

# TIB-The Independent BankersBank

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BHC Name: Independent Bankers Financial Corp  
BHC State: TX

Primary Regulator: FRB  
Public Enforcement Action: No



## Correspondent Banking Risk Policy Compliance

### CORRESPONDENT BANKING RISK POLICY

	TIB	LIMIT	RESULT
<b>PRIMARY RATIOS</b>			
Leverage Ratio	8.94%	5.0%	Pass
CET1 Ratio	17.76%	7.0%	Pass
Tier 1 Capital Ratio	17.76%	8.5%	Pass
Total Capital Ratio	18.81%	10.5%	Pass
<b>SECONDARY RATIOS</b>			
Texas Ratio	0.85%	90.0%	Pass
ALLL/Loans	1.44%	1.0%	Pass
ROAA	0.52%	0.0%	Pass

Financial Highlights (%)	3/31/2017	12/31/2016	12/31/2015	12/31/2014
ROAA	0.52	0.69	0.85	0.80
ROAE	5.69	7.80	8.61	8.31
Net Interest Margin (FTE)	1.72	1.67	1.74	1.72
Efficiency Ratio (FTE)	81.60	78.08	76.59	77.83
Provision/AA	0.14	0.04	0.05	0.01
Interest Income / AA	2.25	2.07	1.99	2.01
Interest Expense / AA	0.74	0.60	0.48	0.52
Net Interest Income/AA	1.51	1.47	1.51	1.49
Non Interest Income / AA	3.65	3.71	4.34	4.17
Non Interest Expense / AA	4.35	4.18	4.63	4.56

Balance Sheet Ratios (%)	3/31/2017	12/31/2016	12/31/2015	12/31/2014
Equity Capital / Assets	9.19	9.20	9.39	10.62
Tangible Equity / Tangible Asst	9.01	9.01	9.14	10.28
Total Securities / Assets	16.78	15.26	16.42	21.24
Cash & Equivalents / Assets	41.97	38.50	42.88	34.11
Loans / Deposits	46.99	52.01	44.44	47.97
Loans / Assets	36.47	41.30	35.98	39.51
Goodwill & Other Intang / Asse	0.20	0.22	0.27	0.37
Deposits / Liabilities	85.47	87.47	89.36	92.14
Pledged Securities / Securities	52.57	60.90	65.88	71.91

Growth Rates (%)	3/31/2017	12/31/2016	12/31/2015	12/31/2014
Asset Growth Rate	6.76	4.53	17.64	-0.16
Loan Growth Rate	-40.79	19.99	7.15	29.56
Deposit Growth Rate	-2.44	2.53	15.66	3.46

Regulatory Capital (%)	3/31/2017	12/31/2016	12/31/2015	12/31/2014
Tier 1 Leverage Ratio	8.94	8.57	9.08	9.91
Common Equity Tier 1 Ratio	17.76	16.03	18.35	18.73
Tier 1 Risk Based Ratio	17.76	16.03	18.35	18.73
Total Risk Based Capital Ratio	18.81	16.94	19.52	19.98

Asset Quality (%)	3/31/2017	12/31/2016	12/31/2015	12/31/2014
Texas Ratio	0.85	0.19	0.19	1.23
NPAs/Total Assets	0.08	0.01	0.01	0.13
NPAs+(Lns 90+PD)/Tot Assets	0.08	0.02	0.02	0.15
NPAs/Loans + Frclsd RE	0.21	0.03	0.02	0.34
NCOs/Avg Loans	0.16	0.24	0.19	0.24
ALLL/Loans	1.44	1.25	1.63	1.81
Reserves/NPAs	694.05	NM	NM	532.86
LLP/NCOs	221.69	48.51	68.06	12.11
Lns 90+ Days Past Due/Tot Ln	0.01	0.01	0.04	0.03
Nonaccrual Loans/Total Loans	0.18	0.02	0.01	0.08
Total Noncurrent Loans/ Loans	0.19	0.04	0.05	0.11
NPLs/Total Loans	0.19	0.03	0.01	0.32
NPAs/Total Loans	0.21	0.03	0.02	0.34
Reserves/ NPAs + Lns 90 PD	653.28	NM	NM	488.22

Yield / Cost Detail (%)	3/31/2017	12/31/2016	12/31/2015	12/31/2014
Yield on Earning Assets	2.36	2.17	2.10	2.13
Cost of Int Bearing Deposits	1.12	0.99	0.87	0.79
Cost of Borrowings	0.61	0.38	0.07	1.42
Cost of Interest Bearing Liab	1.04	0.89	0.79	0.88
Cost of Funds	0.83	0.69	0.57	0.60
Yield/ Cost Spread	1.32	1.28	1.31	1.26

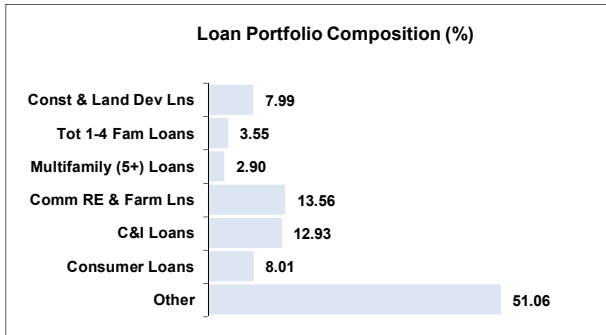
Balance Sheet (\$000)	3/31/2017	12/31/2016	12/31/2015	12/31/2014
Cash & Equivalents	1,144,638	1,032,525	1,100,059	743,915
Total Securities	457,650	409,342	421,268	463,192
Total Cash & Secs	1,602,288	1,441,867	1,521,327	1,207,107
Total Loans & Leases	994,702	1,107,640	923,143	861,543
Total Reserves	14,346	13,841	15,083	15,618
Net Loans & Leases	980,356	1,093,799	908,060	845,925
Other Real Estate Owned	200	25	90	197
Goodwill & Intangibles	5,450	5,800	6,949	8,104
Total Assets	2,727,170	2,681,854	2,565,602	2,180,805
Total Deposits	2,116,846	2,129,839	2,077,355	1,796,044
FFunds Purchased	140,557	87,154	101,737	132,839
Commercial Paper	NA	NA	NA	NA
FHLB Advances	200,000	200,000	125,000	0
Other Borrowings	0	0	0	0
Total Liabilities	2,476,628	2,435,041	2,324,753	1,949,252
Total Equity Capital	250,542	246,813	240,849	231,553
Common Equity Tier 1	242,731	242,675	235,963	221,609
Tier 1 Capital	242,731	242,675	235,963	221,609
Total Capital	257,077	256,516	251,046	236,409
Assets for Leverage	2,716,114	2,832,588	2,597,811	2,236,521
Risk Weighted Assets	1,366,494	1,514,056	1,285,960	1,183,165

Income Statement (\$000)	3/31/2017	12/31/2016	12/31/2015	12/31/2014
Total Interest Income	15,323	56,649	48,042	46,565
Total Interest Expense	5,056	16,459	11,543	12,029
Net Interest Inc Before Provisio	10,267	40,190	36,499	34,536
Provisions for Loan Losses	920	1,170	1,140	200
Net Interest Inc After Provisions	9,347	39,020	35,359	34,336

Fiduciary Activities Charges	0	0	0	0
Deposit Service Charges	0	1	28	4
Trading Revenue	0	0	0	0
Other Charges and Fees	24,826	101,542	104,821	96,558
Total Noninterest Income	24,826	101,543	104,849	96,562
General & Administrative	11,864	43,545	42,325	40,222
Intangible Amortization	257	1,043	1,061	1,265
Other Expenses	17,481	69,799	68,462	64,123
Total Noninterest Expense	29,602	114,387	111,848	105,610

Gain (Loss) on Securities	0	-3	0	419
Gain (Loss) on Other Assets	0	0	2,371	51

Net Income before Taxes	4,571	26,173	28,360	25,707
Income Tax	1,035	7,161	7,914	7,130
Minority Interest	NA	NA	NA	NA
Extraordinary Items	0	0	0	0
Net Income	3,536	19,012	20,446	18,577
Dividends Declared	3,000	12,000	10,500	13,000



CRE Portfolio (\$) and Limit	3/31/2017	12/31/2016	12/31/2015	12/31/2014
1-4 Fam Const Lns	10,538	16,458	11,891	4,453
Other Const & Dev Lns	68,921	77,873	42,694	21,902
Multifamily (5+) Const Lns	28,801	27,213	30,682	15,418
NFNR Loans Other	100,557	83,723	64,408	70,508
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estate	208,817	205,267	149,675	112,281
Tot Con&Dev/RBC (<100%)	30.91	36.77	21.74	11.15
Tot CRE / RBC (<300%)	81.23	80.02	59.62	47.49

Deposit Composition (\$000)	3/31/2017	12/31/2016	12/31/2015	12/31/2014
Reciprocal Deposits	0	0	0	0
Brokered Deposits	266,592	385,775	306,614	342,011