

TIB The Independent BankersBank, National Association

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Farmers Branch, TX 75234
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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

	<u>TIB</u>	<u>LIMIT</u>	<u>RESULT</u>
PRIMARY RATIOS			
Leverage Ratio	6.78%	5.0%	Pass
CET1 Ratio	16.88%	7.0%	Pass
Tier 1 Capital Ratio	16.88%	8.5%	Pass
Total Capital Ratio	18.14%	10.5%	Pass
SECONDARY RATIOS			
Texas Ratio	0.05%	90.0%	Pass
ALLL/Loans	2.65%	1.0%	Pass
ROAA	0.82%	0.0%	Pass

Loan Portfolio Composition (%)

Const & Land Dev Lns	6.13
Tot 1-4 Fam Loans	1.86
Multifamily (5+) Loans	3.16
Comm RE & Farm Lns	13.44
C&I Loans	7.81
Consumer Loans	5.27
Other	62.34

CRE Portfolio (\$) and Limits	3/31/2021	12/31/2020	12/31/2019	12/31/2018
1-4 Fam Const Lns	3,662	2,824	10,330	24,831
Other Const & Dev Lns	71,849	89,041	105,020	96,060
Multifamily (5+) Const Lns	38,917	36,616	30,447	19,143
NFNR Loans Other	128,156	116,804	110,998	111,553
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estate	242,584	245,285	256,795	251,587
Tot Con&Dev/RBC (<100%)	24.63	30.58	40.81	44.40
Tot CRE / RBC (<300%)	79.13	81.65	90.85	92.41

Deposit Composition (\$000)	3/31/2021	12/31/2020	12/31/2019	12/31/2018
Reciprocal Deposits	0	0	0	0
Brokered Deposits	189,242	205,391	205,400	205,503

Financial Highlights (%)	3/31/2021	12/31/2020	12/31/2019	12/31/2018
ROAA	0.82	0.68	0.93	0.86
ROAE	11.86	8.53	8.82	8.18
Net Interest Margin (FTE)	1.25	1.50	1.90	1.88
Efficiency Ratio (FTE)	65.07	67.52	76.02	78.50
Provision/AA	0.22	0.51	0.13	0.09
Interest Income / AA	1.39	1.82	3.32	3.11
Interest Expense / AA	0.24	0.45	1.59	1.40
Net Interest Income/AA	1.15	1.38	1.73	1.71
Non Interest Income / AA	2.44	2.85	3.88	4.02
Non Interest Expense / AA	2.38	2.91	4.34	4.62

Balance Sheet Ratios (%)	3/31/2021	12/31/2020	12/31/2019	12/31/2018
Equity Capital / Assets	8.22	7.70	10.15	10.36
Tangible Equity / Tangible Asse	8.15	7.63	10.06	10.23
Total Securities / Assets	9.34	7.01	12.44	15.54
Cash & Equivalents / Assets	53.51	55.46	38.76	37.13
Loans / Deposits	39.28	40.36	52.71	56.85
Loans / Assets	34.36	34.95	44.96	42.38
Goodwill & Other Intang / Asset:	0.07	0.07	0.10	0.14
Deposits / Liabilities	95.32	93.82	94.93	83.16
Pledged Securities / Securities	54.47	85.17	94.35	93.98

Growth Rates (%)	3/31/2021	12/31/2020	12/31/2019	12/31/2018
Asset Growth Rate	-17.87	38.35	7.95	1.37
Loan Growth Rate	-24.23	7.55	14.50	4.77
Deposit Growth Rate	-13.95	40.46	23.51	-5.28

Regulatory Capital (%)	3/31/2021	12/31/2020	12/31/2019	12/31/2018
Tier 1 Leverage Ratio	6.78	7.17	9.64	10.84
Common Equity Tier 1 Ratio	16.88	16.02	16.03	16.87
Tier 1 Risk Based Ratio	16.88	16.02	16.03	16.87
Total Risk Based Capital Ratio	18.14	17.28	16.87	17.72

Asset Quality (%)	3/31/2021	12/31/2020	12/31/2019	12/31/2018
Texas Ratio	0.05	0.34	0.75	0.68
NPAs/Total Assets	0.00	0.03	0.06	0.07
NPAs+(Lns 90+PD)/Tot Assets	0.00	0.03	0.08	0.07
NPAs/Loans + Frcld RE	0.01	0.08	0.14	0.16
NCOs/Avg Loans	0.09	0.13	0.20	0.21
ALLL/Loans	2.65	2.33	1.16	1.23
Reserves/NPAs	21,449.34	2,900.47	828.88	775.07
LLP/NCOs	778.98	NM	144.60	100.05
Lns 90+ Days Past Due/Tot Lns	0.00	0.00	0.04	0.01
Nonaccrual Loans/Total Loans	0.01	0.01	0.14	0.16
Total Noncurrent Loans/ Loans	0.01	0.01	0.18	0.17
NPLs/Total Loans	0.01	0.01	0.14	0.16
NPAs/Total Loans	0.01	0.08	0.14	0.16
Reserves/ NPAs + Lns 90 PD	18,845.66	2,817.68	652.36	718.89

Yield / Cost Detail (%)	3/31/2021	12/31/2020	12/31/2019	12/31/2018
Yield on Earning Assets	1.44	1.90	3.50	3.28
Cost of Int Bearing Deposits	0.38	0.65	2.31	2.15
Cost of Borrowings	0.04	0.28	0.85	0.76
Cost of Interest Bearing Liab	0.36	0.64	2.14	1.91
Cost of Funds	0.26	0.50	1.81	1.60
Yield/ Cost Spread	1.07	1.26	1.36	1.37

Balance Sheet (\$000)	3/31/2021	12/31/2020	12/31/2019	12/31/2018
Cash & Equivalents	1,918,722	2,081,486	1,051,453	933,012
Total Securities	335,009	263,276	337,521	390,435
Total Cash & Secs	2,253,731	2,344,762	1,388,974	1,323,447
Total Loans & Leases	1,232,181	1,311,636	1,219,554	1,065,079
Total Reserves	32,603	30,600	14,091	13,091
Net Loans & Leases	1,199,579	1,281,036	1,205,463	1,051,988
Other Real Estate Owned	0	954	0	0
Goodwill & Intangibles	2,637	2,701	2,721	3,568
Total Assets	3,585,613	3,753,249	2,712,795	2,513,109
Total Deposits	3,136,816	3,250,128	2,313,894	1,873,433
FFunds Purchased	122,530	183,811	97,080	78,251
Commercial Paper	NA	NA	NA	NA
FHLB Advances	0	0	0	280,000
Other Borrowings	0	0	0	0
Total Liabilities	3,290,829	3,464,342	2,437,552	2,252,859
Total Equity Capital	294,784	288,907	275,243	260,250
Common Equity Tier 1	285,293	278,577	268,543	259,131
Tier 1 Capital	285,293	278,577	268,543	259,131
Total Capital	306,562	300,424	282,659	272,247
Assets for Leverage	4,209,056	3,883,949	2,785,786	2,390,631
Risk Weighted Assets	1,690,237	1,739,005	1,675,236	1,536,078

Income Statement (\$000)	3/31/2021	12/31/2020	12/31/2019	12/31/2018
Total Interest Income	14,629	64,623	83,972	75,680
Total Interest Expense	2,502	15,897	40,315	34,168
Net Interest Inc Before Provision	12,127	48,726	43,657	41,512
Provisions for Loan Losses	2,298	18,124	3,242	2,204
Net Interest Inc After Provisions	9,829	30,602	40,415	39,308
Fiduciary Activities Charges	0	0	0	0
Deposit Service Charges	1	3	4	3
Trading Revenue	0	0	0	0
Other Charges and Fees	25,672	101,037	98,105	97,906
Total Noninterest Income	25,673	101,040	98,109	97,909
General & Administrative	10,920	43,578	41,875	42,476
Intangible Amortization	79	414	540	1,413
Other Expenses	14,057	59,004	67,392	68,452
Total Noninterest Expense	25,056	102,996	109,807	112,341
Gain (Loss) on Securities	0	-1	-8	-5
Gain (Loss) on Other Assets	0	83	37	-584
Net Income before Taxes	10,446	28,645	28,709	24,871
Income Tax	1,794	4,631	5,144	3,838
Minority Interest	NA	NA	NA	NA
Extraordinary Items	0	0	0	0
Net Income	8,652	24,014	23,565	21,033
Dividends Declared	2,000	14,000	15,000	12,000