

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
PRIMARY RATIOS			
Leverage Ratio	10.83%	5.0%	Pass
CET1 Ratio	16.87%	7.0%	Pass
Tier 1 Capital Ratio	16.87%	8.5%	Pass
Total Capital Ratio	17.72%	10.5%	Pass
SECONDARY RATIOS			
Texas Ratio	0.68%	90.0%	Pass
ALLL/Loans	1.23%	1.0%	Pass
ROAA	0.86%	0.0%	Pass

Financial Highlights (%)	12/31/2018	12/31/2017	12/31/2016	12/31/2015
ROAA	0.86	0.74	0.69	0.85
ROAE	8.18	7.58	7.80	8.61
Net Interest Margin (FTE)	1.88	1.79	1.67	1.74
Efficiency Ratio (FTE)	78.50	77.33	78.08	76.59
Provision/AA	0.09	0.09	0.04	0.05
Interest Income / AA	3.11	2.49	2.07	1.99
Interest Expense / AA	1.40	0.92	0.60	0.48
Net Interest Income/AA	1.71	1.57	1.47	1.51
Non Interest Income / AA	4.02	3.90	3.71	4.34
Non Interest Expense / AA	4.61	4.38	4.18	4.63

Balance Sheet Ratios (%)

Equity Capital / Assets	10.36	10.35	9.20	9.39
Tangible Equity / Tangible Asst	10.23	10.19	9.01	9.14
Total Securities / Assets	15.54	18.35	15.26	16.42
Cash & Equivalents / Assets	37.13	35.36	38.50	42.88
Loans / Deposits	56.85	51.40	52.01	44.44
Loans / Assets	42.38	41.01	41.30	35.98
Goodwill & Other Intang / Asse	0.14	0.18	0.22	0.27
Deposits / Liabilities	83.16	88.99	87.47	89.36
Pledged Securities / Securities	93.98	45.49	60.90	65.88

Growth Rates (%)

Asset Growth Rate	1.37	-7.56	4.53	17.64
Loan Growth Rate	4.77	-8.22	19.99	7.15
Deposit Growth Rate	-5.28	-7.14	2.53	15.66

Regulatory Capital (%)

Tier 1 Leverage Ratio	10.83	9.39	8.57	9.08
Common Equity Tier 1 Ratio	16.87	17.40	16.03	18.35
Tier 1 Risk Based Ratio	16.87	17.40	16.03	18.35
Total Risk Based Capital Ratio	17.72	18.32	16.94	19.52

Asset Quality (%)

Texas Ratio	0.68	0.49	0.19	0.19
NPAs/Total Assets	0.07	0.05	0.01	0.01
NPAs+(Lns 90+PD)/Tot Assets	0.07	0.05	0.02	0.02
NPAs/Loans + Frclsd RE	0.16	0.11	0.03	0.02
NCOs/Avg Loans	0.21	0.31	0.24	0.19
ALLL/Loans	1.23	1.29	1.25	1.63
Reserves/NPAs	775.07	NM	NM	NM
LLP/NCOs	100.05	76.05	48.51	68.06
Lns 90+ Days Past Due/Tot Ln	0.01	0.02	0.01	0.04
Nonaccrual Loans/Total Loans	0.16	0.10	0.02	0.01
Total Noncurrent Loans/ Loans	0.17	0.12	0.04	0.05
NPLs/Total Loans	0.16	0.10	0.03	0.01
NPAs/Total Loans	0.16	0.11	0.03	0.02
Reserves/ NPAs + Lns 90 PD	718.89	NM	NM	NM

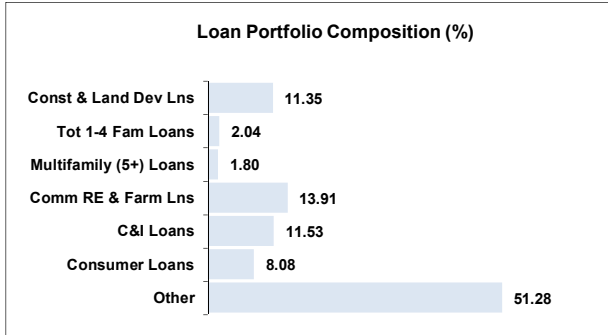
Yield / Cost Detail (%)

Yield on Earning Assets	3.28	2.62	2.17	2.10
Cost of Int Bearing Deposits	2.15	1.40	0.99	0.87
Cost of Borrowings	0.76	0.89	0.38	0.07
Cost of Interest Bearing Liab	1.91	1.32	0.89	0.79
Cost of Funds	1.66	1.05	0.69	0.57
Yield/ Cost Spread	1.37	1.30	1.28	1.31

Balance Sheet (\$000)	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Cash & Equivalents	933,012	876,627	1,032,525	1,100,059
Total Securities	390,435	454,816	409,342	421,268
Total Cash & Secs	1,323,447	1,331,443	1,441,867	1,521,327
Total Loans & Leases	1,065,079	1,016,604	1,107,640	923,143
Total Reserves	13,091	13,108	13,841	15,083
Net Loans & Leases	1,051,988	1,003,496	1,093,799	908,060
Other Real Estate Owned	0	127	25	90
Goodwill & Intangibles	3,568	4,543	5,800	6,949
Total Assets	2,513,109	2,479,145	2,681,854	2,565,602
Total Deposits	1,873,433	1,977,839	2,129,839	2,077,355
FFunds Purchased	78,251	75,173	87,154	101,737
Commercial Paper	NA	NA	NA	NA
FHLB Advances	280,000	150,000	200,000	125,000
Other Borrowings	0	0	0	0
Total Liabilities	2,252,859	2,222,555	2,435,041	2,324,753
Total Equity Capital	260,250	256,590	246,813	240,849
Common Equity Tier 1	259,131	250,150	242,675	235,963
Tier 1 Capital	259,131	250,150	242,675	235,963
Total Capital	272,247	263,283	256,516	251,046
Assets for Leverage	2,392,970	2,664,927	2,832,588	2,597,811
Risk Weighted Assets	1,536,078	1,437,330	1,514,056	1,285,960

Income Statement (\$000)

Total Interest Income	75,680	65,114	56,649	48,042
Total Interest Expense	34,168	24,039	16,459	11,543
Net Interest Inc Before Provisio	41,512	41,075	40,190	36,499
Provisions for Loan Losses	2,204	2,327	1,170	1,140
Net Interest Inc After Provisions	39,308	38,748	39,020	35,359
Fiduciary Activities Charges	0	0	0	0
Deposit Service Charges	3	1	1	28
Trading Revenue	0	0	0	0
Other Charges and Fees	97,906	101,945	101,542	104,821
Total Noninterest Income	97,909	101,946	101,543	104,849
General & Administrative	42,476	42,755	43,545	42,325
Intangible Amortization	1,413	1,020	1,043	1,061
Other Expenses	68,452	70,559	69,799	68,462
Total Noninterest Expense	112,341	114,334	114,387	111,848
Gain (Loss) on Securities	-5	-9	-3	0
Gain (Loss) on Other Assets	-584	1	0	2,371
Net Income before Taxes	24,871	26,351	26,173	28,360
Income Tax	3,838	7,150	7,161	7,914
Minority Interest	NA	NA	NA	NA
Extraordinary Items	0	0	0	0
Net Income	21,033	19,201	19,012	20,446
Dividends Declared	12,000	12,000	12,000	10,500



CRE Portfolio (\$) and Limit	12/31/2018	12/31/2017	12/31/2016	12/31/2015
1-4 Fam Const Lns	24,831	9,848	16,458	11,891
Other Const & Dev Lns	96,060	51,904	77,873	42,694
Multifamily (5+) Const Lns	19,143	18,445	27,213	30,682
NFNR Loans Other	111,553	117,561	83,723	64,408
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estate	251,587	197,758	205,267	149,675
Tot Con&Dev/RBC (<100%)	44.40	23.45	36.77	21.74
Tot CRE / RBC (<300%)	92.41	75.11	80.02	59.62

Deposit Composition (\$000)

Reciprocal Deposits	0	0	0	0
Brokered Deposits	205,503	205,239	385,775	306,614