

# TIB The Independent BankersBank, National Association

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BHC Name: Independent Bankers Financial Corp Primary Regulator: OCC  
BHC State: TX Public Enforcement Action: No



## Correspondent Banking Risk Policy Compliance

### CORRESPONDENT BANKING RISK POLICY

	TIB	LIMIT	RESULT
<b>PRIMARY RATIOS</b>			
Leverage Ratio	9.39%	5.0%	Pass
CET1 Ratio	17.40%	7.0%	Pass
Tier 1 Capital Ratio	17.40%	8.5%	Pass
Total Capital Ratio	18.32%	10.5%	Pass
<b>SECONDARY RATIOS</b>			
Texas Ratio	0.49%	90.0%	Pass
ALLL/Loans	1.29%	1.0%	Pass
ROAA	0.74%	0.0%	Pass

Financial Highlights (%)	12/31/2017	12/31/2016	12/31/2015	12/31/2014
ROAA	0.74	0.69	0.85	0.80
ROAE	7.58	7.80	8.61	8.31
Net Interest Margin (FTE)	1.79	1.67	1.74	1.72
Efficiency Ratio (FTE)	77.33	78.08	76.59	77.83
Provision/AA	0.09	0.04	0.05	0.01
Interest Income / AA	2.49	2.07	1.99	2.01
Interest Expense / AA	0.92	0.60	0.48	0.52
Net Interest Income/AA	1.57	1.47	1.51	1.49
Non Interest Income / AA	3.90	3.71	4.34	4.17
Non Interest Expense / AA	4.38	4.18	4.63	4.56

### Balance Sheet Ratios (%)

Equity Capital / Assets	10.35	9.20	9.39	10.62
Tangible Equity / Tangible Asst	10.19	9.01	9.14	10.28
Total Securities / Assets	18.35	15.26	16.42	21.24
Cash & Equivalents / Assets	35.36	38.50	42.88	34.11
Loans / Deposits	51.40	52.01	44.44	47.97
Loans / Assets	41.01	41.30	35.98	39.51
Goodwill & Other Intang / Asse	0.18	0.22	0.27	0.37
Deposits / Liabilities	88.99	87.47	89.36	92.14
Pledged Securities / Securities	45.49	60.90	65.88	71.91

### Growth Rates (%)

Asset Growth Rate	-7.56	4.53	17.64	-0.16
Loan Growth Rate	-8.22	19.99	7.15	29.56
Deposit Growth Rate	-7.14	2.53	15.66	3.46

### Regulatory Capital (%)

Tier 1 Leverage Ratio	9.39	8.57	9.08	9.91
Common Equity Tier 1 Ratio	17.40	16.03	18.35	18.73
Tier 1 Risk Based Ratio	17.40	16.03	18.35	18.73
Total Risk Based Capital Ratio	18.32	16.94	19.52	19.98

### Asset Quality (%)

Texas Ratio	0.49	0.19	0.19	1.23
NPAs/Total Assets	0.05	0.01	0.01	0.13
NPAs+(Lns 90+PD)/Tot Assets	0.05	0.02	0.02	0.15
NPAs/Loans + Frclsd RE	0.11	0.03	0.02	0.34
NCOs/Avg Loans	0.31	0.24	0.19	0.24
ALLL/Loans	1.29	1.25	1.63	1.81
Reserves/NPAs	NM	NM	NM	532.86
LLP/NCOs	76.05	48.51	68.06	12.11
Lns 90+ Days Past Due/Tot Ln	0.02	0.01	0.04	0.03
Nonaccrual Loans/Total Loans	0.10	0.02	0.01	0.08
Total Noncurrent Loans/ Loans	0.12	0.04	0.05	0.11
NPLs/Total Loans	0.10	0.03	0.01	0.32
NPAs/Total Loans	0.11	0.03	0.02	0.34
Reserves/ NPAs + Lns 90 PD	NM	NM	NM	488.22

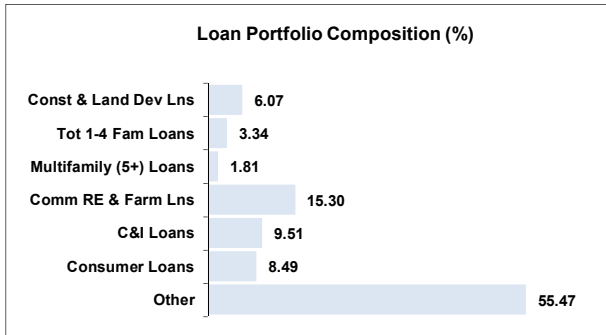
### Yield / Cost Detail (%)

Yield on Earning Assets	2.62	2.17	2.10	2.13
Cost of Int Bearing Deposits	1.40	0.99	0.87	0.79
Cost of Borrowings	0.89	0.38	0.07	1.42
Cost of Interest Bearing Liab	1.32	0.89	0.79	0.88
Cost of Funds	1.05	0.69	0.57	0.60
Yield/ Cost Spread	1.30	1.28	1.31	1.26

Balance Sheet (\$000)	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Cash & Equivalents	876,627	1,032,525	1,100,059	743,915
Total Securities	454,816	409,342	421,268	463,192
Total Cash & Secs	1,331,443	1,441,867	1,521,327	1,207,107
Total Loans & Leases	1,016,604	1,107,640	923,143	861,543
Total Reserves	13,108	13,841	15,083	15,618
Net Loans & Leases	1,003,496	1,093,799	908,060	845,925
Other Real Estate Owned	127	25	90	197
Goodwill & Intangibles	4,543	5,800	6,949	8,104
Total Assets	2,479,145	2,681,854	2,565,602	2,180,805
Total Deposits	1,977,839	2,129,839	2,077,355	1,796,044
FFunds Purchased	75,173	87,154	101,737	132,839
Commercial Paper	NA	NA	NA	NA
FHLB Advances	150,000	200,000	125,000	0
Other Borrowings	0	0	0	0
Total Liabilities	2,222,555	2,435,041	2,324,753	1,949,252
Total Equity Capital	256,590	246,813	240,849	231,553
Common Equity Tier 1	250,150	242,675	235,963	221,609
Tier 1 Capital	250,150	242,675	235,963	221,609
Total Capital	263,283	256,516	251,046	236,409
Assets for Leverage	2,664,927	2,832,588	2,597,811	2,236,521
Risk Weighted Assets	1,437,330	1,514,056	1,285,960	1,183,165

### Income Statement (\$000)

Total Interest Income	65,114	56,649	48,042	46,565
Total Interest Expense	24,039	16,459	11,543	12,029
Net Interest Inc Before Provisio	41,075	40,190	36,499	34,536
Provisions for Loan Losses	2,327	1,170	1,140	200
Net Interest Inc After Provisions	38,748	39,020	35,359	34,336
Fiduciary Activities Charges	0	0	0	0
Deposit Service Charges	1	1	28	4
Trading Revenue	0	0	0	0
Other Charges and Fees	101,945	101,542	104,821	96,558
Total Noninterest Income	101,946	101,543	104,849	96,562
General & Administrative	42,755	43,545	42,325	40,222
Intangible Amortization	1,020	1,043	1,061	1,265
Other Expenses	70,559	69,799	68,462	64,123
Total Noninterest Expense	114,334	114,387	111,848	105,610
Gain (Loss) on Securities	-9	-3	0	419
Gain (Loss) on Other Assets	1	0	2,371	51
Net Income before Taxes	26,351	26,173	28,360	25,707
Income Tax	7,150	7,161	7,914	7,130
Minority Interest	0	0	0	0
Extraordinary Items	0	0	0	0
Net Income	19,201	19,012	20,446	18,577
Dividends Declared	12,000	12,000	10,500	13,000



CRE Portfolio (\$) and Limit	12/31/2017	12/31/2016	12/31/2015	12/31/2014
1-4 Fam Const Lns	9,848	16,458	11,891	4,453
Other Const & Dev Lns	51,904	77,873	42,694	21,902
Multifamily (5+) Const Lns	18,445	27,213	30,682	15,418
NFNR Loans Other	117,561	83,723	64,408	70,508
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estate	197,758	205,267	149,675	112,281
Tot Con&Dev/RBC (<100%)	23.45	36.77	21.74	11.15
Tot CRE / RBC (<300%)	75.11	80.02	59.62	47.49

### Deposit Composition (\$000)

Reciprocal Deposits	0	0	0	0
Brokered Deposits	205,239	385,775	306,614	342,011