

# TIB The Independent BankersBank, National Association

11701 Luna Road  
Farmers Branch, TX 75234  
Phone: 972.444.3500  
Website: www.tib.bank

BHC Name: Independent Bankers Financial Corp  
BHC State: TX

Primary Regulator: OCC  
Public Enforcement Action: No



## Correspondent Banking Risk Policy Compliance

### CORRESPONDENT BANKING RISK POLICY

	TIB	LIMIT	RESULT
<b>PRIMARY RATIOS</b>			
Leverage Ratio	7.36%	5.0%	Pass
CET1 Ratio	16.01%	7.0%	Pass
Tier 1 Capital Ratio	16.01%	8.5%	Pass
Total Capital Ratio	17.26%	10.5%	Pass
<b>SECONDARY RATIOS</b>			
Texas Ratio	0.63%	90.0%	Pass
ALLL/Loans	2.05%	1.0%	Pass
ROAA	0.68%	0.0%	Pass

### Loan Portfolio Composition (%)

Const & Land Dev Lns	8.32
Tot 1-4 Fam Loans	2.42
Multifamily (5+) Loans	2.64
Comm RE & Farm Lns	11.71
C&I Loans	8.95
Consumer Loans	5.54
Other	60.43

CRE Portfolio (\$) and Limit	9/30/2020	12/31/2019	12/31/2018	12/31/2017
1-4 Fam Const Lns	4,487	10,330	24,831	9,848
Other Const & Dev Lns	101,168	105,020	96,060	51,904
Multifamily (5+) Const Lns	33,553	30,447	19,143	18,445
NFNR Loans Other	114,097	110,998	111,553	117,561
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estat	253,305	256,795	251,587	197,758
Tot Con&Dev/RBC (<100%)	35.78	40.81	44.40	23.45
Tot CRE / RBC (<300%)	85.77	90.85	92.41	75.11

### Deposit Composition (\$000)

Reciprocal Deposits	0	0	0	0
Brokered Deposits	205,553	205,400	205,503	205,239

Financial Highlights (%)	9/30/2020	12/31/2019	12/31/2018	12/31/2017
ROAA	0.68	0.93	0.86	0.73
ROAE	8.30	8.82	8.18	7.58
Net Interest Margin (FTE)	1.56	1.90	1.88	1.79
Efficiency Ratio (FTE)	67.99	76.02	78.50	77.33
Provision/AA	0.52	0.13	0.09	0.09
Interest Income / AA	1.96	3.32	3.11	2.49
Interest Expense / AA	0.52	1.59	1.40	0.92
Net Interest Income/AA	1.44	1.73	1.71	1.57
Non Interest Income / AA	2.86	3.88	4.02	3.90
Non Interest Expense / AA	2.98	4.34	4.62	4.37

### Balance Sheet Ratios (%)

Equity Capital / Assets	7.86	10.15	10.36	10.35
Tangible Equity / Tangible Ass	7.79	10.06	10.23	10.19
Total Securities / Assets	7.97	12.44	15.54	18.35
Cash & Equivalents / Assets	54.28	38.76	37.13	35.36
Loans / Deposits	40.10	52.71	56.85	51.40
Loans / Assets	35.10	44.96	42.38	41.01
Goodwill & Other Intang / Asse	0.08	0.10	0.14	0.18
Deposits / Liabilities	95.01	94.93	83.16	88.99
Pledged Securities / Securities	91.12	94.35	93.98	45.49

### Growth Rates (%)

Asset Growth Rate	44.52	7.95	1.37	-7.56
Loan Growth Rate	5.54	14.50	4.77	-8.22
Deposit Growth Rate	49.21	23.51	-5.28	-7.14

### Regulatory Capital (%)

Tier 1 Leverage Ratio	7.36	9.64	10.84	9.38
Common Equity Tier 1 Ratio	16.01	16.03	16.87	17.40
Tier 1 Risk Based Ratio	16.01	16.03	16.87	17.40
Total Risk Based Capital Ratio	17.26	16.87	17.72	18.32

### Asset Quality (%)

Texas Ratio	0.63	0.75	0.68	0.49
NPAs/Total Assets	0.05	0.06	0.07	0.05
NPAs+(Lns 90+PD)/Tot Assets	0.05	0.08	0.07	0.05
NPAs/Loans + Frcisd RE	0.15	0.14	0.16	0.11
NCOs/Avg Loans	0.15	0.20	0.21	0.31
ALLL/Loans	2.05	1.16	1.23	1.29
Reserves/NPAs	1,367.25	828.88	775.07	1,170.36
LLP/NCOs	946.77	144.60	100.05	76.05
Lns 90+ Days Past Due/Tot Lns	0.00	0.04	0.01	0.02
Nonaccrual Loans/Total Loans	0.04	0.14	0.16	0.10
Total Noncurrent Loans/ Loans	0.04	0.18	0.17	0.12
NPLs/Total Loans	0.04	0.14	0.16	0.10
NPAs/Total Loans	0.15	0.14	0.16	0.11
Reserves/ NPAs + Lns 90 PD	1,345.32	652.36	718.89	1,005.99

### Yield / Cost Detail (%)

Yield on Earning Assets	2.04	3.50	3.28	2.62
Cost of Int Bearing Deposits	0.76	2.31	2.15	1.40
Cost of Borrowings	0.39	0.85	0.76	0.89
Cost of Interest Bearing Liab	0.74	2.14	1.91	1.32
Cost of Funds	0.57	1.81	1.60	1.03
Yield/ Cost Spread	1.30	1.36	1.37	1.30

Balance Sheet (\$000)	9/30/2020	12/31/2019	12/31/2018	12/31/2017
Cash & Equivalents	1,964,038	1,051,453	933,012	876,627
Total Securities	<u>288,425</u>	<u>337,521</u>	<u>390,435</u>	<u>454,816</u>
Total Cash & Secs	2,252,463	1,388,974	1,323,447	1,331,443
Total Loans & Leases	1,270,249	1,219,554	1,065,079	1,016,604
Total Reserves	<u>26,005</u>	<u>14,091</u>	<u>13,091</u>	<u>13,108</u>
Net Loans & Leases	1,244,244	1,205,463	1,051,988	1,003,496
Other Real Estate Owned	1,354	0	0	127
Goodwill & Intangibles	<u>2,806</u>	<u>2,721</u>	<u>3,568</u>	<u>4,543</u>
Total Assets	3,618,596	2,712,795	2,513,109	2,479,145
Total Deposits	3,167,980	2,313,894	1,873,433	1,977,839
FFunds Purchased	134,193	97,080	78,251	75,173
Commercial Paper	NA	NA	NA	NA
FHLB Advances	0	0	280,000	150,000
Other Borrowings	0	0	0	0
Total Liabilities	3,334,275	2,437,552	2,252,859	2,222,555
Total Equity Capital	284,321	275,243	260,250	256,590
Common Equity Tier 1	273,870	268,543	259,131	250,150
Tier 1 Capital	273,870	268,543	259,131	250,150
Total Capital	295,316	282,659	272,247	263,283
Assets for Leverage	3,723,338	2,785,786	2,390,631	2,666,717
Risk Weighted Assets	1,711,099	1,675,236	1,536,078	1,437,330

### Income Statement (\$000)

Total Interest Income	50,271	83,972	75,680	65,114
Total Interest Expense	<u>13,371</u>	<u>40,315</u>	<u>34,168</u>	<u>24,039</u>
Net Interest Inc Before Provision	36,900	43,657	41,512	41,075
Provisions for Loan Losses	<u>13,321</u>	<u>3,242</u>	<u>2,204</u>	<u>2,327</u>
Net Interest Inc After Provisions	23,579	40,415	39,308	38,748
Fiduciary Activities Charges	0	0	0	0
Deposit Service Charges	2	4	3	1
Trading Revenue	0	0	0	0
Other Charges and Fees	<u>73,579</u>	<u>98,105</u>	<u>97,906</u>	<u>101,945</u>
Total Noninterest Income	73,581	98,109	97,909	101,946
General & Administrative	32,140	41,875	42,476	42,755
Intangible Amortization	309	540	1,413	1,020
Other Expenses	<u>44,066</u>	<u>67,392</u>	<u>68,452</u>	<u>70,559</u>
Total Noninterest Expense	76,515	109,807	112,341	114,334
Gain (Loss) on Securities	0	-8	-5	-9
Gain (Loss) on Other Assets	83	37	-584	1
Net Income before Taxes	20,645	28,709	24,871	26,351
Income Tax	3,232	5,144	3,838	7,150
Minority Interest	NA	NA	NA	NA
Extraordinary Items	0	0	0	0
Net Income	17,413	23,565	21,033	19,201
Dividends Declared	12,000	15,000	12,000	12,000