

PATHWARD FINANCIAL, INC.

CASE OVERVIEW

Status: Investigating
Company Name: Pathward Financial, Inc.
Ticker: CASH
Related Attorneys: Thomas W. Elrod
Related Practices: Securities

On July 22, 2026, Pathward reported fiscal third-quarter 2026. Among other things, the Company recognized a provision for credit losses of \$28.3 million for the quarter ended June 30, 2026, compared to \$9.3 million for the comparable period in the prior fiscal year. In the Company's earnings call, Pathward's CEO Brett Pharr stated the increased provision was due in part to the Company having "identified a working capital loan that we believe involves a sophisticated fraud." The Company also disclosed that nonperforming loans had increased to \$277.5 million, compared to \$119.8 million the quarter prior and compared to \$74.7 million at June 30, 2025. The Company stated that the "primary reason for the increase in nonperforming commercial finance loans was related to certain renewable energy construction projects with a common developer."

In addition, the Company lowered fiscal 2026 guidance to a range of \$7.80 to \$8.20 earnings per share from its previously guided \$8.55 to \$9.05 earnings per share.

On this news, Pathward's stock price fell \$5.55 per share, or approximately 6.26%, to close at \$83.12 per share on July 23, 2026.