

# TIB-The Independent BankersBank

350 Phelps Drive  
 Irving, TX 75038  
 Phone: (972) 650-6000  
 website: www.mybankersbank.com

BHC Name: Independent Bankers Financial Corp Primary Regulator: FRB  
 BHC State: TX Public Enforcement Action: No

Government Programs	Bank	BHC
TARP Status	No	No
Amount TARP Received	\$0	\$0
TAG Status	Participating	Participating

## Correspondent Banking Risk Policy Compliance

### CORRESPONDENT BANKING RISK POLICY

	TIB	LIMIT	RESULT
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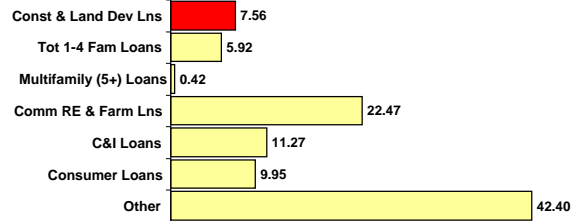
#### PRIMARY ASSESSMENT RATIOS

Tier 1 Leverage	7.9%	5.0%	Pass
Tier 1 Risk-Based Capital	17.4%	6.0%	Pass
Total Risk-Based Cap	18.7%	10.0%	Pass

#### SECONDARY ASSESSMENT RATIOS

Texas Ratio	9.5%	90.0%	Pass
ALLL/Loans	3.2%	1.0%	Pass
ROAA	0.7%	0.0%	Pass

### Loan Portfolio Composition (%)



CRE Portfolio (\$) and Limits	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
1-4 Fam Const Lns	3,356	7,634	9,902	29,979	0
Other Const & Dev Lns	55,606	65,751	96,393	83,581	0
Multifamily (5+) Const Lns	3,301	3,332	4,254	4,800	10,919
NFNR Loans Other	122,250	118,563	98,716	69,165	0
CRE fincd not secured RE	0	0	0	0	0
Total CRE	184,513	195,280	209,265	187,525	10,919
Risk Based Capital	189,707	183,415	152,823	130,147	119,187
Tot Const&Dev/RBC (<100%)	31.08	40.01	69.55	87.26	-
Tot CRE/RBC (<300%)	97.26	106.47	136.93	144.09	9.16

Deposit Composition	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Reciprocal Deposits \$	0	0	0	0	0
Brokered Deposits \$	262,305	261,840	0	0	0

Financial Highlights (%)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
ROAA	0.68	0.49	0.90	0.69	0.70
ROAE	8.36	7.73	12.45	10.32	11.20
Net Interest Margin (FTE)	1.96	1.97	2.23	1.75	1.70
Efficiency Ratio (FTE)	72.31	74.43	72.89	80.22	80.91
Provision/AA	0.72	0.54	0.53	0.15	0.00
Interest Income/ AA	2.66	2.66	3.90	5.56	5.32
Interest Expense/ AA	1.04	0.99	2.04	4.13	3.91
Net Interest Income/AA	1.62	1.67	1.86	1.43	1.41
Non Interest Income/AA	3.91	3.56	5.30	4.59	4.14
Non Interest Expense/ AA	4.20	4.10	5.45	4.98	4.60

Balance Sheet Ratios (%)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Equity Cap/ Total Assets	8.55	9.16	6.75	6.74	7.16
Tangible Equity/Tangible Assets	8.28	8.86	6.37	6.19	6.77
Total Securities/Assets	14.88	21.26	30.54	12.28	23.37
Cash & Cash Equiv/Assets	45.00	31.57	21.09	40.03	27.03
Loans/Deposits	58.72	94.08	323.38	189.51	187.06
Loans/ Assets	36.30	42.22	42.81	42.35	43.83
Goodwill & Other Intang/Assets	0.30	0.33	0.41	0.58	0.42
Deposit/ Liabilities	67.60	49.41	14.20	23.96	25.24
Pledged Secs/Secs	88.31	97.38	62.50	17.12	16.77

Growth Rates (%)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Asset Growth Rate	16.32	-2.63	9.75	15.98	10.79
Loan Growth Rate	-14.03	-3.96	10.95	12.06	22.61
Deposit Growth Rate	97.98	230.11	-34.98	10.61	-17.64

Regulatory Capital (%)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Tier 1 Leverage Ratio	7.88	6.62	6.18	6.58	6.20
Tier 1 Risk Based Ratio	17.40	15.02	10.84	10.85	11.59
Total Risk Based Capital Ratio	18.66	16.28	11.85	11.72	12.50

Asset Quality (%)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Texas Ratio	9.46	8.88	5.95	3.68	3.75
NPAs/Total Assets	0.84	0.79	0.37	0.22	0.22
NPAs+(Lns 90+PD)/Tot Assets	0.89	0.87	0.42	0.25	0.27
NPAs/Loans + Frclsd RE	2.32	1.86	0.86	0.51	0.51
NCOs/Avg Loans	0.82	0.92	0.85	0.35	0.23
ALLL/Loans	3.16	2.35	1.50	1.23	1.23
Reserves/NPAs	136.12	126.53	174.69	241.46	239.86
LLP/NCOs	248.52	182.27	150.07	113.19	0.00
Lns 90+ Days Past Due/Tot Lns	0.13	0.20	0.12	0.07	0.11
Nonaccrual Loans/Total Loans	2.31	1.52	0.85	0.07	0.21
Total Noncurrent Loans/ Loans	2.44	1.72	0.97	0.14	0.32
NPLs/Tot Lns	2.31	1.62	0.85	0.07	0.21
NPAs/Tot Lns	2.32	1.86	0.86	0.51	0.51
Reserves/ NPAs + Lns 90 PD	128.92	113.99	153.92	212.02	196.92

Yield / Cost Detail (%)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Yield on Earning Assets	2.82	2.79	4.17	6.05	5.84
Cost of Int Bearing Deposits	1.18	0.43	3.19	5.16	4.78
Cost of Borrowings	2.40	1.44	2.57	5.45	5.58
Cost of Interest Bearing Liab	1.86	1.40	2.61	5.40	5.47
Cost of Funds	1.21	1.17	2.27	4.79	4.74
Yield/ Cost Spread	0.96	1.39	1.56	0.65	0.38

Balance Sheet (\$000)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Cash & Equivalents	967,414	627,593	430,600	744,525	433,419
Total Securities	319,992	422,541	623,421	228,361	374,850
Total Cash & Secs	1,287,406	1,050,134	1,054,021	972,886	808,269
Total Lns & Leases	780,429	839,293	873,923	787,697	702,910
Total Reserves	24,637	19,764	13,074	9,685	8,623
Net Lns & Leases	755,792	819,529	860,849	778,012	694,287
Other Real Estate Owned	60	1,983	30	3,460	2,112
Goodwill & Other Intang	6,404	6,607	8,303	10,879	6,740
Total Assets	2,150,040	1,987,814	2,041,440	1,860,032	1,603,688
Total Deposits	1,329,147	892,118	270,247	415,643	375,777
FFunds Purch & Repos	400,631	680,200	1,379,161	1,218,608	997,770
Commercial Paper	0	0	0	0	0
FHLB Advances	200,000	200,000	200,000	50,000	100,000
Other Borrowings	0	192	5,800	26,100	0
Total Other Borrowings	200,000	200,192	205,800	76,100	100,000
Total Liabilities	1,966,246	1,805,667	1,903,544	1,734,755	1,488,861
Total Equity Cap	183,794	182,147	137,896	125,277	114,827
Tier 1 Capital	176,853	169,258	139,749	120,457	110,555

Income Statement (\$000)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Int Inc: Total	29,988	71,186	73,135	100,824	90,127
Int Exp: Total	11,767	26,412	38,285	74,868	66,245
Net Int Inc Before Loss Prov	18,221	44,774	34,850	25,956	23,882
Total Prov for Losses	8,154	14,481	9,951	7,254	0
Net Int Inc after Prov	10,067	30,293	24,899	23,202	23,882

Noninterest Income (\$000)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Nonint Inc: Fiduciary Activities	0	0	0	0	0
Nonint Inc: Svc Chgs on Dep Acct	2	47	225	181	185
Nonint Inc: Trading Revenue	0	0	0	0	0
Nonint Inc: Oth Svc Chgs & Nil	43,996	95,209	99,202	83,066	69,887
Nonint Inc: Fees & Oth Charges	0	0	0	0	0
Nonint Inc: Other	0	0	0	0	0
Nonint Inc: Total	43,998	95,256	99,427	83,247	70,072

Noninterest Expense (\$000)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Nonint Exp: Gen & Admin	19,056	41,684	37,893	32,986	30,655
Nonint Exp: Amort of Intang	439	1,248	1,248	0	0
Nonint Exp: Other	27,792	66,627	63,042	57,221	47,293
Nonint Exp: Total	47,287	109,559	102,183	90,207	77,948
Gain (Loss) on Sale of Secs	2,747	0	409	47	0
Gain (Loss) on Other Assets	0	0	0	0	0

Net Income (\$000)	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Net Income before Tax/Adjust	9,525	15,990	22,552	16,289	16,006
Income Tax	1,865	2,973	5,663	3,831	4,163
Minority Interest	0	0	0	0	0
Net Income before Extra Items	7,660	13,017	16,889	12,458	11,843
Extraordinary Items	0	0	0	0	0
Net Income	7,660	13,017	16,889	12,458	11,843

Memo	6/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Full-time Eqv Employees (Actual)	334	335	346	335	344