

The background of the cover features a large, semi-transparent seal of the State of Texas on the right side. The seal contains the word 'TEXAS' in a circular arrangement. Overlaid on the seal is a photograph of an oil pumpjack in silhouette against a sunset sky. In the foreground, the Texas state flag is partially visible, showing the blue field with a white star and the red and white stripes.

TEXAS

Department of Banking

Agency Profile

December 2016

Texas State-Chartered Banking

Mission & Philosophy

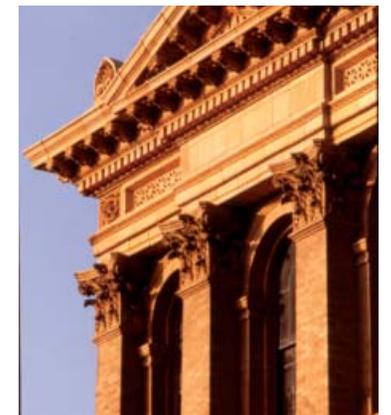


Mission

To ensure Texas has a safe, sound and competitive financial services system.

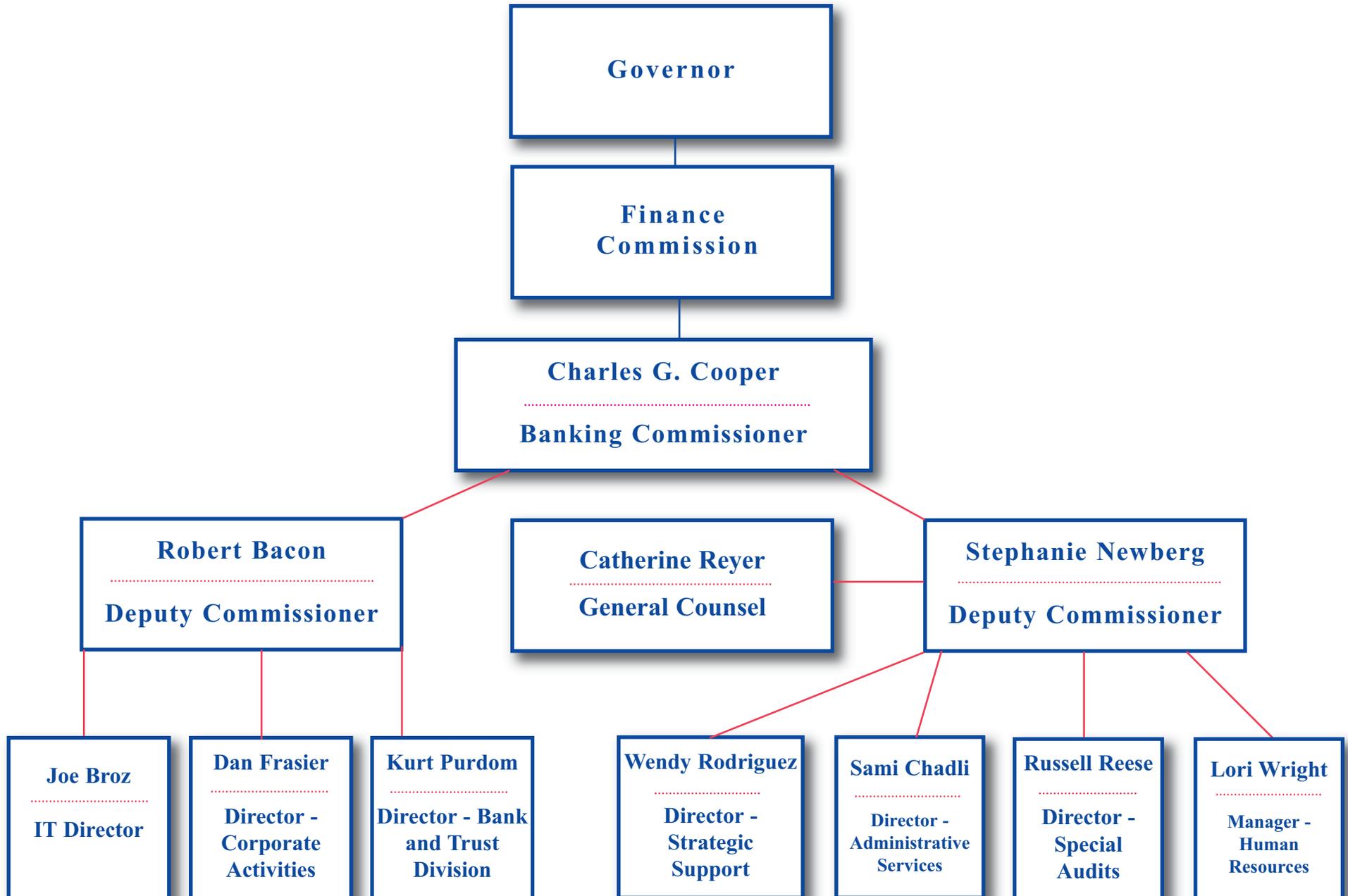
Philosophy

- * Adhere to the highest ethical and professional standards;
- * Be statutorily accountable and responsible;
- * Anticipate and respond to a dynamic environment;
- * Identify and promote innovative practices;
- * Operate efficiently and maintain consistent and prudent regulatory standards;
- * Communicate effectively;
- * Foster teamwork while encouraging individual excellence and career development;
- * Provide a desirable work environment that values cultural and individual differences;
- * Seek input from and be responsive to the public, our supervised entities, and State leadership; and
- * Adhere to the principle of “Tough but Fair” regulatory oversight.



Texas Department of Banking Organization Chart

December 2016



STRONG  STABLE  VIBRANT

WHY CHOOSE A TEXAS STATE BANK CHARTER?



Regulatory Accessibility and Responsiveness

All applications are decided by the Commissioner, as well as most administrative actions. It is generally much easier for Texas bankers to establish a face-to-face working relationship with department leadership in Austin rather than with a federal regulator in Washington D. C.

Parity

Article XVI, Section 16(c) of the Constitution of The State of Texas provides that a Texas chartered state bank has the same rights and privileges that are or may be granted to national banks of the United States domiciled in this State. Section 32.010 of the Texas Finance Code additionally contains a “super parity” provision which is a framework for a state bank

chartered in Texas, upon application, to conduct any of the activities allowed by any other insured state or federally-insured financial institution in the nation.



Modern Corporate Governance

Texas has some of the most modern corporate governance statutes thus providing increased flexibility.

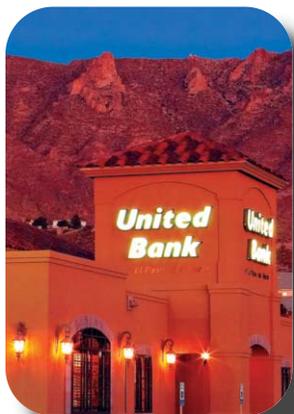
Lower Costs

The assessments charged to state banks are less than that charged national banks of comparable size. The Texas

Department of Banking continually monitors expenditures and assessments and reduces assessments when fiscally possible.



Profile of Regulated Entities



Regulated Entity	Number of Entities	Total Assets \$(millions)
Commercial Banks	245	\$254,637
Foreign Bank Agencies	10	63,119
Trust Companies	35	104,636
Prepaid Funeral Licensees	380	3,861
Perpetual Care Cemeteries	243	314
Money Services Businesses	155	114,708
Private Child Support Agencies	10	NA
Check Verification Companies	2	NA
Cemetery Brokers	14	NA
Depository Agents	0	NA
Totals	1,094	\$541,275

Information obtained from the FDIC database of September 2016.



Profile of Banking in Texas

	State	National	Total
Charters	245	190	435
Assets	\$254.6B	\$121.8B	\$374.4B
Deposits	\$206.9B	\$102.9B	\$309.8B
Tier 1 Risk-Based Capital Ratio	12.9%	14.1%	

Information obtained from the FDIC database of September 2016.

Banks Operating in Texas

All State Bank Activity in Texas (Updated as of December 2, 2016)

Bank Name (Number)	Home State	Effective Date	Number of Branches	Total Assets ⁽¹⁾ \$ Millions	Total Deposits ⁽¹⁾ \$ Millions
State Banks Chartered in Texas (245)	Texas	9/30/2016	2,327	\$254,637	\$206,912
Texas Branches of Non-Texas State Banks (31)			690	62,492	62,492
Subtotal			3,017	317,129	269,404
Less: Out of State Branches⁽³⁾	Texas	6/30/2016	-443	-50,569	-50,569
Total (276) State Banks Operating in Texas			2,574	266,560	218,835

Detailed Information

Texas Branches of Non-Texas State Banks: ⁽²⁾	Entry Date				
Regions Bank, Birmingham	Alabama	8/27/1998	79	5,989	5,989
Compass Bank, Birmingham	Alabama	10/23/1998	342	38,233	38,233
Bancorp South Bank, Tupelo	Mississippi	8/31/2000	19	960	960
Cathay Bank, Los Angeles	California	12/11/2000	1	185	185
Sabine State Bank, Many	Louisiana	6/17/2002	4	35	35
Bank SNB, Stillwater	Oklahoma	1/24/2003	6	190	190
First United Bank & Trust, Durant	Oklahoma	5/1/2003	5	430	430
Bank of the Ozarks, Little Rock	Arkansas	4/16/2004	19	1,684	1,684
Bank of Hope, Los Angeles	California	11/16/2004	2	231	231
East West Bank, San Marino	California	2/8/2002	11	1,322	1,322
Northern Trust, Chicago	Illinois	8/28/2006	6	1,702	1,702
Ameristate Bank, Atoka	Oklahoma	1/5/2007	0	29	29
The Bankers Bank, Oklahoma City	Oklahoma	3/31/2009	0	0	0
Shinhan Bank America, New York	New York	5/1/2009	0	54	54
Branch Banking & Trust, Winston-Salem	North Carolina	8/14/2009	122	5,808	5,808
American Nation Bank, Keller	Oklahoma	3/31/2010	1	70	70
Origin Bank, Choudrant	Louisiana	8/19/2010	17	1,015	1,015
Providence Bank, Columbia	Missouri	10/15/2010	0	28	28
Interbank, Oklahoma City	Oklahoma	12/31/2010	26	1,253	1,253
Iberia Bank, Lafayette	Louisiana	12/31/2010	9	1,570	1,570
First Citizens Bank & Trust, Raleigh	North Carolina	1/8/2011	4	217	217
Whitney Bank, New Orleans	Louisiana	6/4/2011	4	839	839
NBH Bank, Greenwood Village	Colorado	11/7/2011	1	104	104
Beal Bank USA, Las Vegas	Nevada	1/1/2012	1	12	12
Farmers Bank & Trust, Magnolia	Arkansas	3/5/2012	3	194	194
Valliance Bank, Oklahoma City	Oklahoma	7/20/2012	0	27	27
Stockmans Bank, Altus	Oklahoma	7/15/2013	0	14	14
Great Southern, Reeds Spring	Missouri	3/11/2014	0	0	0
Hanmi Bank, Los Angeles	California	9/1/2014	8	278	278
The Morrill and Janes Bank, Merriam	Kansas	9/1/2015	0	5	5
Commonwealth Business Bank, Los Angeles	California	1/4/2016	0	14	14

(1) Derived from the FDIC call report database; (2) Asset amounts of Texas branches of Non-Texas chartered banks mirrors deposit amounts from FDIC Summary of Deposit (SOD) reports as of June of each year; (3) Indicates assets and deposits in other states of Texas chartered banks (deducted from totals to arrive at net Texas numbers).

Banks Operating in Texas

Page 2 of 2

All National Bank Activity in Texas (Updated as of December 2, 2016)

Bank Name (Number)	Home State	Effective Date	Number of Branches	Total Assets ⁽¹⁾ \$ Millions	Total Deposits ⁽¹⁾ \$ Millions
National Banks Chartered in Texas (190)	Texas	9/30/2016	1,635	\$121,764	\$102,915
Texas Branches of Non-Texas National Banks (24)			2,074	375,845	375,845
Subtotal			3,709	497,609	478,760
Less: Their Out of State Branches ⁽³⁾	Texas	6/30/2016	-584	-982	-982
4) National Banks Operating in Texas			3,125	496,627	477,778

Detailed Information

Texas Branches of Non-Texas National Banks: ⁽²⁾	Entry Date				
Bank of America, Charlotte	North Carolina	5/6/1998	400	113,458	113,458
Capital One National Bank, New Orleans	Louisiana	1/1/1999	167	11,585	11,585
First National Bank, Waupaca	Wisconsin	10/7/2000	0	26	26
First National Bank, Omaha	Nebraska	12/15/2000	3	177	177
Wells Fargo, Sioux Falls	South Dakota	11/21/2003	662	71,855	71,855
Trustmark National Bank, Jackson	Mississippi	1/23/2004	12	467	467
Armed Forces Bank, Fort Leavenworth	Kansas	6/30/2004	2	29	29
Fort Sill National Bank, Fort Sill	Oklahoma	6/30/2004	1	30	30
JP Morgan Chase Bank, New York	New York	1/23/2004	659	151,394	151,394
First Texoma National Bank, Durant	Oklahoma	4/22/2005	1	18	18
Mercantil Commercebank, Coral Gables	Florida	4/22/2005	6	300	300
US Bank, Cincinnati	Ohio	5/16/2005	0	0	0
Citibank, Las Vegas	Nevada	10/1/2006	3	6,337	6,337
MidSouth Bank, Lafayette	Louisiana	3/21/2008	14	269	269
Landmark Bank, Columbia	Missouri	4/24/2009	10	476	476
MUFG Union Bank, San Francisco	California	9/24/2009	1	325	325
BOKF, Tulsa	Oklahoma	1/1/2011	36	5,311	5,311
Cadence Bank, N.A., Birmingham	Alabama	9/15/2012	11	2,629	2,629
Bank of Whittier, N.A., Whittier	California	9/15/2012	0	4	4
Washington Federal, Seattle	Washington	7/7/2013	4	93	93
SNB Bank, Shattuck	Oklahoma	2/10/2014	0	24	24
Community First National Bank, Manhattan	Kansas	9/29/2014	0	13	13
UMB Bank, Kansas City	Missouri	5/31/2015	5	270	270
ZB, Salt Lake City	Utah	12/31/2015	77	10,755	10,755
Totals for 490 banks operating in Texas			5,699	763,187	696,613

(1) Derived from the FDIC call report database; (2) Asset amounts of Texas branches of Non-Texas chartered banks mirrors deposit amounts from FDIC Summary of Deposit (SOD) reports as of June of each year; (3) Indicates assets and deposits in other states of Texas chartered banks (deducted from totals to arrive at net Texas numbers).

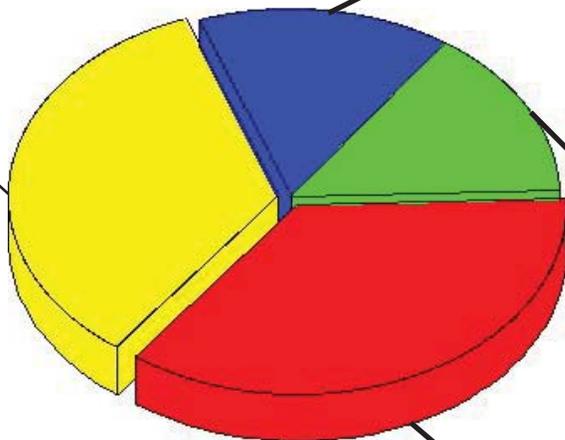
Texas State-Chartered Banks With Out-Of-State Branches

State-Chartered Bank	Total Assets as of 9/30/16	Total Branches	Texas Deposits as of 6/30/16	Texas Branches	Out-of-State Deposits as of 6/30/16	Out-of-State Branches	Operating in Following States
Comerica Bank, Dallas	74,277,561	460	9,802,225	127	46,128,187	333*	AZ, FL, CA, MI
Prosperity Bank, El Campo	21,390,286	278	15,419,923	260	1,826,657	18	OK
International Bank of Commerce, Laredo	9,855,915	187	5,747,548	136	1,177,260	51	OK
American Bank of Commerce, Wolfforth	807,574	16	650,691	14	39,863	2	CO
WestStar Bank, El Paso	1,480,240	17	1,036,419	16	12,321	1	NM
TIB The Independent Bankersbank, Irving	2,687,274	6	1,516,548	1	470,454	5	CA, IL, OK, GA
Citizens Bank, Amarillo	151,464	4	73,981	3	54,665	1	NM
American Momentum Bank, College Station	1,130,530	20	362,716	4	506,861	16	FL
Herring Bank, Amarillo	424,887	15	271,658	11	85,157	4	OK, CO
State Bank of Texas, Dallas	688,261	5	393,742	4	147,603	1	IL
City Bank, Lubbock	2,554,089	24	2,074,302	21	99,272	3	NM

Information obtained from the FDIC database. Deposit information derived from the FDIC Summary of Deposit data. Asset and deposit numbers are in thousands.* Includes one foreign branch

Texas State Bank Companies with Assets Exceeding \$1B September 2016

\$57.4 State-Chartered
Banks with Assets
<\$1B



\$33.2
Assets >\$1B -
<\$5B

\$38.7
Assets >\$5B -
<\$10B

\$125.3
Assets >\$10B

- First State Bank, Gainesville (\$1.0)
- First Bank & Trust East Texas, Diboll (\$1.0)
- Falcon International Bank, Laredo (\$1.0)
- Sovereign Bank, Dallas (\$1.1)
- American Momentum Bank, College Station (\$1.1)
- First United Bank, Dimmitt (\$1.2)
- Texas Community Bank, Laredo (\$1.2)
- Veritex Community Bank, Dallas (\$1.3)
- North Dallas Bank & Trust, Dallas (\$1.4)
- FSB Central Texas, Austin (\$1.4)
- Weststar Bank, El Paso (\$1.5)
- First State Bank of Uvalde, Uvalde (\$1.5)
- Jefferson Bank, San Antonio (\$1.6)
- Northstar Bank, Denton (\$1.7)
- Southwest Bank, Fort Worth (\$2.0)
- Texas Bank & Trust, Longview (\$2.3)
- Allegiance Bank, Houston (\$2.5)
- City Bank, Lubbock (\$2.6)
- TIB The Independent BankersBank, Irving (\$2.7)
- Happy State Bank, Happy (\$3.1)

- Southside Bank, Tyler (\$5.5)
- Independent Bank, McKinney (\$5.7)
- LegacyTexas Bank, Plano (\$8.4)
- PlainsCapital Bank, Lubbock (\$9.2)
- International Bank of Commerce, Laredo (\$9.9)

- Prosperity Bank, El Campo (\$21.4)
- Frost Bank, San Antonio (\$29.6)
- Comerica Bank, Dallas (\$74.3)

Information is from FDIC Call reports and in \$billions.



Comparison of State Bank Assessment with O.C.C.

Assessable Assets	DOB Assessment	*O.C.C. Assessment	Difference	% of O.C.C. Assessment
\$10 Million	\$8,348	\$16,035	\$7,687	52.1%
\$25 Million	\$13,598	\$22,769	\$9,171	59.7%
\$50 Million	\$17,719	\$32,389	\$14,670	54.7%
\$100 Million	\$25,699	\$51,629	\$25,930	49.8%
\$250 Million	\$40,136	\$87,223	\$47,087	46.0%
\$500 Million	\$64,370	\$140,135	\$75,765	45.9%
\$1 Billion	\$101,370	\$245,955	\$144,585	41.2%
\$1.5 Billion	\$134,370	\$332,537	\$198,167	40.4%
\$5.0 Billion	\$365,370	\$880,884	\$515,514	41.5%

Information effective January 1, 2016. Banks \$0 to \$500 million shown on 18-month exam cycle. Banks over \$500 million reflected on a 12-month exam cycle. Assessments on national banks which are considered “non-lead” banks are 88% of above O.C.C. assessments. *Not included in the above calculation are Off Balance Sheet Assets that for all state banks in Texas average 10.5%.