

# 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	11.05%	5.0%	Pass
CET1 Ratio	16.74%	7.0%	Pass
Tier 1 Capital Ratio	16.74%	8.5%	Pass
Total Capital Ratio	17.59%	10.5%	Pass
<b>SECONDARY RATIOS</b>			
Texas Ratio	0.85%	90.0%	Pass
ALLL/Loans	1.20%	1.0%	Pass
ROAA	0.91%	0.0%	Pass

Financial Highlights (%)	6/30/2019	12/31/2018	12/31/2017	12/31/2016
ROAA	0.91	0.86	0.73	0.69
ROAE	8.21	8.18	7.58	7.80
Net Interest Margin (FTE)	1.92	1.88	1.79	1.67
Efficiency Ratio (FTE)	77.35	78.50	77.33	78.08
Provision/AA	0.09	0.09	0.09	0.04
Interest Income / AA	3.49	3.11	2.49	2.07
Interest Expense / AA	1.75	1.40	0.92	0.60
Net Interest Income/AA	1.74	1.71	1.57	1.47
Non Interest Income / AA	3.91	4.02	3.90	3.70
Non Interest Expense / AA	4.47	4.62	4.37	4.17

### Balance Sheet Ratios (%)

Equity Capital / Assets	10.35	10.36	10.35	9.20
Tangible Equity / Tangible Asst	10.25	10.23	10.19	9.01
Total Securities / Assets	14.42	15.54	18.35	15.26
Cash & Equivalents / Assets	38.40	37.13	35.36	38.50
Loans / Deposits	55.05	56.85	51.40	52.01
Loans / Assets	42.59	42.38	41.01	41.30
Goodwill & Other Intang / Asse	0.12	0.14	0.18	0.22
Deposits / Liabilities	86.30	83.16	88.99	87.47
Pledged Securities / Securities	94.16	93.98	45.49	60.90

### Growth Rates (%)

Asset Growth Rate	4.57	1.37	-7.56	4.53
Loan Growth Rate	5.55	4.77	-8.22	19.99
Deposit Growth Rate	12.29	-5.28	-7.14	2.53

### Regulatory Capital (%)

Tier 1 Leverage Ratio	11.05	10.84	9.38	8.56
Common Equity Tier 1 Ratio	16.74	16.87	17.40	16.03
Tier 1 Risk Based Ratio	16.74	16.87	17.40	16.03
Total Risk Based Capital Ratio	17.59	17.72	18.32	16.94

### Asset Quality (%)

Texas Ratio	0.85	0.68	0.49	0.19
NPAs/Total Assets	0.07	0.07	0.05	0.01
NPAs+(Lns 90+PD)/Tot Assets	0.09	0.07	0.05	0.02
NPAs/Loans + Frclsd RE	0.16	0.16	0.11	0.03
NCOs/Avg Loans	0.21	0.21	0.31	0.24
ALLL/Loans	1.20	1.23	1.29	1.25
Reserves/NPAs	742.12	775.07	NM	NM
LLP/NCOs	100.00	100.05	76.05	48.51
Lns 90+ Days Past Due/Tot Ln	0.06	0.01	0.02	0.01
Nonaccrual Loans/Total Loans	0.16	0.16	0.10	0.02
Total Noncurrent Loans/ Loans	0.22	0.17	0.12	0.04
NPLs/Total Loans	0.16	0.16	0.10	0.03
NPAs/Total Loans	0.16	0.16	0.11	0.03
Reserves/ NPAs + Lns 90 PD	545.69	718.89	NM	NM

### Yield / Cost Detail (%)

Yield on Earning Assets	3.69	3.28	2.62	2.17
Cost of Int Bearing Deposits	2.54	2.15	1.40	0.99
Cost of Borrowings	0.76	0.76	0.89	0.38
Cost of Interest Bearing Liab	2.26	1.91	1.32	0.89
Cost of Funds	1.99	1.60	1.03	0.67
Yield/ Cost Spread	1.43	1.37	1.30	1.28

## Balance Sheet (\$000)

	6/30/2019	12/31/2018	12/31/2017	12/31/2016
Cash & Equivalents	987,138	933,012	876,627	1,032,525
Total Securities	370,708	390,435	454,816	409,342
Total Cash & Secs	1,357,846	1,323,447	1,331,443	1,441,867
Total Loans & Leases	1,094,651	1,065,079	1,016,604	1,107,640
Total Reserves	13,091	13,091	13,108	13,841
Net Loans & Leases	1,081,560	1,051,988	1,003,496	1,093,799
Other Real Estate Owned	0	0	127	25
Goodwill & Intangibles	2,985	3,568	4,543	5,800
Total Assets	2,570,499	2,513,109	2,479,145	2,681,854
Total Deposits	1,988,567	1,873,433	1,977,839	2,129,839
FFunds Purchased	59,397	78,251	75,173	87,154
Commercial Paper	NA	NA	NA	NA
FHLB Advances	230,000	280,000	150,000	200,000
Other Borrowings	0	0	0	0
Total Liabilities	2,304,343	2,252,859	2,222,555	2,435,041
Total Equity Capital	266,156	260,250	256,590	246,813
Common Equity Tier 1	261,555	259,131	250,150	242,675
Tier 1 Capital	261,555	259,131	250,150	242,675
Total Capital	274,671	272,247	263,283	256,516
Assets for Leverage	2,366,169	2,390,631	2,666,717	2,836,182
Risk Weighted Assets	1,562,760	1,536,078	1,437,330	1,514,054

## Income Statement (\$000)

Total Interest Income	41,695	75,680	65,114	56,649
Total Interest Expense	20,929	34,168	24,039	16,459
Net Interest Inc Before Provisio	20,766	41,512	41,075	40,190
Provisions for Loan Losses	1,108	2,204	2,327	1,170
Net Interest Inc After Provisions	19,658	39,308	38,748	39,020
Fiduciary Activities Charges	0	0	0	0
Deposit Service Charges	2	3	1	1
Trading Revenue	0	0	0	0
Other Charges and Fees	46,690	97,906	101,945	101,542
Total Noninterest Income	46,692	97,909	101,946	101,543
General & Administrative	20,169	42,476	42,755	43,545
Intangible Amortization	407	1,413	1,020	1,043
Other Expenses	32,769	68,452	70,559	69,799
Total Noninterest Expense	53,345	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	13,005	24,871	26,351	26,173
Income Tax	2,164	3,838	7,150	7,161
Minority Interest	NA	NA	NA	NA
Extraordinary Items	0	0	0	0
Net Income	10,841	21,033	19,201	19,012
Dividends Declared	9,000	12,000	12,000	12,000

## Loan Portfolio Composition (%)

Const & Land Dev Lns	11.58
Tot 1-4 Fam Loans	2.33
Multifamily (5+) Loans	1.23
Comm RE & Farm Lns	14.75
C&I Loans	11.38
Consumer Loans	7.19
Other	51.55

## CRE Portfolio (\$) and Limit

	6/30/2019	12/31/2018	12/31/2017	12/31/2016
1-4 Fam Const Lns	14,020	24,831	9,848	16,458
Other Const & Dev Lns	112,750	96,060	51,904	77,873
Multifamily (5+) Const Lns	13,430	19,143	18,445	27,213
NFNR Loans Other	133,939	111,553	117,561	83,723
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estate	274,139	251,587	197,758	205,267
Tot Con&Dev/RBC (<100%)	46.15	44.40	23.45	36.77
Tot CRE / RBC (<300%)	99.81	92.41	75.11	80.02

## Deposit Composition (\$000)

Reciprocal Deposits	0	0	0	0
Brokered Deposits	205,635	205,503	205,239	385,775