

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	10.40%	5.0%	Pass
CET1 Ratio	16.03%	7.0%	Pass
Tier 1 Capital Ratio	16.03%	8.5%	Pass
Total Capital Ratio	16.85%	10.5%	Pass
SECONDARY RATIOS			
Texas Ratio	0.66%	90.0%	Pass
ALLL/Loans	1.11%	1.0%	Pass
ROAA	0.94%	0.0%	Pass

Loan Portfolio Composition (%)

Const & Land Dev Lns	9.39
Tot 1-4 Fam Loans	2.13
Multifamily (5+) Loans	2.69
Comm RE & Farm Lns	13.28
C&I Loans	11.09
Consumer Loans	6.66
Other	54.76

CRE Portfolio (\$) and Limit

	9/30/2019	12/31/2018	12/31/2017	12/31/2016
1-4 Fam Const Lns	12,502	24,831	9,848	16,458
Other Const & Dev Lns	101,876	96,060	51,904	77,873
Multifamily (5+) Const Lns	32,803	19,143	18,445	27,213
NFNR Loans Other	134,814	111,553	117,561	83,723
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estat	281,995	251,587	197,758	205,267
Tot Con&Dev/RBC (<100%)	41.05	44.40	23.45	36.77
Tot CRE / RBC (<300%)	101.22	92.41	75.11	80.02

Deposit Composition (\$000)

Reciprocal Deposits	0	0	0	0
Brokered Deposits	205,752	205,503	205,239	385,775

Financial Highlights (%)

	9/30/2019	12/31/2018	12/31/2017	12/31/2016
ROAA	0.94	0.86	0.73	0.69
ROAE	8.65	8.18	7.58	7.80
Net Interest Margin (FTE)	1.92	1.88	1.79	1.67
Efficiency Ratio (FTE)	76.32	78.50	77.33	78.08
Provision/AA	0.11	0.09	0.09	0.04
Interest Income / AA	3.44	3.11	2.49	2.07
Interest Expense / AA	1.71	1.40	0.92	0.60
Net Interest Income/AA	1.74	1.71	1.57	1.47
Non Interest Income / AA	3.97	4.02	3.90	3.70
Non Interest Expense / AA	4.45	4.62	4.37	4.17

Balance Sheet Ratios (%)

Equity Capital / Assets	10.26	10.36	10.35	9.20
Tangible Equity / Tangible Asss	10.16	10.23	10.19	9.01
Total Securities / Assets	13.46	15.54	18.35	15.26
Cash & Equivalents / Assets	36.18	37.13	35.36	38.50
Loans / Deposits	53.65	56.85	51.40	52.01
Loans / Assets	46.26	42.38	41.01	41.30
Goodwill & Other Intang / Asse	0.11	0.14	0.18	0.22
Deposits / Liabilities	96.08	83.16	88.99	87.47
Pledged Securities / Securities	94.23	93.98	45.49	60.90

Growth Rates (%)

Asset Growth Rate	6.39	1.37	-7.56	4.53
Loan Growth Rate	19.17	4.77	-8.22	19.99
Deposit Growth Rate	28.27	-5.28	-7.14	2.53

Regulatory Capital (%)

Tier 1 Leverage Ratio	10.40	10.84	9.38	8.56
Common Equity Tier 1 Ratio	16.03	16.87	17.40	16.03
Tier 1 Risk Based Ratio	16.03	16.87	17.40	16.03
Total Risk Based Capital Ratio	16.85	17.72	18.32	16.94

Asset Quality (%)

Texas Ratio	0.66	0.68	0.49	0.19
NPAs/Total Assets	0.07	0.07	0.05	0.01
NPAs+(Lns 90+PD)/Tot Assets	0.07	0.07	0.05	0.02
NPAs/Loans + Frclsd RE	0.14	0.16	0.11	0.03
NCOs/Avg Loans	0.21	0.21	0.31	0.24
ALLL/Loans	1.11	1.23	1.29	1.25
Reserves/NPAs	767.41	775.07	NM	NM
LLP/NCOs	123.78	100.05	76.05	48.51
Lns 90+ Days Past Due/Tot Ln	0.01	0.01	0.02	0.01
Nonaccrual Loans/Total Loans	0.14	0.16	0.10	0.02
Total Noncurrent Loans/ Loans	0.15	0.17	0.12	0.04
NPLs/Total Loans	0.14	0.16	0.10	0.03
NPAs/Total Loans	0.14	0.16	0.11	0.03
Reserves/ NPAs + Lns 90 PD	732.81	718.89	NM	NM

Yield / Cost Detail (%)

Yield on Earning Assets	3.63	3.28	2.62	2.17
Cost of Int Bearing Deposits	2.47	2.15	1.40	0.99
Cost of Borrowings	0.77	0.76	0.89	0.38
Cost of Interest Bearing Liab	2.24	1.91	1.32	0.89
Cost of Funds	1.94	1.60	1.03	0.67
Yield/ Cost Spread	1.39	1.37	1.30	1.28

Balance Sheet (\$000)

	9/30/2019	12/31/2018	12/31/2017	12/31/2016
Cash & Equivalents	952,875	933,012	876,627	1,032,525
Total Securities	354,444	390,435	454,816	409,342
Total Cash & Secs	1,307,319	1,323,447	1,331,443	1,441,867
Total Loans & Leases	1,218,222	1,065,079	1,016,604	1,107,640
Total Reserves	13,491	13,091	13,108	13,841
Net Loans & Leases	1,204,731	1,051,988	1,003,496	1,093,799
Other Real Estate Owned	0	0	127	25
Goodwill & Intangibles	2,834	3,568	4,543	5,800
Total Assets	2,633,523	2,513,109	2,479,145	2,681,854
Total Deposits	2,270,678	1,873,433	1,977,839	2,129,839
FFunds Purchased	64,460	78,251	75,173	87,154
Commercial Paper	NA	NA	NA	NA
FHLB Advances	0	280,000	150,000	200,000
Other Borrowings	0	0	0	0
Total Liabilities	2,363,336	2,252,859	2,222,555	2,435,041
Total Equity Capital	270,187	260,250	256,590	246,813
Common Equity Tier 1	265,087	259,131	250,150	242,675
Tier 1 Capital	265,087	259,131	250,150	242,675
Total Capital	278,603	272,247	263,283	256,516
Assets for Leverage	2,548,207	2,390,631	2,666,717	2,836,182
Risk Weighted Assets	1,653,607	1,536,078	1,437,330	1,514,054

Income Statement (\$000)

Total Interest Income	63,043	75,680	65,114	56,649
Total Interest Expense	31,254	34,168	24,039	16,459
Net Interest Inc Before Provision	31,789	41,512	41,075	40,190
Provisions for Loan Losses	2,082	2,204	2,327	1,170
Net Interest Inc After Provision:	29,707	39,308	38,748	39,020
Fiduciary Activities Charges	0	0	0	0
Deposit Service Charges	3	3	1	1
Trading Revenue	0	0	0	0
Other Charges and Fees	72,750	97,906	101,945	101,542
Total Noninterest Income	72,753	97,909	101,946	101,543
General & Administrative	30,364	42,476	42,755	43,545
Intangible Amortization	505	1,413	1,020	1,043
Other Expenses	50,542	68,452	70,559	69,799
Total Noninterest Expense	81,411	112,341	114,334	114,387
Gain (Loss) on Securities	-5	-5	-9	-3
Gain (Loss) on Other Assets	37	-584	1	0
Net Income before Taxes	21,044	24,871	26,351	26,173
Income Tax	3,822	3,838	7,150	7,161
Minority Interest	NA	NA	NA	NA
Extraordinary Items	0	0	0	0
Net Income	17,222	21,033	19,201	19,012
Dividends Declared	12,000	12,000	12,000	12,000