

# 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	10.84%	5.0%	Pass
CET1 Ratio	17.06%	7.0%	Pass
Tier 1 Capital Ratio	17.06%	8.5%	Pass
Total Capital Ratio	17.92%	10.5%	Pass
<b>SECONDARY RATIOS</b>			
Texas Ratio	0.75%	90.0%	Pass
ALLL/Loans	1.22%	1.0%	Pass
ROAA	0.79%	0.0%	Pass

Financial Highlights (%)	3/31/2019	12/31/2018	12/31/2017	12/31/2016
ROAA	0.79	0.86	0.74	0.69
ROAE	7.23	8.18	7.58	7.80
Net Interest Margin (FTE)	1.90	1.88	1.79	1.67
Efficiency Ratio (FTE)	79.41	78.50	77.33	78.08
Provision/AA	0.09	0.09	0.09	0.04
Interest Income / AA	3.47	3.11	2.49	2.07
Interest Expense / AA	1.75	1.40	0.92	0.60
Net Interest Income/AA	1.72	1.71	1.57	1.47
Non Interest Income / AA	3.75	4.02	3.90	3.71
Non Interest Expense / AA	4.44	4.61	4.38	4.18

### Balance Sheet Ratios (%)

Equity Capital / Assets	10.26	10.36	10.35	9.20
Tangible Equity / Tangible Asst	10.14	10.23	10.19	9.01
Total Securities / Assets	14.84	15.54	18.35	15.26
Cash & Equivalents / Assets	39.18	37.13	35.36	38.50
Loans / Deposits	52.95	56.85	51.40	52.01
Loans / Assets	41.53	42.38	41.01	41.30
Goodwill & Other Intang / Asse	0.13	0.14	0.18	0.22
Deposits / Liabilities	87.40	83.16	88.99	87.47
Pledged Securities / Securities	94.07	93.98	45.49	60.90

### Growth Rates (%)

Asset Growth Rate	11.55	1.37	-7.56	4.53
Loan Growth Rate	3.27	4.77	-8.22	19.99
Deposit Growth Rate	33.02	-5.28	-7.14	2.53

### Regulatory Capital (%)

Tier 1 Leverage Ratio	10.84	10.83	9.39	8.57
Common Equity Tier 1 Ratio	17.06	16.87	17.40	16.03
Tier 1 Risk Based Ratio	17.06	16.87	17.40	16.03
Total Risk Based Capital Ratio	17.92	17.72	18.32	16.94

### Asset Quality (%)

Texas Ratio	0.75	0.68	0.49	0.19
NPAs/Total Assets	0.07	0.07	0.05	0.01
NPAs+(Lns 90+PD)/Tot Assets	0.08	0.07	0.05	0.02
NPAs/Loans + Frclsd RE	0.17	0.16	0.11	0.03
NCOs/Avg Loans	0.20	0.21	0.31	0.24
ALLL/Loans	1.22	1.23	1.29	1.25
Reserves/NPAs	720.47	775.07	NM	NM
LLP/NCOs	100.00	100.05	76.05	48.51
Lns 90+ Days Past Due/Tot Ln	0.03	0.01	0.02	0.01
Nonaccrual Loans/Total Loans	0.17	0.16	0.10	0.02
Total Noncurrent Loans/ Loans	0.20	0.17	0.12	0.04
NPLs/Total Loans	0.17	0.16	0.10	0.03
NPAs/Total Loans	0.17	0.16	0.11	0.03
Reserves/ NPAs + Lns 90 PD	620.72	718.89	NM	NM

### Yield / Cost Detail (%)

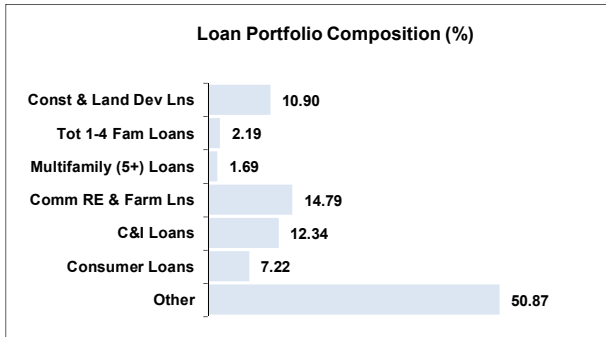
Yield on Earning Assets	3.66	3.28	2.62	2.17
Cost of Int Bearing Deposits	2.56	2.15	1.40	0.99
Cost of Borrowings	0.90	0.76	0.89	0.38
Cost of Interest Bearing Liab	2.28	1.91	1.32	0.89
Cost of Funds	2.03	1.66	1.05	0.69
Yield/ Cost Spread	1.38	1.37	1.30	1.28

## Balance Sheet (\$000)

	3/31/2019	12/31/2018	12/31/2017	12/31/2016
Cash & Equivalents	1,013,046	933,012	876,627	1,032,525
Total Securities	383,757	390,435	454,816	409,342
Total Cash & Secs	1,396,803	1,323,447	1,331,443	1,441,867
Total Loans & Leases	1,073,787	1,065,079	1,016,604	1,107,640
Total Reserves	13,091	13,091	13,108	13,841
Net Loans & Leases	1,060,696	1,051,988	1,003,496	1,093,799
Other Real Estate Owned	0	0	127	25
Goodwill & Intangibles	3,275	3,568	4,543	5,800
Total Assets	2,585,685	2,513,109	2,479,145	2,681,854
Total Deposits	2,028,068	1,873,433	1,977,839	2,129,839
FFunds Purchased	93,820	78,251	75,173	87,154
Commercial Paper	NA	NA	NA	NA
FHLB Advances	175,000	280,000	150,000	200,000
Other Borrowings	0	0	0	0
Total Liabilities	2,320,488	2,252,859	2,222,555	2,435,041
Total Equity Capital	265,197	260,250	256,590	246,813
Common Equity Tier 1	260,169	259,131	250,150	242,675
Tier 1 Capital	260,169	259,131	250,150	242,675
Total Capital	273,285	272,247	263,283	256,516
Assets for Leverage	2,399,943	2,392,970	2,664,927	2,832,588
Risk Weighted Assets	1,525,235	1,536,078	1,437,330	1,514,056

## Income Statement (\$000)

Total Interest Income	20,861	75,680	65,114	56,649
Total Interest Expense	10,522	34,168	24,039	16,459
Net Interest Inc Before Provisio	10,339	41,512	41,075	40,190
Provisions for Loan Losses	536	2,204	2,327	1,170
Net Interest Inc After Provisions	9,803	39,308	38,748	39,020
Fiduciary Activities Charges	0	0	0	0
Deposit Service Charges	1	3	1	1
Trading Revenue	0	0	0	0
Other Charges and Fees	22,510	97,906	101,945	101,542
Total Noninterest Income	22,511	97,909	101,946	101,543
General & Administrative	10,053	42,476	42,755	43,545
Intangible Amortization	203	1,413	1,020	1,043
Other Expenses	16,417	68,452	70,559	69,799
Total Noninterest Expense	26,673	112,341	114,334	114,387
Gain (Loss) on Securities	0	-5	-9	-3
Gain (Loss) on Other Assets	37	-584	1	0
Net Income before Taxes	5,641	24,871	26,351	26,173
Income Tax	895	3,838	7,150	7,161
Minority Interest	NA	NA	NA	NA
Extraordinary Items	0	0	0	0
Net Income	4,746	21,033	19,201	19,012
Dividends Declared	4,000	12,000	12,000	12,000



CRE Portfolio (\$) and Limit	3/31/2019	12/31/2018	12/31/2017	12/31/2016
1-4 Fam Const Lns	20,064	24,831	9,848	16,458
Other Const & Dev Lns	96,981	96,060	51,904	77,873
Multifamily (5+) Const Lns	18,153	19,143	18,445	27,213
NFNR Loans Other	125,256	111,553	117,561	83,723
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estate	260,454	251,587	197,758	205,267
Tot Con&Dev/RBC (<100%)	42.83	44.40	23.45	36.77
Tot CRE / RBC (<300%)	95.30	92.41	75.11	80.02

## Deposit Composition (\$000)

Reciprocal Deposits	0	0	0	0
Brokered Deposits	205,652	205,503	205,239	385,775