TIB-The Independent BankersBank

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BHC Name: Independent Bankers Financial Corp
BHC State: TX

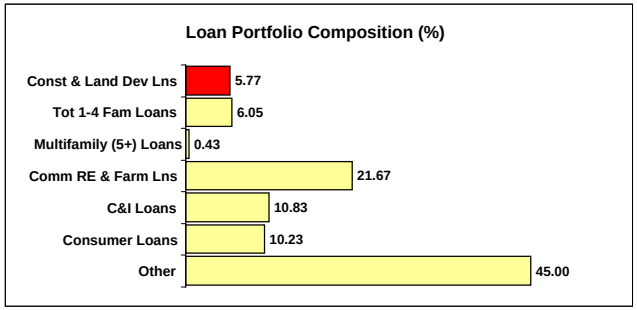
Primary Regulator: FRB
Public Enforcement Action: No

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
PRIMARY ASSESSMENT RATIOS			
Tier 1 Leverage	8.0%	5.0%	**Pass**
Tier 1 Risk-Based Capital	18.8%	6.0%	**Pass**
Total Risk-Based Cap	20.0%	10.0%	**Pass**
SECONDARY ASSESSMENT RATIOS			
Texas Ratio	11.1%	90.0%	**Pass**
ALLL/Loans	3.1%	1.0%	**Pass**
ROAA	0.7%	0.0%	**Pass**



CRE Portfolio ($) and Limits	9/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
1-4 Fam Const Lns	2,173	7,634	9,902	29,979	0
Other Const & Dev Lns	41,208	65,751	96,393	83,581	0
Multifamily (5+) Const Lns	3,268	3,332	4,254	4,800	10,919
NFNR Loans Other	114,757	118,563	98,716	69,165	0
CRE fincd not secured RE	0	0	0	0	0
Total CRE	161,406	195,280	209,265	187,525	10,919
Risk Based Capital	192,903	183,415	152,823	130,147	119,187
Tot Const&Dev/RBC (<100%)	22.49	40.01	69.55	87.26	-
Tot CRE/RBC (<300%)	83.67	106.47	136.93	144.09	9.16

Deposit Composition					
Reciprocal Deposits $	0	0	0	0	0
Brokered Deposits $	261,754	261,840	0	0	0

Financial Highlights (%)	9/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
ROAA	0.66	0.49	0.90	0.69	0.70
ROAE	8.09	7.73	12.45	10.32	11.20
Net Interest Margin (FTE)	1.94	1.97	2.23	1.75	1.70
Efficiency Ratio (FTE)	72.18	74.43	72.89	80.22	80.91
Provision/AA	0.70	0.54	0.53	0.15	0.00
Interest Income/ AA	2.62	2.66	3.90	5.56	5.32
Interest Expense/ AA	1.01	0.99	2.04	4.13	3.91
Net Interest Income/AA	1.61	1.67	1.86	1.43	1.41
Non Interest Income/AA	3.98	3.56	5.30	4.59	4.14
Non Interest Expense/ AA	4.24	4.10	5.45	4.98	4.60

Balance Sheet Ratios (%)					
Equity Cap/ Total Assets	7.95	9.16	6.75	6.74	7.16
Tangible Equity/Tangible Assets	7.72	8.86	6.37	6.19	6.77
Total Securities/Assets	13.74	21.26	30.54	12.28	23.37
Cash & Cash Equiv/Assets	50.14	31.57	21.09	40.03	27.03
Loans/Deposits	53.82	94.08	323.38	189.51	187.06
Loans/ Assets	32.70	42.22	42.81	42.35	43.83
Goodwill & Other Intang/Assets	0.25	0.33	0.41	0.58	0.42
Deposit/ Liabilities	66.01	49.41	14.20	23.96	25.24
Pledged Secs/Secs	87.65	97.38	62.50	17.12	16.77

Growth Rates (%)					
Asset Growth Rate	20.98	-2.63	9.75	15.98	10.79
Loan Growth Rate	-13.81	-3.96	10.95	12.06	22.61
Deposit Growth Rate	75.59	230.11	-34.98	10.61	-17.64

Regulatory Capital (%)					
Tier 1 Leverage Ratio	7.95	6.62	6.18	6.58	6.20
Tier 1 Risk Based Ratio	18.77	15.02	10.84	10.85	11.59
Total Risk Based Capital Ratio	20.03	16.28	11.85	11.72	12.50

Asset Quality (%)					
Texas Ratio	11.12	8.88	5.95	3.68	3.75
NPAs/Total Assets	0.94	0.79	0.37	0.22	0.22
NPAs+(Lns 90+PD)/Tot Assets	0.97	0.87	0.42	0.25	0.27
NPAs/Loans + Frclsd RE	2.88	1.86	0.86	0.51	0.51
NCOs/Avg Loans	1.44	0.92	0.85	0.35	0.23
ALLL/Loans	3.08	2.35	1.50	1.23	1.23
Reserves/NPAs	106.87	126.53	174.69	241.46	239.86
LLP/NCOs	139.79	182.27	150.07	113.19	0.00
Lns 90+ Days Past Due/Tot Lns	0.08	0.20	0.12	0.07	0.11
Nonaccrual Loans/Total Loans	2.86	1.52	0.85	0.07	0.21
Total Noncurrent Loans/ Loans	2.94	1.72	0.97	0.14	0.32
NPLs/Tot Lns	2.86	1.62	0.85	0.07	0.21
NPAs/Tot Lns	2.88	1.86	0.86	0.51	0.51
Reserves/ NPAs + Lns 90 PD	104.00	113.99	153.92	212.02	196.92

Yield / Cost Detail (%)					
Yield on Earning Assets	2.78	2.79	4.17	6.05	5.84
Cost of Int Bearing Deposits	1.13	0.43	3.19	5.16	4.78
Cost of Borrowings	2.36	1.44	2.57	5.45	5.58
Cost of Interest Bearing Liab	1.79	1.40	2.61	5.40	5.47
Cost of Funds	1.17	1.17	2.27	4.79	4.74
Yield/ Cost Spread	0.99	1.39	1.56	0.65	0.38

Balance Sheet ($000)	9/30/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Cash & Equivalents	1,153,517	627,593	430,600	744,525	433,419
Total Securities	316,094	422,541	623,421	228,361	374,850
Total Cash & Secs	1,469,611	1,050,134	1,054,021	972,886	808,269
Total Lns & Leases	752,343	839,293	873,923	787,697	702,910
Total Reserves	23,161	19,764	13,074	9,685	8,623
Net Lns & Leases	729,182	819,529	860,849	778,012	694,287
Other Real Estate Owned	179	1,983	30	3,460	2,112
Goodwill & Other Intang	5,785	6,607	8,303	10,879	6,740
Total Assets	2,300,552	1,987,814	2,041,440	1,860,032	1,603,688
Total Deposits	1,397,912	892,118	270,247	415,643	375,777
FFunds Purch & Repos	480,192	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	1,000	192	5,800	26,100	0
Total Other Borrowings	201,000	200,192	205,800	76,100	100,000
Total Liabilities	2,117,623	1,805,667	1,903,544	1,734,755	1,488,861
Total Equity Cap	182,929	182,147	137,896	125,277	114,827
Tier 1 Capital	180,728	169,258	139,749	120,457	110,555

Income Statement ($000)					
Int Inc: Total	44,494	71,186	73,135	100,824	90,127
Int Exp: Total	17,193	26,412	38,285	74,868	66,245
Net Int Inc Before Loss Prov	27,301	44,774	34,850	25,956	23,882
Total Prov for Losses	11,935	14,481	9,951	2,754	0
Net Int Inc after Prov	15,366	30,293	24,899	23,202	23,882

Noninterest Income ($000)					
Nonint Inc: Fiduciary Activities	0	0	0	0	0
Nonint Inc: Svc Chgs on Dep Acct	227	47	225	181	185
Nonint Inc: Trading Revenue	0	0	0	0	0
Nonint Inc: Oth Svc Chgs & NII	67,298	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	67,525	95,256	99,427	83,247	70,072

Noninterest Expense ($000)					
Nonint Exp: Gen & Admin	28,801	41,684	37,893	32,986	30,655
Nonint Exp: Amort of Intang	667	1,248	1,248	0	0
Nonint Exp: Other	42,396	66,627	63,042	57,221	47,293
Nonint Exp: Total	71,864	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)					
Net Income before Tax/Adjust	13,774	15,990	22,552	16,289	16,006
Income Tax	2,649	2,973	5,663	3,831	4,163
Minority Interest	0	0	0	0	0
Net Income before Extra Items	11,125	13,017	16,889	12,458	11,843
Extraordinary Items	0	0	0	0	0
Net Income	11,125	13,017	16,889	12,458	11,843

Memo					
Full-time Eqv Employees (Actual)	338	335	346	335	344

Financial Source: SNL Financial