

# 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

	<u>TIB</u>	<u>LIMIT</u>	<u>RESULT</u>
<b>PRIMARY RATIOS</b>			
Leverage Ratio	8.41%	5.0%	Pass
CET1 Ratio	20.63%	7.0%	Pass
Tier 1 Capital Ratio	20.63%	8.5%	Pass
Total Capital Ratio	21.89%	10.5%	Pass
<b>SECONDARY RATIOS</b>			
Texas Ratio	0.15%	90.0%	Pass
ALLL/Loans	2.89%	1.0%	Pass
ROAA	0.91%	0.0%	Pass

### Loan Portfolio Composition (%)

Const & Land Dev Lns	6.37
Tot 1-4 Fam Loans	1.40
Multifamily (5+) Loans	1.97
Comm RE & Farm Lns	13.40
C&I Loans	9.15
Consumer Loans	5.82
Other	61.90

CRE Portfolio (\$) and Limits	6/30/2021	12/31/2020	12/31/2019	12/31/2018
1-4 Fam Const Lns	2,673	2,824	10,330	24,831
Other Const & Dev Lns	68,910	89,041	105,020	96,060
Multifamily (5+) Const Lns	22,100	36,616	30,447	19,143
NFNR Loans Other	105,639	116,804	110,998	111,553
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estate	199,322	245,285	256,795	251,587
Tot Con&Dev/RBC (<100%)	20.76	30.58	40.81	44.40
Tot CRE / RBC (<300%)	57.79	81.65	90.85	92.41
Deposit Composition (\$000)				
Reciprocal Deposits	0	0	0	0
Brokered Deposits	189,753	205,391	205,400	205,503

Financial Highlights (%)	6/30/2021	12/31/2020	12/31/2019	12/31/2018
ROAA	0.91	0.68	0.93	0.86
ROAE	12.11	8.53	8.82	8.18
Net Interest Margin (FTE)	1.24	1.50	1.90	1.88
Efficiency Ratio (FTE)	66.80	67.52	76.02	78.50
Provision/AA	0.12	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	1.14	1.38	1.73	1.71
Non Interest Income / AA	2.68	2.85	3.88	4.02
Non Interest Expense / AA	2.60	2.91	4.34	4.62

### Balance Sheet Ratios (%)

Equity Capital / Assets	8.80	7.70	10.15	10.36
Tangible Equity / Tangible Asse	8.73	7.63	10.06	10.23
Total Securities / Assets	9.07	7.01	12.44	15.54
Cash & Equivalents / Assets	58.59	55.46	38.76	37.13
Loans / Deposits	34.35	40.36	52.71	56.85
Loans / Assets	29.64	34.95	44.96	42.38
Goodwill & Other Intang / Asset:	0.07	0.07	0.10	0.14
Deposits / Liabilities	94.60	93.82	94.93	83.16
Pledged Securities / Securities	47.74	85.17	94.35	93.98

### Growth Rates (%)

Asset Growth Rate	2.18	38.35	7.95	1.37
Loan Growth Rate	-28.53	7.55	14.50	4.77
Deposit Growth Rate	1.45	40.46	23.51	-5.28

### Regulatory Capital (%)

Tier 1 Leverage Ratio	8.41	7.17	9.64	10.84
Common Equity Tier 1 Ratio	20.63	16.02	16.03	16.87
Tier 1 Risk Based Ratio	20.63	16.02	16.03	16.87
Total Risk Based Capital Ratio	21.89	17.28	16.87	17.72

### Asset Quality (%)

Texas Ratio	0.15	0.34	0.75	0.68
NPAs/Total Assets	0.01	0.03	0.06	0.07
NPAs+(Lns 90+PD)/Tot Assets	0.01	0.03	0.08	0.07
NPAs/Loans + Frcld RE	0.05	0.08	0.14	0.16
NCOs/Avg Loans	0.10	0.13	0.20	0.21
ALLL/Loans	2.89	2.33	1.16	1.23
Reserves/NPAs	6,072.71	2,900.47	828.88	775.07
LLP/NCOs	420.71	NM	144.60	100.05
Lns 90+ Days Past Due/Tot Lns	0.00	0.00	0.04	0.01
Nonaccrual Loans/Total Loans	0.04	0.01	0.14	0.16
Total Noncurrent Loans/ Loans	0.04	0.01	0.18	0.17
NPLs/Total Loans	0.05	0.01	0.14	0.16
NPAs/Total Loans	0.05	0.08	0.14	0.16
Reserves/ NPAs + Lns 90 PD	5,885.69	2,817.68	652.36	718.89

### Yield / Cost Detail (%)

Yield on Earning Assets	1.43	1.90	3.50	3.28
Cost of Int Bearing Deposits	0.38	0.65	2.31	2.15
Cost of Borrowings	0.05	0.28	0.85	0.76
Cost of Interest Bearing Liab	0.36	0.64	2.14	1.91
Cost of Funds	0.27	0.50	1.81	1.60
Yield/ Cost Spread	1.08	1.26	1.36	1.37

Balance Sheet (\$000)	6/30/2021	12/31/2020	12/31/2019	12/31/2018
Cash & Equivalents	2,223,105	2,081,486	1,051,453	933,012
Total Securities	<u>344,090</u>	<u>263,276</u>	<u>337,521</u>	<u>390,435</u>
Total Cash & Secs	2,567,195	2,344,762	1,388,974	1,323,447
Total Loans & Leases	1,124,562	1,311,636	1,219,554	1,065,079
Total Reserves	<u>32,489</u>	<u>30,600</u>	<u>14,091</u>	<u>13,091</u>
Net Loans & Leases	1,092,073	1,281,036	1,205,463	1,051,988
Other Real Estate Owned	0	954	0	0
Goodwill & Intangibles	<u>2,592</u>	<u>2,701</u>	<u>2,721</u>	<u>3,568</u>
Total Assets	3,794,150	3,753,249	2,712,795	2,513,109
Total Deposits	3,273,686	3,250,128	2,313,894	1,873,433
FFunds Purchased	157,591	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	3,460,433	3,464,342	2,437,552	2,252,859
Total Equity Capital	333,717	288,907	275,243	260,250
Common Equity Tier 1	325,035	278,577	268,543	259,131
Tier 1 Capital	325,035	278,577	268,543	259,131
Total Capital	344,891	300,424	282,659	272,247
Assets for Leverage	3,863,603	3,883,949	2,785,786	2,390,631
Risk Weighted Assets	1,575,856	1,739,005	1,675,236	1,536,078

### Income Statement (\$000)

Total Interest Income	27,972	64,623	83,972	75,680
Total Interest Expense	<u>4,887</u>	<u>15,897</u>	<u>40,315</u>	<u>34,168</u>
Net Interest Inc Before Provision	23,085	48,726	43,657	41,512
Provisions for Loan Losses	<u>2,478</u>	<u>18,124</u>	<u>3,242</u>	<u>2,204</u>
Net Interest Inc After Provisions	20,607	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	<u>54,131</u>	<u>101,037</u>	<u>98,105</u>	<u>97,906</u>
Total Noninterest Income	54,132	101,040	98,109	97,909
General & Administrative	21,641	43,578	41,875	42,476
Intangible Amortization	145	414	540	1,413
Other Expenses	<u>30,718</u>	<u>59,004</u>	<u>67,392</u>	<u>68,452</u>
Total Noninterest Expense	52,504	102,996	109,807	112,341
Gain (Loss) on Securities	0	-1	-8	-5
Gain (Loss) on Other Assets	47	83	37	-584
Net Income before Taxes	22,235	28,645	28,709	24,871
Income Tax	3,886	4,631	5,144	3,838
Minority Interest	NA	NA	NA	NA
Extraordinary Items	0	0	0	0
Net Income	18,349	24,014	23,565	21,033
Dividends Declared	2,000	14,000	15,000	12,000