

PRESS RELEASE

RIO BANK PAYS EMPLOYEE BONUSES AS A RESULT OF NEW TAX LAW

January 18, 2018

The Rio Bank Board of Directors today authorized management to pay each employee of the company a \$1,000 bonus check as a result of the passage of the new Tax Cuts and Job Act passed last month by Congress and signed by the President lowering the corporate tax rates in the United States beginning in 2018.

The Mission Statement of Rio Bank is "Help Our Community Grow". The new tax law will benefit Rio Bank customers and immediately impact the employees of Rio Bank with this surplus of tax savings. Chairman of the Board, Dr. Cayatano Barrera said, "The banking business has been hit hard by excessive regulation coming out of Washington over the last several years and it has had a negative impact on our customers and our staff. We applaud Congress and the President for taking this action and to begin allowing community banking to be the kind of institution our Rio Grande Valley needs in its banks." Rio Bank is a well-capitalized bank with good earnings. With the decrease in the tax rates this year, the bank's Board of Directors felt that the employees who have made the company so successful should see some benefit from this tax reduction. "Rio Bank's employees are the engine that drives our bank. The energy and enthusiasm that each of them chooses to bring to their jobs every day defines the Rio Bank experience for our customers." said Danny Vela, one of the bank's Board of Directors.

Baldomero Vela Jr., a member of the bank's Board of Directors stated "This tax cut will allow us to work with our charity partners this year and put more money to work in the communities we serve and where our employees work and live."

This announcement follows a recent announcement that the bank will be building new corporate headquarters in McAllen at the corner of McColl Road and Expressway 83. Ford Sasser, President and CEO stated, "I am very proud of the staff we have at Rio Bank and the reputation that they have in the Rio Grande Valley for being responsive to the needs of our customers. They deserve to benefit from this tax reduction." Sasser went on to state that this tax cut will allow the bank to make capital investments in new infrastructure and equipment this year.