



RIO NEWS

Your Kind of Bank. Your Kind of Banker.
We help our community grow.



PRESIDENT'S PERSPECTIVE



FORD SASSER
 President and CEO
 Rio Bank

We are excited to announce that Rio Bank has acquired Elsa State Bank & Trust. Elsa State Bank will begin operating as Rio Bank on September 1, 2018. This acquisition allows Rio Bank to further develop its footprint in the Rio Grande Valley, with 14 bank locations from Starr, Hidalgo and Cameron counties, extending from Roma to Brownsville.

By combining these two well-respected community banks, Rio Bank will have assets of approximately \$550 million, \$340 million in loans and \$450 million in deposits. Both our community banks share the same vision and devotion in providing quality customer service and diverse products to each and every one of our valued customers. You will continue to see the same friendly service delivery you know and trust but now expanded to six more strategic valley locations that a lot of you have been asking for in the past.

Elsa State Bank & Trust has six attractive bank locations located in Roma, Rio Grande City, Edinburg, Elsa, Edcouch and east Weslaco which complements our existing west Weslaco location.

Our two bank computer systems will be entirely converted together onto the same IT system on February 18, 2019. After that event both banks will be fully integrated as one bank offering full service to every customer at all 14 Rio Bank locations.

We understand that you may have questions about how this change will affect you as we move forward. Come by and visit with us or check our website for additional information.

Your existing and new teams are all committed to continue providing our valued customers with honesty, integrity and quality service.

FORD SASSER
 President and CEO, Rio Bank

Rio Bank Welcomes Elsa State Bank & Trust!

We are committed to making this transition as easy as possible, while we continue to deliver the same level of service you deserve.



So what changes September 1st?

- Rio Bank's name on the six new acquired locations that you can now use at your convenience
- You will now be able to make your deposits at all 14 Rio Bank locations and receive next day credit
- Check cashing will be provided for Rio Bank & Elsa State Bank checks up to \$2,500 at all 14 locations
- No Surcharge fees for your ATM withdrawals at all new ATM locations that belonged to Elsa State Bank & existing Rio Bank

NEW! MOBILE DEPOSIT RULE



- ← Sign Check
- ← Print Account Number
- ← Print Name
- ← Print "For Mobile Deposit Only"

Q&A's

Is this a Rio Bank change or is this requirement for all financial institutions?

This new requirement comes from a banking regulation change and applies to all Mobile and Remote deposits, at all financial institutions. It's not a change just for Rio Bank customers.

Why is this new endorsement required? It's so much longer than a regular endorsement.

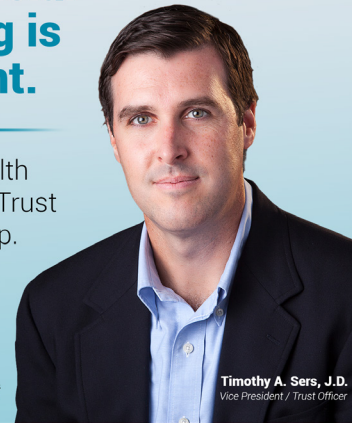
We know the new endorsement is longer and we apologize for any inconvenience this may cause you. This change is being implemented to protect your deposit so that it's not accidentally presented at a bank when it's already been deposited via the mobile app.

Your Financial well-being is important.

Rio Bank Wealth Management & Trust is here to help.



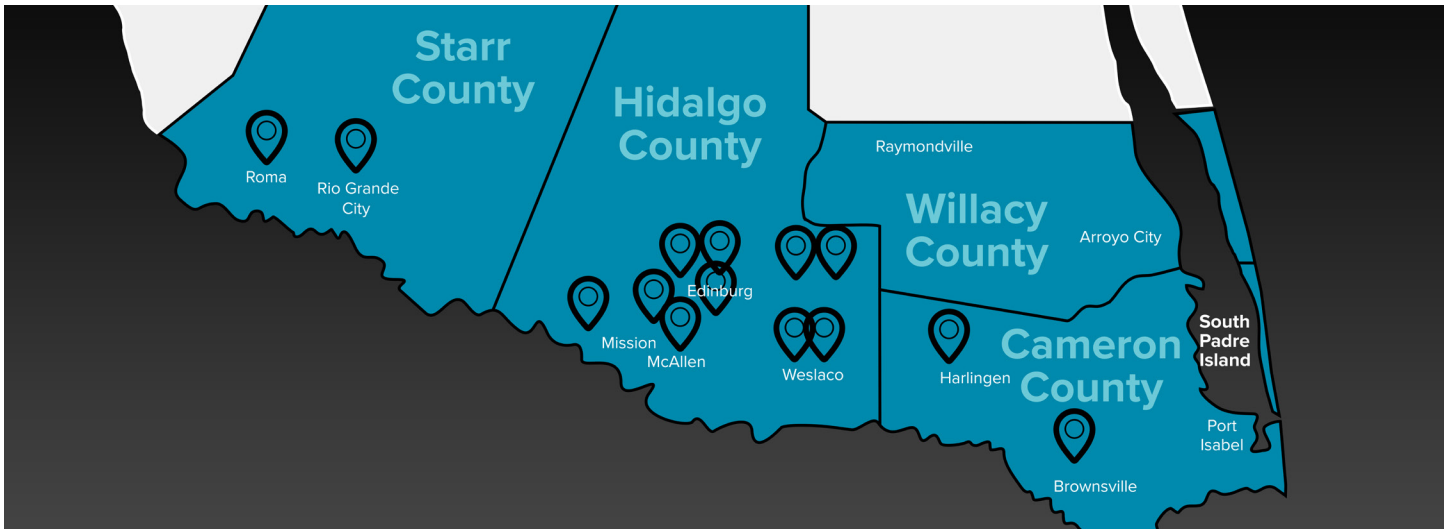
Wealth Management & Trust



Timothy A. Sers, J.D.
Vice President / Trust Officer

956.878.1408

Notice: Wealth Management & Trust Division investments include non-deposit investment products which are Not bank deposits, Not FDIC insured, Not insured by any federal government agency, Not guaranteed by the bank. May decrease in value



JUNE - STATEMENT OF CONDITION

ASSETS	JUN-18	JUN-17
Cash and Cash Equivalents	\$27,610	\$29,429
Total Marketable Securities	\$98,535	\$76,211
Gross Loans	\$201,018	\$200,948
Less Reserve for Loan Losses	(\$2,668)	(\$2,416)
Net Loans	\$198,350	\$198,532
Bank Premises and Equipment	\$15,547	\$13,344
Other Real Estate Owned	\$796	\$796
Other Assets	\$10,412	\$9,105
Total Assets	\$351,250	\$327,417
LIABILITIES		
Total Deposits	\$309,169	\$290,205
Other Liabilities	\$9,755	\$9,777
Total Liabilities	\$318,924	\$299,982
Total Capital	\$32,326	\$27,435
TOTAL CAPITAL AND LIABILITIES	\$351,250	\$327,417

non-consolidated balance sheet as of June 30th, 2018

RIO BANK LOCATIONS

MAIN BANKING CENTER 1655 N. 23rd Street McAllen, Texas 78501 956.631.7890	PALMVIEW BANKING CENTER 401 N. Bentsen Palm Drive Palmview, Texas 78574 956.584.5545	WESLACO BRANCH 3124 East Business Hwy 83 Weslaco, TX 78596 956.968.8645
MCCOLL BANKING CENTER 4120 N. McColl Road McAllen, Texas 78502 956.972.1581	BROWNSVILLE BANKING CENTER 3401 Old Highway 77 Brownsville, Texas 78520 956.542.9858	EDINBURG BRANCH 621 West University Edinburg, TX 78539 956.287.9590
SAN JUAN BANKING CENTER 401 W. St. Hwy 495 San Juan, Texas 78589 956.781.2265	WESLACO BANKING CENTER 1000 N. Westgate Drive Weslaco, Texas 78596 956.968.3717	RIO GRANDE CITY BRANCH 712 West Main Rio Grande City, TX 78582 956.487.3634
JACKSON BANKING CENTER 720 E. Jackson Avenue McAllen, Texas 78501 956.631.1513	ELSA MAIN BRANCH 300 West Edinburg Ave, Elsa, TX 78543 956.262.1391	ROMA BRANCH 47 East Grant Street Roma, TX 78584 956.849.4434
HARLINGEN BANKING CENTER 601 S. Stuart Place Road Harlingen, Texas 78552 956.264.1800	EDCOUCH BRANCH 442 West Santa Rosa Ave. Edcouch, TX 78538 956.262.3674	NEW LOCATIONS

BANK HOLIDAYS

COLUMBUS DAY » OCT 8 | VETERANS DAY » NOV 12 | THANKSGIVING DAY » NOV 22 | CHRISTMAS DAY » DEC 25 | NEW YEARS DAY » JAN 1

