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Republic Bank of Arizona Issues a Statement Regarding the Bank’s Stability

PHOENIX, ARIZONA, MARCH 17, 2023 – Republic Bank of Arizona CEO Brian Ruisinger issued the following statement to customers, shareholders and other stakeholders to reiterate the stability of its bond portfolio, strong liquidity position, and rigorous risk management programs.

“What a week it has been. Starting with the news of the first bank failures in over a decade and continuing throughout the week with additional banks -- including one with a name similar to ours -- coming into the news cycle as deeper dives are taken into Balance Sheets and the depth of unrealized bond losses are being unearthed.

We want to assure you that 1) we do not engage in the risky activities that caused issues for the failed institutions, 2) we have robust risk management programs, and 3) RBAZ’s level of exposure to increased interest rates in the bond portfolio is currently less than 10% of capital.

It’s also important to note that the FDIC reviewed our bond portfolio and unrealized loss situation during a full scope examination in January and we earned **excellent** results regarding Liquidity and our Bond Portfolio. Full transparency with our stakeholders has been our policy and it continues in the face of industry crisis.

To eliminate any confusion with other banks with similar names to ours, we want to reiterate that Republic Bank of Arizona is a wholly-owned subsidiary of RBAZ Bancorp, Inc. (RBAZ – OTC) and **is not affiliated** with any other bank or holding company outside of Arizona.

We are an independent, locally owned and operated Bank founded in 2007 with a “well-capitalized” designation from the FDIC and ample liquidity. We are proud of our 5-star rating from Bauer Financial, the highest designation from the industry recognized rating agency. Republic Bank of Arizona is safe and sound and here to support its community as it always has through disciplined banking and risk management practices.”

Scheduled System Outages March 16 - 19

RBAZ is also undergoing a core software conversion that began on Thursday, March 16. As part of the process, some services are unavailable from Thursday, March 16 – Sunday March 19 including **online banking, mobile banking and bill pay**.

“Given the timing of these industry events, we want to assure customers that these outages have been planned for eight months and do not indicate any problem with the Bank’s stability related to recent events,” says Ruisinger. “Please visit our conversion webpage for more information about our system enhancements and what to expect this weekend during the conversion process.”

The conversion webpage can be found at: <https://www.republicbankaz.com/conversion.html>