values and capital to changes in interest rates, foreign currency exchange rates, commodity prices and other relevant market prices and rates. The primary risk to which we are exposed is interest rate movement inherent in our lending and deposit-taking activities.

The principal objective of asset/liability management is to manage the sensitivity of net income to changes in interest rates. Asset/liability management is governed by policies approved by our Board. Day-to-day oversight of this function is performed by our Asset and Liability Management Committee. Management and our Board, on an ongoing basis, review our overall interest rate risk position and strategies.

Interest Rate Risk Management

Our Asset and Liability Management Committee seeks to manage our interest rate risk by structuring our balance sheet to maximize net interest income while maintaining an acceptable level of risk exposure to changes in market interest rates. We analyze interest rate risk using a combination of net interest income and balance sheet valuation simulations, shocks to those simulations, and scenario and market value analyses. We actively monitor the level of exposure with the goal that movements in interest rates would not adversely and unexpectedly negatively affect future earnings. We use net interest income sensitivity analysis as our primary metric to measure and manage the interest rate sensitivities of our loan and investment securities portfolios.

We prepare forward-looking forecasts of net interest income, which take into consideration anticipated future business growth, asset/liability positioning and interest rates based on the implied forward curve. Simulations are used to assess changes in net interest income in multiple interest rate scenarios relative to the baseline forecast. The changes in net interest income relative to the baseline are defined as the sensitivity. Our simulation incorporates contractual cash flows and repricing characteristics for all assets and liabilities and incorporates the effects of changing interest rates on the prepayment and attrition rates of certain assets and liabilities. The analysis is highly dependent upon a variety of assumptions including assumptions about new business volumes, loan and investment prepayment rates, deposit rate floors, interest rate curves and economic conditions. These scenarios include both parallel and non-parallel rate shocks. Our simulation does not assume any specific future actions are taken to mitigate the impacts of changing interest rates.

If interest rates changed in parallel by the amounts below	**The following estimated percentage increase/(decrease) to net interest income would result at**	**The following estimated percentage increase/(decrease) to net interest income would result at**
	December 31, 2025	**December 31, 2024**
Down 100 basis points	0.35%	1.43%
Up 100 basis points	(0.34)%	(1.29)%
Down 200 basis points	0.72%	2.87%
Up 200 basis points	(0.69)%	(2.45)%
Down 300 basis points	1.10%	4.30%
Up 300 basis points	(1.01)%	(3.61)%
Down 400 basis points	0.51%	5.74%
Up 400 basis points	(1.34)%	(4.78)%

The shift in net interest income variances in the December 2025 simulation compared to the December 2024 simulation is primarily attributed to decreased liability sensitivity on our balance sheet. This decrease resulted from the extension of liability durations following the completion of the April 2025 Recreation loan sale and a decrease in Recreation prepayment speeds. Additionally, we made minor updates to our interest rate risk model assumptions to better align with recent experiences. As of December 2025, we continue to be slightly liability sensitive.

We also evaluate the impact of interest rate risk by utilizing Economic Value of Equity ("EVE") modeling. This analysis measures the present value of all estimated future cash flows of the Bank over the estimated remaining life of the balance sheet. EVE is calculated as the difference between the present value of assets and liabilities. The EVE calculation utilizes only the current balance sheet, and therefore does not factor in any future changes in balance sheet size, balance sheet mix, yield curve relationships or product spreads, which may mitigate the impact of any interest rate changes.

Management examines the effect of interest rate changes on EVE. The sensitivity of EVE to changes in interest rates is a measure of longer-term interest rate risk and highlights the potential capital at risk due to adverse changes in market interest rates.

If interest rates changed in parallel by the amounts below:	**The following estimated percentage increase/(decrease) to EVE would result**	**The following estimated percentage increase/(decrease) to EVE would result**
	December 31, 2025	**December 31, 2024**
Down 100 basis points	3.81%	5.41%
Up 100 basis points	(3.78)%	(5.41)%
Down 200 basis points	7.96%	11.33%
Up 200 basis points	(7.13)%	(9.98)%
Down 300 basis points	12.57%	17.87%
Up 300 basis points	(10.14)%	(14.16)%
Down 400 basis points	17.77%	25.11%
Up 400 basis points	(12.88)%	(18.02)%

The change in EVE variance in the December 2025 simulation compared to the December 2024 simulation is largely due to a shift towards longer term liabilities following the completion of the April 2025 Recreation loan sale. Additionally, the higher capital levels at quarter-end resulted in an elevated equity to assets ratio which had a stabilizing effect on EVE variances.

Since the assumptions used are inherently uncertain, we cannot predict precisely the effect of higher or lower interest rates on net interest income or EVE. Actual results will differ from simulated results due to the timing, magnitude and frequency of interest rate changes, the difference between actual experience and the assumed volume, characteristics of new business, behavior of existing positions and changes in market conditions and management strategies, among other factors.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Reference is made to the financial statements set forth under Item 15 in this Form 10-K, which financial statements are incorporated herein by reference in response to this Item 8.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of our disclosure controls and procedures pursuant to Rules 13a – 15(e) and 15d – 15(e) under the Securities Exchange Act of 1934, and have concluded that they are effective as of December 2025 to provide reasonable assurance that information required to be disclosed by the Bank in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and (ii) accumulated and communicated to the Bank's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our Board of Directors, management, and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;

- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and

- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of December 2025. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control-Integrated Framework (2013). Based on its assessment and those criteria, management believes that we maintained effective internal control over financial reporting as of December 2025.

We believe that the financial statements included in this report fairly represent our financial position and results of operations for all periods presented.

This Form 10-K does not include an attestation report of our registered public accounting firm due to our status as an emerging growth company under the JOBS Act.

Changes in Internal Control

There were no changes in our internal controls over financial reporting during the quarter ended December 2025 that have materially affected, or are reasonably likely to materially affect, the Bank's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Not applicable

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTION

Not applicable

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Directors and Executive Officers

The following table sets forth biographical information regarding our directors and executive officers:

Name	Age(1)	Position
Alvin Murstein	91	Chairman of the Board
Andrew M. Murstein	61	Director
John Everets	79	Director
Brent O. Hatch	67	Director
Robert M. Meyer	80	Director
J. Lawrence Richards	73	Director
John M. Taggart	74	Director
Donald S. Poulton	72	Chief Executive Officer
D. Justin Haley	52	President
Travis B. Betenson	44	Senior Vice President and Chief Financial Officer
Steven M. Hannay	60	Executive Vice President and Chief Lending Officer
Jonathan T Allen	56	Senior Vice President and Chief Compliance Officer
Joel R. Cannon	47	Senior Vice President, Sales & Marketing

(1) As of March 12, 2026

A brief biography of each person who serves as a director or executive officer of the Bank is set forth below:

Alvin Murstein, the Chairman of the Board, has served on the Board of Medallion Bank since 2003. He serves as Executive Chairman of the board of directors of MFIN since January 31, 2026 and as the Chairman of the board of directors of MFIN since its founding in 1995 and previously served as the Chief Executive Officer of MFIN from February 1996 to January 31, 2026. Mr. Murstein brings to the Board of Medallion Bank over 60 years of experience in the ownership, management and financing of taxi medallions and other commercial businesses, as well as over 25 years of experience managing a public company. During his time in the industry, Mr. Murstein has been Chairman of the board of directors and Chief Executive Officer of Medallion Funding LLC, formerly Medallion Funding Corp., since its founding in 1979, and also currently serves, and has previously served, as officer and director of certain other wholly owned subsidiaries of MFIN. In addition to his work at MFIN and its affiliates, Mr. Murstein also served on the board of directors of the Strober Organization, Inc., a building supply company, from 1988 to 1997. Mr. Alvin Murstein is the father of Mr. Andrew M. Murstein. Mr. Murstein holds a bachelor's degree and an M.B.A. from New York University. He serves as a trustee of the not-for-profit Parker Jewish Institute for Health Care and Rehabilitation.

Andrew M. Murstein, a member of the Board, has served on the Board of Medallion Bank since 2003. Mr. Murstein brings to the Board of Medallion Bank over 30 years of experience in the ownership, management and financing of taxi medallions and other commercial businesses, as well as over 30 years of experience managing a public company. He has been President of MFIN since its founding in 1995, the Chief Executive Officer of MFIN since January 31, 2026 and has been on the board of directors of MFIN since 1997, also having served in the positions of Chief Operating Officer since July 2016 and Chief Credit Officer from July 2016 to April 2017. Mr. Murstein also currently serves, and has previously served, as officer and director of certain wholly owned subsidiaries of MFIN. Mr. Murstein served as Vice Chairman and Secretary of Sports Properties Acquisition Corp, a public special purpose acquisition company from 2007 to 2011. Mr. Andrew M. Murstein is the son of Mr. Alvin Murstein. Mr. Murstein holds a bachelor's degree in economics from Tufts University and an M.B.A. from New York University. He currently serves on the board of the public benefit corporation Javits Center in New York City.

John Everets, a member of the Board, has served on the Board of Medallion Bank since 2019. Mr. Everets brings extensive financial and leadership experience at both public and private companies to our Board. Mr. Everets is currently a partner at Arcturus Capital in Boston, Massachusetts. Prior to joining Arcturus, he was lead investor, Chairman of the Board and Chief Executive Officer of the Bank of Maine from 2010 to 2015, where he led the recapitalization of the bank, helped improve its financial position and led its merger with Camden National Bank to form the largest bank in northern New England. Before leading the Bank of Maine, Mr. Everets was Chairman of Yorkshire Capital. Prior to that, he was Chairman and Chief Executive Officer of GE HPSC, Inc., from 1993 to 2006, where he grew the company from $100 million in assets to $1 billion before it was acquired by General Electric in 2004. Mr. Everets also previously held several executive positions at Advest, Inc. and was a trustee of the Boston Athenaeum from 2012 to 2020. Mr. Everets is currently a director of the Eastern Company, a director of MFIN, a member of the board of directors of Newman's Own Foundation, where he chairs the Finance Committee, a director of the Westminster Kennel Club and a director of Pearl Diver Credit Company Inc.

Brent O. Hatch, a member of the Board and member of the audit committee, has served on the Board and the audit committee of Medallion Bank since 2003. Mr. Hatch is the founder of the law firm of Hatch Law Group, PC, where he litigates complex commercial matters and advises corporations on significant transactions. Mr. Hatch brings to the Board of Medallion Bank extensive legal experience, having founded a law firm in Utah and having previously served as associate counsel to President George H.W. Bush in the White House, Deputy Assistant Attorney General at the U.S. Department of Justice and General Counsel at the National Endowment for the Humanities. Mr. Hatch holds a bachelor's degree from Brigham Young University and a J.D. from Columbia Law School. Mr. Hatch clerked for the Honorable Robert H. Bork of the U.S. Court of Appeals for the District of Columbia Circuit from 1984 to 1985. He is also a Director and Treasurer of the Federalist Society and a director of MFIN. Mr. Hatch was an elected delegate to the Republican National Convention in 2004.

Robert M. Meyer, a member of the Board and member of the audit committee, has served on the Board of Medallion Bank since 2016 and on the audit committee since 2019. Mr. Meyer brings to the Board extensive experience in the banking industry and in the lending business as well as over 25 years of experience managing public companies. He served as Executive Vice President and Chief Commercial Lending Officer at Valley National Bancorp from 1997 until his retirement in 2016, and, following his retirement, Mr. Meyer provided consulting services to Valley National Bank until August 2018. During his 47-year career in banking, Mr. Meyer had previously served as President and Chief Executive Officer of Midland Bancorp/Midland Bank and Trust Company from 1991 to 1997 and President and Chief Executive Officer of Broad Street National Bank and First Jersey National Bank/Central from 1985 to 1988. Mr. Meyer is currently a director of MFIN. Mr. Meyer holds a bachelor's degree and a master's degree from Montclair State College and an M.B.A. from the University of Miami.

J. Lawrence Richards, a member of the Board and chairman of the audit committee, has served on the Board of Medallion Bank since 2003 and on the audit committee since 2011. Most recently, Mr. Richards served as President of LDS Business College from 2009 to 2017. Mr. Richards brings to the Board his substantial experience in the managing of multiple banking organizations. During his 25-year career in banking, Mr. Richards served as President of Your:)Bank.com, a subsidiary of Gateway Companies, from 1999 to 2002, as President and Chief Executive Officer of Advanta Bank Corp. from 1993 to 1999, as President and Chief Operating Officer at Olympus Bank, FSB from 1989 to 1993 and in various management positions, including President, at MountainWest Savings and Loan from 1977 to 1989. Mr. Richards holds a bachelor's degree from the University of Utah and a master's degree from Capella University. Mr. Richards previously served as a member of the board of directors of the Utah Banker's Association, the Utah Association of Financial Services, Chairman of the Board of Junior Achievement of Utah, and Board President of NeighborWorks Salt Lake.

John M. Taggart, a member of the Board and a member of the audit committee, has served on the Board of Medallion Bank since 2003 and on the audit committee since 2019, and was the Chief Executive Officer and President of Medallion Bank from April 2002 until his retirement in May 2015. Mr. Taggart brings to the Board his experience in managing Medallion Bank since the inception of its business, as well as over 35 years' experience in senior management roles at banking organizations. Prior to joining Medallion Bank, Mr. Taggart had served at American Investment Bank, N.A. as a Director and Executive Vice President from 1998 to 2001 and as Chief Financial Officer from 1986 to 1998, at Copper State Thrift and Loan as Chief Financial Officer from 1979 to 1986 and at Coopers & Lybrand as Senior Auditor from 1976 to 1979. Mr. Taggart holds a bachelor's degree in accounting from the University of Utah and was a Certified Public Accountant in Utah.

Donald S. Poulton, the Chief Executive Officer, has been the Chief Executive Officer of Medallion Bank since 2015 and served as the President of Medallion Bank from 2015 to January 2026. Mr. Poulton was a founding officer of Medallion Bank and participated in the application and approval process for the Bank's charter. Prior to becoming the Bank's Chief Executive Officer in 2015, Mr. Poulton served as the Bank's Chief Lending Officer from the Bank's formation in 2002. Mr. Poulton has over 40 years of experience in the banking industry, particularly in the areas of residential mortgage, consumer and commercial lending, including SBA lending. During the course of his career in the banking industry, Mr. Poulton has served as Executive Vice President and Chief Lending Officer of American Investment Financial from 1998 to 2002, where he was responsible for all lending programs, and Senior Vice President and Director of Private Banking of American Investment Bank from 1986 to 1998. Both American Investment Financial and American Investment Bank were wholly owned subsidiaries of Leucadia National Corporation. Mr. Poulton holds a bachelor's degree in finance from the University of Utah.

D. Justin Haley, President, has been at the Bank since 2011. Prior to becoming the Bank's President in January 2026, Mr. Haley served as the Chief Financial Officer from April 2021 to January 2026, the Chief Operating Officer from June 2015 through March 2021 and the Vice President and General Manager of the Bank's Home Improvement Lending division, which he started for the Bank. Mr. Haley has worked in the banking industry for more than 30 years and has significant prior experience in consumer, home improvement and small business lending, plus technology, marketing and strategic planning. Before joining Medallion Bank, Mr. Haley was the President of First Mutual Sales Finance, a home improvement lending subsidiary of Washington Federal from February 2008 to October 2008 and was a Vice President of Sales Finance of First Mutual Bank from October 2005 through January 2008, when First Mutual Bank was acquired by Washington Federal. Mr. Haley has a bachelor's degree in history and an M.B.A. from the

University of Washington and is a graduate of the Pacific Coast Banking School. Mr. Haley serves on the Board of Directors for the Utah Association of Financial Services and the National Association of Industrial Bankers.

Travis B. Betenson, Senior Vice President and Chief Financial Officer, has been at the Bank since 2024. Prior to becoming the Bank's Chief Financial Officer in January 2026, Mr. Betenson served as the Senior Vice President of Finance. Mr. Betenson has worked in the banking industry for more than 15 years, and has held various leadership roles in accounting, finance and treasury. Before joining Medallion Bank, Mr. Betenson held roles as the Chief Financial Officer for two of Utah's industrial banks, First Electronic Bank and Milestone Bank. Mr. Betenson has a bachelor's degree in psychology from Southern Utah University and an M.B.A. from the University of Utah. Mr. Betenson also serves on the Board of Directors for Junior Achievement of Utah.

Steven M. Hannay, Executive Vice President and Chief Lending Officer, has been at the Bank since 2004. Mr. Hannay began his career at Medallion Bank as a Vice President Operations Manager and became the Bank's Chief Lending Officer in 2015. Currently, Mr. Hannay is responsible for the Bank's consumer lending activities, loan funding, loan servicing and collections. Mr. Hannay has more than 30 years of experience in the lending industry and specializes in credit and portfolio management, division strategy, team development, operations and underwriting. Prior to joining Medallion Bank in 2004, Mr. Hannay served as Credit Manager at American Investment Bank from 1992 to 2004, specializing in consumer non-prime credit. Mr. Hannay has a bachelor's degree in business finance from the University of Utah.

Jonathan T Allen, Senior Vice President and Chief Compliance Officer, has been at the Bank since May 2020. Mr. Allen has over 28 years of experience in banking, 25 of them in bank regulatory compliance. Prior to joining the Bank, Mr. Allen served as the Vice President and Chief Compliance Officer of Altabank, a community bank, from 2010 until May 2020, was an adjunct instructor at Brigham Young University in 2016 and was a member of the Consumer Financial Protection Bureau's Community Bank Advisory Council. Mr. Allen has a bachelor's degree in business management from the Marriott School of Management at Brigham Young University and a juris doctor from the University of Idaho College of Law. Additionally, Mr. Allen has completed a master's-level extension program at Pacific Coast Banking School at the University of Washington and is certified by the Institute of Certified Bankers as a Certified Regulatory Compliance Manager. From 2004 until 2022, Mr. Allen was an adjunct instructor at Utah Valley University where he taught personal finance on a part-time basis.

Joel R. Cannon, Senior Vice President of Sales & Marketing, has been at the Bank since October 2025. Mr. Cannon's responsibilities include leadership of the sales, marketing, product, and customer success teams. Prior to joining Medallion Bank, Mr. Cannon spent 10 years with home improvement lender EnerBank USA, which was acquired by Regions Bank in 2021, where he also served as Regions Bank's first Utah Market Executive from 2024 to 2025. Mr. Cannon held leadership roles in performance marketing and EdTech software organizations prior to joining EnerBank USA. Mr. Cannon is an active member of the Utah Bankers Association and also actively supports several nonprofit organizations, including the Guadalupe Center, Junior Achievement of Utah, and People Helping People, where he has been a volunteer since 2006 and a board member since 2011.

Code of Conduct and Ethics

We have adopted a code of ethics policy for our directors, officers and employees. These persons must act ethically at all times and in accordance with the guidelines comprising our Code of Ethical Conduct and Insider Trading Policy, which establishes standards and procedures for the prevention and detection of activities which signal a conflict of interest or an abuse of fiduciary duty. Our Code of Ethical Conduct and Insider Trading Policy also governs the purchase, sale and/or other disposition of our securities by our directors, officers and employees and other covered persons, as well as the Bank itself, that we believe is reasonably designed to promote compliance with insider trading laws, rules and regulations and Nasdaq listing standards. A copy of the Bank's insider trading policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

To further promote ethical and responsible decision-making, the Board also adopted a Code of Ethical Conduct for Senior Financial Officers. Our Code of Ethical Conduct and Insider Trading Policy and Code of Ethical Conduct for Senior Financial Officers can be found on our website at *www.medallionbank.com*. If we make any substantive amendments to our code of ethics or grant any waiver from a provision of the code of ethics to any executive officer or director, we will promptly disclose the nature of the amendment or waiver on our website. The Board expects our directors, as well as our officers and employees, to act ethically at all times and to acknowledge their adherence to the policies comprising our code of ethics, which include, among other things, rules prohibiting loans or other extensions of credit, securities transactions during "blackout" periods, acceptance of gifts and certain interested transactions. In addition, the Board has established a policy for reporting employee concerns to the audit committee of the Board. Anyone with a concern about our accounting, internal accounting controls, or auditing matters may confidentially report such concern by telephone to a special dedicated toll-free phone number. This policy was previously announced to all of our employees, and the telephone number is published in our common-area workplaces and electronic employee handbook. All such communications are confidential and shall be promptly reviewed by the audit committee.

Corporate Governance

Status as a "Controlled Company"

Our Series G Preferred Stock is listed on Nasdaq Capital Market and, as a result, we are subject to the corporate governance listing standards of the exchange. However, a listed company that satisfies the definition of a "controlled company" (i.e., a company of which more than 50% of the voting power is held by a single entity or group) may elect not to comply with certain of these requirements. Because MFIN directly owns 100% of our outstanding common stock and we are therefore a "controlled company," we have elected not to comply with the corporate governance standards of Nasdaq requiring: (i) a fully independent corporate governance and nominating committee; and (ii) a fully independent compensation committee. As discussed below, two of our seven directors do not qualify as "independent directors" under the applicable rules of Nasdaq. See "Certain Relationships and Related-Person Transactions" for more information.

Composition of Our Board of Directors

The Board has seven members, consisting of two non-independent directors who are employees of MFIN and five other directors who are "independent" under the listing standards of Nasdaq. Under our Bylaws, the number of directors constituting our Board must be between five and nine, and such number, within those limits, will be fixed from time to time by resolution of our Board or by our shareholders. Our Board meets at least once a quarter in accordance with requirements under Utah law, and our independent directors meet in executive session at least twice a year in accordance with Nasdaq listing requirements.

Committees of Our Board of Directors

The only standing committee of the Board is the audit committee. The responsibilities of the audit committee are described below. Under our Bylaws, the Board may also establish other committees to assist it in its responsibilities.

The audit committee assists the Board in fulfilling its responsibilities for general oversight of the integrity of our financial statements, our compliance with legal and regulatory requirements, our independent auditors' qualifications and independence, the performance of our internal audit function and independent auditors and our risk assessment and risk management. Among other duties delegated to it from time to time by the Board, the audit committee:

- appoints, sets the compensation for, retains, terminates and oversees the work of the internal auditor and independent auditor;
- obtains and reviews annually a report by the independent auditors describing; (1) the auditing firm's internal quality-control procedures; (2) any material issues raised by the most recent internal quality-control review, or peer review, of the auditing firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditing firm, and any steps taken to deal with any such issues; and (3) all relationships between the independent auditor and the Bank;
- approves all audit engagement fees and terms, as well as significant non-audit engagements with the independent auditors;
- reviews and evaluates the qualifications, performance and independence of the lead partner of the independent auditors and presents the committee's conclusions with respect to the independent auditors to the full Board;
- discusses the annual audited financial statements and quarterly financial statements with management and the independent auditor, including the Bank's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations";
- reviews with management and the independent public accountants the basis of the annual management report required by 12 C.F.R. Part 363;
- receives reports from the Bank's President, Chief Executive Officer, Chief Financial Officer, and Chief Audit Executive of: (i) all significant deficiencies in the design or operation of internal controls which could adversely affect the Bank's ability to record, process, summarize and report financial data and identify any material weakness in internal controls; and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Bank's internal controls;
- reviews analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the Bank's financial statements, including analyses of

the effects of alternative GAAP methods on the Bank's financial statements, and reviews the effect of regulatory and accounting initiatives, as well as off-balance sheet structures on the financial statements of the Bank;

- reviews in advance of distribution all dividends and earnings press releases (paying particular attention to any use of "pro forma," or "adjusted" non-GAAP, information), as well as financial information and earnings guidance provided to analysts and rating agencies;

- obtains advice and assistance from outside legal, accounting or other advisors, when necessary;

- discusses policies with respect to risk assessment and risk management;

- reviews the adequacy of management information systems, internal accounting and financial controls;

- meets separately, on a periodic basis, with Bank personnel responsible for the internal audit function and with independent auditors;

- reviews with the independent auditor any audit problems or difficulties and management's response;

- reviews annually the policies and procedures relating to compliance with legal and regulatory requirements and the Bank's compliance therewith;

- establishes procedures for the receipt, retention and treatment of complaints on accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by Bank employees of concerns regarding questionable accounting or auditing matters;

- considers any reports or communications submitted to the committee by the independent auditors required by or referred to in applicable Public Company Accounting Oversight Board or other applicable standards, including reviewing any accounting adjustments that were noted or proposed by the auditor but were "passed" (including similar adjustments that were passed because individually they were not material); any communications between the audit team and the audit firm's national office respecting auditing or accounting issues presented by the engagement; and any "management" or "internal control" letter issued, or proposed to be issued, by the auditing firm to the Bank; and

- reviews and provides oversight of all related-party transactions of the Bank in accordance with the policies of the Bank in effect from time to time.

The audit committee is required to consist of at least three members, all of whom are required to be "independent" under the listing standards of Nasdaq and meet the requirements of Rule 10A-3 of the Exchange Act. The audit committee also includes at least one "audit committee financial expert." Currently, our audit committee members are Brent O. Hatch, Robert M. Meyer, J. Lawrence Richards and John M. Taggart. Messrs. Hatch, Meyer, Richards, and Taggart are each an audit committee financial expert. The audit committee has adopted a written charter that specifies the scope of its rights and responsibilities, including those listed above. The charter is available on our website at *www.medallionbank.com*.

Board Leadership Structure and Qualifications

We believe that our directors should have the highest professional and personal ethics and values, consistent with our longstanding values and standards. They should have broad experience at the policy-making level in business, government or banking. They should be committed to enhancing shareholder value and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience. Their service on boards of other companies should be limited to a number that permits them, given their individual circumstances, to perform responsibly all director duties. Each director must represent the interests of all shareholders. When considering potential director candidates, the Board also considers the candidate's character, judgment, diversity, skills, including financial literacy, and experience in the context of our needs and those of the Board.

Board Oversight of Risk Management

Our Board believes that effective risk management and control processes are critical to our safety and soundness, our ability to predict and manage the challenges that we face and, ultimately, the long-term success of the Bank. The Bank employs conservative risk management practices in order to effectively manage its business and its loan portfolios, and our Board, both directly and through the audit committee, has the ultimate responsibility for oversight of these risk management practices. The Board meets regularly throughout the year with executive management to ensure that all major risks are discussed with and evaluated by the Board. Changes to the Bank's risk profile, whether documented in policy or not, are discussed with the Board as needed, and policies, which cover all major risk areas for the Bank, are approved by the Board at the time of drafting, annually and whenever any change is being made. The audit committee of our Board is responsible for overseeing risks associated with financial matters (particularly financial reporting, accounting practices and policies, disclosure controls and procedures and internal control over financial reporting) and reviewing and discussing generally the identification, assessment, management and control of our risk exposures.

The role of our Board in our risk oversight is consistent with our leadership structure, with our Chief Executive Officer, our President and the other members of executive management having responsibility for assessing and managing our risk exposure, and our Board providing oversight in connection with those efforts. We believe this division of risk management responsibilities presents a consistent, systemic and effective approach for identifying, managing and mitigating risks throughout our operations.

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act requires that our executive officers, our directors and persons who beneficially own more than 10% of a registered class of our equity securities file reports of initial ownership and changes in ownership with the FDIC. Such persons are required to furnish us copies of all Section 16(a) filings. Based solely on our review of the copies of the forms furnished to us, we believe that for the fiscal year ended December 2025, all reports required by Section 16(a) of the Exchange Act to be made by our executive officers, our directors and any other applicable stockholders were timely filed. On January 29, 2026, Mr. Joel Cannon was made a reporting person subject to Section 16(a) of the Exchange Act. Due to administrative oversight, there was one late Form 3 filed for Mr. Cannon reflecting no ownership of any of our equity securities. The required Form 3 was filed with the FDIC on February 18, 2026.

ITEM 11. EXECUTIVE COMPENSATION

Compensation Program and Relationship with MFIN

The Bank is a wholly owned subsidiary of MFIN and MFIN continues to own 100% of the Bank's outstanding common stock. Accordingly, MFIN's executive compensation program has historically applied to our executive officers and will continue to do so for 2025. Determinations with respect to the compensation of our executive officers are made by MFIN's compensation committee in accordance with MFIN's compensation program. Such determinations are typically ratified by both the full MFIN board of directors and the Bank's Board. Determinations with respect to the compensation of our directors are made by the Bank's Board, separate and apart from MFIN's compensation program for its directors.

Each of our named executive officers (as provided below) is an employee of both MFIN and the Bank. We describe the application of MFIN's compensation program to our named executive officers, as well as the compensation of our directors, in the discussion that follows.

Summary Executive Compensation Table and Narrative Discussion

The following table presents compensation awarded in the fiscal years ended December 2025 and 2024 to our principal executive officer and our two most highly compensated persons serving as executive officers as of December 2025, or paid to or accrued for those executive officers for services rendered during fiscal years 2025 and 2024, and should be read in conjunction with the associated narratives. We refer to these executive officers as our "named executive officers."

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Nonequity Incentive Plan Compensation	All Other Compensation ($)	Total ($)
Donald S. Poulton	2025	486,999	—	590,630	885,186	27,324(2)	1,990,139
Chief Executive Officer	2024	472,500	—	590,621	501,297	27,250	1,591,668
D. Justin Haley	2025	355,600	—	349,438	523,477	14,287(3)	1,242,802
President	2024	349,440	—	349,435	296,590	13,934	1,009,399
Steven M. Hannay	2025	369,591	300,000	250,000	—	14,803(4)	934,394
Executive Vice President and Chief Lending Officer	2024	357,594	250,000	249,994	—	14,385	871,973

(1) This amount is the aggregate grant date fair value of restricted stock awards ("RSAs") and performance units ("PSUs") with respect to the fiscal years ended December 2025 and December 2024 computed in accordance with FASB ASC Topic 718. The fair value of each RSA and PSU is determined on the award date by the closing market price of MFIN's common stock, par value $0.01 per share (MFIN common stock), on the award date.

In 2025, Messrs. Poulton, Haley and Hannay were granted a 50-50 mix of RSAs and PSUs having the following grant date fair values: Mr. Poulton, $295,315 (RSAs) and $295,315 (PSUs), Mr. Haley, $174,719 (RSAs) and $174,719 (PSUs), and Mr. Hannay, $125,000 (RSAs) and $125,000 (PSUs). The value of PSUs assumes an achievement level at target. The actual number and value of PSUs, if any, that may be earned may range from 0% to 200% of the target number of units, based on MFIN's pre-tax income and return on average stockholders' equity over a three-year performance period ending December 31, 2027, with such PSUs vesting upon certification by MFIN’s compensation committee of the level of achievement following December 31, 2027. Vesting is also contingent upon the continued employment of the executive through the certification date, or as otherwise provided in the applicable award agreement. The aggregate grant date fair value of PSUs assuming the achievement of the highest level of performance conditions is $590,630 for Mr. Poulton, $349,438 for Mr. Haley, and $250,000 for Mr. Hannay.

In 2024, Messrs. Poulton, Haley and Hannay were granted a 50-50 mix of RSAs and PSUs having the following grant date fair values: Mr. Poulton, $295,310 (RSAs) and $295,310 (PSUs), Mr. Haley, $174,718 (RSAs) and $174,718 (PSUs), and Mr. Hannay, $124,997 (RSAs) and $124,997 (PSUs). The value of PSUs assumes an achievement level at target. The actual number and value of PSUs, if any, that may be earned may range from 0% to 200% of the target number of units, based on MFIN's pre-tax income and return on average stockholders’ equity over a three-year performance period ending December 31, 2026, with such PSUs vesting upon certification by MFIN’s compensation committee of the level of achievement following December 31, 2026. Vesting is also contingent upon the continued employment of the executive through the certification date, or as otherwise provided in the applicable award agreement. The aggregate grant date fair value of PSUs assuming the achievement of the highest level of performance conditions is $590,621 for Mr. Poulton, $349,435 for Mr. Haley, and $249,994 for Mr. Hannay.

(2) All other compensation for Mr. Poulton for the fiscal year ended December 2025 includes amounts received as a monthly car allowance and $15,324 received pursuant to the matching program under our 401(k) Investment Plan.

(3) All other compensation for Mr. Haley for the fiscal year ended December 2025 and includes $14,287 received pursuant to the matching program under our 401(k) Investment Plan.

(4) All other compensation for Mr. Hannay for the fiscal year ended December 2025 includes $14,803 received pursuant to the matching program under our 401(k) Investment Plan.

Base Salary

Each named executive officer’s base salary is a fixed component of compensation for each year for performing specific job duties and functions. The total base salaries earned by our named executive officers in fiscal years 2025 and 2024 are disclosed in the table above.

Base salaries for our named executive officers were initially set pursuant to each officer’s employment agreement (described further below) and are reviewed at least once each fiscal year by MFIN’s compensation committee, MFIN’s full board of directors and the Bank’s Board.

Bonus

For each of 2024 and 2025, Mr. Hannay was eligible to receive a discretionary annual bonus and Mr. Poulton and Mr. Haley were each eligible to receive an annual cash award pursuant to MFIN’s 2022 Annual Short Term Incentive Plan (described further below).

The annual bonus is intended to compensate eligible named executive officers for achieving financial and operational goals as well as achieving division and individual performance objectives. These objectives vary depending on the individual executive but relate generally to factors such as the Bank’s profitability, performance of our consumer lending portfolios and results of operations. MFIN’s compensation committee approves awards based on recommendations of MFIN’s President. For 2025, MFIN’s compensation committee considered a variety of factors which included, but were not limited to the Bank’s earnings, the Bank's return on assets, MFIN's earnings, MFIN's return on equity, success and implementation of strategic initiatives and individual performance. MFIN’s compensation committee chose to evaluate performance measures in a holistic manner rather than rely on the assignment of weights to each individual factor. After consideration of these performance results, MFIN's compensation committee approved the following annual bonuses based on a combination of Bank and individual performance. Mr. Poulton and Mr. Haley did not receive bonuses in 2024 or 2025. Mr. Hannay’s 2024 bonus was $250,000 and 2025 bonus was $300,000.

The discretionary annual bonus is paid in cash in an amount reviewed and approved by MFIN’s compensation committee and ratified by MFIN’s board of directors and the Bank’s Board, and ordinarily is paid in a single installment in either the fourth quarter of a given fiscal year or the first quarter following the completion of a given fiscal year. MFIN’s compensation committee, however, has the discretion to declare a bonus more frequently than on an annual basis and may do so in recognition of exceptional contributions to MFIN or the Bank at other times.

Short-Term Incentive Compensation

MFIN’s 2022 Annual Short Term Incentive Plan (the “STI Plan”) is an annual cash incentive program that provides eligible executive officers of MFIN and its subsidiaries the opportunity to receive an annual cash award based on the achievement of predetermined financial and operational goals. The STI Plan is designed to:

- enable MFIN and its subsidiaries to attract, retain, motivate and reward the best qualified executive officers and key employees;

- focus executives and key employees on performance metrics that align with MFIN's financial and strategic goals and objectives;
- link short-term pay to MFIN's annual financial performance;
- put a meaningful portion of compensation at risk based on MFIN's success; and
- align executive performance with long-term interests of our shareholders.

In 2025, MFIN’s compensation committee set the STI Plan target incentive (expressed as a percentage of base salary) for Mr. Poulton and Mr. Haley taking into account competitive market data and the respective named executive officer’s position, experience, role and responsibilities, and performance:

Named Executive Officer	Target Incentive (% of Base Salary)
Donald S. Poulton	125%
D. Justin Haley	100%

Depending on achieved performance, each named executive officer may earn between 0% and 200% of their respective Target Incentive.

For 2025, MFIN’s Compensation Committee approved 2025 STI Plan performance goals for Mr. Poulton and Mr. Haley that fell into one of two general categories (corporate and segment results) to provide a comprehensive and balanced approach to assessing and rewarding performance (with the applicable metrics and weights varying for each respective named executive officer as discussed more fully below). MFIN’s compensation committee selected the following performance measures in order to measure operational success, correlate with shareholder value and drive behaviors of management:

- Corporate
  - Medallion Financial Corp. Earnings (Net Income Attributable to Shareholders)
  - Medallion Financial Corp. Return on Equity (MFIN Common Equity)
- Segment Results
  - Medallion Bank Total Net Income
  - Medallion Bank Return on Assets

These performance goals for Mr. Poulton and Mr. Haley, related payout opportunity and 2025 actual results are described in the below tables:

Category	Performance Measure	2025 Goals		
		Threshold (50%)	Target (100%)	Stretch (200%)
Corporate	Medallion Financial Corp. Earnings (Net Income Attributable to Shareholders) (in millions)	$24.08	$34.40	$51.60
	Medallion Financial Corp. Return on Equity (MFIN Common Equity)	6.36%	9.09%	13.64%
Segment Results	Medallion Bank Total Net Income (in millions)	$45.71	$65.30	$84.89
	Medallion Bank Return on Assets	2.06%	2.57%	3.08%

In the first quarter of 2026, MFIN's Compensation Committee assessed the 2025 STI Plan scorecard metrics and 2025 results for Mr. Poulton and Mr. Haley and determined their respective 2025 STI Plan scorecard metrics, weights, targets and results are as follows:

Category	Performance Measure	Weight	2025 Goals	2025 Performance	
			Target (100%)	Result	% of Target Incentive Earned
Corporate	Medallion Financial Corp. Earnings (Net Income Attributable to Shareholders) (in millions)	25%	$34.40	$43.04	150.2%
	Medallion Financial Corp. Return on Equity (MFIN Common Equity)	25%	9.09%	11.06%	143.3%
Segment Results	Medallion Bank Total Net Income (in millions)	25%	$65.30	$72.19	135.2%
	Medallion Bank Return on Assets	25%	2.57%	2.84%	152.9%
	Weighted % of Target Incentive Earned				145.41%

As a result of its assessment, as more fully described above, MFIN's Compensation Committee approved the following 2025 payouts for Mr. Poulton and Mr. Haley:

Named Executive Officer	Target % of Base	Scorecard Payout % of Target	Scorecard Payout ($)
Donald S. Poulton	125%	145.41%	$885,186
D. Justin Haley	100%	145.41%	$523,477

Long-Term Incentive Compensation

MFIN believes that long-term performance is achieved through granting restricted stock and performance units, which creates an ownership culture that encourages long-term performance by its executive officers and other employees. MFIN’s equity incentive plan (discussed below) has been established to provide certain of MFIN’s employees, including our named executive officers, with incentives: (i) to highlight and reinforce the mutuality of long-term interests between employees and shareholders; and (ii) to assist in the attraction and retention of critically important key executives, managers and individual contributors who are essential to our and MFIN’s growth and development. MFIN’s compensation committee believes that the use of restricted stock and performance units is important in achieving MFIN’s compensation goals. MFIN’s equity incentive plan has provided the principal method for our named executive officers to acquire equity in our parent company.

The 2018 Equity Incentive Plan, or the 2018 Plan, was adopted by MFIN’s board of directors on April 25, 2018, and approved by its shareholders on June 15, 2018. The terms of the 2018 Plan provide for grants of stock-based incentive awards, including, without limitation, options, restricted stock and stock appreciation rights, to MFIN’s employees and any person who has been offered employment by MFIN, with payments to prospective employees being contingent upon such persons commencing employment with MFIN. On April 22, 2020, MFIN’s Board of Directors approved an amendment to the 2018 Plan to increase the number of shares of MFIN’s common stock authorized for issuance thereunder, which was approved by MFIN's stockholders on June 19, 2020. On April 26, 2022, MFIN’s Board of Directors approved an additional amendment to the 2018 Plan to further increase the number of shares of MFIN’s common stock authorized for issuance thereunder, which was approved by MFIN’s stockholders on June 14, 2022. On April 25, 2025, MFIN’s Board of Directors approved an additional amendment to the 2018 Plan to further increase the number of shares of MFIN’s common stock authorized for issuance thereunder, which was approved by MFIN’s stockholders on June 12, 2025. MFIN’s compensation committee is authorized to grant awards under the 2018 Plan. Awards under the 2018 Plan are subject to certain vesting conditions and/or forfeiture provisions, and thus are not settled until such vesting conditions have been satisfied and/or restricted as to transferability until such forfeiture restrictions have lapsed. The vesting terms and restrictions on such awards pursuant to the 2018 Plan may relate to continued service to MFIN, the achievement of specific performance objectives, or other restrictions deemed by MFIN’s compensation committee from time to time to be appropriate and in MFIN’s best interests and in the interests of MFIN’s shareholders. Restricted stock and performance unit awards were granted under the 2018 Plan to the Bank’s named executive officers in 2025.

In 2025, MFIN's compensation committee approved the grant of a 50-50 mix of time-based restricted stock awards and performance-based PSUs to our named executive officers. Mr. Poulton's and Mr. Haley's grants are expressed as a percentage of their respective annual base salaries. Mr. Hannay's grant amounts were determined on a discretionary basis similar to his discretionary cash bonus as described above.

Named Executive Officer	Target Incentive (% of Base Salary)
Donald S. Poulton	125%
D. Justin Haley	100%

We granted these awards to align the interests of our executives with those of our shareholders and incentivize executives to enhance shareholder value. Generally, the time-based restricted awards vest ratably in equal one-third installments, subject to the executive's continued employment. Named executive officers generally have all of the rights of a shareholder as to the restricted stock, including the right to vote such stock, provided that any cash or stock dividends with respect to the restricted stock will be withheld by us and will be subject to forfeiture to the same degree as the restricted stock to which such dividends relate.

MFIN's compensation committee evaluated Mr. Poulton's and Mr. Haley's long-term incentive target payout opportunity expressed as a percentage of their respective annual base salaries for the grant of PSUs for the 2025-2027 period. PSUs are eligible to vest based on MFIN's achievement of pre-tax income ("PTI") and return on average stockholders' equity ("ROE") targets and represent 50% of the total long-term incentive award.

Generally, PSUs will be earned and will vest upon the date of MFIN's compensation committee's certification of performance achievement based on the percentile achievement as outlined in the tables below subject to the executive's continued employment through such certification date. Vesting of PSUs for achievement between the threshold, target and maximum performance levels are linearly interpolated and no PSUs will be earned for performance below the threshold.

Performance Level	3-Year Cumulative PTI (000s) 50% Weight	3-year Average ROE 50% Weight	PSUs Earned % of Target
Max (130% of Target)	$269,100	13.65%	200%
Target	$207,000	10.50%	100%
Threshold (70% of Target)	$144,900	7.35%	50%
Below Threshold	<$144,900	<7.35%	0%

401(k) Plan

The Bank participates in the 401(k) Plan offered by MFIN. The 401(k) Plan covers all full- and part-time employees of the Bank who have attained the age of 18 and have a minimum of thirty (30) days of service. Under the 401(k) Investment Plan, an employee may elect to defer not less than 1.0% of his or her total annual compensation, up to the applicable limits set forth in the Internal Revenue Code of 1986, as amended. Employee contributions are invested in various mutual funds, according to the direction of the employee. Once eligible full-time employees have completed a minimum of ninety (90) days of service and part-time employees have worked at least 1,000 hours, MFIN matches employee contributions to the 401(k) Plan in an amount per employee equal to fifty percent of the first 8% of the employee's annual contributions, subject to legal limits.

Employment Agreements and Offer Letters

Our named executive officers are employees of both MFIN and the Bank. MFIN will enter into a new employment agreement with an executive officer or a candidate only when necessary to attract or retain exceptional personnel. Any employment agreement with an executive officer: (a) must be approved by MFIN's compensation committee; (b) should have as short a term as possible and provide as few terms and conditions as are necessary to accomplish its purpose; and (c) if required by law to be available for public review, must be filed promptly with the appropriate regulatory authority. Employment agreements with our named executive officers were also reviewed and approved by the Bank's Board.

Mr. Donald Poulton, the Chief Executive Officer of Medallion Bank, entered into an agreement with MFIN and the Bank, which became effective on January 1, 2016, and was subsequently amended on January 12, 2026. The agreement provides for a two-year term and automatically renews each year for a new two-year term, such that there will be a two-year term commencing January 1st of each year during the term of the agreement, unless either party provides notice to the other party of its intention not to renew the term beyond the then-current two-year term. Under the agreement, Mr. Poulton is entitled to an annual base salary of $325,000 with annual increases at a rate, beginning in 2017, of no less than 3% of his then-existing base salary. Mr. Poulton is also eligible to receive a discretionary bonus, with a minimum bonus payment of $225,000 if the return on equity, or ROE, and return on assets, or ROA, for the Bank's consumer lending products are similar to the ROE and ROA for such lines as the average for the 2014 and 2015 fiscal years. The agreement provides for a severance payment subject to Mr. Poulton's execution of a release of claims in favor of MFIN, the Bank and their affiliates, in the event that (i) Mr. Poulton's employment is terminated by the Bank/MFIN without cause (as defined in the agreement), (ii) Mr. Poulton's employment terminates on account of disability, (iii) Mr. Poulton resigns for good reason (as defined in the agreement), or (iv) upon a change in control (as defined in the agreement), the agreement is not assumed by the successor corporation and Mr. Poulton is not offered employment on similar terms. Upon such termination other than a termination on account of disability, Mr. Poulton is entitled to a lump sum payment of his base salary for the remaining period in the then-current term and, subject to Mr. Poulton's execution of a release of claims, severance consisting of (i) continued health benefits at MFIN's and the Bank's expense until the expiration of the then-current term or, if earlier, COBRA continuation coverage and (ii) a lump sum payment equivalent to two weeks' salary for every year Mr. Poulton was employed, not to exceed three months of his then base salary; in addition, all unvested stock options or restricted shares of Mr. Poulton will become immediately vested and any forfeiture restrictions will lapse. Upon a termination on account of disability, Mr. Poulton will be entitled to continued base salary payment for six months and continuation of health benefits at MFIN's and the Bank's expense for six months following the termination. Upon a change in control where Mr. Poulton's employment agreement is assumed by the successor corporation or Mr. Poulton is offered employment on similar terms, Mr. Poulton is entitled to receive a lump sum payment representing his base salary for the prior nine months. Upon a change in control where Mr. Poulton's employment agreement is not assumed by the successor corporation and Mr. Poulton is not offered employment on similar terms, he will be entitled to receive the severance payments and benefits described in connection with a termination without cause or for good reason. The agreement also includes non-competition and non-solicitation obligations during his employment and for 24 months thereafter, except such obligations do not apply following a termination of Mr. Poulton's employment by the Bank or MFIN without cause or by Mr. Poulton for good reason, non-extension of the term by the Bank or MFIN or, for certain non-competition obligations, a termination on account of disability.

Mr. Haley, the President of Medallion Bank, had previously entered into an agreement with MFIN to serve as our Chief Operating Officer in 2015, which was subsequently amended and restated and entered into with MFIN and the Bank to serve as our Chief Financial Officer, which became effective on June 1, 2021, and was subsequently amended and restated and entered into with MFIN and the Bank to serve as Medallion Bank's President, which became effective on January 12, 2026. This agreement provides for a two-year term and automatically renews each year for a new two-year term, starting in 2027, such that there will be a two-year term commencing on January 1st of each year during the term of the agreement, unless either party provides notice to the other party of its intention not to renew the term beyond the then-current two-year term. Under the agreement, Mr. Haley is entitled to an annual base salary of $430,000, effective January 1, 2026. Mr. Haley's annual base salary shall be reviewed at least annually and may be increased, but not decreased, from the then-current salary. Mr. Haley is also eligible to receive a discretionary bonus based on his level of performance and the overall success of MFIN and the Bank on the same basis as similarly situated executives of MFIN and the Bank. For the 2026 fiscal year, Mr. Haley's target bonus shall be 125% of his base salary. The agreement provides for a severance payment subject to Mr. Haley's execution of a release of claims in favor of MFIN, the Bank and their affiliates, in the event that (i) Mr. Haley's employment is terminated by the Bank/MFIN without cause (as defined in the agreement), (ii) Mr. Haley's employment terminates on account of disability, (iii) Mr. Haley resigns for good reason (as defined in the agreement), or (iv) upon a change in control (as defined in the agreement), the agreement is not assumed by the successor corporation and Mr. Haley is not offered employment on similar terms. Upon such termination other than a termination on account of disability, the severance consists of (i) continued health benefits at MFIN's and the Bank's expense for twelve months following the termination, (ii) a lump sum payment equivalent to eighteen months of Mr. Haley's then base salary, (iii) a prorated annual bonus, and in addition, all unvested stock options and restricted stock awards of Mr. Haley will become immediately vested and any forfeiture restrictions will lapse and all performance shares, performance units and performance cash awards of Mr. Haley shall become immediately vested, the exact quantity of which will be based upon the determinable performance as of the most recent quarter end prior to termination for the shortened period, in connection with pre-established performance objectives. Upon a termination on account of disability, Mr. Haley will be entitled to continued base salary payment for six months and continuation of health benefits at MFIN's and the Bank's expense for three months following the termination. Upon a change in control where Mr. Haley's employment agreement is not assumed by the successor corporation and Mr. Haley is not offered employment on similar terms, he will be entitled to receive the severance payments and benefits described in connection with a termination without cause or for good reason. The agreement also includes non-competition and non-solicitation obligations during Mr. Haley's employment and for twelve months thereafter.

Mr. Hannay had previously entered into an agreement with MFIN to serve as our Chief Lending Officer, which was subsequently amended and restated and entered into with MFIN and the Bank and became effective on June 1, 2021. The agreement provides for a two-year term and automatically renews each year for a new two-year term, such that there will be a two-year term commencing on June 1st of each year during the term of the agreement unless either party provides notice to the other party of its intention not to renew the term beyond the then-current two-year term. Under the agreement, Mr. Hannay is entitled to an annual base salary of $320,000. Mr. Hannay's annual base salary shall be reviewed at least annually and may be increased, but not decreased, from the then-current salary. Mr. Hannay is also eligible to receive a discretionary bonus, based on his level of performance and the overall success of MFIN and the Bank, on the same basis as similarly situated executives of MFIN and the Bank. The agreement provides for a severance payment subject to Mr. Hannay's execution of a release of claims in favor of MFIN, the Bank and their affiliates, in the event that (i) Mr. Hannay's employment is terminated by the Bank or MFIN without cause (as defined in the agreement), (ii) Mr. Hannay's employment terminates on account of disability, (iii) Mr. Hannay resigns for good reason (as defined in the agreement), or (iv) upon a change in control (as defined in the agreement), the agreement is not assumed by the successor corporation and Mr. Hannay is not offered employment on similar terms. Upon such termination, other than a termination on account of disability, the severance consists of (i) continued health benefits at MFIN's and the Bank's expense for twelve months following the termination and (ii) a lump sum payment equivalent to fifteen months of Mr. Hannay's then base salary, and in addition, all unvested stock options and restricted stock awards of Mr. Hannay will become immediately vested and any forfeiture restrictions will lapse. Upon a termination on account of disability, Mr. Hannay will be entitled to continued base salary payments for three months and continuation of health benefits at MFIN's and the Bank's expense for three months following the termination. Upon a change in control where Mr. Hannay's employment agreement is not assumed by the successor corporation and Mr. Hannay is not offered employment on similar terms, he will be entitled to receive the severance payments and benefits described in connection with a termination without cause or for good reason. The agreement also includes non-competition and non-solicitation obligations during Mr. Hannay's employment and for twelve months thereafter.

Perquisites

MFIN provides its named executive officers with perquisites and other personal benefits that MFIN and its compensation committee believe are reasonable and consistent with its overall compensation program to better enable MFIN to attract and retain superior employees for key positions. MFIN's compensation committee periodically reviews the levels of perquisites and other personal benefits provided to its named executive officers. Mr. Poulton is provided with a monthly car allowance to facilitate travel when conducting his duties.

Other Benefits

Our named executive officers are eligible to participate in all of MFIN's employee benefit plans, such as medical, dental, vision, group life, disability, and accidental death and dismemberment insurance, as well as MFIN's 401(k) Investment Plan, in each case on the same basis as other employees.

Outstanding Equity Awards at Fiscal Year End

The following table sets forth information regarding the outstanding equity awards held by our named executive officers as of December 2025. All such awards were granted under MFIN's 2018 Equity Incentive Plan.

		Option Awards				Stock Awards			
Name	**Grant Date**	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of Shares of Stock That Have Not Vested (#)**	**Market Value of Shares of Stock That Have Not Vested ($)(1)**	**Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)**	**Payout Value of Unearned Shares, Units or Other Rights that Have Not Vested ($)(1)**
Donald S. Poulton	3/21/2019	21,604	—	6.55	3/21/2029	—	—	—	—
	2/17/2020	34,132	—	6.68	2/17/2030	—	—	—	—
	3/4/2021	39,297	—	6.79	3/4/2031	—	—	—	—
	2/16/2023	—	—	—	—	11,603(2)	119,395	—	—
	4/26/2023	—	—	—	—	—	—	101,832(3)	1,047,850
	2/16/2024	—	—	—	—	21,948(4)	225,845	36,299(5)	373,517
	2/13/2025	—	—	—	—	34,866(6)	358,771	27,471(7)	282,677
D. Justin Haley	3/4/2021	14,290	—	6.79	3/4/2031	—	—	—	—
	2/16/2023	—	—	—	—	4,462(2)	45,914	—	—
	4/26/2023	—	—	—	—	—	—	39,152(3)	402,875
	2/16/2024	—	—	—	—	12,985(4)	133,616	21,475(5)	220,978
	2/13/2025	—	—	—	—	20,628(6)	212,262	16,252(7)	167,231
Steven M. Hannay	3/4/2021	3,572	—	6.79	3/4/2031	—	—	—	—
	2/16/2023	—	—	—	—	3,507(2)	36,087	—	—
	4/26/2023	—	—	—	—	—	—	30,764(3)	316,561
	2/16/2024	—	—	—	—	9,290(4)	95,594	15,361(5)	158,065
	2/13/2025	—	—	—	—	14,758(6)	151,860	11,627(7)	119,644

(1) Amounts are calculated based on the closing price ($10.29) of MFIN’s common stock on December 31, 2025.
(2) These shares of restricted MFIN common stock vested on March 1, 2026.
(3) Represents the actual number of PSUs, inclusive of dividend equivalents accrued, that were earned based on achievement of PTI and ROE goals over a three-year performance period ending December 31, 2025. After completion of this fiscal year, the MFIN compensation committee determined the extent to which performance measures had been achieved and as of March 10, 2026, the MFIN compensation committee approved the vesting of this award at 193.28% of target.
(4) One half of these shares of restricted MFIN common stock vested on March 1, 2026. The remaining shares of restricted MFIN common stock will vest on March 1, 2027.
(5) This amount represents the number of PSUs that may be earned, inclusive of dividend equivalents accrued, assuming an achievement of the target level of MFIN’s PTI and target level of ROE goals over a three-year performance period ending December 31, 2026. The levels of performance have been used for purposes of this table based on the level of performance at December 31, 2025. As of December 31, 2025, actual PTI was between threshold and target performance levels, but is reported at the next higher performance measure of target in accordance with Regulation S-K Item 402 and actual ROE was between threshold and target performance levels, but is reported at the next higher performance measure of target in accordance with Regulation S-K Item 402. Each financial metric is weighted 50% in determining the overall performance level and the number of PSUs that are earned. The actual number of PSUs, if any, that may be earned ranges from 0% to 200% of the target number of units set forth in the table above, based on MFIN's PTI and ROE over a three-year performance period ending December 31, 2026, with such PSUs vesting upon certification by MFIN’s compensation committee of the level of achievement following December 31, 2026. Vesting is also contingent upon the continued employment of the executive through the certification date, or as otherwise provided in the applicable award agreement.
(6) One third of these shares of restricted common stock vested on March 1, 2026. The remaining shares of restricted MFIN common stock will vest on March 1, 2027 and March 1, 2028.
(7) This amount represents the number of PSUs that may be earned, inclusive of dividend equivalents accrued, assuming an achievement of the threshold level of MFIN’s PTI and target level of ROE goals over a three-year performance period ending December 31, 2027. The levels of performance have been used for purposes of this table based on the level of performance at December 31, 2025. As of December 31, 2025, actual PTI was below the threshold performance level, but is reported at the next higher performance measure of threshold in accordance with Regulation S-K Item 402 and actual ROE was between threshold and target performance levels, but is reported at the next higher performance measure of target in accordance with Regulation S-K Item 402. Each financial metric is weighted 50% in determining the overall performance level and the number of PSUs that are earned. The actual number of PSUs, if any, that may be earned ranges from 0% to 200% of the target number of units set forth in the table above, based on MFIN's PTI and ROE over a three-year performance period ending December 31, 2027, with such PSUs vesting upon certification by MFIN’s compensation committee of the level of achievement following December 31, 2027. Vesting is also contingent upon the continued employment of the executive through the certification date, or as otherwise provided in the applicable award agreement.

Potential Payments upon Termination or Change in Control

The following table sets forth information regarding potential payments to be made to our named executive officers following an employment termination or change of control. Amounts in the table assume an employment termination or change in control on December 31, 2025.

Name	Termination Without Cause ($)	Termination by Officer for Good Reason (Not Involving Change of Control)($)	Disability ($)	Change of Control - Termination or Change in Employment($)	Change of Control - Employment Agreement Assumed By New Owner($)
Donald S. Poulton					
Severance	608,750(1)	608,750(1)	243,500(2)	608,750(1)	365,250(3)
Other Benefits	725,239(4)	725,239(4)	10,614(5)	2,524,610(6)	1,789,832(7)
D. Justin Haley					
Severance	450,000(8)	450,000(8)	90,000(9)	450,000(8)	—
Other Benefits	422,260(10)	422,260(10)	7,617(11)	1,269,734(12)	841,835(13)
Steven M. Hannay					
Severance	454,273(14)	454,273(14)	90,855(15)	454,273(14)	—
Other Benefits	288,448(16)	288,448(16)	3,149(17)	930,132(18)	630,571(19)

(1) Mr. Poulton would be entitled to an amount equal to his salary for the balance of his current employment period, which as of December 31, 2025 expires on December 31, 2026, and two weeks’ base salary for each year employed, up to three months. The severance payment was calculated based on his salary for the fiscal year ended December 2025.
(2) Mr. Poulton would be entitled to an amount equal to six months’ salary following termination. The severance payment was calculated based on his salary for the fiscal year ended December 2025.
(3) Mr. Poulton would be entitled to an amount equal to nine months’ salary. The severance payment was calculated based on his salary for the fiscal year ended December 2025.
(4) Mr. Poulton would be entitled to receive his health benefits for the balance of his current employment period, all stock options previously granted would become immediately vested and exercisable, and not subject to any clawback, and all restricted stock previously granted would become immediately vested and not subject to forfeiture or clawback. As of December 31, 2025, Mr. Poulton has no unvested stock options and 68,417 unvested shares of restricted stock. The value associated with vesting of shares of restricted stock previously granted that have not vested as of December 31, 2025 is $704,011, calculated by using the closing price of MFIN’s common stock on December 31, 2025, which was $10.29.
(5) Mr. Poulton would be entitled to receive his health benefits for the six months following termination.
(6) In addition to the payouts described in footnote 4 above, all of Mr. Poulton’s PSUs shall be deemed earned at the target level with respect to the performance periods, unless the MFIN compensation committee determines that the PSUs be deemed earned at a level in excess of target level performance based on actual results or good-faith projections for the performance period and the remaining portion of the PSUs would be forfeited. As of December 31, 2025, (a) the PSUs granted in 2023 with a three-year performance period ending December 31, 2025, inclusive of dividend equivalents accrued, are reported based on achievement of PTI and ROE goals at the end of the applicable performance period as certified by the MFIN Compensation Committee as of March 10, 2026 at 193.28% of target, (b) the PSUs granted in 2024 with a three-year performance period ending December 31, 2026, inclusive of dividend equivalents accrued, are reported at

target, and (c) the PSUs granted in 2025 with a three-year performance period ending December 31, 2027, inclusive of dividend equivalents accrued, are reported at 100.30% of target, based on good-faith projections for the applicable performance period, with the remaining portions of the PSU grants to be forfeited.

(7) Mr. Poulton's PSUs would be deemed earned pursuant to the following calculation and converted into restricted stock units in respect of an equivalent number of shares (or common securities of an acquirer or a parent thereof) subject to time-based condition only, vesting on the end of the applicable performance period and subject to Mr. Poulton's continued service through such date. If the change in control occurs during the first year of the applicable performance period, the target number of PSUs will be deemed earned and the remaining portion of the award would be forfeited for no consideration. If the change in control occurs following the first year of the applicable performance period, such number of performance units will be deemed earned based on the actual performance through the completed annual periods or through the date of the change in control, to the extent determinable, and the remaining portion of the award would be forfeited for no consideration. As of December 31, 2025, (a) the PSUs granted in 2023 with a three-year performance period ending December 31, 2025, inclusive of dividend equivalents accrued, are reported based on achievement of PTI and ROE goals at the end of the applicable performance period as certified by the MFIN Compensation Committee as of March 10, 2026 at 193.28% of target, (b) the PSUs granted in 2024 with a three-year performance period ending December 31, 2026, inclusive of dividend equivalents accrued, are reported at 97.75% of target, and (c) the PSUs granted in 2025 with a three-year performance period ending December 31, 2027 are reported at target, with the remaining portions of the PSU grants to be forfeited.

(8) Mr. Haley would be entitled to an amount equal to his base salary for the fifteen months following termination or change of control. The severance payment was calculated based on his salary as of December 2025.

(9) Mr. Haley would be entitled to an amount equal to three months' salary following termination. The severance payment was calculated based on his salary as of December 2025.

(10) Mr. Haley would be entitled to receive his health benefits for the twelve months following termination or change of control, all stock options previously granted would become immediately vested and exercisable, and not subject to any clawback, and all restricted stock previously granted would become immediately vested. As of December 31, 2025, Mr. Haley has no unvested stock options and 38,075 unvested shares of restricted stock. The value associated with vesting of shares of restricted stock previously granted that have not vested as of December 31, 2025 is $391,792, calculated by using the closing price of MFIN's common stock on December 31, 2025, which was $10.29.

(11) Mr. Haley would be entitled to receive his health benefits for the three months following termination.

(12) In addition to the payouts described in footnote 10 above, all of Mr. Haley's PSUs shall be deemed earned at the target level with respect to the performance periods, unless the MFIN compensation committee determines that the PSUs be deemed earned at a level in excess of target level performance based on actual results or good-faith projections for the performance period and the remaining portion of the PSUs would be forfeited. As of December 31, 2025, (a) the PSUs granted in 2023 with a three-year performance period ending December 31, 2025, inclusive of dividend equivalents accrued, are reported based on achievement of PTI and ROE goals at the end of the applicable performance period as certified by the MFIN Compensation Committee as of March 10, 2026 at 193.28% of target, (b) the PSUs granted in 2024 with a three-year performance period ending December 31, 2026, inclusive of dividend equivalents accrued, are reported at target, and (c) the PSUs granted in 2025 with a three-year performance period ending December 31, 2027, inclusive of dividend equivalents accrued, are reported at 100.30% of target, based on good-faith projections for the applicable performance period, with the remaining portions of the PSU grants to be forfeited.

(13) Mr. Haley's PSUs would be deemed earned pursuant to the following calculation and converted into restricted stock units in respect of an equivalent number of shares (or common securities of an acquirer or a parent thereof) subject to time-based condition only, vesting on the end of the applicable performance period and subject to Mr. Haley's continued service through such date. If the change in control occurs during the first year of the applicable performance period, the target number of PSUs will be deemed earned and the remaining portion of the award would be forfeited for no consideration. If the change in control occurs following the first year of the applicable performance period, such number of performance units will be deemed earned based on the actual performance through the completed annual periods or through the date of the change in control, to the extent determinable, and the remaining portion of the award would be forfeited for no consideration. As of December 31, 2025, (a) the PSUs granted in 2023 with a three-year performance period ending December 31, 2025, inclusive of dividend equivalents accrued, are reported based on achievement of PTI and ROE goals at the end of the applicable performance period as certified by the MFIN Compensation Committee as of March 10, 2026 at 193.28% of target, (b) the PSUs granted in 2024 with a three-year performance period ending December 31, 2026, inclusive of dividend equivalents accrued, are reported at 97.75% of target, and (c) the PSUs granted in 2025 with a three-year performance period ending December 31, 2027 are reported at target, with the remaining portions of the PSU grants to be forfeited.

(14) Mr. Hannay would be entitled to an amount equal to his base salary for fifteen months following termination or change of control. The severance payment was calculated based on his salary as of December 2025.

(15) Mr. Hannay would be entitled to an amount equal to three months' salary following termination. The severance payment was calculated based on his salary as of December 2025.

(16) Mr. Hannay would be entitled to receive his health benefits for the twelve months following termination or change of control, all stock options previously granted would become immediately vested and exercisable, and not subject to any clawback, and all restricted stock previously granted would become immediately vested. As of December 31, 2025, Mr. Hannay has no unvested stock options and 27,555 unvested shares of restricted stock. The value associated with vesting of shares of restricted stock previously granted that have not vested as of December 31, 2025 is $283,541, calculated by using the closing price of MFIN's common stock on December 31, 2025, which was $10.29.

(17) Mr. Hannay would be entitled to receive his health benefits for the three months following termination.

(18) In addition to the payouts described in footnote 16 above, all of Mr. Hannay's PSUs shall be deemed earned at the target level with respect to the performance periods, unless the MFIN compensation committee determines that the PSUs be deemed earned at a level in excess of target level performance based on actual results or good-faith projections for the performance period and the remaining portion of the PSUs would be forfeited. As of December 31, 2025, (a) the PSUs granted in 2023 with a three-year performance period ending December 31, 2025, inclusive of dividend equivalents accrued, are reported based on achievement of PTI and ROE goals at the end of the applicable performance period as certified by the MFIN Compensation Committee as of March 10, 2026 at 193.28% of target, (b) the PSUs granted in 2024 with a three-year performance period ending December 31, 2026, inclusive of dividend equivalents accrued, are reported at target, and (c) the PSUs granted in 2025 with a three-year performance period ending December 31, 2027, inclusive of dividend equivalents accrued, are reported at 100.30% of target, based on good-faith projections for the applicable performance period, with the remaining portions of the PSU grants to be forfeited.

(19) Mr. Hannay's PSUs would be deemed earned pursuant to the following calculation and converted into restricted stock units in respect of an equivalent number of shares (or common securities of an acquirer or a parent thereof) subject to time-based condition only, vesting on the end of the applicable performance period and subject to Mr. Hannay's continued service through such date. If the change in control occurs during the first year of the applicable performance period, the target number of PSUs will be deemed earned and the remaining portion of the award would be forfeited for no consideration. If the change in control occurs following the first year of the applicable performance period, such number of performance units will be deemed earned based on the actual performance through the completed annual periods or through the date of the change in control, to the extent determinable, and the remaining portion of the award would be forfeited for no consideration. As of December 31, 2025, (a) the PSUs granted in 2023 with a three-year performance period ending December 31, 2025, inclusive of dividend equivalents accrued, are reported based on achievement of PTI and ROE goals at the end of the applicable performance period as certified by the MFIN Compensation Committee as of March 10, 2026 at 193.28% of target, (b) the PSUs granted in 2024 with a three-year performance period ending December 31, 2026, inclusive of dividend equivalents accrued, are reported at 97.75% of target, and (c) the PSUs granted in 2025 with a three-year performance period ending December 31, 2027 are reported at target, with the remaining portions of the PSU grants to be forfeited.

MFIN's board of directors determined that providing the modest change-of-control arrangements described above and which apply to Mr. Poulton, Mr. Haley and Mr. Hannay as named executive officers of the Bank appropriately reflects the risk imposed on executives that companies such as MFIN or the Bank might be acquired. These arrangements are intended to attract and retain qualified executives with employment alternatives that may appear to them to be less risky absent these arrangements, and to mitigate a potential disincentive to authorize such an acquisition, particularly where the services of these executive officers may not be required by the acquirer.

MFIN's compensation committee authorized the various change-in-control and severance provisions in recognition of the importance to MFIN and its shareholders of assuring that MFIN has the continued dedication and full attention of certain key employees prior to and after the consummation of a change-in-control event. In addition to the foregoing, the provisions are intended to ensure that, if a possible change in control should arise and a Bank named executive officer should be involved in deliberations or negotiations in connection with the possible change in control, such officer would be in a position to consider as objectively as possible whether the possible change-in-control transaction is in the Bank and MFIN's best interests and those of its shareholders, without concern for his or her position or financial well-being. Absent termination without cause or for good reason, or a change-of-control event, no Bank named executive officer is entitled to either equity vesting acceleration or cash severance payments upon termination of employment.

Director Compensation Table and Narrative Discussion

The following table sets forth certain compensation information for our directors for the fiscal year ended December 2025. None of our directors is an employee of the Bank. Mr. Alvin Murstein and Mr. Andrew M. Murstein are both employees of MFIN.

Name	Fees earned or paid in cash ($)	Restricted stock unit awards ($)[1]	Total ($)
Alvin Murstein	—	—	—
Andrew M. Murstein	—	—	—
Brent O. Hatch	30,000	—	30,000
Robert M. Meyer	30,000	—	30,000
J. Lawrence Richards	87,500	35,008	122,508
John M. Taggart	75,000	35,008	110,008
John Everets	20,000	—	20,000

(1) This amount is the aggregate grant date fair value of restricted stock units with respect to the fiscal year ended December 2025 computed in accordance with FASB ASC Topic 718. See Note 1 for additional details.

Our directors, other than Mr. Alvin Murstein and Mr. Andrew M. Murstein, are paid the amounts set forth in the below table for each year they serve based on their positions on the MFIN board, the Bank Board and the Bank audit committee, payable in quarterly installments. The amounts set forth in the table below are paid by the Bank for the applicable director's service on the Bank Board or audit committee, and MFIN pays additional amounts (which are not reflected in the table below) to directors who also serve on the MFIN board or its other committees. Additionally, all such directors are reimbursed by the Bank for expenses relating to attendance at Bank Board and audit committee meetings and also received $35,000 worth of restricted stock units granted under the 2018 Plan for each year they serve; provided that directors that serve on both the board of directors of the Bank and MFIN do not receive such equity grant as part of their director compensation provided by the Bank. Effective January 1, 2026, such restricted stock unit grants increased from $35,000 to $55,000. We do not provide any pension or retirement plan with respect to our directors.

Role	Director Compensation
Board Members on Medallion Bank Board Only	
Board Member (Base)[1]	$65,000
Audit Committee Chair (Additional)	$22,500
Audit Committee Member (Additional)	$10,000
Board Members on both Medallion Bank and Medallion Financial Corp. Boards	
Board Member (Base)	$20,000
Audit Committee Member (Additional)	$10,000

(1) Effective January 1, 2026, such board member base retainer increased from $65,000 to $70,000.

As employees of MFIN, Mr. Alvin Murstein and Mr. Andrew M. Murstein are eligible to participate in MFIN's 401(k) Investment Plan and the 2018 Plan.

Compensation Committee Interlocks and Insider Participation

As a controlled company, we are not required to have, and do not have, a compensation committee. None of our executive officers serves or has served as a member of the board, compensation committee or other board committee performing equivalent functions of any entity that has one or more executive officers serving as one of our directors, which would be required to be disclosed under Item 404 of Regulation S-K.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Securities Authorized for Issuance Under Equity Compensation Plans

The information set forth in Item 5 of this Form 10-K titled "Market For Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities— Securities Authorized for Issuance Under Equity Compensation Plans" is incorporated herein by reference.

Security Ownership of Certain Beneficial Owners and Management

The following table shows, as of March 12, 2026, the percentage of outstanding shares of common stock that are beneficially owned by (i) our directors and executive officers and (ii) any shareholder who holds 5% or more of our common stock. Except as otherwise indicated, the address for each shareholder listed below is c/o Medallion Bank, 1100 East 6600 South, Suite 510, Salt Lake City, UT 84121.

	Common Stock	
	As of March 12, 2026	
Name and Address of Beneficial Owner	**Number of Shares**	**Percentage of Outstanding Shares**
MFIN[1]	1,000,000	100%
Directors and Executive Officers		
Alvin Murstein	—	—%
Andrew Murstein	—	—%
John Everets	—	—%
Brent O. Hatch	—	—%
John M. Taggart	—	—%
J. Lawrence Richards	—	—%
Robert M. Meyer	—	—%
Donald S. Poulton	—	—%
D. Justin Haley	—	—%
Travis B. Betenson	—	—%
Steven M. Hannay	—	—%
Jonathan T Allen	—	—%
Joel R. Cannon	—	—%
All Directors and Executive Officers as a group (composed of 13 individuals)	—	— %
Total	1,000,000	100%

(1) MFIN owns all shares of our common stock beneficially and of record. MFIN's investment decisions are made by its board of directors. MFIN is a public company with shares listed on Nasdaq Global Select Market under the ticker "MFIN." The address of MFIN is 437 Madison Ave, 38th Floor, New York, NY 10022.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Certain Relationships and Related-Person Transactions

Certain of our directors are also directors or director nominees of MFIN and certain affiliates, including Medallion Funding LLC, Medallion Capital, Inc. and Freshstart Venture Capital Corp. Executive officer salaries are set by MFIN's board of directors and ratified by our Board. The information set forth in Item 7 of this Form 10-K titled "Management's Discussion and Analysis of

Financial Condition and Results of Operations—Transactions with Affiliates" and Item 10 titled "Directors, Executive Officers and Corporate Governance–Composition of Our Board of Directors" is incorporated herein by reference.

Jameson Poulton, the son of the Bank's Chief Executive Officer, serves as Medallion Bank's Manager, Data Analytics. Mr. Poulton received a salary of $107,120, $104,004, and $100,000 for the years ended December 31, 2025, 2024 and 2023, respectively. His salary was increased to $120,000 per year effective January 1, 2026. Mr. Poulton received an annual cash bonus of $16,068, $13,000, and $14,000 for the years ended December 31, 2025, 2024 and 2023, respectively. Mr. Poulton received no equity grants for the year ended December 31, 2025, but received $2,601 and $4,619 of equity grants for years ended December 31, 2024 and 2023, respectively.

Relationship with MFIN

We are a wholly owned subsidiary of MFIN. We conduct our activities with MFIN and other MFIN subsidiaries and affiliates on an arm's-length basis and in compliance with Sections 23A and 23B of the Federal Reserve Act and Regulation W promulgated thereunder. See "Supervision and Regulation" in Item 1 - Our Business for additional information regarding restrictions on certain transactions with MFIN and other affiliates. The following is a description of certain material relationships between us and MFIN, or a wholly owned subsidiary of MFIN, regarding loan marketing, loan servicing, corporate services and tax sharing.

Loan Servicing Agreement

Prior to the sale of our remaining Taxi Medallion assets to an MFIN subsidiary on October 1, 2025, and pursuant to a Loan Servicing Agreement between us and Medallion Servicing Corp., a wholly owned subsidiary of MFIN, MSC provided us with a number of services related to servicing Taxi Medallion assets. Services included, among others, monitoring collateral, collecting loan payments and maintaining account records, and collection activities on delinquent accounts. Fees paid for services were based on the number of assets that MSC services. For the services provided pursuant to this agreement, we paid MSC a total of $1.0 million in the year ended December 2025 and $1.5 million in the year ended December 2024. Since the Bank no longer requires these services, the Loan Servicing Agreement was terminated on February 18, 2026.

Corporate Services Agreement

Pursuant to a Corporate Services Agreement between us and MFIN, we source services from MFIN including the following:

- human resources support, including, without limitation, payroll services, benefits administration, and employee counseling; and

- legal support, including, without limitation, drafting and reviewing contracts and transactional forms, and assisting with regulatory matters.

Fees paid for the above services are based on predetermined monthly or hourly rates, and, in the case of human resources support, on the number of our employees. We paid MFIN a total of $498,000 for all such services in the year ended December 2025. We paid MFIN a total of $443,000 in the year ended December 2024.

Tax Sharing Agreement

The Bank's U.S. federal and certain state operations are included in various MFIN consolidated tax returns; and, in such cases, MFIN makes payments to tax authorities on our behalf. We and MFIN maintain a Tax Sharing Agreement for any operations included in an MFIN consolidated tax return, pursuant to which MFIN charges us for any taxes owed and reimburses us for tax attributes generated. Such charges or reimbursements are based upon our separate income tax liability calculated as if we had filed a separate federal or state tax return, as the case may be.

Policies and Procedures for Review, Approval or Ratification of Related-Person Transactions

Our Board recognizes that transactions with affiliates and other related-party transactions present a heightened risk of conflicts of interest and/or improper valuation (or the perception thereof). In addition, laws and regulations, including Sections 23A and 23B of the Federal Reserve Act and Regulation W promulgated thereunder and the Federal Reserve's Regulation O, place restrictions on the amounts and types of transactions we may conduct with our affiliates and with our directors and executive officers. See "Supervision and Regulation" for additional information. Therefore, we maintain a written Insider Lending Policy, which generally prohibits us from making loans or otherwise extending credit to any of our executive officers, directors, or principal shareholders, or related interests or immediate family members of any of the foregoing. Our Chief Compliance Officer is responsible for ensuring that covered individuals understand this policy and the applicable regulatory requirements, as well as for the compliance of extensions of credit with this policy or applicable regulations.

We may make exceptions to our Insider Lending Policy for certain insiders. Any extension of credit made pursuant to such an exception must be on the same terms and subject to the same underwriting standards as those applicable to non-related persons. In general, prior approval of our Board is required for any extension of credit to an insider that, when aggregated with all other credit extended to the applicable person, exceeds the greater of $25,000 or 5% of our capital and unimpaired surplus, or exceeds $200,000. Any member of the Board who has an interest in the transaction under discussion will abstain from voting on the approval of the transaction. Extensions of credit to our executive officers are subject to additional restrictions set forth in Regulation O and our Insider Lending Policy, and exceptions to the applicable restrictions on extensions of credit to our executive officers are not permitted.

In addition, we have adopted a written Code of Ethical Conduct and Insider Trading Policy, which includes a Conflicts of Interest Policy that establishes requirements for our directors and employees to avoid an actual or perceived conflict of interest with the interests of the Bank. For more information about this policy, see “Management—Code of Conduct and Ethics.”

We have also implemented a written Related and Affiliated Party Transactions Policy, pursuant to which our Board is responsible for reviewing our transactions with affiliates, including MFIN. The policy prohibits management from entering into transactions with affiliates or related-party transactions unless the Board has been briefed on the transaction and a majority of directors who are both independent directors and who have no financial interest in the relevant transaction has approved the proposed transaction (the “required majority”). The Board may, in its sole discretion, approve or deny by the required majority any transactions with affiliates or related-party transactions and approval may be conditioned upon any other actions the Board deems appropriate. Failure to follow the approval process can lead to disciplinary action, up to and including termination.

We also have a separate Regulation W Affiliated Transactions Policy that provides a framework through which we identify affiliate transactions governed by Sections 23A and 23B of the Federal Reserve Act and Regulation W promulgated thereunder.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

On April 4, 2024, the Bank was notified by its independent registered public accounting firm, Mazars USA LLP (“Mazars”), of its decision to resign as the Bank’s independent registered public accounting firm effective with the filing of the Bank’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 and no later than May 31, 2024.

Effective June 3, 2024, the Bank engaged Plante & Moran, PLLC (“Plante Moran”), as its independent registered public accounting firm for the fiscal year ending December 31, 2024. The re-engagement of Plante Moran as the Bank’s independent registered public accounting firm was approved by the Bank’s audit committee.

The following is a summary of the fees billed to us by Plante Moran for professional services rendered for the fiscal year ended December 2025 and December 31, 2024 and by Mazars for the reissuance of their December 2023 report for inclusion in this Form 10-K and the Bank’s Annual Report on Form 10-K for the year ended December 31, 2024:

Fee Category	Fiscal 2025 Fees(1)	Fiscal 2024 Fees
Audit Fees		
Plante Moran	$ 754,700	$ 627,500
Mazars	15,000	87,100
Audit-Related Fees	—	—
Tax Fees		
Plante Moran	167,000	162,540
Mazars	—	33,987
All Other Fees	—	—
Total Fees	$ 936,700	$ 911,127

(1) Fees are estimated.

Audit Fees

Audit fees consist of fees billed for professional services rendered for the integrated audit of our financial statements and of our internal control over financial reporting and review of the interim financial statements included in Exchange Act filings. They also consist of fees billed for services that are normally provided by the independent registered public accountants in connection with statutory and regulatory filings or engagements.

Audit-Related Fees

There were no fees billed to us by Plante Moran and Mazars for the fiscal years ended December 2025 and 2024 for assurance and related services reasonably related to the performance of the audit or review of our financial statements.

Tax Fees

Tax fees consist of fees billed for professional services for tax compliance, tax advice and tax planning. These services include assistance regarding federal, state and local tax compliance, assistance with tax reporting requirements and audit compliance, value-added tax compliance, mergers and acquisitions tax compliance, and tax advice on federal and state tax matters.

All Other Fees

All other fees consist of fees for products and services other than the services reported above. These services include work related to preferred stock and capital matters. There were no fees billed to us by Plante Moran or Mazars for the fiscal years ended December 2025 and 2024 for products and services other than the services reported above.

Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

The Audit Committee's policy is to pre-approve all audit and permissible non-audit services to be provided by the independent registered public accounting firm. These services may include audit services, audit-related services, tax services and other services. Pre-approval is generally provided for up to one year and any pre-approval is detailed as to the particular service or category of services and is generally subject to a specific budget. The independent registered public accounting firm and management are required to report periodically to the Audit Committee regarding the extent of services provided by the independent registered public accounting firm in accordance with this pre-approval, and the fees for the services performed to date. The Audit Committee may also pre-approve particular services on a case-by-case basis. The Audit Committee has granted the Chairman of the Audit Committee, J. Lawrence Richards, the authority to pre-approve all audit and permissible non-audit services provided by the independent registered public accounting firm so long as such approval is ratified by the Audit Committee in a timely manner. All fees for services provided by the independent registered public accounting firm were pre-approved by the Audit Committee.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

1. FINANCIAL STATEMENTS

The financial statements of Medallion Bank and the Report of Independent Public Accountants thereon are included as set forth on the Index to Financial Statements on F-1.

2. FINANCIAL STATEMENT SCHEDULES

See Index to Financial Statements on F-1.

3. EXHIBITS

The following documents are filed as exhibits hereto:

Exhibit Number	Description
3.1	Articles of Incorporation of Medallion Bank, dated May 7, 2002 (the “Articles of Incorporation”) (incorporated by reference to Exhibit 3.1 to the Registrant’s Registration Statement on Form 10, dated December 9, 2019)
3.2	Articles of Amendment to the Articles of Incorporation, dated February 19, 2009, amending and restating Article 3 of the Articles of Incorporation (incorporated by reference to Exhibit 3.2 to the Registrant’s Registration Statement on Form 10, dated December 9, 2019)
3.3	Articles of Amendment to the Articles of Incorporation, dated February 19, 2009, adding a new Section 2 to Article 3 of the Articles of Incorporation setting forth the terms of Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series A (incorporated by reference to Exhibit 3.3 to the Registrant’s Registration Statement on Form 10, dated December 9, 2019)
3.4	Articles of Amendment to the Articles of Incorporation, dated February 19, 2009, adding a new Section 3 to Article 3 of the Articles of Incorporation setting forth the terms of Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series B* (incorporated by reference to Exhibit 3.4 to the Registrant’s Registration Statement on Form 10, dated December 9, 2019)
3.5	Articles of Amendment to the Articles of Incorporation, dated December 17, 2009, adding a new Section 4 to Article 3 of the Articles of Incorporation setting forth the terms of Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series C (incorporated by reference to Exhibit 3.5 to the Registrant’s Registration Statement on Form 10, dated December 9, 2019)
3.6	Articles of Amendment to the Articles of Incorporation, dated December 17, 2009, adding a new Section 5 to Article 3 of the Articles of Incorporation setting forth the terms of Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series D (incorporated by reference to Exhibit 3.6 to the Registrant’s Registration Statement on Form 10, dated December 9, 2019)
3.7	Articles of Amendment to the Articles of Incorporation, dated June 23, 2011, adding a new Section 5 to Article 3 of the Articles of Incorporation setting forth the terms of Senior Non-Cumulative Perpetual Preferred Stock, Series E (incorporated by reference to Exhibit 3.7 to the Registrant’s Registration Statement on Form 10, dated December 9, 2019)
3.8	Articles of Amendment to the Articles of Incorporation, dated June 23, 2011, amending and restating Section 5 to Article 3 of the Articles of Incorporation setting forth the terms of Senior Non-Cumulative Perpetual Preferred Stock, Series E (incorporated by reference to Exhibit 3.8 to the Registrant’s Registration Statement on Form 10, dated December 9, 2019)
3.9	Articles of Amendment to the Articles of Incorporation, dated January 3, 2019, amending and restating Section 1(a) to Article 3 of the Articles of Incorporation (incorporated by reference to Exhibit 3.9 to the Registrant’s Registration Statement on Form 10, dated December 9, 2019)
3.10	Articles of Amendment to the Articles of Incorporation, dated December 11, 2019, adding a new Section 6 to Article 3 of the Articles of Incorporation setting forth the terms of Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series F (incorporated by reference to Exhibit 3.10 to Amendment No. 1 to the Registrant’s Registration Statement on Form 10, dated December 11, 2019)
3.11	Bylaws of Medallion Bank (incorporated by reference to Exhibit 3.11 to the Registrant’s Registration Statement on Form 10, dated December 9, 2019)
3.12	Articles of Amendment to the Articles of Incorporation, dated May 2, 2025, filed with the Division of Corporation and Commercial Code of the State of Utah and effective May 9, 2025. (incorporated by reference to Exhibit 3.1 to Form 8-K, filed on May 14, 2025).

3.13	Articles of Amendment to the Articles of Incorporation, dated May 16, 2025, filed with the Division of Corporations and Commercial Code of the State of Utah and effective May 19, 2025. (incorporated by reference to Exhibit 3.2 to Form 8-A, filed on May 21, 2025).
4.1	Description of Medallion Bank's Securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.1 to the Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, filed on March 30, 2020)
10.1	Corporate Services Agreement, dated December 22, 2003, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.4 to the Registrant's Registration Statement on Form 10, dated December 9, 2019)
10.2	Amendment No. 1 to Corporate Services Agreement, dated October 3, 2007, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.5 to the Registrant's Registration Statement on Form 10, dated December 9, 2019)
10.3	Amendment No. 2 to Corporate Services Agreement, dated August 29, 2008, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.6 to the Registrant's Registration Statement on Form 10, dated December 9, 2019)
10.4	Amendment No. 3 to Corporate Services Agreement, dated January 1, 2014, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.7 to the Registrant's Registration Statement on Form 10, dated December 9, 2019)
10.5	Amendment No. 4 to Corporate Services Agreement, dated October 16, 2015, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.8 to the Registrant's Registration Statement on Form 10, dated December 9, 2019)
10.6	Amendment No. 5 to Corporate Services Agreement, dated August 1, 2017, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.9 to the Registrant's Registration Statement on Form 10, dated December 9, 2019)
10.7	Amendment No. 6 to Corporate Services Agreement, dated December 28, 2017, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.10 to the Registrant's Registration Statement on Form 10, dated December 9, 2019)
10.8	Amended and Restated Tax Sharing Agreement, dated February 13, 2017, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.11 to the Registrant's Registration Statement on Form 10, dated December 9, 2019)
10.9	Amendment to Amended and Restated Tax Sharing Agreement, dated December 22, 2017, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.12 to the Registrant's Registration Statement on Form 10, dated December 9, 2019)
10.10	Amendment No. 7 to Corporate Services Agreement, dated January 1, 2020, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.26 to the Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, filed on March 30, 2020)
10.11	Amendment No. 8 to Corporate Services Agreement, dated June 25, 2021, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021, filed on August 13, 2021)
10.12	Amendment No. 9 to Corporate Services Agreement, dated May 1, 2023, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2023, filed on August 14, 2023).
10.13	Amendment No. 10 to Corporate Services Agreement, dated April 26, 2024, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.1 to the Form 10-Q for the quarter ended March 31, 2024, filed on May 15, 2024).
10.14	Amendment No. 11 to Corporate Services Agreement, dated August 2, 2024, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.1 to the Form 10-Q for the quarter ended September 30, 2024, filed on November 14, 2024).
10.15	Amendment No. 12 to Corporate Services Agreement, dated April 29, 2025, between Medallion Financial Corp. and Medallion Bank (incorporated by reference to Exhibit 10.1 to the Form 10-Q for the quarter ended June 30, 2025, filed on August 14, 2025).
19.1	Code of Ethical Conduct and Insider Trading Policy, dated as of October 23, 2025. Filed herewith.
	Compensatory plans, contracts and arrangements are omitted pursuant to Item 601(b)(10)(iii)(C)(6) of Regulation S-K.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Filed herewith.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Filed herewith.
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. Filed herewith.
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. Filed herewith.

97.1	Medallion Bank Compensation Recoupment Policy. (incorporated by reference to Exhibit 97.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2023, filed on March 14, 2024).

ITEM 16. FORM 10-K SUMMARY

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 12, 2026

By: /s/ Donald S. Poulton

Donald S. Poulton

MEDALLION BANK Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signatures	Title	Date
/s/ Donald S. Poulton Donald S. Poulton	Chief Executive Officer (Principal Executive Officer)	March 12, 2026
/s/ Travis B. Betenson Travis B. Betenson	Senior Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	March 12, 2026
/s/ Alvin Murstein Alvin Murstein	Chairman of the Board	March 12, 2026
/s/ Andrew M. Murstein Andrew M. Murstein	Director	March 12, 2026
/s/ John Everets John Everets	Director	March 12, 2026
/s/ Brent O. Hatch Brent O. Hatch	Director	March 12, 2026
/s/ Robert M. Meyer Robert M. Meyer	Director	March 12, 2026
/s/ J. Lawrence Richards J. Lawrence Richards	Director	March 12, 2026
/s/ John M. Taggart John M. Taggart	Director	March 12, 2026

INDEX TO FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Medallion Bank

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Medallion Bank (the "Bank") as of December 31, 2025 and 2024, the related statements of operations, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bank as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

The Bank's management is responsible for these financial statements. Our responsibility is to express an opinion on the Bank's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Bank in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Plante & Moran, PLLC

We have served as the Bank's auditor since 2024.

Chicago, Illinois
March 12, 2026

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Medallion Bank

Opinion on the Financial Statements

We have audited the accompanying statements of income and comprehensive income, changes in shareholders' equity, and cash flows of Medallion Bank (the "Bank") for the year ended December 31, 2023, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the results of the Bank's operations and its cash flows for the year ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on the Bank's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board ("PCAOB") and are required to be independent with respect to the Bank in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchanges Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Mazars USA LLP
PCAOB ID 339

We served as the Bank's auditor from 2005 to 2024.

New York, New York
March 14, 2024

MEDALLION BANK
STATEMENTS OF OPERATIONS
(in thousands)

	Year Ended December 31,		
	2025	2024	2023
Interest income			
Loan interest including fees	$ 291,921	$ 268,914	$ 231,496
Investments	6,358	6,306	5,171
Total interest income	298,279	275,220	236,667
Interest expense	80,365	70,509	47,785
Net interest income	217,914	204,711	188,882
Provision for credit losses	81,209	75,845	36,457
Net interest income after provision for credit losses	136,705	128,866	152,425
Strategic Partnership Program fees	3,621	1,781	2,064
Gain on sale of Recreation loans	1,304	—	—
Gain on Taxi Medallion assets sold to a related party	7,581	—	—
Other	5,841	353	38
Total non-interest income	18,347	2,134	2,102
Non-interest expense			
Salaries and benefits	21,809	19,985	19,001
Loan servicing	12,711	12,248	11,626
Collection costs	6,541	6,095	5,965
Insurance including FDIC assessment	4,075	4,397	3,699
Professional fees	2,365	1,694	2,243
Information technology	1,526	1,186	1,031
Depreciation and amortization	2,339	587	274
Occupancy and equipment	644	580	556
Advertising	343	356	343
Other	3,341	2,666	2,658
Total non-interest expense	55,694	49,794	47,396
Income before income taxes	99,358	81,206	107,131
Provision for income taxes	27,172	20,624	27,279
Net income	72,186	60,582	79,852
Less: Preferred stock dividends	8,782	6,047	6,047
Less: Redemption of Series F preferred stock - funds paid in excess of carrying value	3,515	—	—
Net income attributable to common shareholder	$ 59,889	$ 54,535	$ 73,805

The accompanying notes are an integral part of these financial statements.

MEDALLION BANK
STATEMENTS OF OTHER COMPREHENSIVE INCOME
(in thousands)

	Year Ended December 31,		
	2025	**2024**	**2023**
Net income after taxes	$ 72,186	$ 60,582	$ 79,852
Change in unrealized gains (losses) on investment securities	1,757	68	(482)
Tax effect on unrealized (losses) gains on investments	(491)	(19)	135
Total comprehensive income	73,452	60,631	79,505
Less: Preferred stock dividends	8,782	6,047	6,047
Less: Redemption of Series F preferred stock - funds paid in excess of carrying value	3,515	—	—
Total comprehensive income attributable to common shareholder	$ 61,155	$ 54,584	$ 73,458

The accompanying notes are an integral part of these financial statements.

MEDALLION BANK
BALANCE SHEETS
(dollars in thousands)

	As of December 31, 2025	As of December 31, 2024
Assets		
Cash and cash equivalents[1]	$ 147,449	$ 126,196
Investment securities, available-for-sale	60,183	54,805
Loans held for sale, at the lower of amortized cost or fair value	15,144	128,226
Loans	2,427,458	2,249,614
Allowance for credit losses	(105,519)	(91,638)
Loans, net	2,321,939	2,157,976
Loan collateral in process of foreclosure	2,589	3,326
Fixed assets, software, and right-of-use lease assets	8,564	9,126
Net deferred tax assets	14,353	14,036
Accrued interest receivable	19,265	15,083
Other assets	25,953	40,325
Total assets	$ 2,615,439	$ 2,549,099
Liabilities and shareholders' equity		
Liabilities		
Deposits[2]	$ 2,084,265	$ 2,090,071
Short-term borrowings	50,000	35,000
Accrued interest payable	3,488	5,586
Income tax payable[3]	15,229	17,951
Other liabilities[4]	11,373	17,204
Due to affiliates	911	910
Total liabilities	$ 2,165,266	$ 2,166,722
Commitments and contingencies (Note 10)		
Shareholders' equity		
Series E preferred stock, $1.00 par value, 26,303 shares authorized, issued, and outstanding as of December 31, 2025 and December 31, 2024. Liquidation preference of $1,000 per share.	26,303	26,303
Series F preferred stock, $1.00 par value, 1,840,000 shares authorized, issued, and outstanding as of December 31, 2024. No shares authorized, issued or outstanding as of December 31, 2025.	—	42,485
Series G preferred stock, $1.00 par value, 3,100,000 shares authorized, issued, and outstanding as of December 31, 2025. Liquidation preference of $25 per share.	73,126	—
Common stock, $1.00 par value, 7,000,000 shares authorized as of December 31, 2025 and December 31, 2024; 1,000,000 shares issued and outstanding as of December 31, 2025 and December 31, 2024.	1,000	1,000
Additional paid in capital	77,500	77,500
Accumulated other comprehensive loss, net of tax	(3,214)	(4,480)
Retained earnings	275,458	239,569
Total shareholders' equity	450,173	382,377
Total liabilities and shareholders' equity	$ 2,615,439	$ 2,549,099

(1) Includes $146.5 million and $125.5 million federal funds sold and interest-bearing deposits in other banks as of December 31, 2025 and December 31, 2024, respectively.
(2) Includes $5.2 million and $4.6 million of deferred financing costs as of December 31, 2025 and December 31, 2024, respectively.
(3) Approximately $13.5 million and $16.7 million of income tax payable is payable to Medallion Financial Corp, under a Tax Sharing Agreement as of December 31, 2025 and December 31, 2024, respectively. See note 6 ("Income Taxes") for further detail.
(4) Includes $3.9 million and $2.5 million of operating lease liabilities as of December 31, 2025 and December 31, 2024, respectively.

The accompanying notes are an integral part of these financial statements.

MEDALLION BANK
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024, AND 2023
(dollars in thousands)

	Preferred Stock		Common Stock					
	Shares Outstanding	Amount[1]	Shares Outstanding	Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Shareholders' Equity
Balance as of December 31, 2022	1,866,303	$ 68,788	1,000,000	$ 1,000	$ 77,500	$ (4,183)	$ 163,550	$ 306,655
Adoption of ASC 326, net of tax	—	—	—	—	—	—	(8,321)	(8,321)
Balance as of January 1, 2023	1,866,303	68,788	1,000,000	1,000	77,500	(4,183)	155,229	298,334
Net income	—	—	—	—	—	—	79,852	79,852
Dividends declared to MFIN	—	—	—	—	—	—	(20,000)	(20,000)
Dividends declared on preferred stock - Series E	—	—	—	—	—	—	(2,367)	(2,367)
Dividends declared on preferred stock - Series F	—	—	—	—	—	—	(3,680)	(3,680)
Net change in unrealized losses on investment securities, net of tax	—	—	—	—	—	(346)	—	(346)
Balance as of December 31, 2023	1,866,303	$ 68,788	1,000,000	$ 1,000	$ 77,500	$ (4,529)	$ 209,034	$ 351,793
Net income	—	—	—	—	—	—	60,582	60,582
Dividends declared to MFIN	—	—	—	—	—	—	(24,000)	(24,000)
Dividends declared on preferred stock - Series E	—	—	—	—	—	—	(2,367)	(2,367)
Dividends declared on preferred stock - Series F	—	—	—	—	—	—	(3,680)	(3,680)
Net change in unrealized losses on investment securities, net of tax	—	—	—	—	—	49	—	49
Balance as of December 31, 2024	1,866,303	$ 68,788	1,000,000	$ 1,000	$ 77,500	$ (4,480)	$ 239,569	$ 382,377
Net income	—	—	—	—	—	—	72,186	72,186
Issuance of preferred stock - Series G	3,100,000	73,126	—	—	—	—	—	73,126
Redemption of preferred stock - Series F	(1,840,000)	(42,485)	—	—	—	—	(3,515)	(46,000)
Dividends declared to MFIN	—	—	—	—	—	—	(24,000)	(24,000)
Dividends declared on preferred stock - Series E	—	—	—	—	—	—	(2,367)	(2,367)
Dividends declared on preferred stock - Series F	—	—	—	—	—	—	(2,171)	(2,171)
Dividends declared on preferred stock - Series G	—	—	—	—	—	—	(4,244)	(4,244)
Net change in unrealized losses on investment securities, net of tax	—	—	—	—	—	1,266	—	1,266
Balance as of December 31, 2025	3,126,303	$ 99,429	1,000,000	$ 1,000	$ 77,500	$ (3,214)	$ 275,458	$ 450,173

(1) Series E, Series F and Series G Preferred Stock

The accompanying notes are an integral part of these financial statements.

MEDALLION BANK
STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31, 2025	2024	2023
Cash Flows from Operating Activities			
Net income	$ 72,186	$ 60,582	$ 79,852
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	14,175	12,299	11,208
Deferred tax benefit	(810)	(1,294)	(150)
Provision for credit losses	81,209	75,845	36,457
Gain from related party sale of Taxi Medallion assets	(7,581)	—	—
Proceeds from related party sale of Taxi Medallion assets	12,000	—	—
Gain on sale of Recreation loans	(1,304)	—	—
Write-downs of loan collateral in process of foreclosure and other assets, net	—	9	659
Unrealized (gain) loss on equity securities	(56)	17	(24)
Proceeds from sale of Strategic Partnership loans	763,806	196,795	118,357
Originations of Strategic Partnership loans	(771,564)	(203,627)	(118,338)
Changes in operating assets and liabilities:			
Interest receivable	(4,182)	(1,644)	(898)
Tax payable	(2,722)	(3,267)	(1,946)
Other assets	8,180	(1,940)	(11,134)
Interest payable	(2,098)	1,557	1,608
Other liabilities	(7,213)	171	7,226
Net cash provided by operating activities	154,026	135,503	122,877
Cash Flows from Investing Activities			
Loan originations	(708,819)	(841,142)	(819,294)
Proceeds from loan principal payments and loans in the process of foreclosure	510,581	486,050	491,924
Proceeds from sale of Recreation loans	55,881	—	—
Purchase of investments	(12,550)	(6,212)	(8,945)
Proceeds from principal receipts, sales and maturities of investments	8,894	5,722	2,642
Proceeds from sale of repossessed loan collateral	10,097	9,852	15,419
Purchase of fixed assets	(396)	(2,048)	(2,145)
Net cash used in investing activities	(136,312)	(347,778)	(320,399)
Cash Flows from Financing Activities			
Issuance of time deposits and other borrowed funds	1,287,273	1,013,169	886,331
Repayments of time deposits and other funds borrowed	(1,293,079)	(789,755)	(626,784)
Federal funds purchased	240,000	301,000	38,000
Repayments of federal and other funds borrowed	(225,000)	(266,000)	(38,000)
Change in due to affiliates	1	61	(13)
Issuance of preferred stock - Series G	73,126	—	—
Redemption of preferred stock - Series F	(46,000)	—	—
Dividends paid on common stock	(24,000)	(24,000)	(20,000)
Dividends paid on preferred stock - Series E	(2,367)	(2,367)	(2,367)
Dividends paid on preferred stock - Series F	(2,171)	(3,680)	(3,680)
Dividends paid on preferred stock - Series G	(4,244)	—	—
Net cash provided by financing activities	3,539	228,428	233,487
Net change in cash and cash equivalents	21,253	16,153	35,965
Cash and cash equivalents, beginning of the period	126,196	110,043	74,078
Cash and cash equivalents, end of the period	$ 147,449	$ 126,196	$ 110,043
Supplemental Disclosure of Cash Flow Information			
Cash paid for interest	$ 82,463	$ 68,952	$ 43,326
Cash paid for income taxes	30,704	25,183	29,375
Non-cash transfer of loans from held for investment (HFI) to held for sale (HFS)	(55,446)	120,840	—
Non-cash investing activities - loans transferred to loan collateral in process of foreclosure	30,223	27,343	21,095

The accompanying notes are an integral part of these financial statements.

1. Organization and Summary of Significant Accounting Policies

Description of Business – Medallion Bank ("the Bank") is a Federal Deposit Insurance Corporation ("FDIC") insured, limited-service industrial bank formed in May 2002 and headquartered in Salt Lake City, Utah. The Bank is a wholly owned subsidiary of Medallion Financial Corp. ("MFIN"). The Bank originates loans nationally for the purchase of recreation products such as recreational vehicles (“RVs”) and boats (which the Bank refers to as the "Recreation Lending" segment and "Recreation" loans), to finance home improvements such as replacement windows and roofs (which the Bank refers to as the "Home Improvement Lending" segment and "Home Improvement" loans), and to finance various purchases in partnership with non-banks and fintech companies (which the Bank refers to as its "Strategic Partnership Program" and "Strategic Partnership" loans). The Bank formerly originated loans to finance the purchase of taxi medallions (which the Bank refers to as its “Taxi Medallion” loans or assets and previously referred to as "Medallion" loans). All loans are financed primarily with time certificates of deposit which are originated nationally through a variety of brokered deposit relationships.

Basis of Presentation – The Bank’s financial statements are prepared in accordance with accounting principles generally accepted in the United States ("U.S.") and prevailing industry practices, which require management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. The allowance for credit losses is the only estimate made by management that is deemed to be a critical accounting estimate as defined by SEC regulations. Actual results could differ materially from those estimates.

Cash and Cash Equivalents – The Bank considers all highly liquid instruments with an original purchased maturity of three months or less, federal funds sold, and interest-bearing deposits in other banks to be cash equivalents. A non-interest-bearing compensating balance of $0.7 million and $0.4 million as of December 31, 2025 and December 31, 2024, respectively, was maintained at a correspondent bank. Cash balances are generally held in accounts at large national or regional banking organizations in amounts that frequently exceed the federally insured limits. Cash also includes $0.8 million and $1.3 million as of December 31, 2025 and December 31, 2024, respectively, of interest-bearing funds deposited in other banks with original terms of 5 to 6 years that cannot be withdrawn but are salable on an active secondary market without penalty.

Investment Securities – FASB ASC Topic 320, “Investments – Debt Securities,” requires that all applicable investments in debt securities be classified as trading securities, available-for-sale securities or held-to-maturity securities. Investment securities are purchased from time-to-time in the open market at prices that are greater or less than the par value of the investment. The resulting premium or discount is deferred and recognized on a level yield basis as an adjustment to the yield of the related investment. The Topic further requires that held-to-maturity securities be reported at amortized cost and available-for-sale securities be reported at fair value, with unrealized gains and losses excluded from earnings at the date of the financial statements and reported in accumulated other comprehensive income (loss) as a separate component of shareholders' equity, net of the effect of income taxes, until they are sold. At the time of sale, any gains or losses, calculated by the specific identification method, will be recognized as a component of operating results and any amounts previously included in shareholders' equity, which were recorded net of the income tax effect, will be reversed. In accordance with ASC 326, we do not maintain an allowance for credit losses for accrued interest receivable.

For available-for-sale debt securities in an unrealized loss position, we first determine if we intend to sell the security, or if it is more likely than not that we will be required to sell it before recovering its amortized cost basis. If either condition is met, the security’s amortized cost basis is written down to its fair value through earnings. If neither condition is met, we assess whether the decline in fair value is the result of credit losses or other factors. This assessment includes reviewing changes in the rating of the security by a rating agency, increases in defaults on the underlying collateral, and the extent to which the securities are issued by the federal government or its agencies, including the amount of the guarantee issued by those agencies, among other factors. If a credit loss exists, we compare the present value of expected cash flows from the security to its amortized cost basis. If the present value is less than the amortized cost basis for the security, a credit loss exists and an allowance for credit losses is recorded through earnings, limited to the amount that the fair value of the security is less than its amortized cost basis. Any impairment not recorded through an allowance for credit losses is recognized in other comprehensive income (loss), net of taxes.

Changes in the allowance for credit losses are recorded as a provision for (or reversal of) credit loss expense. Losses are charged against the allowance when management confirms the uncollectability of an available-for-sale debt security or when either of the criteria regarding intent or requirement to sell is met. The investment securities allowance for credit losses was $0 as of December 31, 2025 and December 31, 2024.

Equity Securities – The Bank follows FASB ASC Topic 321, Investments – Equity Securities (“ASC 321”), which requires all applicable investments in equity securities with a readily determinable fair value to be valued as such, and those without a readily determinable fair value to be measured at cost, less any impairment, plus or minus any observable price changes. In the first quarter of 2021, the Bank purchased $2.0 million of equity securities with a readily determinable fair value. Under this classification, all unrealized gains and losses are included within earnings, and the $1.8 million fair value of these securities as of December 31, 2025, compared to $1.7 million as of December 31, 2024, are included within other assets on the balance sheets. The Bank did not purchase any equity securities during 2024 or 2025. See Note 13. "Fair Value of Assets and Liabilities" in these annual audited financial statements. The Bank recognized less than $0.1 million of net gains, less than $0.1 million of net losses, and less than $0.1 million of net gains on equity securities for the years ended December 2025, 2024, and 2023, respectively.

Loans Held for Sale – Loans held for sale consist of Strategic Partnership loans, and Recreation or Home Improvement loans which management has committed to sell and which meet the criteria to be sold to identified investors or on the secondary market. Loans held for sale are recorded at the lower of amortized cost or fair value. Changes in fair value are recognized in non-interest income. For loans transferred into the held for sale classification from the held for investment classification, any allowance for credit losses previously recorded is reversed at the transfer date, and the loans are transferred at their amortized cost (which is reduced by any previous charge-offs but excludes any allowance for credit losses). As of December 31, 2025 and December 31, 2024, the Bank did not recognize any fair value adjustments related to loans held for sale. On April 30, 2025, a sale of $52.8 million in Recreation loans was completed that generated $55.9 million in total proceeds. During the fourth quarter of 2025, we reclassified $56.2 million of Recreation loans from held for sale to loans receivable. As of December 31, 2025, there are no Recreation or Home Improvement loans included in loans held for sale.

The Bank regularly engages in the sale of loans as part of its ongoing operations. Loans originated through the Strategic Partnership Program are generally sold on a daily basis. The sale of Recreation and Home Improvement loans remains an ongoing component of the Bank's business model. The Bank seeks to minimize, to the extent possible, the time between designating a loan pool as held for sale and completing the sale.

Loans – In these financial statements, unless otherwise indicated, loans are reported at the principal amount outstanding, inclusive of net deferred acquisition costs, which primarily include deferred fees paid to loan originators which are amortized into interest income over the life of the loan. Where otherwise stated, loans are reported as the principal amount outstanding ("gross").

Loan origination fees and certain direct origination costs are deferred and recognized as an adjustment to the yield of the related loans. At December 31, 2025 and December 31, 2024, net loan origination costs were $52.2 million and $43.0 million, respectively. Net amortization expense for the years ended December 31, 2025, 2024, and 2023 was $10.5 million, $9.2 million, and $8.8 million, respectively.

Interest income is recognized on an accrual basis. Loans are placed on nonaccrual status, and all uncollected accrued interest is reversed when there is doubt as to the collectability of interest or principal, or if loans are 90 days or more past due, unless management has determined that they are both well-secured and in the process of collection. Interest income on nonaccrual loans is generally recognized when cash is received, unless a determination has been made to apply all cash receipts to principal. The consumer loan portfolios are typified by a larger number of smaller dollar loans that have characteristics similar to one another. A loan is considered to be nonperforming when based on current information and events, it is likely the Bank will be unable to collect all amounts due according to the contractual terms of the original loan agreement. Loans are considered past due when a borrower fails to make a full payment by the payment due date or maturity date. Consumer loans are placed on nonaccrual when they become 90 days past due, and are charged off in their entirety when deemed uncollectible, if they enter bankruptcy, or when they become 120 days past due, whichever occurs first, at which time appropriate recovery efforts against both the borrower and the underlying collateral are initiated. All interest accrued but not collected for loans that are charged off is reversed against interest income. The interest on these loans is accounted for on a cash basis and applied to principal until the loans qualify for return to accrual status. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

Modified and Nonperforming Loans – In situations where borrowers are experiencing financial difficulties, the Bank may modify the contractual cash flow of a loan. These modifications may include principal forgiveness, interest rate reduction, other-than-insignificant-payment delays or other term extensions intended to minimize the economic loss to the Bank and to avoid foreclosure or repossession of the collateral. For modifications where the Bank forgives principal, the entire amount of such principal forgiveness is immediately charged off. All modified loans are considered nonperforming loans. The Bank does not currently have any modified loans.

When the Bank identifies a loan as nonperforming, the credit loss is measured based on the present value of expected future cash flows, discounted at the loan's effective interest rate. When collateral is the sole source of repayment for the loan, the Bank may measure credit loss based on the fair value of the collateral. If foreclosure is probable, the Bank uses the current fair value of the collateral less selling costs instead of discounted cash flows.

If the Bank determines that the value of a nonperforming loan is less than the recorded investment in the loan (net of previous charge-offs, deferred loan fees or costs, and unamortized premium or discount), the Bank recognizes a reduction in the value of the asset by charging off the difference between the recorded amount and the newly determined value. When the value of a nonperforming loan is calculated using discounted expected cash flows, interest income is recognized using the loan's effective interest rate over the remaining life of the loan.

Loan collateral in process of foreclosure – A loan becomes a repossessed asset when the borrower defaults on their loan agreement and the collateral is taken into possession. For the Recreation loan portfolio, the process to repossess the collateral is generally started at 60 days past due. If the collateral is not located and the account reaches 120 days delinquent, the account is charged off. If the collateral is repossessed, a loss is recorded by writing the collateral down to its fair value less selling costs, and the collateral is sent to auction. When the collateral is sold, the net auction proceeds are applied to the account, and any remaining balance is written off. Proceeds collected on charged off accounts are recorded as recoveries. The amounts presented include repossessed assets and Taxi Medallion assets in process of foreclosure.

Allowance for Credit Losses – The Bank adheres to ASU 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" ("ASC 326"). This accounting standard, commonly referred to as the current expected credit loss ("CECL") methodology, requires the Bank to estimate all expected credit losses based on historical experience, current conditions, and reasonable and supportable forecasts. For consumer loans, the Bank segments its loan portfolio by risk pool and uses a probability of default ("PD")/loss given default ("LGD") model to determine the size of its allowance. For each loan, PD and LGD values are assigned based on the risk pool and delinquency status of the loan. Those values are determined by historical delinquent loan performance for the respective loan pool and actual loss rates within that pool, including the history of recoveries. The PD value time series for each loan is then modified using a model that incorporates statistically significant macroeconomic factors, such as unemployment rate and consumer spending, to predict increases or decreases in expected default rates. Those modifications are applied over a twelve-month reasonable and supportable forecast period followed by a six-month reversion period. As a final step, qualitative factors may be added to each loan pool based on management judgment, increasing or decreasing the size of the allowance for a particular loan pool. The allowance is evaluated on a regular basis by management and, in addition to the quantitative components of the CECL methodology, is based upon management's periodic review of the collectability of the loans in light of historical experience, the nature and size of the loan portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, prevailing economic conditions, and excess concentration risks. This evaluation is inherently subjective, as it requires estimates, including those based on changes in economic conditions and forecasted economic conditions, that are susceptible to significant revision as more information becomes available. Credit losses are deducted from the allowance and subsequent recoveries are added back to the allowance. The Bank has elected to exclude accrued interest from its measurement of the allowance for credit losses.

The Bank adopted ASC 326 using the modified retrospective method for all financial assets measured at amortized cost and off-balance-sheet credit exposures. Results for reporting periods beginning after December 15, 2022 are presented under ASC 326. The transition to the CECL methodology on January 1, 2023 resulted in an increase of $11.6 million to the Bank's allowance for credit losses ("ACL") and a net-of-tax cumulative-effect decrease of $8.3 million to the beginning balance of retained earnings. The CECL methodology transition effects on the allowance for credit losses are shown in the following table:

	December 31, 2022 Pre-ASC 326 Adoption	Effect of ASC 326 Adoption (Transition Amounts)	January 1, 2023 Post-ASC 326 Adoption
		(in thousands)	
Assets:			
Loans:			
Recreation	$ 41,966	$ 10,038	$ 52,004
Home improvement	11,340	1,518	12,858
Taxi Medallion	8,298	—	8,298
Other	26	—	26
Allowance for credit losses	$ 61,630	$ 11,556	$ 73,186

Fixed Assets and Software – Fixed assets are stated at cost less accumulated depreciation and amortization, and include software developed in-house and capitalized. Maintenance and repairs are charged to expense while significant improvements are capitalized. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the related assets. Assets in work in progress are included in fixed assets and valued at cost. Depreciation is deferred until the asset is put into service. Capitalized leasehold improvements are amortized over the lesser of the estimated useful life of the asset or the remaining lease term. Depreciation and amortization expense for fixed assets was $2.3 million, $0.6 million, and $0.3 million for the years ended December 31, 2025, 2024, and 2023, respectively.

Deferred Financing Costs – Deferred financing costs represent costs associated with obtaining Bank deposits, which are netted with deposits on the balance sheet and are amortized into interest expense on a straight line basis over the lives of the related deposits. Amortization expense related to deferred financing costs was $2.8 million, $2.5 million, and $2.1 million for the years ended December 31, 2025, 2024, and 2023, respectively. The amounts on the Bank's balance sheet were $5.2 million and $4.6 million as of December 31, 2025 and December 31, 2024, respectively.

Income Taxes – Income taxes are accounted for using the asset and liability approach in accordance with FASB ASC Topic 740, Income Taxes ("ASC 740"). Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their existing tax bases. The Bank files its federal tax returns on a consolidated company basis with MFIN.

Restrictions on Dividends, Loans, and Advances – Banking regulations place certain restrictions on dividends paid and loans or advances made by the Bank to MFIN. The total amount of dividends that may be paid at any date is generally limited to the retained earnings of the Bank. However, dividends paid by the Bank would be prohibited if the effect thereof would cause the Bank's capital to be reduced below applicable minimum standards.

Financial Instruments – FASB ASC Topic 825, "Financial Instruments," requires disclosure of fair value information about certain financial instruments, whether assets, liabilities, or off-balance-sheet commitments, if practicable. See also Note 12. "Fair Value of Financial Instruments" in these annual audited financial statements.

Fair Value of Assets and Liabilities – The Bank follows FASB ASC Topic 820, "Fair Value Measurements and Disclosures," ("FASB ASC 820"), which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. FASB ASC 820 defines fair value as an exit price (i.e., a price that would be received to sell, as opposed to acquire, an asset or transfer a liability), and emphasizes that fair value is a market-based measurement. It establishes a fair value hierarchy that distinguishes between assumptions developed based on market data obtained from independent external sources and the reporting entity's own assumptions. Further, it specifies that fair value measurement should consider adjustment for risk, such as the risk inherent in the valuation technique or its inputs. See also Note 13. "Fair Value of Assets and Liabilities" in these annual audited financial statements.

Stock Compensation – Employees and officers of the Bank are eligible to participate in MFIN's equity incentive plan (the "Plan"). The Plan provides for grants of stock options, restricted stock awards, restricted stock units, stock appreciation rights, performance stock awards, and other awards to employees. The Plan is administered by the Compensation Committee of the Board of Directors of MFIN. For stock options, the option price per share may not be less than the current market value of MFIN's common stock on the date the option is granted. The term and vesting periods of an option may not exceed ten years, and the terms of the restricted stock and other types of equity incentive award grants are determined by the Compensation Committee of the Board of Directors of MFIN. Stock-based compensation expense primarily relates to restricted stock, which is based on the fair value of MFIN shares granted measured at the grant date. The Bank's stock-based compensation expense was $1.8 million, $1.6 million, and $1.3 million for the years ended December 31, 2025, 2024, and 2023, respectively, which was allocated based on the awards granted to Bank employees by MFIN and was included in salaries and benefits.

Transfers of Financial Assets – Transfers of whole financial assets, groups of financial assets, or a participating interest in whole financial assets are accounted for as sales when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when a) the assets have been isolated from the Bank; b) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets; and c) the Bank does not maintain effective control over the transferred assets through an agreement to repurchase the assets or interests before their maturity.

Recently Issued Accounting Standards — In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." The main objective of this update is to provide transparency about income tax information through improvements to income tax disclosures primarily related to rate reconciliation and income taxes paid information. The amendments in this update are effective for the annual periods beginning after December 15, 2024. The Bank has updated the Income Taxes footnote to incorporate the requirements in this ASU.

In November 2024, the FASB issued ASU 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses." This update requires additional disclosures of certain costs and expenses, and addresses requests from investors for more detailed information about specific expense categories. The amendments in this update are effective for the annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027. The Bank is assessing the impact of the update on its financial statements. In January 2025, the

FASB issued ASU 2025-01, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date." This update clarifies that the initial effective date of ASU 2024-03, when all public business entities are required to adopt the disclosure requirements, is in the first annual reporting period beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027.

2. Investment Securities

Fixed maturity securities available-for-sale consisted of the following:

	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(in thousands)			
Mortgage-backed securities	$ 45,392	$ 160	$ (3,381)	$ 42,171
State and municipalities	19,117	14	(1,251)	17,880
Agency bonds	139	—	(7)	132
Total	$ 64,648	$ 174	$ (4,639)	$ 60,183

	December 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(in thousands)			
Mortgage-backed securities	$ 41,475	$ 28	$ (4,802)	$ 36,701
State and municipalities	17,373	81	(1,516)	15,938
Agency bonds	2,179	2	(15)	2,166
Total	$ 61,027	$ 111	$ (6,333)	$ 54,805

The amortized cost and estimated fair value of investment securities as of December 31, 2025 by contractual maturity are shown below. Actual maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties. Mortgage-backed securities are included in the table based on their contractual maturities and are reflected in each category below.

	December 31, 2025	
	Amortized Cost	Fair Value
	(in thousands)	
Due in one year or less	$ 2,436	$ 2,415
Due after one year through five years	10,788	10,281
Due after five years through ten years	7,332	7,170
Due after ten years	44,092	40,317
Total	$ 64,648	$ 60,183

Information pertaining to securities with gross unrealized losses aggregated by investment category and length of time that individual securities have been in a continuous loss position consisted of the following:

	December 31, 2025			
	Less than Twelve Months		Twelve Months and Over	
	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value
	(in thousands)			
Mortgage-backed securities	$ (13)	$ 3,420	$ (3,368)	$ 26,541
State and municipalities	(3)	22	(1,248)	14,840
Agency bonds	—	—	(7)	132
Total	$ (16)	$ 3,442	$ (4,623)	$ 41,513

	December 31, 2024			
	Less than Twelve Months		Twelve Months and Over	
	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value
	(in thousands)			
Mortgage-backed securities	$ (106)	$ 5,423	$ (4,696)	$ 29,619
State and municipalities	(269)	4,884	(1,247)	9,939
Agency bonds	—	—	(15)	166
Total	$ (375)	$ 10,307	$ (5,958)	$ 39,724

The Bank had 52 and 58 securities at December 31, 2025 and December 31, 2024, respectively, with unrealized losses that have not been recognized into income. The investments are mortgage-backed securities and similar instruments with conservative characteristics, all of which are directly or indirectly guaranteed by the U.S. Government. The municipal bond portfolio consists of bonds purchased from the Utah Housing Corporation, which primarily acquires Federal Housing Administration insured loans within the state of Utah. The Bank regularly reviews investment securities for impairment resulting from credit loss using both qualitative and quantitative criteria, as necessary. Based on the Bank's assessment, no material impairments for credit loss were recognized during the period. The Bank presently does not intend to sell its investment securities that are in an unrealized loss position and believes that it is unlikely that it will be required to sell these securities before they recover their book value.

As of December 31, 2025 and December 31, 2024, the Bank did not hold investments in any single issuer with an aggregate book value that exceeded 10% of the Bank's equity, other than U.S. Government agency residential mortgage-backed securities issued by the Federal National Mortgage Association.

3. Loans and Allowance for Credit Losses

Loans are summarized as follows:

	December 31, 2025	December 31, 2024
	(in thousands)	
Recreation	$ 1,617,221	$ 1,422,403
Home Improvement	810,237	827,211
Total loans	$ 2,427,458	$ 2,249,614
Deferred loan acquisition costs, net	52,172	42,951
Total gross loans	$ 2,375,286	$ 2,206,663

The following tables show the loan activity for the years ended December 2025 and 2024.

Year Ended December 31, 2025	Recreation	Home Improvement	Taxi Medallion[1]	Other[1]	Total
			(in thousands)		
Loans - December 31, 2024	$ 1,422,403	$ 827,211	$ —	$ —	$ 2,249,614
Loan originations	468,467	224,478	—	—	692,945
Principal receipts, sales, and maturities	(231,690)	(225,794)	—	—	(457,484)
Transfers from loans held for sale	55,446	—	—	—	55,446
Charge-offs	(75,486)	(16,577)	—	—	(92,063)
Transfers to loan collateral in process of foreclosure, net	(30,223)	—	—	—	(30,223)
Amortization of origination fees, net	(10,768)	4,117	—	—	(6,651)
Origination costs, net	19,072	(3,198)	—	—	15,874
Loans - December 31, 2025	$ 1,617,221	$ 810,237	$ —	$ —	$ 2,427,458

(1) As of December 31, 2024, Strategic Partnership loans were presented as held for sale and Taxi Medallion loans were reclassified to Other Assets.

Year Ended December 31, 2024	Recreation	Home Improvement	Taxi Medallion	Other	Total
			(in thousands)		
Loans - December 31, 2023	$ 1,336,226	$ 760,617	$ 1,255	$ 2,240	$ 2,100,338
Loan originations	526,634	298,642	—	203,627	1,028,903
Principal receipts, sales, and maturities	(232,414)	(213,600)	(340)	(196,854)	(643,208)
Charge-offs	(69,349)	(18,035)	(120)	—	(87,504)
Transfers to loan collateral in process of foreclosure, net	(24,921)	—	(795)	(1,627)	(27,343)
Transfers to loan held for sale	(120,840)	—	—	(7,386)	(128,226)
Amortization of origination fees, net	(13,502)	4,287	—	—	(9,215)
Origination costs, net	20,569	(4,700)	—	—	15,869
Loans - December 31, 2024	$ 1,422,403	$ 827,211	$ —	$ —	$ 2,249,614

Changes in the allowance for credit losses are summarized as follows:

	Year Ended December 31, 2025				
	Recreation[1]	Home Improvement[1]	Taxi Medallion[2]	Other	Total
			(in thousands)		
Balance as of December 31, 2024	$ 71,102	$ 20,536	$ —	$ —	$ 91,638
Provision (benefit) for credit losses	73,908	10,181	(2,880)	—	81,209
Loan charge-offs	(75,486)	(16,577)	—	—	(92,063)
Recoveries	16,432	5,423	2,880	—	24,735
Balance as of December 31, 2025	$ 85,956	$ 19,563	$ —	$ —	$ 105,519

(1) Collectively evaluated for impairment.
(2) Activity is related to loan charge-offs from periods prior to Taxi Medallion loans being reclassified to Other Assets.

	Year Ended December 31, 2024				
	Recreation[1]	Home Improvement[1]	Taxi Medallion[2]	Other[3]	Total
			(in thousands)		
Balance as of December 31, 2023	$ 57,533	$ 21,019	$ 731	$ —	$ 79,283
Provision (benefit) for credit losses	67,994	13,458	(5,598)	(9)	75,845
Loan charge-offs	(69,349)	(18,035)	(120)	—	(87,504)
Recoveries	14,924	4,094	4,987	9	24,014
Balance as of December 31, 2024	$ 71,102	$ 20,536	$ —	$ —	$ 91,638

(1) Collectively evaluated for impairment.
(2) Individually evaluated for impairment.
(3) Other loans are individually evaluated for impairment.

The Recreation and Home Improvement loan portfolios are primarily consumer credit-driven, whereby borrowers are assessed a score based on credit history, credit performance, and related factors weighted in a credit scoring model that determines whether a borrower is qualified. Credit losses in these portfolios fluctuate with economic conditions and can range widely over time.

The Bank's Recreation and Home Improvement loan portfolios exhibit distinct credit risk characteristics. Delinquency status is the primary credit quality indicator used to assess collectability under CECL, as it provides the most direct observable measure of changes in credit risk. The Bank groups loans by delinquency category to monitor changes in credit risk and to inform the estimation of expected credit losses. These delinquency groupings serve as key quantitative inputs in the allowance for credit losses model. Higher delinquency levels are associated with an increased probability of default, whereas current or minimally delinquent loans reflect lower risk of credit loss.

The following table presents gross loans by level of delinquency and year of origination as of December 31, 2025:

	As of December 31, 2025						
	2025	2024	2023	2022	2021	Prior	Total
				(in thousands)			
Recreation							
Current	$ 423,427	$ 335,079	$ 237,917	$ 209,204	$ 132,704	$ 131,113	$1,469,444
30-59 days	8,210	12,763	11,042	10,623	6,061	8,212	56,911
60-89 days	2,374	5,414	4,918	4,872	2,581	2,731	22,890
90+ days	1,487	3,136	2,803	2,329	1,347	1,754	12,856
Total Recreation	$ 435,498	$ 356,392	$ 256,680	$ 227,028	$ 142,693	$ 143,810	$1,562,101
Home Improvement							
Current	$ 193,964	$ 172,735	$ 151,637	$ 151,365	$ 71,812	$ 63,114	$ 804,627
30-59 days	535	980	1,609	876	513	378	4,891
60-89 days	353	761	441	455	199	158	2,367
90+ days	—	410	417	331	42	100	1,300
Total Home Improvement	$ 194,852	$ 174,886	$ 154,104	$ 153,027	$ 72,566	$ 63,750	$ 813,185
Total	$ 630,350	$ 531,278	$ 410,784	$ 380,055	$ 215,259	$ 207,560	$2,375,286

The following table presents gross loans by level of delinquency and year of origination as of December 31, 2024:

	As of December 31, 2024						
	2024	2023	2022	2021	2020	Prior	Total
	(in thousands)						
Recreation							
Current	$ 358,925	$ 306,719	$ 272,495	$ 169,808	$ 72,760	$ 110,316	$1,291,023
30-59 days	8,009	12,511	13,748	8,563	3,129	8,209	54,169
60-89 days	3,139	5,272	5,136	3,010	998	2,821	20,376
90+ days	1,300	2,966	2,799	1,414	450	1,089	10,018
Total Recreation	$ 371,373	$ 327,468	$ 294,178	$ 182,795	$ 77,337	$ 122,435	$1,375,586
Home Improvement	—	—	—	—	—	—	—
Current	$ 259,794	$ 197,832	$ 187,789	$ 92,249	$ 44,253	$ 39,935	$ 821,852
30-59 days	1,064	1,665	1,616	445	422	195	5,407
60-89 days	289	884	654	344	154	107	2,432
90+ days	196	392	504	203	37	54	1,386
Total Home Improvement	$ 261,343	$ 200,773	$ 190,563	$ 93,241	$ 44,866	$ 40,291	$ 831,077
Total	$ 632,716	$ 528,241	$ 484,741	$ 276,036	$ 122,203	$ 162,726	$2,206,663

The following tables set forth the gross charge-offs by year of origination that occurred during the year ended December 31, 2025:

	Year Ended December 31, 2025						
	2025	2024	2023	2022	2021	Prior	Total
	(in thousands)						
Recreation	$ 3,280	$ 15,870	$ 16,369	$ 17,582	$ 8,310	$ 14,075	$ 75,486
Home Improvement	108	3,668	5,141	4,365	1,824	1,471	16,577
Total	$ 3,388	$ 19,538	$ 21,510	$ 21,947	$ 10,134	$ 15,546	$ 92,063

The following tables set forth the gross charge-offs by year of origination that occurred during the year ended December 31, 2024:

	Year Ended December 31, 2024						
	2024	2023	2022	2021	2020	Prior	Total
	(in thousands)						
Recreation	$ 3,203	$ 18,540	$ 22,883	$ 10,789	$ 4,222	$ 9,712	$ 69,349
Home Improvement	841	5,766	6,412	3,131	815	1,070	18,035
Taxi Medallion	—	—	—	—	—	120	120
Total	$ 4,044	$ 24,306	$ 29,295	$ 13,920	$ 5,037	$ 10,902	$ 87,504

The tables below show the aging of all loan types (gross loans) as of December 31, 2025 and December 31, 2024:

	December 31, 2025						
	Days Past Due						
	30-59	60-89	90+	Total Past Due	Current	Total[(1)]	Recorded Investment 90+ Days and Accruing
	(in thousands)						
Recreation	$ 56,911	$ 22,890	$ 12,856	$ 92,657	$ 1,469,444	$ 1,562,101	$ —
Home Improvement	4,891	2,367	1,300	8,558	804,627	813,185	—
Total	$ 61,802	$ 25,257	$ 14,156	$ 101,215	$ 2,274,071	$ 2,375,286	$ —

(1) Amounts exclude net deferred origination costs and fees of $52.2 million.

	December 31, 2024						
	Days Past Due						
	30-59	60-89	90+	Total Past Due	Current	Total(1)	Recorded Investment 90+ Days and Accruing
	(in thousands)						
Recreation	$ 54,169	$ 20,376	$ 10,018	$ 84,563	$ 1,291,023	$ 1,375,586	$ —
Home Improvement	5,407	2,432	1,386	9,225	821,852	831,077	—
Total	$ 59,576	$ 22,808	$ 11,404	$ 93,788	$ 2,112,875	$ 2,206,663	$ —

(1) Amounts exclude net deferred origination costs and fees of $43.0 million.

At December 31, 2025, nonaccrual loans were $14.6 million, reflecting $13.3 million, or less than 1% of Recreation loans, and $1.3 million, or less than 1% of Home Improvement loans. At December 31, 2024, nonaccrual loans were $11.9 million, reflecting $10.5 million, or 1% of Recreation loans, and $1.4 million, or less than 1% of Home Improvement loans. At December 31, 2023, nonaccrual loans were $14.2 million, reflecting $9.7 million, or 1% of Recreation loans, $1.5 million, or less than 1% of Home Improvement loans, $1.7 million, or 75% of other loans, and $1.3 million, or 100% of Taxi Medallion loans. All loans over 90 days past due are on nonaccrual and there is no interest income recognized on nonaccrual loans. The amount of interest income on nonaccrual loans that would have been recognized if the loans had been paying in accordance with their original terms was $217,000 (none of which has been applied to principal) for the year ended December 31, 2025, and $181,000 (none of which was applied to principal) for the year ended December 31, 2024.

4. Fixed Assets and Software

Fixed assets and their related useful lives were as follows:

	Useful Lives	As of December 31, 2025	As of December 31, 2024
		(in thousands)	
Computer software	3 years	$ 7,135	$ 7,009
Equipment	3-5 years	571	432
Furniture and fixtures	5-10 years	493	372
Leasehold improvements	3-5 years	188	179
		8,387	7,992
Less accumulated depreciation and amortization		(3,759)	(1,421)
Net fixed assets and software		$ 4,628	$ 6,571

Depreciation expense was $2.3 million, $0.6 million and $0.3 million for the years ended December 31, 2025, 2024 and 2023, respectively.

5. Deposits and Other Funds Borrowed

Deposits and other funds borrowed consisted of the following:

	As of December 31, 2025	As of December 31, 2024
	(in thousands)	
Brokered certificates of time deposits(1)	$ 2,062,499	$ 2,075,323
Retail savings deposits	3,658	5,975
Listing service deposits	17,178	10,365
Strategic partner collateral deposits	6,081	3,000
Total deposits	$ 2,089,416	$ 2,094,663
Federal Reserve and other borrowings	50,000	35,000
Total deposits and other funds borrowed	$ 2,139,416	$ 2,129,663

(1) Excludes $5.2 million and $4.6 million of deferred financing costs as of December 31, 2025 and December 31, 2024, respectively.

The scheduled maturities of brokered certificates of deposit and listing service deposits by year of maturity were as follows:

		As of December 31, 2025
		(in thousands)
2026		678,474
2027		576,313
2028		424,188
2029		169,783
2030		230,919
Total[(1)]	$	2,079,677

(1) Excludes $5.2 million of deferred financing cost.

Most deposits are raised through the use of investment brokerage firms who package deposits qualifying for FDIC insurance into pools that are sold to the Bank. The rates paid on these brokered deposits are highly competitive with market rates paid by other financial institutions. Additionally, a brokerage fee is paid depending on the maturity of the deposits, which averages less than 15 basis points, and which is capitalized and amortized to interest expense over the life of the respective pool. The total amount capitalized as of December 31, 2025 and December 31, 2024 was $5.2 million and $4.6 million, respectively, of which $2.8 million, $2.5 million and $2.1 million was amortized to interest expense for the years ended December 31, 2025, 2024 and 2023, respectively. The Bank also originates time deposits through internet listing services, which are deposits from other financial institutions, and retail savings deposits through a third-party service provider. While brokered time deposits are sourced in amounts in excess of $250,000, all underlying deposits are in denominations of $250,000 or less. Interest on deposits is accrued daily and paid monthly, quarterly, semiannually or at maturity. As of December 31, 2025 and December 31, 2024, the total amount of uninsured deposits at the Bank was $5.1 million and $2.1 million, respectively. The increase of $3.0 million in uninsured deposits was driven by increased Strategic Partnership Program collateral deposits commensurate with the increases in loan volumes. The weighted average interest rate of deposits outstanding, including brokerage fees amortized into interest expense for the years ended December 31, 2025, 2024 and 2023 was 4.00%, 3.83% and 3.18%, respectively.

The following table presents additional maturity information for brokered certificates of deposit and listing service deposits:

		As of December 31, 2025
		(in thousands)
Three months or less	$	140,298
Over three months through six months		238,847
Over six months through one year		299,329
Over one year		1,401,203
Total[(1)]	$	2,079,677

(1) Excludes $5.2 million of deferred financing costs as of December 31, 2025.

As of December 31, 2025, the Bank had unsecured federal funds lines with correspondent banks of $75.0 million. These lines can be terminated at any time and for any reason. As of December 31, 2025, nothing was drawn on the unsecured federal funds lines. As of December 31, 2025, the Bank had $591.9 million in Home Improvement loans pledged as collateral to the Federal Reserve, compared to $225.2 million as of December 31, 2024. These loans carried advance rates of approximately 49% and 45% of book value, resulting in approximately $292.9 million and $101.4 million in secured borrowing capacity with the Federal Reserve, as of December 31, 2025 and December 31, 2024, respectively. Of this capacity, $50.0 million and $35.0 million was drawn as of December 31, 2025 and December 31, 2024, respectively. The discount window facility is not committed, and any borrowings by the Bank from the discount window facility are at the discretion of the Federal Reserve. The weighted average interest rate on funds borrowed from the discount window was 3.75% as of December 31, 2025.

6. Income Taxes

The components of the Bank's tax provision for the years ended December 31, 2025, 2024 and 2023 were as follows:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Current			
Federal	$ 20,515	$ 17,528	$ 21,514
State	7,467	4,390	5,915
Deferred			
Federal	(596)	(953)	(66)
State	(214)	(341)	(84)
Net provision for income taxes	$ 27,172	$ 20,624	$ 27,279

The following table presents a reconciliation of statutory federal income tax provision to actual income tax provision reported for the years ended December 31, 2025, 2024 and 2023:

	Year Ended December 31,					
	2025		2024		2023	
	(dollars in thousands)					
Statutory federal income tax provision at 21%	$ 20,865	21 %	$ 17,053	21 %	$ 22,497	21 %
State and local income taxes, net of federal income tax provision(1)	5,887	6	4,491	6	5,924	6
Change in effective state income tax rate	252	*	(1,717)	(2)	(961)	(1)
Non-deductible expenses	103	*	294	*	426	*
Other	65	*	503	*	(607)	*
Total provision for income taxes	$ 27,172	27 %	$ 20,624	25 %	$ 27,279	26 %

(1) State taxes in Utah and California make up greater than 50% of the tax effect in this category as of December 31, 2025, 2024 and 2023.
(*) Less than 1%

The following table presents a disaggregation of income taxes paid for the years ended December 31, 2025, 2024 and 2023:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Federal	$ 25,288	$ 19,490	$ 23,844
States & local			
Utah	2,761	2,639	2,405
All other states & local	2,655	3,054	3,126
Total net cash paid for income taxes	$ 30,704	$ 25,183	$ 29,375

The following table sets forth the significant components of the Bank's deferred and other tax assets and liabilities as of December 31, 2025 and December 31, 2024:

	As of December 31, 2025	As of December 31, 2024
	(in thousands)	
Provision for credit losses	$ 28,306	$ 24,623
Deferred loan acquisition costs	(13,841)	(12,425)
Unrealized losses on investments	1,249	1,742
Other	(1,361)	96
Net deferred tax assets	$ 14,353	$ 14,036

Deferred tax assets and liabilities relate to temporary differences between the financial reporting and income tax bases of the Bank's assets and liabilities, as well as the impact of tax loss carryforwards or carrybacks, and are measured using the enacted income tax laws and rates that will be in effect when such differences are expected to reverse.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which temporary differences become deductible pursuant to ASC Topic 740, “Income Taxes.” Management considers the reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Management’s evaluation of the realizability of deferred tax assets must consider both positive and negative evidence. The weight given to the potential effects of positive and negative evidence is based on the extent to which it can be objectively verified. Based on these considerations, no valuation allowance was deemed necessary as of December 31, 2025 and December 31, 2024.

The Bank’s U.S. federal and certain state operations are included in various MFIN consolidated tax returns, and, in such cases, MFIN makes payments to tax authorities on the Bank’s behalf. The Bank and MFIN maintain a Tax Sharing Agreement whereby the operations of the Bank are included in the consolidated tax returns of MFIN, pursuant to which MFIN charges the Bank for any taxes owed and reimburses the Bank for current tax benefits generated. Such charges or reimbursements are based upon the Bank’s separate income tax liability calculated as if the Bank had filed a separate federal or state tax return, as the case may be.

7. Other Transactions with Affiliates

Following the sale to an MFIN affiliate of the Bank's remaining Taxi Medallion assets on October 1, 2025, the Bank had no assets that were sourced and serviced by MFIN affiliates as of December 31, 2025, compared to $7.3 million as of December 31, 2024. The Bank paid $1.0 million, $1.5 million, and $2.0 million of loan servicing fees to MFIN affiliates for the years ended December 31, 2025, 2024 and 2023, respectively.

As of December 31, 2025 and December 31, 2024, the Bank owed $811,000 and $810,000, respectively, to affiliates for monthly servicing fees on loans, charges for corporate overhead, charges related to stock-based compensation, and legal expenses, partially offset by payments due to the Bank from collection of loan payments by affiliates. As of December 31, 2025 and December 31, 2024, the Bank held a $100,000 collateral deposit due to MFIN. The Bank compensated MFIN for corporate services in the amounts of $498,000, $443,000 and $449,000 for the years ended December 31, 2025, 2024 and 2023, respectively.

8. 401(k) Plan

The Bank participates in the 401(k) Plan offered by MFIN. The 401(k) Plan covers all full- and part-time employees of the Bank who have reached the age of 18 and have a minimum of thirty (30) days of service. Under the 401(k) Plan, an employee may elect to defer not less than 1% and not more than the applicable limits set forth in the Internal Revenue Code. Employee contributions are invested in various mutual funds according to the directions of the employee. Once eligible full-time employees have completed a minimum of 90 days of service and part-time employees have worked at least 1,000 hours, MFIN matches employee contributions to the 401(k) Plan in an amount per employee equal to fifty percent of the first 8% of the employee’s annual contributions, subject to legal limits. The Bank provided $390,000, $363,000 and $330,000 in employer matching for the years ended December 31, 2025, 2024 and 2023, respectively.

9. Segment Reporting

The Bank has three business segments that reflect the main types of lending and other operations at the Bank, which are Recreation Lending, Home Improvement Lending, and Other (as defined below). The segments are determined based on the products and services provided, or the type of customer served, and they reflect the manner in which financial information is currently evaluated by management. Results of the segments are intended to reflect each segment as if it were essentially a stand-alone business.

The Recreation Lending segment is a consumer finance business that works with third-party dealers and financial service providers ("FSPs") for the purpose of financing recreational products concentrated in RVs, boats and collector cars. The Home Improvement Lending segment is a consumer finance business that works with contractors and FSPs to finance residential home improvements concentrated in swimming pools, roofing, and windows. The "Other" segment includes Taxi Medallion assets, activities related to the Bank's Strategic Partnership Program, other loans that are not Recreation or Home Improvement loans, and cash, investments and net non-interest earning assets. On October 1, 2025, the Bank sold the remaining balance and off-balance sheet exposure of Taxi Medallion assets to an MFIN affiliate for the agreed upon amount of $12.0 million, as determined by an independent third-party assessment.

A committee consisting of the Bank's Chief Executive Officer, President, Chief Financial Officer and Chief Lending Officer functions as the chief operating decision maker ("CODM"). The CODM meets weekly and with various Bank committees, and primarily uses segment information to determine where and how to invest available capital, identify areas to improve efficiency of resource allocation, and optimize overall expenses. The CODM assesses segment performance mainly through selected financial ratios such as return on average assets, net interest margin, delinquency status, and annualized net charge-off ratio, and by reviewing specific balance sheet items, such as the CRA investment accounted for using the equity method, which helps identify areas requiring action.

Where segments use services provided by corporate support units or another segment, the costs of those services are allocated to the respective segments. The expense is generally allocated based on the actual cost and use of services provided, when applicable, but may also be allocated based on the segment's assets, loan origination volumes, or number of employees.

The following tables present segment results for the periods indicated.

Year Ended December 31, 2025

(dollars in thousands)	Recreation	Home Improvement	Other	Total
Total interest income	$ 209,321	$ 80,624	$ 8,334	$ 298,279
Total interest expense	(47,236)	(26,416)	(6,713)	(80,365)
Net interest income	162,085	54,208	1,621	217,914
Provision (benefit) for credit losses	73,908	10,181	(2,880)	81,209
Other income and expense(1)	(32,248)	(15,839)	10,740	(37,347)
Net income before taxes	55,929	28,188	15,241	99,358
Income tax provision	15,244	7,687	4,241	27,172
Net income after tax	$ 40,685	$ 20,501	$ 11,000	$ 72,186
Balance sheet data				
Loans	$ 1,617,221	$ 810,237	$ —	$ 2,427,458
Loans held for sale	—	—	15,144	15,144
Total assets	1,565,423	802,850	247,166	2,615,439
Total deposits and other funds borrowed(2)	1,280,508	656,727	202,181	2,139,416
Selected financial ratios				
Return on average assets	2.80 %	2.56 %	3.89 %	2.84 %
Return on average equity	16.81	15.37	23.35	17.05
Interest yield on earning assets(3)	13.36	9.95	4.56	11.65
Net interest margin on earning assets	10.35	6.69	0.89	8.51
Reserve coverage	5.32	2.41	—	4.35
Delinquency status(4)	5.93	1.05	—	4.26
Annualized net charge-off ratio	3.95	1.38	—	2.92

(1) Other income and expense included in net income includes the following non-interest expenses: loan servicing, salaries and benefits, collection costs, professional fees, regulatory fees, information technology, occupancy, equipment, depreciation, and other.
(2) Excludes $5.2 million of deferred financing costs.
(3) Interest yield on Recreation loans was 13.39% for the year ended December 31, 2025. Interest yield on total loans was 12.18% for the year ended December 31, 2025.
(4) 30 days or more past due.

Year Ended December 31, 2024

(dollars in thousands)	Recreation	Home Improvement	Other	Total
Total interest income	$ 194,131	$ 74,036	$ 7,053	$ 275,220
Total interest expense	(41,762)	(23,826)	(4,921)	(70,509)
Net interest income	152,369	50,210	2,132	204,711
Provision (benefit) for credit losses	67,994	13,458	(5,607)	75,845
Other income and expense[1]	(29,979)	(14,228)	(3,453)	(47,660)
Net income before taxes	54,396	22,524	4,286	81,206
Income tax provision	13,695	5,810	1,119	20,624
Net income after tax	$ 40,701	$ 16,714	$ 3,167	$ 60,582
Balance sheet data				
Loans	$ 1,422,403	$ 827,211	$ —	$ 2,249,614
Total assets	1,507,959	819,313	221,827	2,549,099
Total deposits and other funds borrowed[2]	1,237,851	718,104	173,708	2,129,663
Selected financial ratios				
Return on average assets	3.05 %	2.31 %	1.75 %	2.52 %
Return on average equity	20.11	15.22	11.53	16.62
Interest yield on earning assets	13.26	9.43	14.28	11.93
Net interest margin on earning assets	10.41	6.39	1.31	8.48
Reserve coverage	5.00	2.48	—	4.07
Delinquency status[3]	5.95	1.12	—	4.25
Annualized net charge-off (recovery) ratio	3.72	1.78	(93.23)	2.82

(1) Other expense included in net income includes the following non-interest expenses: loan servicing, salaries and benefits, collection costs, professional fees, regulatory fees, information technology, occupancy, equipment, depreciation, and other.
(2) Excludes $4.6 million of deferred financing costs.
(3) 30 days or more past due.

Year Ended December 31, 2023

(Dollars in thousands)	Recreation	Home Improvement	Other	Total
Total interest income	$ 167,765	$ 62,703	$ 6,199	$ 236,667
Total interest expense	(27,866)	(16,140)	(3,779)	(47,785)
Net interest income	139,899	46,563	2,420	188,882
Provision (benefit) for credit losses	44,592	17,583	(25,718)	36,457
Other income and expense[1]	(27,822)	(14,279)	(3,193)	(45,294)
Net income before taxes	67,485	14,701	24,945	107,131
Income tax provision	17,707	4,123	5,449	27,279
Net income after tax	$ 49,778	$ 10,578	$ 19,496	$ 79,852
Balance Sheet Data				
Total loans	$ 1,336,226	$ 760,617	$ 3,495	$ 2,100,338
Total assets	1,309,532	751,542	200,982	2,262,056
Total deposits and other funds borrowed[2]	1,066,083	638,452	166,404	1,870,939
Selected Financial Ratios				
Return on average assets	3.96 %	1.50 %	11.15 %	3.74 %
Return on average equity	26.00	9.86	73.28	24.57
Net Interest yield	13.07	8.83	16.31	11.58
Net interest margin	10.90	6.56	38.44	8.84
Reserve coverage	4.31	2.76	20.92	3.77
Delinquency status[3]	4.82	1.05	3.52	3.52
Annualized net charge-off (recovery) ratio	3.04	1.33	(287.93)	1.52

(1) Other expense included in net income includes the following non-interest expenses: loan servicing, salaries and benefits, collection costs, professional fees, regulatory fees, information technology, occupancy and equipment, and other.
(2) Excludes $4.3 million of deferred financing costs.
(3) 30 days or more past due.

10. Commitments and Contingencies

Loans – As of December 31, 2025 and December 31, 2024, the Bank had $3.2 million and $2.8 million, respectively, in commitments to extend credit to customers for unfunded amounts.

Leases – The Bank leases office space under a non-cancelable operating lease that expires in November 2033. Leases with an initial term of 12 months or less are not recorded on the balance sheet. The Bank recognizes lease expense for these leases on a straight-line basis over the lease term. The Bank accounts for lease components including rent, real estate taxes and insurance costs separately from non-lease components like common-area maintenance fees. Leases include options to renew, with renewal terms that can extend the lease term for one or more years. The exercise of lease renewal options is at the Bank's sole discretion. The depreciable life of assets and leasehold improvements are limited by the expected lease term.

Operating lease right-of-use assets and lease liabilities are as follows:

	As of December 31, 2025	As of December 31, 2024
	(in thousands)	
Assets		
Operating lease right-of-use assets	$ 3,936	$ 2,556
Liabilities		
Operating lease liabilities	$ 3,944	$ 2,530

Operating lease costs were $644,000, $580,000 and $556,000 for the years ended December 31, 2025, 2024 and 2023, respectively.

Supplemental cash flow information related to operating leases for years ended December 31, 2025, 2024 and 2023 was payments of $577,000, $565,000 and $572,000, respectively, against amounts included in the measurement of lease liabilities.

The weighted-average remaining lease term for operating leases was 7.8 years. The weighted-average discount rate used for operating leases was 6.75% as of December 31, 2025 and 2024.

There were no material operating leases that the Bank entered into and were yet to commence as of December 31, 2025. The following table presents future minimum lease payments:

	As of December 31, 2025
	(in thousands)
2025	$ 605
2026	608
2027	626
2028	645
2029	664
Thereafter	1,989
Total lease payments	5,137
Less imputed interest	1,193
Present value of lease liabilities	$ 3,944

11. Related Party Transactions

Jameson Poulton, the son of the Bank's Chief Executive Officer, serves as Medallion Bank's Manager, Data Analytics. Mr. Poulton received a salary of $107,120, $104,004, and $100,000 for the years ended December 31, 2025, 2024 and 2023, respectively. His salary was increased to $120,000 per year effective January 1, 2026. Mr. Poulton received an annual cash bonus of $16,068, $13,000, and $14,000 for the years ended December 31, 2025, 2024 and 2023, respectively. Mr. Poulton received no equity grants for the year ended December 31, 2025, but received $2,601 and $4,619 of equity grants for years ended December 31, 2024 and 2023, respectively.

12. Capital Requirements

The Bank is subject to various regulatory capital requirements administered by the FDIC and the Utah Department of Financial Institutions. Failure to meet minimum capital requirements can initiate certain mandatory and possible additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classifications are also subject to qualitative judgments by the bank regulators about components, risk weightings and other factors.

FDIC-insured banks, including the Bank, are subject to various legal limitations on the extent to which banks may finance or otherwise supply funds to certain of their affiliates. In particular, the Bank is subject to certain restrictions on any extensions of credit to, or other covered transactions with, MFIN or its affiliates such as certain purchases of assets.

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios as defined in the regulations (set forth in the table below). Additionally, as conditions of granting the Bank's application for federal deposit insurance, the FDIC ordered that the Tier 1 leverage capital to total assets ratio, as defined, be not less than 15%, and that an adequate allowance for credit losses be maintained. As of December 31, 2025 and December 31, 2024, the Bank's Tier 1 leverage capital ratio was 17.8% and 15.7%, respectively. The Bank had excess Tier 1 leverage capital of $71.7 million over the 15% minimum required, which was $383.8 million based on the Bank's total assets as of December 31, 2025. The Bank's actual capital amounts and ratios and the regulatory minimum ratios are presented in the following table:

	December 31, 2025		December 31, 2024		Minimum Regulatory Requirements[(1)]	Well Capitalized Requirements
	Amount	Ratio	Amount	Ratio		
	(dollars in thousands)					
Tier 1 leverage capital	$ 455,467	17.8%	$ 391,016	15.7%	4.0%	5.0%
CET1 risk-based capital	356,038	14.4	322,229	13.3	7.0	6.5
Tier 1 risk-based capital	455,467	18.4	391,016	16.1	8.5	8.0
Total risk-based capital	487,292	19.7	422,139	17.4	10.5	10.0

(1) As a condition to receipt of FDIC insurance, we entered into the 2003 Capital Maintenance Agreement requiring us to maintain a 15% Tier 1 leverage ratio. This level of capital far exceeds the minimum requirement for capital adequacy purposes and is above the threshold for "Well Capitalized" status under the FDIC's regulatory framework.

In the table above, the minimum risk-based ratios reflect the capital conservation buffer of 2.5%. As of both December 31, 2025 and December 31, 2024, the minimum regulatory requirements, inclusive of the capital conservation buffer, were the binding requirements for risk-based requirements, and the "Well Capitalized" requirements were the binding requirements for Tier 1 leverage capital. With the adoption of ASC 326, "Financial Instruments – Credit Losses," on January 1, 2023, the Bank elected to phase in the regulatory capital effects of the CECL transition amount. The phase-in, which was complete as of January 1, 2026, reduced the capital impact by $2.1 million and increased the Tier 1 leverage capital ratio by 7 basis points.

13. Fair Value of Financial Instruments

The Bank's financial instruments consisted of the following as of December 31, 2025 and December 31, 2024:

	December 31, 2025				
	Carrying Amount	Fair Value	Level 1	Level 2	Level 3
			(in thousands)		
Financial Assets					
Cash and cash equivalents[1]	$ 147,449	$ 147,449	$ 146,699	$ 750	
Investment securities	60,183	60,183		60,183	
Loans held for sale	15,144	15,144			15,144
Loans, net	2,321,939	2,307,010			2,307,010
Equity securities[2]	1,787	1,787	1,787		
Accrued interest receivable	19,265	19,265	19,265		
Financial Liabilities					
Deposits and other funds borrowed[3]	2,139,416	2,160,411		2,160,411	
Accrued interest payable	3,488	3,488	3,488		

(1) Includes federal funds sold and interest-bearing deposits in other banks.
(2) Included in other assets on the balance sheets.
(3) Excludes $5.2 million of deferred financing costs as of December 31, 2025.

	December 31, 2024				
	Carrying Amount	Fair Value	Level 1	Level 2	Level 3
			(in thousands)		
Financial Assets					
Cash and cash equivalents[1]	$ 126,196	$ 126,196	$ 124,946	$ 1,250	
Investment securities	54,805	54,805		54,805	
Loans held for sale	128,226	133,243			133,243
Loans, net	2,157,976	2,131,192			2,131,192
Equity securities[2]	1,732	1,732	1,732		
Accrued interest receivable	15,083	15,083	15,083		
Financial Liabilities					
Deposits and other funds borrowed[3]	2,129,663	2,121,683		2,121,683	
Accrued interest payable	5,586	5,586	5,586		

(1) Includes federal funds sold and interest-bearing deposits in other banks.
(2) Included in other assets on the balance sheets.
(3) Excludes $4.6 million of deferred financing costs as of December 31, 2024.

14. Fair Value of Assets and Liabilities

The Bank follows the provisions of FASB ASC 820, which defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and enhances disclosure requirements for fair value measurements.

In accordance with FASB ASC 820, the Bank has categorized its assets and liabilities measured at fair value, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

As required by FASB ASC 820, when the inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety. For example, a level 3 fair value measurement may include inputs that are observable (level 1 and 2) and unobservable (level 3). Therefore, gains and losses for such assets and liabilities categorized within the level 3 table below may include changes in fair value that are attributable to both observable inputs (level 1 and 2) and unobservable inputs (level 3).

Assets and liabilities measured at fair value and recorded on the balance sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1. Assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Bank has the ability to access (examples include active exchange-traded equity securities, exchange-traded derivatives, most U.S. Government and agency securities, and certain other sovereign government obligations).

Level 2. Assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

A) Quoted prices for similar assets or liabilities in active markets (for example, restricted stock);

B) Quoted prices for identical or similar assets or liabilities in non-active markets (for example, corporate and municipal bonds, which trade infrequently);

C) Pricing models whose inputs are observable for substantially the full term of the asset or liability (examples include most over-the-counter derivatives, including interest rate and currency swaps); and

D) Pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the asset or liability (examples include certain residential and commercial mortgage-related assets, including loans, securities, and derivatives).

The following methods and assumptions were used to estimate the fair value of each class of financial instrument.

Available for Sale Investment securities:

Mortgage-backed Securities, State and Municipalities, and Agency Bonds - These securities are measured at fair value through valuation provided by the Intercontinental Exchange (ICE).

Level 3. Assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the assets or liabilities (examples include certain private equity investments, and certain residential and commercial mortgage-related assets (including loans, securities, and derivatives)).

The following tables present the Bank's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis:

	As of December 31, 2025			
	Level 1	Level 2	Level 3	Total
	(in thousands)			
Assets				
Available-for-sale investment securities	$ —	$ 60,183	$ —	$ 60,183
Equity securities	1,787	—	—	1,787
Total	$ 1,787	$ 60,183	$ —	$ 61,970

	As of December 31, 2024			
	Level 1	Level 2	Level 3	Total
	(in thousands)			
Assets				
Available-for-sale investment securities	$ —	$ 54,805	$ —	$ 54,805
Equity securities	1,732	—	—	1,732
Total	$ 1,732	$ 54,805	$ —	$ 56,537

As of December 31, 2025 and December 31, 2024, the Bank did not have any material assets or liabilities measured at fair value on a non-recurring basis.

15. Series F and Series G Perpetual Preferred Stock

On December 17, 2019, the Bank closed an initial public offering of 1,840,000 shares of its Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series F ("Series F Preferred Stock") with a $46.0 million aggregate liquidation amount, or $25 per share, yielding net proceeds of $42.5 million, which were recorded in the Bank's shareholders' equity. On January 23, 2025, the Bank's Board of Directors (the "Board") declared a quarterly cash dividend of $0.50 per share on the Series F Preferred Stock, to shareholders of record at the close of business on March 17, 2025, which was paid on April 1, 2025. On April 24, 2025, the Board declared a quarterly cash dividend of 0.67982 per share based on a dividend rate of 10.75761% on the Series F Preferred Stock to shareholders of record at the close of business on June 16, 2025, which was paid on July 1, 2025. The Series F Preferred Stock was fully redeemed on July 1, 2025, and no further dividends will be declared or paid.

On May 22, 2025, the Bank closed an initial public offering of 3,100,000 shares of its Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series G ("Series G") with a $77.5 million aggregate liquidation amount, or $25 per share, yielding net proceeds of $73.1 million, which were recorded in the Bank's shareholders' equity. Dividends are payable quarterly from the date of issuance to, excluding July 1, 2030, at a rate of 9% per annum and, thereafter, at a rate equal to the five-year U.S. Treasury rate as of each five-year reset date plus 4.94% per annum.

The Series G trades on the Nasdaq Capital Market under the ticker symbol "MBNKO."

On July 24, 2025, the Bank's Board of Directors declared a quarterly cash dividend of $0.80625 per share (calculated from date of issuance on May 22, 2025 through September 30, 2025) on the Series G. The dividend was paid on October 1, 2025, to holders of record at the close of business on September 15, 2025. On October 23, 2025, the Board declared a quarterly cash dividend of $0.5625 per share on the Series G to shareholders of record at the close of business on December 15, 2025, which was paid on January 2, 2026. On January 29, 2026, the Board declared a quarterly cash dividend of $0.5625 per share on the Series G to shareholders of record at the close of business on March 16, 2026, which is payable on April 1, 2026.

16. Small Business Lending Fund Program (SBLF)

On February 27, 2009 and December 22, 2009, the Bank issued, and the U.S. Treasury purchased under the Troubled Asset Relief Program ("TARP") Capital Purchase Program (the "CPP"), the Bank's fixed rate non-cumulative Perpetual Preferred Stock, Series A, B, C, and D for an aggregate purchase price of $21.5 million in cash. On July 21, 2011, the Bank issued, and the U.S. Treasury purchased 26,303 shares of Senior Non-Cumulative Perpetual Preferred Stock, Series E ("Series E"), for an aggregate purchase price of $26.3 million under the SBLF, with a liquidation amount of $1,000 per share. The SBLF is a voluntary program intended to encourage small business lending by providing capital to qualified smaller banks at favorable rates. In connection with the issuance of the Series E, the Bank exited the CPP by redeeming the Series A, B, C, and D shares; and received approximately $4.0 million, net of dividends due, on the repaid securities. The Bank previously paid a dividend rate of 1% on the Series E, which increased to 9% in the first quarter of 2016. On March 27, 2025, the Board declared a quarterly cash dividend of $22.50 per share on the Series E, which was paid on April 1, 2025. On June 26, 2025, the Board declared a quarterly cash dividend of $22.50 per share on the Series E, which was paid on July 1, 2025. On September 25, 2025, the Board declared a quarterly cash dividend of $22.50 per share on the Series E, which was paid on October 1, 2025. On December 18, 2025, the Board declared a quarterly cash dividend of $22.50 per share on the Series E, which was paid on January 2, 2026.

17. Subsequent Events

On January 13, 2026, approximately $1 billion of Recreation Loans, in addition to the previously-pledged Home Improvement loans, were pledged as secured collateral to the Federal Reserve discount window facility, increasing the total loans pledged to just under $1.6 billion. As of January 31, 2026, the advance rate was 57%, with a total borrowing line of credit of approximately $900 million.

The Bank has evaluated subsequent events from the balance sheet date through the date at which the financial statements were available to be issued and determined that there are no additional subsequent events to disclose.

Exhibit 19.1

MEDALLION BANK

Code of Ethical Conduct and
Insider Trading Policy

(as adopted on December 3, 2019 and last updated on October 23, 2025)

FOREWORD

Any insider actions that result in or give the appearance of misconduct or conflicts of interest would jeopardize confidence in Medallion Bank. The following specific rules and procedures will help each employee understand and comply with the Code of Ethical Conduct and Insider Trading Policy.

OBJECTIVE

The policy is designed to avoid both the existence and the appearance of conflict of interest or breach of fiduciary duty for all insiders.

DEFINITIONS

"Bank" and "the Bank" mean Medallion Bank.

"MFIN" means Medallion Financial Corp.

For purposes of this Policy, "the Chief Compliance Officer" refers to the Chief Compliance Officer of the Bank, and not to the Chief Compliance Officer of MFIN, unless otherwise specified. "Human Resources" refers to the Human Resources department of the Bank, and not to the Human Resources department of MFIN, unless otherwise specified.

"This Policy" means the Bank's Code of Ethical Conduct and Insider Trading Policy.

POLICY

I. Code of Conduct and Ethics

1. PURPOSE

It is vital to the financial success of the Bank that we conduct our business with honesty and integrity and in compliance with all applicable legal and regulatory requirements.
This Code of Conduct and Ethics sets out the fundamental standards to be followed by directors and employees in their everyday actions on behalf of the Bank and seeks to promote honest and ethical conduct. Further guidance on the Bank's standards in specific areas will be provided through related corporate policies and guidelines.

In addition, employees of the Bank must also comply and familiarize themselves with the corresponding codes, corporate policies and guidelines that MFIN has adopted for itself and its subsidiaries, including the Bank.

2. SCOPE

This Policy applies to all Bank directors and employees, including executive officers. Any waiver of this Policy for a director or executive officer of the Bank must be approved by the Board or its Audit Committee.

3. POLICY

Each Bank director or employee must:

Conduct the Bank's business with honesty and integrity and in a professional manner that protects the Bank's good public image and reputation.

Build relationships with customers, vendors, and fellow employees based on trust and treat every individual with respect and dignity in the conduct of Bank business.

Become familiar with and comply with legal requirements and Bank policy and procedures.

Avoid any activities that could involve or lead to involvement in any unlawful practice or any harm to the Bank's reputation or image.

Avoid actual or potential conflicts of interest with the Bank, or the appearance thereof, in all transactions. See the *Conflicts of Interest Policy* for further guidance.

Provide accurate and reliable information in records submitted, safeguard the Bank's confidential information, and respect the confidential information of other parties with whom the Bank does business or competes.

Promptly report to the Bank any violations of law or ethical principles or Bank policies that come to the employees' attention, and cooperate fully in any audit, inquiry, review or investigation by the Bank.

4. RESPONSIBILITY

All directors and employees must uphold these standards in the conduct of Bank business and the Bank must handle, in a manner consistent with these standards and related policies, all actual and apparent conflicts of interest between personal and professional relationships and all other matters governed by this Code of Conduct and Ethics and such related policies. If a decision about a particular action is not covered specifically by this Code or related corporate policies, employees are required to seek guidance from their supervisor or appropriate internal resources, such as the Chief Compliance Officer or the MFIN Chief Compliance Officer, and directors should seek guidance from appropriate internal resources.

Senior management should be a role model for these standards by visibly demonstrating support and by regularly encouraging adherence by managers. Managers should ensure all their employees receive guidance, training, and communication on ethical behavior and legal compliance relevant to their duties for the Bank.

Failure by any employee to comply with this or any other Bank policy will subject employees, including supervisors who ignore prohibited conduct, or have knowledge of the conduct and fail to correct it, to disciplinary action up to and including separation from employment with the Bank.

II. Conflicts of Interest Policy

1 PURPOSE

A conflict of interest occurs whenever a director or an employee permits the prospect of direct or indirect personal gain to influence his or her judgment or actions in the conduct of corporate business. This Policy establishes requirements for employees to avoid an actual or perceived conflict of interest with the interests of the Bank.

2 SCOPE

This Policy applies to all Bank directors and employees, including executive officers of the Bank. Any waiver of this Policy for a director or executive officer of the Bank must be approved by the Board or its Audit Committee.

3 POLICY

3.1. The Bank expects all its directors and employees to be free from actual or potential conflicts of interest when dealing with other persons or business entities on behalf of the Bank. While the Bank desires that its directors and employees be free to make personal investments and to enjoy social and normal business relations, they must not have any personal interest that conflicts with those of the Bank, or which might influence or appear to influence their judgment or actions in performing their corporate duties. The key to addressing any conflicts of interests is full disclosure. Often, with prior disclosure, a potential conflict may be resolved.

3.2. This Policy acknowledges the general principles that directors and employees: (i) owe a fiduciary obligation to the Bank; (ii) have the duty at all times to place the interest of the Bank shareholders first; (iii) must conduct all personal securities transactions in such a manner as to avoid any actual or potential conflict of interest or abuse of an individual's position of trust and responsibility; and (iv) should not take inappropriate advantage of their positions in relation to the Bank.

3.3. While it is not practical to describe every circumstance that might lead a director or an employee into conflict with the aims and interest of the Bank, the following examples highlight areas in which conflicts may arise. In other cases, employees should seek guidance from the Chief Compliance Officer, and directors should seek guidance from appropriate internal resources, including the Chief Compliance Officer.

3.3.1. The holding by an employee or any member of his or her immediate family of any substantial financial interest in any enterprise which engages competitively in any field of activity engaged in by the Bank or which has, or is seeking, business dealings (e.g., as suppliers or customers) with the Bank without the written approval described in Section 4 below.

3.3.2. Acting as a director, officer, employee, consultant, advisor or in any other capacity for any business or other organization with which the Bank currently (or potentially) has a competitive or business relationship without the written approval as described in Section 4 below.

3.3.3. Engaging in any outside activity with an individual, business or organization which currently (or potentially) has a competitive or business relationship with the Bank where such activity is likely to decrease the impartiality, judgment, effectiveness, or productivity expected from such employee in his or her job without the written approval as described in Section 4 below.

3.3.4. Acceptance, directly or indirectly, from an individual, business or organization which currently (or potentially) has a competitive or business relationships with the Bank by an employee or any member of an employee's immediate family of any vacations, cash, cash equivalents, service, payment, loan, discount, gifts, or entertainment, except as provided in the Bank's *Acceptance of Gifts and Entertainment Policy,* and except that employees other than Executive Officers, as such term is defined in the Bank's *Insider Lending Policy*, may obtain loans through the Bank's Strategic Partner Programs subject to the limitations set forth in the Bank's *Strategic Partner Credit Policy*.

3.3.5. Knowingly competing with the Bank in the purchase or sale of any kind of property – tangible or intangible; or diversion from the Bank, for the employee's own direct or indirect benefit, of a business opportunity in which the Bank has, or is likely to have, an interest.

3.3.6. Recommending any securities transactions by the Bank without having disclosed his or her interest, if any, in such securities or the issuer thereof, including without limitation (i) any direct or indirect ownership of any securities of such issuer, (ii) any contemplated transaction by such person in such securities, (iii) any position with such issuer or its affiliates, and (iv) any present or proposed business relationship between such issuer or its affiliates and such person or any party in which such person has a significant interest.

3.3.7. Soliciting or receiving anything of value (i) from anyone in return for any business service or confidential information of the Bank or (ii) for making a loan or accepting a fee for performance of any act that the Bank could have performed.

3.4. No outside employment activities are permitted that would interfere with an employee's ability to perform his or her Bank duties properly. Any outside employment must have the prior written approval of Human Resources.

3.5. Confidential information concerning the Bank's customers and suppliers acquired by an employee in the course of working for the Bank is considered by law to be used solely for Bank purposes and not as a basis for personal gain by the employee. In no case shall such information be transmitted to persons outside the Bank, including family members.

3.6. Due to the nature of the financial service industry, the Bank and its affiliates must maintain financial credibility at all times. For this reason, all employees are expected to demonstrate an ability to manage personal finances properly, particularly the use of credit. Imprudent personal financial management can affect job performance and reflects poorly on the employee's ability to perform responsibilities of a financial nature.

4 PROCEDURE

4.1. If an employee has any doubt about whether a conflict of interest exists, the employee must promptly disclose the situation to their supervisor and the Chief Compliance Officer and seek appropriate guidance before taking any action. Similarly, a director should seek guidance from appropriate internal resources, including the Chief Compliance Officer and the MFIN Chief Compliance Officer, if the director has any doubt about whether a conflict of interest exists. This includes situations where members of the employee's immediate family hold or assume positions in any business or other organization which may cause the employee to have a conflict with the aims and interests of the Bank.

4.2. If there is any question or concern regarding a potential conflict of interest, in the case of matters involving employees, prior review and written approval should be obtained from the Chief Compliance Officer and, in the case of directors, the MFIN Chief Compliance Officer. In the case of matters involving directors, any waiver of this

Policy or approval of a situation that may otherwise be deemed to constitute a conflict of interest must be approved by the Board or its Audit Committee.

5 RESPONSIBILITY

5.1. All directors and employees are responsible for compliance with this Policy.

5.2. Senior management of the Bank and the Bank business units are ultimately responsible for ensuring this Policy is communicated to all of their employees and their employees comply with this Policy.

III. Acceptance of Gifts and Entertainment Policy

1 PURPOSE

This Policy provides the standards and limitations governing the acceptance of entertainment and gifts from any person, organization or agency related to, or associated with, the business activities of the Bank. Inappropriate entertainment and gifts can create conflicts of interest or at least the appearance that employees' business judgments in decisions on behalf of the Bank are being improperly influenced by what they receive from third parties. This can harm the Bank's good reputation and its relationships with external parties.

2 SCOPE

This Policy applies to all Bank employees. Any waiver of this Policy for an executive officer of the Bank must be approved by the Board or its Audit Committee.

3 POLICY

3.1. The Bank's reputation and the respect of those with whom it deals are among its most vital assets. These assets must not be jeopardized by acceptance of any entertainment, gift or other favor intended to or perceived by others to influence the business judgment of the recipient. This requires:

- Adherence to high standards of ethical conduct, integrity and legal compliance; and
- Avoidance of conflicts of interest and the perception of impropriety.

3.2. Entertainment:

3.2.1. Employees may accept entertainment when it is:

- Lawful and ethical;
- Occasional;
- Customary and reasonable in value; and
- In support of the Bank's business and not just for the employee's well-being or use.

3.2.2. Costs of travel and overnight accommodation exceeding $500 should not be accepted, as these are not considered entertainment which is reasonable in value.

3.2.3. If you are in doubt, follow the procedure in Section 4, disclose the situation to your supervisor or the Chief Compliance Officer and seek appropriate guidance.

3.3. Gifts:

3.3.1. Employees may not accept any gift of more than de minimis value (e.g., pens, mugs, calendars; any item valued at less than $75) from any person or entity that does business with or on behalf of the Bank.

3.3.2. Gifts of greater than de minimis value should be politely declined and returned to the sender in a timely manner. In the rare circumstance where it would be awkward to return such a gift, the Bank's Chief Executive Officer may approve an exception to this Policy for employees who are not executive officers. If no exception is granted, the gift should be handed over to the Chief Compliance Officer for appropriate disposition.

3.3.3. Employees may accept frequent flyer miles awarded by airlines for business travel for the Bank, provided that the travel option selected is in accordance with the corporate travel policy and is solely based on the best interest of the Bank in terms of cost, timing, and good procurement practices.

3.4. Except as permitted under sections 3.2 and 3.3 above, employees (and members of their immediate family) must not accept or solicit, directly or indirectly, from any vendor or supplier of the Bank, current or potential, any entertainment or gifts, including, but not limited to:

- Vacations;
- Cash payments;
- Cash equivalents (e.g., gift certificate);
- Services;
- Loans (except as private individuals from banks or other financial institutions); or
- Discounts (except those offered to employees of the Bank generally).

This prohibition is not applicable to loans that Bank employees, other than Executive Officers as such term is defined in the Bank's *Insider Lending Policy*, may obtain through the Bank's Strategic Partner Programs subject to the limitations set forth in the Bank's *Strategic Partner Credit Policy*.

4 PROCEDURE

4.1. If an employee has any doubt about whether it is appropriate to accept entertainment or a gift,

4.2. they must promptly disclose the situation to their supervisor or the Chief Compliance Officer and seek appropriate guidance before taking any action.

4.3. The Bank is subject to prohibitions on bribery under applicable law (e.g., 18 U.S.C. § 215). Prior to the acceptance of a gift or entertainment from a customer or supplier in excess of the limits established in this Policy, you must:

4.3.1. Make full written disclosure of all relevant facts to the Chief Compliance Officer; and

4.3.2. Receive written approval consistent with applicable bribery laws from the Chief Compliance Officer.

5 RESPONSIBILITY

5.1. All employees are responsible for compliance with this Policy.

5.2. Senior management of the Bank is ultimately responsible for ensuring that this Policy is communicated to all of their employees and that their employees comply with this Policy.

IV. Insider Trading Policy

As a public company, the Bank is subject to various federal and state laws and regulations governing trading in its securities. It is the Bank's policy to comply fully, and to assist its officers, directors and employees in complying fully with these laws and regulations. The Bank depends upon the conduct and diligence of its officers, directors and employees, in both their professional and personal capacities, to ensure full compliance with this Policy. This Policy provides procedures and guidelines with respect to transactions in the Bank's securities, the protection of material, non-public information and the standard of conduct expected of the Bank's officers, directors and employees in this highly sensitive area. It is the personal obligation and responsibility of each officer, director and employee to act in a manner consistent with this Policy.

The Bank is also subject to this Policy when the Bank is purchasing or selling the Bank's securities. The Bank may not conduct or execute any transactions involving the Bank's securities while in possession of material non-public information concerning the Bank, provided that this restriction does not apply to transactions pursuant to pre-authorized trading plans or arrangements for trading securities that are designed to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended.

The administration of this Insider Trading Policy shall be the responsibility of the MFIN Chief Compliance Officer. Any questions concerning this Policy should be addressed to the MFIN Chief Compliance Officer.

1 DEFINITIONS

(1) "Access Person" means an officer, director or employee of the Bank that has investment decision-making power over publicly traded securities and is designated by the MFIN Chief Compliance Officer from time to time as an Access Person.

(2) "Control" means the power to exercise a controlling influence over the management or policies of a company (unless such power is the sole result of an official position with such company). Any person who owns beneficially, directly or through one or more controlled companies, more than twenty-five percent (25%) of the voting securities of a company shall be presumed to control such company. Natural persons shall be presumed not to be controlled persons.

(3) "Covered Person" includes any officers or directors of the Bank, its other employees, consultants, contractors and investment advisors, as well as members of such persons' immediate families and personal households.

(4) "Independent Director" means any director of the Bank who satisfies the definition of an "independent director" under the rules of The Nasdaq Stock Market LLC ("NASDAQ").

(5) "Security" includes all stock, debt obligations and other instruments, including any warrant or option to acquire or sell a security and financial futures contracts, but excludes securities issued by the U.S. government or its agencies, bankers, acceptance, bank certificates of deposit, commercial paper, repurchase agreements and shares of a mutual fund.

(7) "Trading Day" shall mean a day on which the NASDAQ Capital Market is open for trading. A Trading Day begins at the time trading begins on such day.

2 RULE 10b-5 UNDER THE SECURITIES EXCHANGE ACT OF 1934

2.1. LEGAL BACKGROUND

"Insider trading" is a top enforcement priority of the Securities and Exchange Commission ("SEC"), NASDAQ and the Department of Justice. Criminal prosecutions for insider trading are commonplace and may result in fines and/or imprisonment.

What is insider trading? While the term "insider trading" is not specifically defined in federal statutes, the prohibition against such trading generally is understood to prohibit any person from (1) trading on the basis of material, non-public information, (2) tipping such information to others or recommending the purchase or sale of securities on the basis of such information or (3) assisting someone who is engaged in any of the above activities.

Who is an insider? The term "insider" applies to anyone who, by virtue of a special relationship with a company, possesses material, non-public information regarding the business of that company.

An individual can be considered an insider for a limited time with respect to certain material, non-public information even though he or she is not a director or officer. For example, an executive assistant who knows that an acquisition is about to occur may be regarded as an insider with respect to that information until the news of such acquisition has been fully disclosed to the public.

What is material, non-public information? An occurrence of "insider trading" involves a breach of a fiduciary duty with respect to, or misappropriation of, information that is both material and non-public. Information is generally deemed to be "material" if a "reasonable investor" would rely on it in deciding to purchase, sell or hold a security to which the information relates. As a practical matter, materiality often is determined after the fact, when it is known that someone has traded on the information and after the information itself has been made public and its effects upon the market are more certain. Examples of information that is generally regarded as material are:

- Financial results;
- Major proposed or pending acquisitions, investments or divestitures;
- Significant project or product developments;
- Changes in key personnel;
- Changes in dividends;
- Stock splits;
- New equity or debt offerings;
- Positive or negative developments in outstanding litigation;
- Significant litigation exposure due to actual or threatened litigation; and
- Any other facts which might cause the Bank's financial results to be substantially affected.

“Non-public” information is any information that has not been previously disclosed and is not otherwise available to investors generally. Filings with the SEC, press reports and analyst reports are generally regarded as public information. Information about undisclosed financial results or a possible merger, acquisition or other material development, whether concerning the Bank or otherwise, and obtained in the normal course of employment or through a rumor, tip or just “loose talk”, is not public information. Information should be considered “non-public” until at least two Trading Days after such information has been disseminated widely to the general public through press releases, news tickers, newspaper items, quarterly or annual reports or other widely disseminated means.

Because the Bank is a subsidiary of MFIN, material non-public information regarding the Bank would often be regarded as material non-public information of MFIN.

Potential Criminal and Civil Liability

The Securities Exchange Act of 1934, as amended (the “1934 Act”), and specifically Rule 10b-5 of the 1934 Act, makes it unlawful for any person to make false statements or omit to state material facts in connection with the purchase or sale of any security. There are no limits on the size of a transaction that will trigger insider trading liability. In the past, relatively small trades have resulted in SEC investigations and lawsuits.

Individuals found liable for insider trading face penalties of up to three times the profit gained or loss avoided, a criminal fine of up to $1 million and up to ten years in jail. In addition to the potential criminal and civil liabilities mentioned above, in certain circumstances the Bank may be able to recover all profits made by an insider who traded illegally, plus collect other damages. In addition, the Bank (and its executive officers and directors) could itself face penalties of the greater of $1 million or three times the profit gained or loss avoided as a result of an employee’s violation and/or a criminal penalty of up to $2.5 million for failing to take steps to prevent insider trading.

The procedures regarding securities trading outlined below are designed to deter and, where possible, to prevent such improper trading.

2.2. POLICIES REGARDING TRANSACTIONS IN THE BANK’S SECURITIES

The following policies apply to all transactions, direct or indirect, in all of the Bank’s or MFIN’s securities, including the Bank’s preferred stock, MFIN’s common stock and those shares of common stock that may be held in any Bank/MFIN 401(k) retirement savings plan, pension plan, retirement plan or other similar plan.

No Trading on Material, Non-Public Information. No Covered Person who is aware of any material, non-public information concerning the Bank or a third-party with whom the Bank does business, shall engage in any transaction involving a purchase or sale of the Bank’s, MFIN’s or such third-party’s securities, including any offer to purchase or sell, during any period commencing with the date that he or she obtains such material, non-public information and ending at the beginning of the third Trading Day following the date of public disclosure of that information, or at such time as the non-public information is no longer material.

No Tipping. No Covered Person shall disclose (“tip”) material, non-public information to any other person (including family members) where such information may be used by such person to his or her profit by trading in the securities of the company to which such information relates, nor shall an employee make any recommendations or express any opinions on the basis of material, non-public information as to trading the Bank’s or MFIN’s securities.

No Trading During Black-Out Periods. Covered Persons are subject to a black-out period during which they are prohibited from conducting any transaction involving the purchase or sale of the Bank’s securities. The black-out period typically begins at the close of the market on the fourteenth (14th) day prior to the close of any fiscal quarter and ends at the open of the market on the third Trading Day following the release of the Bank’s quarterly or annual financial results for that particular quarter (the “Black-Out Period”). The MFIN Chief Compliance Officer will send out e- mails alerting the Bank’s directors, officers and employees to the start and the end of each Black- Out Period. The prohibition against trading during the Black-Out Period also prohibits the fulfillment of “limit orders” by any broker for such Covered Person, and the brokers with whom any such “limit order” is placed must be informed of such prohibition at the time such “limit order” is placed.

Notwithstanding the foregoing, a transaction may be exempt from this prohibition if it is made pursuant to a written trading plan that has been approved in advance in writing by the MFIN Chief Compliance Officer and that meets all of the requirements of the SEC’s rules and regulations, including Rule 10b5-1 of the 1934 Act.

The Black-Out Period restriction may be waived in individual cases at the discretion of the MFIN Chief Compliance Officer.

Black-out restrictions applicable to MFIN’s securities are addressed in MFIN’s Insider Trading Policy.

No Short Sales. No Covered Person shall engage in the short sale of the Bank's securities. A short sale is a sale of securities not owned by the seller or, if owned, not delivered against such sale within twenty days thereafter (a "short against the box").

Short sale prohibitions applicable to MFIN's securities are addressed in MFIN's Insider Trading Policy.

No Investments in Derivatives of the Bank's Securities. No Covered Person shall invest in Bank-based derivative securities. "Derivative Securities" are options, warrants, stock appreciation rights or similar rights whose value is derived from the value of an equity security, such as the Bank's common stock. This prohibition includes, but is not limited to, trading in Bank-based put or call option contracts, trading in straddles and the like. However, holding and exercising stock options or other derivative securities granted under the Bank's or MFIN's stock option plans is not prohibited by this Policy.

Derivative-related prohibitions applicable to MFIN's securities are addressed in MFIN's Insider Trading Policy.

No Margin Purchases. No Covered Person shall purchase the Bank's securities on margin. This means such persons are prohibited from borrowing from a brokerage firm, bank or other entity in order to purchase the Bank's securities (other than in connection with exercises of stock options under the Bank's or MFIN's equity compensation plans).

Prohibitions on margin purchases applicable to MFIN's securities are addressed in MFIN's Insider Trading Policy.

Pre-Clearance of Trading by Covered Persons

If a Covered Person is contemplating a transaction in the Bank's securities, the proposed transaction must be pre-cleared with the MFIN Chief Compliance Officer or his or her designee, even if the proposed transaction is to take place outside of the Black-Out Period.

It should be noted that any person who possesses material, non-public information, regardless of whether or not it is within the Black-Out Period or not, should not engage in any transaction involving the Bank's or MFIN's securities.

Exceptions to the Prohibitions on Trading

The only exceptions to this Policy's prohibitions of trading in the Bank's securities as outlined above are the following:

1) *Bona Fide Gifts* – Bona fide gifts of securities are not deemed to be transactions for the purposes of this Policy. Whether a gift is truly bona fide will depend on the circumstances surrounding a specific gift. The more unrelated the donee is to the donor, the more likely the gift would be considered "bona fide" and not a "transaction." For example, gifts to charities, churches or non-profit organizations would not be deemed to be "transactions." However, gifts to dependent children followed by a sale of the "gifted securities" in close proximity to the time of the gift may imply some economic benefit to the donor and, therefore, may be deemed to be a "transaction" and not a "bona fide gift."

Supervisory Personnel

Any person with supervisory authority over any Bank personnel promptly shall report to the MFIN Chief Compliance Officer any securities trading by supervised personnel which he or she knows violates this Policy.

Prohibition Against All Trading

From time to time, in unusual circumstances, the MFIN Chief Compliance Officer may issue an advisory prohibiting all trading by all Covered Persons in the securities of the Bank or other securities of a company with which the Bank has a material relationship.

2.3. POLICIES REGARDING THE USE, DISCLOSURE AND PROTECTION OF MATERIAL, NON-PUBLIC INFORMATION

All Covered Persons have ethical and legal responsibilities to maintain the confidentiality of material, non-public information.

Use and Disclosure of Material, Non-Public Information. Under no circumstances may a Covered Person use material, non-public information about the Bank for his or her personal benefit, or, except as specifically authorized, release to others information that might affect the Bank's or MFIN's securities. Therefore, it is important that a Covered Person not disclose material, non-public information to anyone, including other employees of the Bank, unless the other employee has a clear right and need to know such information in order to fulfill his or her job responsibilities. Under no circumstances should such information be disclosed to family, relatives or business or social acquaintances. In maintaining the confidentiality of the information, the individual in possession of such information shall not affirm or deny statements made by others, either directly or through electronic means, if such affirmation or denial would result in the disclosure of material, non-public information.

If a Covered Person has any doubt about whether certain information is non-public or material, such doubt should be resolved in favor of not trading or communicating such information. Questions concerning what is or is not material, non-public information should be directed to the Chief Compliance Officer or MFIN Chief Compliance Officer.

Material, Non-Public Information Regarding Other Companies. In the ordinary course of doing business, employees may come into the possession of material, non-public information with respect to other companies. An individual receiving material, non-public information in such a manner has the same duty not to disclose the information to others or to use that information in connection with securities transactions of such other company as such individual has with respect to material, non-public information about the Bank.

If the Bank is in the process of negotiating a significant transaction or joint venture with another company, employees are cautioned not to trade in the stock of that company if they are in possession of material, non-public information concerning such company.

If an employee is not certain whether it is permissible to trade in the stock of such company, the employee should contact the MFIN Chief Compliance Officer before making any trades.

Unauthorized Disclosure of Internal Information. Unauthorized disclosure of internal information about the Bank may create serious problems for the Bank whether or not the information is used to facilitate improper trading in securities of the Bank. Therefore, it shall be the duty of each person employed or affiliated with the Bank to maintain the confidentiality of information relating to the Bank or obtained through a relationship of confidence. Bank personnel should not discuss internal Bank matters or developments with anyone outside the Bank, except in the performance of regular corporate duties.

Precautions to Prevent Misuse or Unauthorized Disclosure of Sensitive Information. When an employee is involved in a matter or transaction which is sensitive and, if disclosed, could reasonably be expected to have an effect on the market price of the securities of the Bank or any other company involved in the transaction, that individual should consider taking extraordinary precautions to prevent misuse or unauthorized disclosure of such information.
Such measures include the following:

(1) Maintaining the files in a secure (preferably locked) room or office to which access is restricted;

(2) Avoiding the storage of information on computer systems that can be accessed by other individuals;

(3) Avoiding the discussion of confidential matters in areas where the conversation could possibly be overheard;

(4) Not gossiping about Bank affairs; and

(5) Restricting the copying and distribution of sensitive documents within the Bank.

Internet Chat Rooms. Because any statement you make in an Internet chat room regarding the Bank may be seen as a recommendation to buy or sell the Bank's or MFIN's securities, the Bank's policy is that none of its employees may participate in Internet chat rooms regarding the Bank.

Inadvertent Disclosure of Material, Non-Public Information. If material, non-public information regarding the Bank is inadvertently disclosed, no matter what the circumstances, by any employee, the person making or discovering that disclosure should immediately report the facts to the Chief Compliance Officer or MFIN Chief Compliance Officer.

Inquiries Regarding Material, Non-public Information. When an inquiry is received regarding information that may be material, it should be referred to the MFIN Chief Compliance Officer.

3 ADMINISTRATION AND RECORDKEEPING

Review by the Board of Directors. At least annually, the MFIN Chief Compliance Officer shall provide a written report to the Board of Directors containing:

(1) Any changes made to existing procedures concerning Access Person's personal trading activities made during the past year;

(2) Any recommended changes to this Policy or related procedures;

(3) A summary of issues arising under the Policy or procedures since the last report, including information about any material violations with respect to the Policy which occurred during the past year and any sanctions imposed in response to such material violations; and

(4) A certification that the Bank has adopted procedures reasonably necessary to prevent Access Persons from violating the Policy.

Duties of the MFIN Chief Compliance Officer. The duties of the MFIN Chief Compliance Officer shall include the following:

(1) Maintaining a list of Access Persons;

(2) Providing each Covered Person with a copy of this Insider Trading Policy and informing them of their duties and obligations hereunder;

(3) Maintaining or supervising the maintenance of all records and reports required by this Insider Trading Policy;

(4) Preparing listings of all transactions effected by any Access Person within fifteen (15) days of the date on which the same Security was held, purchased or sold by the Bank;

(5) Determining whether any particular securities transaction should be exempted;

(6) Issuing either personally or with the assistance of counsel as may be appropriate, any interpretation of this Insider Trading Policy which may appear consistent with the objectives of this Insider Trading Policy;

(7) Conducting such inspections or investigations as shall reasonably be required to detect and report, with his or her recommendations, any apparent violations of this Insider Trading Policy to the Board of Directors of the Bank or any committee appointed by them to deal with such information; and

(8) Submitting an annual report to the Board of Directors of the Bank.

Recordkeeping Requirements. The MFIN Chief Compliance Officer shall maintain, at the Bank's principal place of business, the following:

(1) A copy of each Insider Trading Policy which has been in effect during the past five (5) years;

(2) A record of any violation of any such Insider Trading Policy and of any action taken as a result of such violation must be maintained in an easily accessible place for at least five (5) years after the end of the fiscal year in which the violation occurs; and

(3) A copy of each report made by the MFIN Chief Compliance Officer to the Board of Directors must be maintained for at least five (5) years after the end of the fiscal year in which the report is made, the first two (2) years in an easily accessible place.

4 CERTIFICATION OF COMPLIANCE

Each director, officer, and employee of the Bank is required to certify annually that he or she has read and understood this Policy and recognizes that he or she is subject to such Policy.
Further, each director, officer, and employee of the Bank is required to certify annually that he or she has complied with all the requirements of the Policy and that he or she has disclosed or reported all personal securities transactions required to be disclosed or reported pursuant to the requirements of the Policy.

5 SANCTIONS

Any violation of this Insider Trading Policy shall be subject to the imposition of such sanctions as the Bank may deem appropriate under the circumstances to achieve the purposes of Rule 10b-5 of the 1934 Act and this Insider Trading Policy, which sanctions may include suspension or termination of employment, a letter of censure and/or restitution of an amount equal to the difference between the price paid or received by the Bank and the more advantageous price paid or received by the offending person. Any profits realized on trades in violation of this Insider Trading Policy must be disgorged to the Bank. Sanctions for violation of this Insider Trading Policy by a director of the Bank will be determined by a majority vote of its Independent Directors.

6 AMENDMENTS AND MODIFICATION

This Insider Trading Policy may not be amended or modified except in a written form which is specifically approved by majority vote of the Bank's Independent Directors.

V. Extensions of Credit

It is the Bank's policy not to make loans or otherwise to "extend credit" (as that term is defined in Federal Reserve Regulation "O") to its principal shareholders, directors, officers, employees, and their related interests, or to their immediate family members (spouse or children), except that employees other than Executive Officers, as such term is defined in the Bank's *Insider Lending Policy*, may obtain loans through the Bank's Strategic Partner Programs subject to the limitations set forth in the Bank's *Strategic Partner Credit Policy*.

VI. Acceptable Use of Technology Resources

The Bank provides information technology resources, including computer equipment and internet and e-mail services, to facilitate bank operations. Personal use of these resources should be minimal. Improper use can subject the Bank to increased legal and reputation risk. Therefore, use of Bank information technology resources for the following purposes is strictly prohibited:

- Viewing, downloading, or accessing in any way, materials that are pornographic, sexually explicit, or offensive, or that may create a hostile work environment that violates legal and/or corporate sexual harassment standards;
- Conducting or advocating any manner of illegal activity;
- Participating in any online gambling activity;
- Accessing or distributing discriminatory or prejudicial propaganda directed toward any specific demographic class, including those classes outlined under Section 701(a) of the Equal Credit Opportunity Act;
- Providing a submission to, or contacting in any way, any media entity; and
- Engaging in any partisan political activity, where such engagement may be construed as an official endorsement of the MFIN organization for a specific political party, cause, platform, issue, or agenda.

On a case-by-case basis, such as those related to media or political contact, the Bank's Chief Executive Officer, the Board or the Audit Committee may grant exceptions to this Policy.

VII. Management Official Interlocks

Part 348 of the regulations promulgated by the Federal Deposit Insurance Corporation ("FDIC") places certain restrictions on the ability of bank management officials to act in a similar capacity at another financial institution. For the purposes of this section, the term "management official" will have the same meaning as defined in Section 348.2(k), namely:

- A director;
- An advisory or honorary director of a depository institution with total assets of $100 million or more;
- A senior executive officer as defined by 12 C.F.R. § 303.101(b)[1];
- A branch manager;
- A trustee of a depository organization under the control of trustees; and
- Any person who has a representative or nominee serving in any of the capacities in this paragraph.

From a regulatory perspective, Part 348 is designed to foster competition. From the Bank's perspective, this section is designed to mitigate potential conflicts of interest. To those ends, the following prohibitions apply to all management officials of the Bank:

- A management official of the Bank may not serve, at the same time, as a management official of an unaffiliated depository organization if the Bank and the other organization have offices in the same community.
- A management official of the Bank may not serve, at the same time, as a management official of an unaffiliated depository organization if both organizations have offices in the same metropolitan statistical area and each organization has assets of $50 million or more.
- Should, at any time, the Bank's total assets exceed $10 billion, a management official of the Bank may not serve, at the same time, as a management official of an unaffiliated depository organization with total assets in excess of $10 billion, regardless of location.

Sections 348.4, 348.5, and 348.6 contain various exemptions from these prohibitions. These same exemptions are adopted in this Policy. In any case, if a management official of the Bank desires to act, at the same time, as a management official of another depository institution, that official must obtain prior written approval from the Board. The Board will consider the request in light of Part 348 requirements, company policy, and perceived conflict of interest.

Notwithstanding the provisions of this section, a director of the Bank may not serve as a director of another depository institution.

[1] *Senior executive officer* means a person who holds the title of president, chief executive officer, chief operating officer, chief managing official (in an insured state branch of a foreign bank), chief financial officer, chief lending officer, or chief investment officer, or, without regard to title, salary, or compensation, performs the function of one or more of these positions. *Senior executive officer* also includes any other person identified by the FDIC, whether or not hired as an employee, with significant influence over, or who participates in, major policymaking decisions of the insured state nonmember bank. 12 C.F.R. § 303.101(b).

VIII. Consequences of Breaches of Fiduciary Duty

All breaches of fiduciary duty will be reported to the Board of Directors. If a law was broken, a criminal referral form will be completed and sent to applicable government authorities as required. Failure to comply with this Policy will be grounds for disciplinary action, including possible termination.

IX. Communications Protected by Law

The Code of Ethical Conduct and Insider Trading Policy is not intended in any way to limit the right or ability for Covered Persons (i) to make any disclosure of information required by law, court order, lawful subpoena or other legal process, or otherwise protected under the whistleblower provisions of any law; (ii) to initiate communications directly with, provide information to, or report a possible violation of any law or regulation to any governmental body, agency or entity or any self-regulatory authority, such as Congress, any agency Inspector General, the Equal Employment Opportunity Commission or the Securities and Exchange Commission (any such body, agency, entity or authority, a “Governmental Authority”); (iii) to initiate, provide information to, testify at, participate in, or otherwise assist any investigation or proceeding brought by any Governmental Authority or by the Bank’s or MFIN’s legal, compliance, or HR officers relating to an alleged violation of any law, (iv) to utilize the complaint procedures and confidential employee hotline as more fully described in the MFIN Employee Handbook; (v) to disclose or discuss information lawfully acquired about wages, hours or other terms and conditions of employment if used for purposes protected by Section 7 of the National Labor Relations Act, such as joining or forming a union, engaging in collective bargaining or engaging in other concerted activity for the mutual aid or protection of employees; or (vi) to make any other disclosures that are protected by any applicable law or regulation. Covered Persons do not need the prior authorization of MFIN or the Bank to make any reports or disclosures contemplated by the foregoing, and are not required to notify MFIN or the Bank that they have made any such reports or disclosures.

X. MFIN Code of Ethical Conduct and Insider Trading Policy

The Bank’s employees and directors must comply with and annually certify as to their compliance with MFIN’s Code of Ethical Conduct and Insider Trading Policy. In the event of a conflict between the terms of MFIN’s Code of Ethical Conduct and Insider Trading Policy and this Policy, the terms of this Policy shall govern.

This Code of Ethical Conduct and Insider Trading Policy was adopted by the Board of Directors of the Bank, including a majority of such Directors who are not interested persons of the Bank, at a meeting held on December 3, 2019.

Exhibit 31.1

CERTIFICATIONS
Certification of Donald S. Poulton

I, Donald S. Poulton, certify that:

1. I have reviewed this Annual Report on Form 10-K of Medallion Bank;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2026

By: /s/ Donald S. Poulton

Donald S. Poulton
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS
Certification of Travis B. Betenson

I, Travis B. Betenson, certify that:

1. I have reviewed this Annual Report on Form 10-K of Medallion Bank;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2026

By: /s/ Travis B. Betenson

Travis B. Betenson
Senior Vice President and
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 USC SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Medallion Bank (the “Bank”) for the year ended December 31, 2025 as filed with the Federal Deposit Insurance Corporation on the date hereof (the “Report”), the undersigned hereby certifies, pursuant to 18 USC Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Bank.

Date: March 12, 2026

By: /s/ Donald S. Poulton

Donald S. Poulton
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 USC SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Medallion Bank (the "Bank") for the year ended December 31, 2025 as filed with the Federal Deposit Insurance Corporation on the date hereof (the "Report"), the undersigned hereby certifies, pursuant to 18 USC Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Bank.

Date: March 12, 2026

By: /s/ Travis B. Betenson

Travis B. Betenson
Senior Vice President and
Chief Financial Officer