Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2019

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [X] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1996

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
RIO BANK

1655 N 23RD ST
MCALLEN, TX 78501-6736

2b Employer Identification Number (EIN)
74-2331408

2c Plan Sponsor's telephone number
956-668-9308

2d Business code (see instructions)
522110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	11/01/2021	CATHERINE GROSSMAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	11/01/2021	CATHERINE GROSSMAN
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address [X] Same as Plan Sponsor

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:
a Sponsor's name
c Plan Name

4b EIN

4d PN

5 Total number of participants at the beginning of the plan year	**5**	221
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	189
a(2) Total number of active participants at the end of the plan year	**6a(2)**	162
b Retired or separated participants receiving benefits	**6b**	1
c Other retired or separated participants entitled to future benefits	**6c**	39
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	202
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	202
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	202
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	20
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2J 2K 2O 2S 2T

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[X] Insurance	**(1)**	[X] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1) [X] **R** (Retirement Plan Information)

(2) [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary

(3) [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1) [X] **H** (Financial Information)

(2) [ ] **I** (Financial Information – Small Plan)

(3) [X] 1 **A** (Insurance Information)

(4) [X] **C** (Service Provider Information)

(5) [X] **D** (DFE/Participating Plan Information)

(6) [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2019

This Form is Open to Public Inspection

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RIO BANK

D Employer Identification Number (EIN)
74-2331408

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	**(g)** To
42-0127290	61271	527871	177	01/01/2019	12/31/2019

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	**(b)** Total amount of fees paid
8554	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

LPL FINANCIAL LLC
ATTN ACCOUNTS RECEIVABLE
PO BOX 502308
SAN DIEGO, CA 92150

(b) Amount of sales and base commissions paid	Fees and other commissions paid		
	(c) Amount	**(d)** Purpose	**(e)** Organization code
8554	0		3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		
	(c) Amount	**(d)** Purpose	**(e)** Organization code

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	**4**	0
5	Current value of plan's interest under this contract in separate accounts at year end	**5**	4035358

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	**6b**	
c	Premiums due but unpaid at the end of the year	**6c**	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	**6d**	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity (3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee (3) ☐ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year			**7b**	
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**			
	(3) Interest credited during the year	**7c(3)**			
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below) ▶	**7c(5)**			
	(6) Total additions			**7c(6)**	
d	Total of balance and additions (add lines **7b** and **7c(6)**)			**7d**	
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**			
	(2) Administration charge made by carrier	**7e(2)**			
	(3) Transferred to separate account	**7e(3)**			
	(4) Other (specify below) ▶	**7e(4)**			
	(5) Total deductions			**7e(5)**	
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance

e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug

i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract

m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount			**10b**	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2019** **This Form is Open to Public Inspection.**

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RIO BANK

D Employer Identification Number (EIN)
74-2331408

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

LPL FINANCIAL LLC

95-2834236

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49 55 99	OTHER SERVICES	0	Yes [X] No [ ]	Yes [ ] No [X]	595	Yes [ ] No [X]

(a) Enter name and EIN or address (see instructions)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 37 50 64	CONTRACT ADMINISTRATOR	43067	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

(a) Enter name and EIN or address (see instructions)

WILSHIRE ASSOCIATES INCORPORATED

95-2755361

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 72	INVESTMENT ADVISORY	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
WILSHIRE ASSOCIATES INCORPORATED	27 72	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PRINCIPAL LIFE INSURANCE COMPANY 42-0127290	5 BASIS POINTS ANNUALLY ON ELIGIBLE PLAN ASSETS IN WILSHIRE 3(38) FIDUCIARY SERVICE.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2019

This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
RIO BANK

D Employer Identification Number (EIN)
74-2331408

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCP S&P 500 INDEX SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-016	P	54281

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP S&P 600 INDEX SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-028	P	35500

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAP GROWTH I SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-066	P	57986

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETM 2010 SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-075	P	522636

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2020 SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-076	P	777107

a Name of MTIA, CCT, PSA, or 103-12 IE: PRINL LIFETIME 2030 SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-077	P	273555

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2040 SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
42-0127290-078	P	534101

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2050 SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-079	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 224560

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME STRAT INC SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-080	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN REAL ESTATE SECS SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-095	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1517

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP VALUE II SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-096	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2015 SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-110	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11696

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2025 SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-111	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 870196

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2035 SEP ACT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-112	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 250644

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2045 SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-113	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 213313

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2055 SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-114	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 110820

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2060 SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-130	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 97435

a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL STABLE VALUE Z FUND

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

c EIN-PN 93-6274328-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 220778

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2019

This Form is Open to Public Inspection

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RIO BANK

D Employer Identification Number (EIN)
74-2331408

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	262129	417592
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	14689
(2) Participant contributions	1b(2)	17866	21759
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	3772895	4486000
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	174615	289100
(9) Value of interest in common/collective trusts	1c(9)	231085	220778
(10) Value of interest in pooled separate accounts	1c(10)	3119294	4035358
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	11758	30662
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	7589642	9515938
	Liabilities			
g	Benefit claims payable	1g	0	
h	Operating payables	1h	0	
i	Acquisition indebtedness	1i	0	
j	Other liabilities	1j	0	
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	7589642	9515938

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	432279	
	(B) Participants	2a(1)(B)	492623	
	(C) Others (including rollovers)	2a(1)(C)	112034	
	(2) Noncash contributions	2a(2)	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1036936
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)	0	
	(D) Loans (other than to participants)	2b(1)(D)	0	
	(E) Participant loans	2b(1)(E)	12569	
	(F) Other	2b(1)(F)	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		12569
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	11857	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	620	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		12477
	(3) Rents	2b(3)		0
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
	(B) Other	2b(5)(B)	560750	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		560750

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		11260
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		699892
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		3198
c Other income	2c		15
d Total income. Add all **income** amounts in column (b) and enter total	2d		2337097
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	369234	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		369234
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: **(1)** Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	41567	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		41567
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		410801
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1926296
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unmodified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: SMITH FANKHAUSER VOIGT & WATSON,PLL **(2)** EIN: 74-1080030

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a	X		106776
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	0

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	0
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	0
e	Was this plan covered by a fidelity bond?	4e	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2019

This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RIO BANK

D Employer Identification Number (EIN)
74-2331408

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 42-0127290

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☒ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☒ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☒ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☒ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

20 **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation_____



Employee Stock Ownership and 401(k) Plan

Financial Statements and
Supplementary Information with
Independent Auditor's Report

Year Ended December 31, 2019



SMITH
FANKHAUSER
VOIGT &
WATSON, PLLC

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
Rio Bank Employee Stock Ownership and 401(k) Plan
McAllen, Texas

We have audited the accompanying financial statements of Rio Bank Employee Stock Ownership and 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018, and the related statement of changes in net assets available for benefits for the year ended December 31, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2019 and 2018, and the changes in net assets available for benefits for the year ended December 31, 2019, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2019 and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions for the year ended December 31, 2019, together referred to as "supplemental information," are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Smith Sankhauser Voigt & Watson, PLLC

October 14, 2020

RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN
Statements of Net Assets Available for Benefits

	December 31, 2019	December 31, 2018
Assets		
Cash, non-interest bearing	$ 417,592	$ 262,129
Investments, at fair value		
Investment contract with insurance company		
Registered investment companies - mutual funds	30,662	11,758
Common/collective trust	220,778	231,085
Pooled separate accounts	4,035,358	3,119,293
	4,286,798	3,362,136
Common stock	4,486,000	3,772,895
	8,772,798	7,135,031
Receivables		
Employer's contribution	14,689	-
Participants' contributions	21,759	17,866
Notes receivable from participants	289,100	174,616
	325,548	192,482
Total assets	9,515,938	7,589,642
Liabilities		
Total liabilities	-	-
Net assets available for benefits	$ 9,515,938	$ 7,589,642

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

RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2019

Additions

Additions to net assets attributed to:	
Investment gains	
Net investment gain from common/collective trust	$ 11,260
Net investment gain from pooled separate accounts	699,892
Net investment gain from registered investment companies - mutual funds	3,198
Net appreciation in fair value of common stock	560,750
Dividends	12,477
	1,287,577
Other income	15
Participant loan interest	12,569
Contributions	
Participants'	492,623
Employer's	432,279
Rollover from other plans	112,034
	1,036,936
Total additions	2,337,097

Deductions

Deductions from net assets attributed to:	
Benefits paid to participants	369,234
Administration expenses	41,567
	410,801
Total deductions	410,801
Net increase in net assets available for benefits	1,926,296
Net assets available for benefits:	
Beginning of year	7,589,642
End of year	$ 9,515,938

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

Note 1 – Description of the Plan

The following description of the Rio Bank (the "Company") Employee Stock Ownership and 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General – The Plan is a defined contribution plan established January 1, 1996, and restated effective January 1, 2014. The most recent plan amendment was made effective June 21, 2018. It covers all employees of the Company who have completed 3 months of service and are age twenty-one or older. The Plan is a Qualified Automatic Contribution Arrangement (QACA) which is intended to be qualified under Section 401(a) of the Internal Revenue Code (the "Code") with safe harbor provisions under the Pension Protection Act of 2006. The Plan is intended to be an employee stock ownership plan within the meaning of Section 4975(e)(7) of the Code. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions – Each year participants may contribute a dollar amount or percentage of pretax annual compensation as defined in the Plan. The total amount of such contribution shall not exceed the maximum elective contribution prescribed by Section 402(g)(l) of the Code. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various 401(k) investment options offered by the Plan. The Plan currently offers sixteen Pooled Separate Accounts, two mutual funds and one common/collective trust. Under the provisions of the Plan, the Company contributes a safe harbor matching contribution of 100 percent of the participant's elective salary deferral, up to 6 percent of compensation. Employer contributions are deposited to 100 percent to common stock.

Additional discretionary non-elective (optional) contributions, based on elective deferrals, may be contributed by the Company at the option of the Company's Board of Directors. Contributions are subject to certain limitations. There were $0 and $27,702 of additional discretionary non-elective (optional) contributions made for 2019 and 2018, respectively.

Participant accounts – Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings, and charged with an allocation of (a) Plan losses and (b) administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting – Participants are immediately vested in their contributions and actual earnings thereon. Company safe harbor matching portion of their accounts plus actual earnings thereon are fully vested after two years. Vesting in the Company's matching and discretionary matching contributions portion of their accounts plus actual earnings thereon is based on years of continuous service, subject to a five-year graded vesting schedule.

Notes receivable from participants – Participants may borrow from their fund accounts for selected purposes as defined in the Plan. Amounts invested in common stock of the Company are not available for participant loans. No loan shall be granted in an amount less than the principal sum of $1,000. Loans will be limited to the lesser of 50 percent of their vested account balance or $50,000, and must be in the form of a signed note with a reasonable and definite repayment schedule paid through payroll deductions. Participants are allowed one outstanding loan at a time. The loans are secured by the participant's vested

balance in their account and bear interest at rates ranging from 3.50 to 5.50 percent, which is commensurate with local prevailing rates as determined by the Plan's provisions. The interest rate will be fixed for the duration of the loan.

Participant investment rollovers – Participants are allowed to transfer or rollover funds into the Plan from other qualified plans.

Payment of benefits – On the event of total and permanent disability or retirement, distribution shall commence no later than one year after the close of the Plan Year in which such event occurs. On the event of death or termination of service, distribution of the funds shall be made on the occurrence of such event. Payment of benefits shall generally not exceed a period of five years, unless certain plan provisions are met. Participant can receive their distribution in either one lump-sum payment or in payments over a period certain in monthly, quarterly, semiannual, or annual installments, provided their total vested interest in the Plan exceeds $5,000. Distributions made from the common stock are only processed once a year.

Forfeited accounts – On or before each anniversary date any amounts which become forfeitures since the last anniversary date may be made available to reinstate previously forfeited account balances of former participants, if any, be used to satisfy any contribution in accordance with plan provisions, or used to pay any administrative expenses of the Plan. The remaining forfeitures, if any, shall be allocated to participants' accounts as defined in the Plan. At December 31, 2019 and 2018, there were no forfeited non-vested accounts.

Put option – If company stock is distributed to a participant, the participant has a right to require the Employer to repurchase the company stock distributed to such participant under a fair valuation formula. The put option must be exercisable only by the participant, by the participant's donees, or by a person to whom the company stock passes by reason of the participant's death. The put option must permit the participant to put the company stock to the employer. Under no circumstances may the put option bind the Plan. However, it shall grant the Plan an option to assume the rights and obligations of the Employer at the time that the put option is exercised. The put option shall commence as of the day following the date the company stock is distributed to the former participant and end sixty days thereafter and if not exercised within such period, an additional sixty-day option shall commence on the first day of the fifth month of the Plan year next following the date the stock was distributed.

Administration and trustees – The general administration of the Plan is performed by Plan administrator and Plan Trustees.

The Plan's Board of Trustees are Ford A. Sasser, III and Catherine Grossman, with Ms. Grossman also serving as Plan administrator. Among other duties, the Board of Trustees is responsible for receiving and investing contributions, managing investments, making payments to participants in accordance with the Plan and performing other actions as directed by the administrator.

Note 2 – Summary of Significant Accounting Policies

Basis of accounting – The financial statements of the Plan are prepared on the accrual method of accounting, in conformity with accounting principles generally accepted in the United States of America.

Use of estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from those estimates.

Investment valuation and income recognition – The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements. Unrealized appreciation or depreciation in the fair value of common stock held at year-end and realized gain or loss on sales of common stock during the year are determined using the fair value at the beginning of the year or cost, if acquired since that date. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The investment in common stock is in that of the Company and the non interest-earning bank account is at Rio Bank.

Notes receivable from participants – Notes receivable from participants are reported at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed as incurred. No allowance for credit losses has been recorded as of December 31, 2019 and 2018.

Payment of benefits – Benefits are recorded when paid.

Operating expenses – The Plan permits the payment of all reasonable Plan administration expenses to be paid out of the Plan assets unless paid for by the Company. The Plan will assess against an individual Participant's account certain Plan expenses that are incurred by, or are attributable to, a particular Participant based on the use of a particular Plan feature. Expenses in excess of those fees are paid by the Company. Forfeitures may also be used to pay for Plan expenses.

Date of management's review – Subsequent events were evaluated through October 14, 2020, which is the date the financial statements were available to be issued.

Note 3 – Fair Value Measurements

FASB ASC 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2019 and 2018.

Cash and cash equivalents: Recorded at cost, which approximates fair value.

Mutual funds: Valued at quoted market prices, which represent the net asset value (NAV) of shares held by the Plan at year-end.

Pooled separate accounts: Valued based on the NAV of shares held in the underlying mutual fund investments.

Common/collective trust: Valued at the NAV, as calculated by the fund manager, based on the underlying investments.

Common stock: Value determined by an annual independent appraisal. This appraisal was based on a combination of the market and income valuation methods consistent with prior years. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and estimated fair value of company assets and liabilities.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2019 and 2018:

	Fair Value Measurements at Reporting Date Using:		
December 31, 2019	Level 1	Level 2	Total
Cash, non-interest bearing	$ 417,592	$ -	$ 417,592
Mutual funds	30,662	-	30,662
Pooled Separate Accounts*	-	4,035,358	4,035,358
Common/collective trust**	-	220,778	220,778
Common stock (112,150 shares)	-	4,486,000	4,486,000
Total investments in their fair value hierarchy	$ 448,254	$ 8,742,136	$ 9,190,390
December 31, 2018			
Cash, non-interest bearing	$ 262,129	$ -	$ 262,129
Mutual funds	11,758	-	11,758
Pooled Separate Accounts*	-	3,119,293	3,119,293
Common/collective trust**	-	231,085	231,085
Common stock (107,797 shares)	-	3,772,895	3,772,895
Total investments in their fair value hierarchy	$ 273,887	$ 7,123,273	$ 7,397,160

* Pooled Separate Accounts are valued based on NAV provided by the fund managers. The NAV provided by the fund managers is not quoted in an active market and is therefore considered Level 2. There are no unfunded commitments. There are no redemption restrictions.

** The common/collective trust has no unfunded commitments and no redemption restrictions, other than for participant-directed withdrawals for benefit payments and transfers to other investment options, and plan sponsor-directed withdrawals or liquidations.

The Company evaluates the significance of various inputs to assess the appropriate classification of the Plan's investments within the fair value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. Transfers between levels are evaluated for their significance based upon the nature of the investment and size of the transfer relative to the net asset available for benefits. For the years ended December 31, 2019 and 2018, there were no transfers between levels within the fair value hierarchy.

Note 4 – Investment Contract with Life Insurance Company

Plan assets for the 401(k) are held by Principal Life Insurance Company ("Principal"). The contract includes variable investments offerings through Pooled Separate Accounts, a common/collective Trust, and mutual funds. These unregistered Pooled Separate Accounts are divided into investment divisions called 'Sub-Accounts.' Each Sub-Account invests in shares of an underlying registered investment company.

Note 5 – Concentrations

Investments of the Plan are either in Rio Bank Financial Services, Inc. *Common Stock* or placed with Principal Life Insurance Company. Investments with Principal Life Insurance Company are in Pooled Separate Accounts, mutual funds or the common/collective trust, which represent ownership of units of participation in said funds rather than specific assets.

Note 6 – Related Party Transactions

For the years ended December 31, 2019 and 2018, the Plan purchased 4,353 and 335 shares of Company common stock at a cost of $152,355 and $10,720, respectively.

Participants are responsible for 401(k) contract administrator fees, which include asset management fees, loan processing fees, and distribution fees, which together totaled $41,567 for the Plan year ended December 31, 2019. The Company fully absorbs the remaining administration expenses for the Employee Stock Ownership Plan, which totaled $33,072 for the Plan year ended December 31, 2019.

These transactions are exempt party-in-interest transactions.

Note 7 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

Note 8 – Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated July 1, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue

Code. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax period in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2016.

Note 9 – Risks and Uncertainties

The Plan invests in a variety of investment securities. Investments in general are exposed to various risks, such as interest rate, market, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Note 10 – Reconciliation of Financial Statements to Schedule H, Form 5500

As a result of a reporting error relating to a loan deemed in 2015, cured in 2016, the net assets available for benefits are overstated at December 31, 2019 and 2018, as presented on Schedule H of the Plan's Form 5500 for the Plan year ending December 31, 2019. Further, net income as presented on Schedule H is overstated for year ended December 31, 2019.

The Company intends to amend tax returns for all years impacted by this error.

The following is a reconciliation of the net assets available for benefits per Form 5500 to the financial statements:

	December 31,	
	2019	2018
Net assets available for benefits per Schedule H, Form 5500	$ 9,536,873	$ 7,603,173
Adjustment for loan activity:		
Deemed loan cured in 2016	(19,496)	(12,997)
Unpaid accrued interest	(1,439)	(534)
Net assets available for benefits per financial statements	$ 9,515,938	$ 7,589,642

The following is a reconciliation of the net increase in net assets available for benefits (NAAB) per Form 5500 to the financial statements:

	Year-Ended December 31, 2019
Net income per Schedule H, Form 5500	$ 1,933,700
Adjustment for loan activity:	
Deemed loan cured in 2016	(6,499)
Unpaid accrued interest	(905)
Net increase in NAAB per financial statements	$ 1,926,296

Note 11 – Prohibited Transactions

Late remittances of participant contributions totaled $74,375 and $15,926, for Plan years 2019 and 2018, respectively. This amount is included in the attached Schedule of Delinquent Participant Contributions. All contributions were remitted during the Plan year. The late remittance of funds is a technical violation of the provisions of ERISA even though the Company does not profit from the transactions. Lost earnings totaling $30 for Plan year 2019 have been remitted.

Note 12 – Subsequent Events

The COVID-19 outbreak, which was declared a pandemic by the World Health Organization on March 11, 2020, has triggered volatility in financial markets and a significant negative impact on the global economy. However, because the values of the Plan's individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. The full impact of the COVID-19 outbreak continues to evolve and is unknown as of the date of this report.

On March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), the bipartisan economic relief package aimed at helping American workers and businesses impacted by the coronavirus pandemic. The CARES Act, among other things, includes several relief provisions available to tax-qualified retirement plans and their participants. Plan management has evaluated the relief provisions available to Plan participants under the CARES Act. Such provisions include allowing certain eligible Plan participants to receive coronavirus-related distributions, delaying participant loan repayments and increasing the maximum amount of such participant loans, and suspending required minimum distributions.

SUPPLEMENTAL INFORMATION

RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN
December 31, 2019

Schedule H, line 4i - Schedule of Assets (Held at End of Year)
EIN: 74-2331408
Plan number: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(e) Current value
*	Principal Life Insurance Company	Prin Lifetime 2025 Sep Acct-Z	$ 870,196
*	Principal Life Insurance Company	Prin Lifetime 2020 Sep Acct-Z	777,107
*	Principal Life Insurance Company	Prin Lifetime 2040 Sep Acct-Z	534,101
*	Principal Life Insurance Company	Prin Lifetm 2010 Sep Acct-Z	522,636
*	Principal Life Insurance Company	Prinl Lifetime 2030 Sep Acct-Z	273,556
*	Principal Life Insurance Company	Prin Lifetime 2035 Sep Act-Z	250,644
*	Principal Life Insurance Company	Prin Lifetime 2050 Sep Acct-Z	224,560
*	Principal Life Insurance Company	Prin Lifetime 2045 Sep Acct-Z	213,313
*	Principal Life Insurance Company	Prin Lifetime 2055 Sep Acct-Z	110,820
*	Principal Life Insurance Company	Prin Lifetime 2060 Sep Acct-Z	97,435
*	Principal Life Insurance Company	Largecap Growth I Sep Acct-Z	57,986
*	Principal Life Insurance Company	Largecap S&P 500 Index Sa-Z	54,281
*	Principal Life Insurance Company	Smallcap S&P 600 Indez Sa-Z	35,500
*	Principal Life Insurance Company	Prin Lifetime 2015 Sep Acct-Z	11,696
*	Principal Life Insurance Company	Real Estate Securities Sa-Z	1,517
*	Principal Life Insurance Company	Prin Lifetime Strat Inc Sa-Z	10
	Total Pooled Separate Accounts		4,035,358
*	Principal Life Insurance Company	American Funds Europacific Grth R6	19,513
*	Principal Life Insurance Company	PGIM Total Ret Bond R6 Fd	11,149
	Total Mutual Funds		30,662
*	Principal Life Insurance Company	Principal Stable Value Z Fund	220,778
	Total Common/Collective Trusts		220,778
	Total investment contract with insurance company		4,286,798
*	Rio Bank	Checking account, non-interest bearing	417,592
*	Rio Financial Services, Inc.	112,150 shares of Common Stock, $0.01 par value	4,486,000
*	Participant loans**	3.50 - 5.50%, 1 to 5 years, secured by vested balance	289,100
			$ 9,479,490

* Party-in-interest
** Net of $0 deemed loans

See accompanying independent auditor's report.

RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN
For the Year-Ended December 31, 2019

Schedule H, line 4a - Schedule of Delinquent Participant Contributions
EIN: 74-2331408
Plan number: 001

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☑	Contributions not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
$ 106,776	-	$ 106,776	-	-

See accompanying independent auditor's report.



Employee Stock Ownership and 401(k) Plan

Financial Statements and
Supplementary Information with
Independent Auditor's Report

Year Ended December 31, 2019



SMITH
FANKHAUSER
VOIGT &
WATSON, PLLC

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
Rio Bank Employee Stock Ownership and 401(k) Plan
McAllen, Texas

We have audited the accompanying financial statements of Rio Bank Employee Stock Ownership and 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018, and the related statement of changes in net assets available for benefits for the year ended December 31, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2019 and 2018, and the changes in net assets available for benefits for the year ended December 31, 2019, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2019 and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions for the year ended December 31, 2019, together referred to as "supplemental information," are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Smith Sankhauser Voigt & Watson, PLLC

October 14, 2020

RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN
Statements of Net Assets Available for Benefits

	December 31, 2019	December 31, 2018
Assets		
Cash, non-interest bearing	$ 417,592	$ 262,129
Investments, at fair value		
Investment contract with insurance company		
Registered investment companies - mutual funds	30,662	11,758
Common/collective trust	220,778	231,085
Pooled separate accounts	4,035,358	3,119,293
	4,286,798	3,362,136
Common stock	4,486,000	3,772,895
	8,772,798	7,135,031
Receivables		
Employer's contribution	14,689	-
Participants' contributions	21,759	17,866
Notes receivable from participants	289,100	174,616
	325,548	192,482
Total assets	9,515,938	7,589,642
Liabilities		
Total liabilities	-	-
Net assets available for benefits	$ 9,515,938	$ 7,589,642

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

RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2019

Additions

Additions to net assets attributed to:	
Investment gains	
Net investment gain from common/collective trust	$ 11,260
Net investment gain from pooled separate accounts	699,892
Net investment gain from registered investment companies - mutual funds	3,198
Net appreciation in fair value of common stock	560,750
Dividends	12,477
	1,287,577
Other income	15
Participant loan interest	12,569
Contributions	
Participants'	492,623
Employer's	432,279
Rollover from other plans	112,034
	1,036,936
Total additions	2,337,097

Deductions

Deductions from net assets attributed to:	
Benefits paid to participants	369,234
Administration expenses	41,567
	410,801
Total deductions	410,801
Net increase in net assets available for benefits	1,926,296
Net assets available for benefits:	
Beginning of year	7,589,642
End of year	$ 9,515,938

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

Note 1 – Description of the Plan

The following description of the Rio Bank (the "Company") Employee Stock Ownership and 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General – The Plan is a defined contribution plan established January 1, 1996, and restated effective January 1, 2014. The most recent plan amendment was made effective June 21, 2018. It covers all employees of the Company who have completed 3 months of service and are age twenty-one or older. The Plan is a Qualified Automatic Contribution Arrangement (QACA) which is intended to be qualified under Section 401(a) of the Internal Revenue Code (the "Code") with safe harbor provisions under the Pension Protection Act of 2006. The Plan is intended to be an employee stock ownership plan within the meaning of Section 4975(e)(7) of the Code. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions – Each year participants may contribute a dollar amount or percentage of pretax annual compensation as defined in the Plan. The total amount of such contribution shall not exceed the maximum elective contribution prescribed by Section 402(g)(l) of the Code. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various 401(k) investment options offered by the Plan. The Plan currently offers sixteen Pooled Separate Accounts, two mutual funds and one common/collective trust. Under the provisions of the Plan, the Company contributes a safe harbor matching contribution of 100 percent of the participant's elective salary deferral, up to 6 percent of compensation. Employer contributions are deposited to 100 percent to common stock.

Additional discretionary non-elective (optional) contributions, based on elective deferrals, may be contributed by the Company at the option of the Company's Board of Directors. Contributions are subject to certain limitations. There were $0 and $27,702 of additional discretionary non-elective (optional) contributions made for 2019 and 2018, respectively.

Participant accounts – Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings, and charged with an allocation of (a) Plan losses and (b) administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting – Participants are immediately vested in their contributions and actual earnings thereon. Company safe harbor matching portion of their accounts plus actual earnings thereon are fully vested after two years. Vesting in the Company's matching and discretionary matching contributions portion of their accounts plus actual earnings thereon is based on years of continuous service, subject to a five-year graded vesting schedule.

Notes receivable from participants – Participants may borrow from their fund accounts for selected purposes as defined in the Plan. Amounts invested in common stock of the Company are not available for participant loans. No loan shall be granted in an amount less than the principal sum of $1,000. Loans will be limited to the lesser of 50 percent of their vested account balance or $50,000, and must be in the form of a signed note with a reasonable and definite repayment schedule paid through payroll deductions. Participants are allowed one outstanding loan at a time. The loans are secured by the participant's vested

balance in their account and bear interest at rates ranging from 3.50 to 5.50 percent, which is commensurate with local prevailing rates as determined by the Plan's provisions. The interest rate will be fixed for the duration of the loan.

Participant investment rollovers – Participants are allowed to transfer or rollover funds into the Plan from other qualified plans.

Payment of benefits – On the event of total and permanent disability or retirement, distribution shall commence no later than one year after the close of the Plan Year in which such event occurs. On the event of death or termination of service, distribution of the funds shall be made on the occurrence of such event. Payment of benefits shall generally not exceed a period of five years, unless certain plan provisions are met. Participant can receive their distribution in either one lump-sum payment or in payments over a period certain in monthly, quarterly, semiannual, or annual installments, provided their total vested interest in the Plan exceeds $5,000. Distributions made from the common stock are only processed once a year.

Forfeited accounts – On or before each anniversary date any amounts which become forfeitures since the last anniversary date may be made available to reinstate previously forfeited account balances of former participants, if any, be used to satisfy any contribution in accordance with plan provisions, or used to pay any administrative expenses of the Plan. The remaining forfeitures, if any, shall be allocated to participants' accounts as defined in the Plan. At December 31, 2019 and 2018, there were no forfeited non-vested accounts.

Put option – If company stock is distributed to a participant, the participant has a right to require the Employer to repurchase the company stock distributed to such participant under a fair valuation formula. The put option must be exercisable only by the participant, by the participant's donees, or by a person to whom the company stock passes by reason of the participant's death. The put option must permit the participant to put the company stock to the employer. Under no circumstances may the put option bind the Plan. However, it shall grant the Plan an option to assume the rights and obligations of the Employer at the time that the put option is exercised. The put option shall commence as of the day following the date the company stock is distributed to the former participant and end sixty days thereafter and if not exercised within such period, an additional sixty-day option shall commence on the first day of the fifth month of the Plan year next following the date the stock was distributed.

Administration and trustees – The general administration of the Plan is performed by Plan administrator and Plan Trustees.

The Plan's Board of Trustees are Ford A. Sasser, III and Catherine Grossman, with Ms. Grossman also serving as Plan administrator. Among other duties, the Board of Trustees is responsible for receiving and investing contributions, managing investments, making payments to participants in accordance with the Plan and performing other actions as directed by the administrator.

Note 2 – Summary of Significant Accounting Policies

Basis of accounting – The financial statements of the Plan are prepared on the accrual method of accounting, in conformity with accounting principles generally accepted in the United States of America.

Use of estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from those estimates.

Investment valuation and income recognition – The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements. Unrealized appreciation or depreciation in the fair value of common stock held at year-end and realized gain or loss on sales of common stock during the year are determined using the fair value at the beginning of the year or cost, if acquired since that date. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The investment in common stock is in that of the Company and the non interest-earning bank account is at Rio Bank.

Notes receivable from participants – Notes receivable from participants are reported at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed as incurred. No allowance for credit losses has been recorded as of December 31, 2019 and 2018.

Payment of benefits – Benefits are recorded when paid.

Operating expenses – The Plan permits the payment of all reasonable Plan administration expenses to be paid out of the Plan assets unless paid for by the Company. The Plan will assess against an individual Participant's account certain Plan expenses that are incurred by, or are attributable to, a particular Participant based on the use of a particular Plan feature. Expenses in excess of those fees are paid by the Company. Forfeitures may also be used to pay for Plan expenses.

Date of management's review – Subsequent events were evaluated through October 14, 2020, which is the date the financial statements were available to be issued.

Note 3 – Fair Value Measurements

FASB ASC 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2019 and 2018.

Cash and cash equivalents: Recorded at cost, which approximates fair value.

Mutual funds: Valued at quoted market prices, which represent the net asset value (NAV) of shares held by the Plan at year-end.

Pooled separate accounts: Valued based on the NAV of shares held in the underlying mutual fund investments.

Common/collective trust: Valued at the NAV, as calculated by the fund manager, based on the underlying investments.

Common stock: Value determined by an annual independent appraisal. This appraisal was based on a combination of the market and income valuation methods consistent with prior years. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and estimated fair value of company assets and liabilities.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2019 and 2018:

	Fair Value Measurements at Reporting Date Using:		
December 31, 2019	Level 1	Level 2	Total
Cash, non-interest bearing	$ 417,592	$ -	$ 417,592
Mutual funds	30,662	-	30,662
Pooled Separate Accounts*	-	4,035,358	4,035,358
Common/collective trust**	-	220,778	220,778
Common stock (112,150 shares)	-	4,486,000	4,486,000
Total investments in their fair value hierarchy	$ 448,254	$ 8,742,136	$ 9,190,390
December 31, 2018			
Cash, non-interest bearing	$ 262,129	$ -	$ 262,129
Mutual funds	11,758	-	11,758
Pooled Separate Accounts*	-	3,119,293	3,119,293
Common/collective trust**	-	231,085	231,085
Common stock (107,797 shares)	-	3,772,895	3,772,895
Total investments in their fair value hierarchy	$ 273,887	$ 7,123,273	$ 7,397,160

* Pooled Separate Accounts are valued based on NAV provided by the fund managers. The NAV provided by the fund managers is not quoted in an active market and is therefore considered Level 2. There are no unfunded commitments. There are no redemption restrictions.

** The common/collective trust has no unfunded commitments and no redemption restrictions, other than for participant-directed withdrawals for benefit payments and transfers to other investment options, and plan sponsor-directed withdrawals or liquidations.

The Company evaluates the significance of various inputs to assess the appropriate classification of the Plan's investments within the fair value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. Transfers between levels are evaluated for their significance based upon the nature of the investment and size of the transfer relative to the net asset available for benefits. For the years ended December 31, 2019 and 2018, there were no transfers between levels within the fair value hierarchy.

Note 4 – Investment Contract with Life Insurance Company

Plan assets for the 401(k) are held by Principal Life Insurance Company ("Principal"). The contract includes variable investments offerings through Pooled Separate Accounts, a common/collective Trust, and mutual funds. These unregistered Pooled Separate Accounts are divided into investment divisions called 'Sub-Accounts.' Each Sub-Account invests in shares of an underlying registered investment company.

Note 5 – Concentrations

Investments of the Plan are either in Rio Bank Financial Services, Inc. *Common Stock* or placed with Principal Life Insurance Company. Investments with Principal Life Insurance Company are in Pooled Separate Accounts, mutual funds or the common/collective trust, which represent ownership of units of participation in said funds rather than specific assets.

Note 6 – Related Party Transactions

For the years ended December 31, 2019 and 2018, the Plan purchased 4,353 and 335 shares of Company common stock at a cost of $152,355 and $10,720, respectively.

Participants are responsible for 401(k) contract administrator fees, which include asset management fees, loan processing fees, and distribution fees, which together totaled $41,567 for the Plan year ended December 31, 2019. The Company fully absorbs the remaining administration expenses for the Employee Stock Ownership Plan, which totaled $33,072 for the Plan year ended December 31, 2019.

These transactions are exempt party-in-interest transactions.

Note 7 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

Note 8 – Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated July 1, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue

Code. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax period in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2016.

Note 9 – Risks and Uncertainties

The Plan invests in a variety of investment securities. Investments in general are exposed to various risks, such as interest rate, market, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Note 10 – Reconciliation of Financial Statements to Schedule H, Form 5500

As a result of a reporting error relating to a loan deemed in 2015, cured in 2016, the net assets available for benefits are overstated at December 31, 2019 and 2018, as presented on Schedule H of the Plan's Form 5500 for the Plan year ending December 31, 2019. Further, net income as presented on Schedule H is overstated for year ended December 31, 2019.

The Company intends to amend tax returns for all years impacted by this error.

The following is a reconciliation of the net assets available for benefits per Form 5500 to the financial statements:

	December 31,	
	2019	2018
Net assets available for benefits per Schedule H, Form 5500	$ 9,536,873	$ 7,603,173
Adjustment for loan activity:		
Deemed loan cured in 2016	(19,496)	(12,997)
Unpaid accrued interest	(1,439)	(534)
Net assets available for benefits per financial statements	$ 9,515,938	$ 7,589,642

The following is a reconciliation of the net increase in net assets available for benefits (NAAB) per Form 5500 to the financial statements:

	Year-Ended December 31, 2019
Net income per Schedule H, Form 5500	$ 1,933,700
Adjustment for loan activity:	
Deemed loan cured in 2016	(6,499)
Unpaid accrued interest	(905)
Net increase in NAAB per financial statements	$ 1,926,296

Note 11 – Prohibited Transactions

Late remittances of participant contributions totaled $74,375 and $15,926, for Plan years 2019 and 2018, respectively. This amount is included in the attached Schedule of Delinquent Participant Contributions. All contributions were remitted during the Plan year. The late remittance of funds is a technical violation of the provisions of ERISA even though the Company does not profit from the transactions. Lost earnings totaling $30 for Plan year 2019 have been remitted.

Note 12 – Subsequent Events

The COVID-19 outbreak, which was declared a pandemic by the World Health Organization on March 11, 2020, has triggered volatility in financial markets and a significant negative impact on the global economy. However, because the values of the Plan's individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. The full impact of the COVID-19 outbreak continues to evolve and is unknown as of the date of this report.

On March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), the bipartisan economic relief package aimed at helping American workers and businesses impacted by the coronavirus pandemic. The CARES Act, among other things, includes several relief provisions available to tax-qualified retirement plans and their participants. Plan management has evaluated the relief provisions available to Plan participants under the CARES Act. Such provisions include allowing certain eligible Plan participants to receive coronavirus-related distributions, delaying participant loan repayments and increasing the maximum amount of such participant loans, and suspending required minimum distributions.

SUPPLEMENTAL INFORMATION

RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN
December 31, 2019

Schedule H, line 4i - Schedule of Assets (Held at End of Year)
EIN: 74-2331408
Plan number: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(e) Current value
*	Principal Life Insurance Company	Prin Lifetime 2025 Sep Acct-Z	$ 870,196
*	Principal Life Insurance Company	Prin Lifetime 2020 Sep Acct-Z	777,107
*	Principal Life Insurance Company	Prin Lifetime 2040 Sep Acct-Z	534,101
*	Principal Life Insurance Company	Prin Lifetm 2010 Sep Acct-Z	522,636
*	Principal Life Insurance Company	Prinl Lifetime 2030 Sep Acct-Z	273,556
*	Principal Life Insurance Company	Prin Lifetime 2035 Sep Act-Z	250,644
*	Principal Life Insurance Company	Prin Lifetime 2050 Sep Acct-Z	224,560
*	Principal Life Insurance Company	Prin Lifetime 2045 Sep Acct-Z	213,313
*	Principal Life Insurance Company	Prin Lifetime 2055 Sep Acct-Z	110,820
*	Principal Life Insurance Company	Prin Lifetime 2060 Sep Acct-Z	97,435
*	Principal Life Insurance Company	Largecap Growth I Sep Acct-Z	57,986
*	Principal Life Insurance Company	Largecap S&P 500 Index Sa-Z	54,281
*	Principal Life Insurance Company	Smallcap S&P 600 Indez Sa-Z	35,500
*	Principal Life Insurance Company	Prin Lifetime 2015 Sep Acct-Z	11,696
*	Principal Life Insurance Company	Real Estate Securities Sa-Z	1,517
*	Principal Life Insurance Company	Prin Lifetime Strat Inc Sa-Z	10
	Total Pooled Separate Accounts		4,035,358
*	Principal Life Insurance Company	American Funds Europacific Grth R6	19,513
*	Principal Life Insurance Company	PGIM Total Ret Bond R6 Fd	11,149
	Total Mutual Funds		30,662
*	Principal Life Insurance Company	Principal Stable Value Z Fund	220,778
	Total Common/Collective Trusts		220,778
	Total investment contract with insurance company		4,286,798
*	Rio Bank	Checking account, non-interest bearing	417,592
*	Rio Financial Services, Inc.	112,150 shares of Common Stock, $0.01 par value	4,486,000
*	Participant loans**	3.50 - 5.50%, 1 to 5 years, secured by vested balance	289,100
			$ 9,479,490

* Party-in-interest
** Net of $0 deemed loans

See accompanying independent auditor's report.

RIO BANK EMPLOYEE STOCK OWNERSHIP AND 401(k) PLAN
For the Year-Ended December 31, 2019

Schedule H, line 4a - Schedule of Delinquent Participant Contributions
EIN: 74-2331408
Plan number: 001

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☑	Contributions not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
$ 106,776	-	$ 106,776	-	-

See accompanying independent auditor's report.