

momentum

3RD QUARTER 2019



IN THIS ISSUE

Taking Hilltop's
Momentum on Tour
from Coast to Coast



PURSUING HILLTOP'S VISION TOGETHER

“One’s vision is not a road map but a compass.” - Peter Block

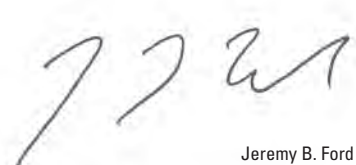
Long-term success for any organization requires a strong vision—a shared understanding of what we plan to achieve and how we will do it. Having a clear vision does not mean that every stage of the journey can be anticipated and planned for. But it does ensure that you are always moving toward your goal. A strong vision reliably points you in the right direction.

We have a strong vision at Hilltop. We are building the premier, Texas-based bank and national financial services company through acquisitions and organic growth. We pursue this vision everyday through collaboration, building relationships with our customers and peers, and by embracing change, innovation, and opportunity.

As I have visited our offices across the country in recent months, traveling thousands of miles and meeting hundreds of our associates as part of our Momentum World Tour, I have seen this vision reinforced at every stop along the way. You might think such an extended road trip would be exhausting, but it has been just the opposite. It is energizing and inspiring. Hilltop’s employees are excited about the future, and they are proud of the work we’re doing.

One of the key messages I have shared during the course of the tour is that, as a growing company, Hilltop has to act smaller to get bigger. We are committed to maintaining our agility, responsiveness, and open communication. Our business has been built on relationships, and we will never lose sight of that. Our focus on serving our customers drives our success. It fosters innovation, constantly pushing us to seek new ways to add value and help them succeed. It leads us to demand excellence of ourselves and each other.

In this edition of *Momentum*, we highlight our World Tour, along with the many ways our family of companies pursues our vision every day. Whether investing in new technology, supporting our next generation of leaders, or volunteering in the communities we serve, Hilltop is focused on the future. We’re excited about the road ahead and look forward to sharing the journey with you.



Jeremy B. Ford
CEO and President

JON SOBEL NAMED CHAIRMAN OF HILLTOPSECURITIES BRINGS DECADE-LONG EXPERIENCE TO DIRECT HOLDING COMPANY AND BROKER-DEALER

Hilltop Holdings Inc. announced in July that Jonathan S. Sobel has been elected to the company’s board of directors and named non-executive chairman of Hilltop Securities Inc., succeeding Hill A. Feinberg who will continue to serve HilltopSecurities as chairman emeritus.

“We are pleased to welcome Jon Sobel to Hilltop’s board and as chairman of HilltopSecurities, where his proven experience and deep knowledge of the financial services industry and the Hilltop organization will play an important role in shaping the firm’s future,” said Hilltop Holdings President and CEO Jeremy B. Ford. “We are also grateful to Hill Feinberg, whose decades of leadership and guidance have built HilltopSecurities into one of the nation’s leading municipal investment banks. We look forward to Hill’s continued service as chairman emeritus.”

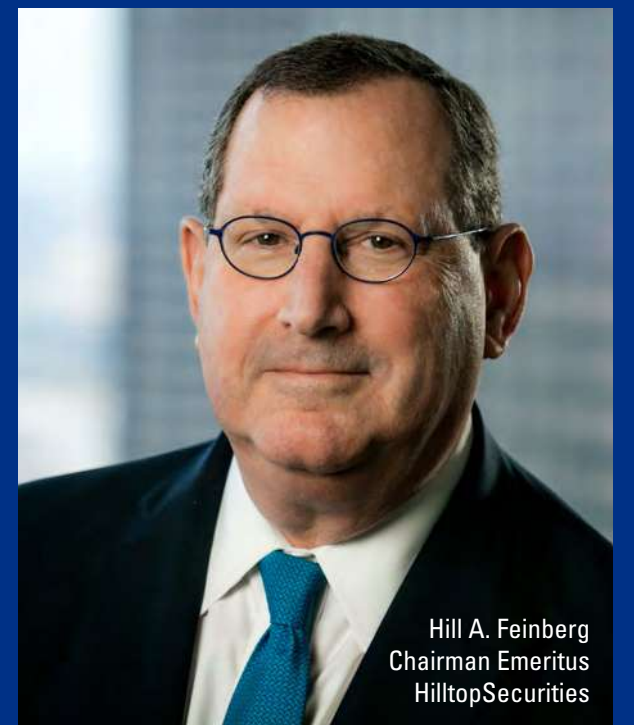
Sobel has long been associated with Ford family affiliates. He currently serves as a partner of Ford Financial Fund and is a managing member of DTF Holdings, LLC, an investment manager for—and advisor to—entities affiliated with Gerald Ford, including Hilltop. Prior to forming DTF Holdings, he was an employee of Goldman Sachs & Co. from 1987 to 2008, serving as a partner managing director from 1998 to 2008. While at Goldman Sachs, Sobel was global head of the mortgage department, global head of money markets, head of the firm’s Global Bank Group, and chief risk officer for Goldman Sachs Asset Management. He also was a member of Goldman Sachs’ capital, risk, and finance committees. He is a trustee of the Hospital for Special Surgery and the Whitney Museum, and is a member of the Columbia College Alumni Association’s executive committee.

Feinberg has more than four decades of financial industry experience and joined HilltopSecurities’ legacy firm, First Southwest Company, as Chairman and CEO in 1991. He was succeeded as President and CEO of HilltopSecurities by M. Bradley Wings in February 2019. As chairman emeritus, he will continue to collaborate with the firm’s leadership on client and business development, working to expand the company’s brand across the nation. Feinberg will continue to serve as a director of Hilltop Holdings and will be a non-voting member of HilltopSecurities’ board of directors.

“I look forward to working with HilltopSecurities’ executive team during this exciting time in the firm’s long and successful history,” Sobel said. “Under Brad’s leadership and Hill’s continued guidance, the firm is in a strong position to continue its momentum as one of the nation’s leading municipal investment banks. I’m excited about the opportunities that lie ahead.”



Jonathan S. Sobel
Chairman
HilltopSecurities



Hill A. Feinberg
Chairman Emeritus
HilltopSecurities



Q&A
**JEFF
BACHUS**
DIRECTOR OF SBA LENDING
PLAINSCAPITAL BANK

Q: Could you briefly describe your current position and responsibilities?

A: I am the Director of Small Business Administration (SBA) Lending for PlainsCapital Bank. My responsibilities include overseeing and growing the SBA (7a and 504) lending programs for the Bank.

Q: What drew you to work in the financial industry and specifically at PlainsCapital Bank?

A: I always dreamed of being an entrepreneur and owning my own business. After graduating college, I wanted to learn how businesses obtained financing, so I began working in the financial industry. I realized I enjoyed helping people own their own business and found that PlainsCapital Bank shares my passion for helping entrepreneurs.

Q: What is your favorite part about working for PlainsCapital Bank?

A: My favorite part of working for PlainsCapital is the group of people I work with on a daily basis. I have found over the years that if you want to be successful, you need to surround yourself with people who share your values and commitment.

Q: As director of SBA lending, could you explain what SBA loans are and how they help businesses?

A: The U.S. SBA was created in 1953 as an independent agency of the federal government for the purpose of assisting small business concerns. One of the primary ways the SBA assists small business concerns is through government guaranteed lending programs. The guarantee provided by the SBA serves as a credit enhancement for loans made by financial institutions to small businesses that might otherwise be underserved by the banking industry.

Q: Who can qualify for an SBA loan and what do you look for in an SBA loan candidate?

A: There are various qualifications for an SBA loan; however, one of the main requirements is, as the name of the program suggests, you must be considered a small business. Some of the other factors considered are that the business must be organized for profit and must not be a passive business. The program is essential for businesses that do not have a long operational history, such as startups or businesses that lack sufficient collateral to provide adequate security for the loan.

Q: What steps are involved in acquiring an SBA loan?

A: The first step in the process would be to have a conversation with your loan officer at PlainsCapital Bank to determine how the Bank can meet your financial needs. The next step would be to submit an application to the Bank for approval. As a Preferred Lending Partner with the SBA, PlainsCapital Bank has the authority to make the final credit decision on SBA loans. Finally, upon acceptance of the proposed credit, the loan will be packaged and closed in accordance with the SBA Authorization.

Q: In what ways does PlainsCapital Bank excel in supporting small businesses in Texas?

A: Through the SBA loan guarantee programs, PlainsCapital Bank is able to provide access to low-cost capital with lower interest rates and longer maturities. In addition, PlainsCapital is able to provide a host of depository, treasury, and wealth management services to meet the needs of small businesses and their owners. Outside of our products and services, the Bank focuses on serving the communities in which we live and operate. PlainsCapital Bank views small businesses as a key component to the success of communities across Texas.

LAURA ALEXANDER RECOGNIZED BY *DALLAS BUSINESS JOURNAL*

HilltopSecurities' Laura Alexander, regional managing director of public finance, was recently selected as an honoree for the *Dallas Business Journal's* 2019 Women in Business Awards.

"We're absolutely thrilled to see Laura recognized for her many years of outstanding work," said HilltopSecurities Vice Chairman and Head of Public Finance David Medanich, who nominated Alexander for the award. "Laura is a motivated, highly accomplished leader who is trusted and respected within our organization and by our clients."

The *Dallas Business Journal's* 12th annual Women in Business Awards honors North Texas' most influential business women. Alexander was nominated for her leadership, professional accomplishments, and community service. As a financial advisor to public-sector clients and nonprofits, Alexander and the firm offer a wide range of services, including advising municipalities, counties, water districts, universities, school districts, and airport authorities on bond issuances to fund capital improvement projects. Since 2014, Alexander led or

served on teams handling 164 transactions totaling more than \$8.8 billion.

"I'm honored to be recognized by the *Dallas Business Journal* for doing a job I love," said Alexander. "I work with

an incredible, talented team. It's very rewarding to help organizations achieve their goals. I would encourage young people who have an interest in finance, and who also want to make a meaningful difference in their communities, to consider a career in public finance."

Alexander joined HilltopSecurities in 1996, after which she ascended to her current position as regional managing director of the firm's Fort Worth office and was appointed to the board of directors for HilltopSecurities. She also serves as president of the board of trustees of Fort Worth Country Day, a private college-preparatory school in Fort Worth.

Recipients of the *Dallas Business Journal's* Women in Business Awards were recognized at an awards luncheon on August 21 at the Fairmont Dallas.



VOLUNTEERISM AT HILLTOPSECURITIES

HilltopSecurities employees and their family members volunteered to support the Red Balloon Run & Ride event this past May. The firm and its employees raised over \$70,000 in donations to Children's Health.



HILLTOP ON THE ROAD

EXECUTIVES VISIT LOCATIONS ACROSS THE COUNTRY ON 2019 MOMENTUM WORLD TOUR

Although headquartered in Dallas, Texas, Hilltop's presence extends far beyond the Lone Star State, with a national footprint stretching from coast to coast. Hilltop's more than 5,100 employees across four operating companies serve customers from 440 offices in 44 states. With such a diverse mix of businesses spread across so many markets, Hilltop President and CEO Jeremy Ford knows the importance of keeping the home office in close touch with the company's locations across the country. That's why he decided to take the executive team "on the road" this spring and summer to visit Hilltop's markets throughout the country in what has been billed as the 2019 Momentum World Tour.

"We've spent a lot of time on the road in 2019 as part of our Momentum World Tour, and it has been extremely inspiring to meet with so many employees from Hilltop's locations across the country," Ford said. "The tour enabled members of our executive team to listen and share ideas with employees, while also allowing employees from our different companies to network with each other and learn about new ways they can work together."

The tour began close to home with swings through Texas in February, March, and April to visit PlainsCapital Bank locations in each of the state's major markets. From there, Ford was joined by other Hilltop team members as the tour shifted into high gear with visits to HilltopSecurities and PrimeLending markets in southern California and Arizona in late April and early May.

Next, they traveled to the Midwest, with stops in Ohio, Illinois, Missouri, and Oklahoma, before traveling to the East Coast where they met with employees across Maryland, New York, Connecticut, and Massachusetts. The team ended the month of May with a trip to the Southeast and stops in Florida, North Carolina, South Carolina, and Georgia.

The final leg of the tour outside of Texas took place in June with visits to Colorado, Idaho, Washington, Oregon, northern California, and Nevada. The Momentum World Tour will wrap up this fall with another swing through Texas that will include visits with employees from HilltopSecurities, Primelending, National Lloyds, Hilltop Holdings, and PlainsCapital Bank.

By the end of the summer, the Momentum World Tour had spanned more than 18,000 miles over the course of 26 days on the road, visiting 43 cities in 20 states. At each stop along the way, the team met with local employees and market leaders to discuss the state of the company and plans for the future. Through roundtable discussions, Q&A sessions, informal luncheons, and evening receptions, Hilltop's executives compiled a growing list of ideas and business development opportunities shared by the company's employees.

In addition to Hilltop executives, leaders from PlainsCapital Bank, PrimeLending, HilltopSecurities, and National Lloyds also joined the tour to discuss each subsidiary's business and how they work together as part of the Hilltop family of companies. As a result, employees learned more about their sister companies and gained a better understanding of how they can expand the Hilltop brand in the communities they serve. Overall, Ford was joined by nearly 30 fellow travelers from Hilltop and each operating company, and the tour reached employees from more than 200 of the company's locations. With more locations in Texas than any other state, the final leg of the tour this fall promises to be the busiest yet.

"I'm looking forward to visiting as many markets as possible in Texas this fall as we wrap up the 2019 Momentum World Tour," Ford said. "Every stage of the tour has been enlightening and fun thanks to the dedicated employees we have across the country. They have welcomed us into their communities and given us great feedback all along the way. I'm proud to lead such a strong organization with such talented professionals representing our brand. Their hard work and commitment drive Hilltop's success."



Attendees at the Momentum World Tour stop in Destin, FL, enjoyed a waterfront lunch along with roundtable discussions and a Q&A with Hilltop leadership.



The Northwest leg of the Momentum World Tour began with a stop at HilltopSecurities' office in Denver, followed by a lunch meeting at PrimeLending's office (pictured) in neighboring Greenwood Village.

20 STATES VISITED

26 DAYS ON THE ROAD

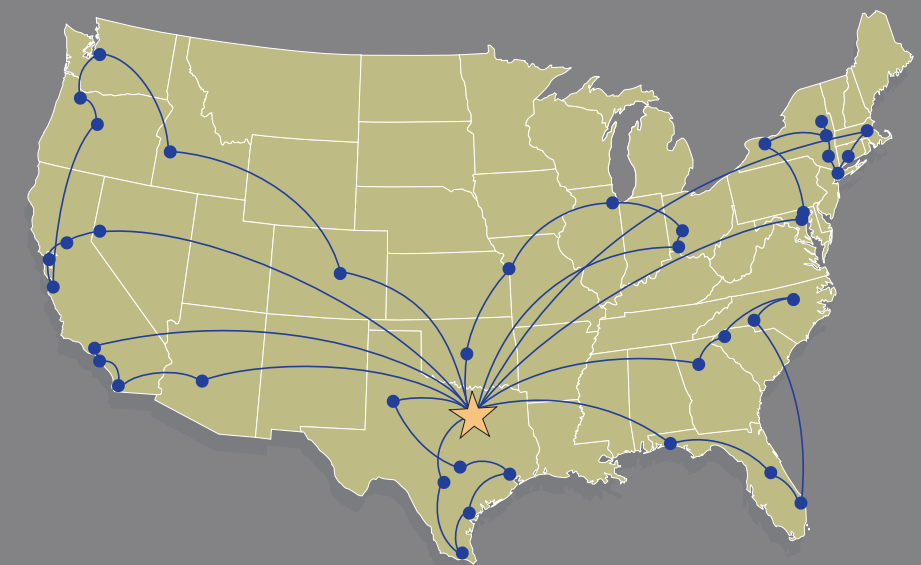
43 CITIES VISITED

84 TOTAL EVENTS

200+ OFFICES INCLUDED

1,500 TOTAL EMPLOYEES

18,000+ MILES TRAVELED





L to R: Donna Paul, Wyatt Paul, Hilltop Holdings President and CEO Jeremy B. Ford, Laura Zarate, Alexa Zarate, Ashley Valderaz, Monica Valderaz, Jonathan Gaines, Jay Gaines, Morgan Cronkrite, John David Cronkrite, Patty Huffines, and former Hilltop Holdings COO for Subsidiaries James R. Huffines.

2019 BUFFALO SCHOLARS

Alexa Zarate (University of Texas – RGV)
Daughter of Laura Zarate, PlainsCapital Bank

Morgan Cronkrite (University of Texas at Arlington)
Daughter of John David Cronkrite, HilltopSecurities

Ashley Valderaz (Texas Tech University)
Daughter of Monica Valderaz, PlainsCapital Bank

Jonathan Gaines (Texas Tech University)
Son of Jay Gaines, Hilltop Holdings

Wyatt Paul (Angelo State University)
Son of Donna Paul, PrimeLending

CONGRATULATIONS TO THE INAUGURAL BUFFALO SCHOLARS

Hilltop recognized the first five recipients of the company’s Buffalo Scholars scholarship program during its inaugural luncheon on June 12. The Buffalo Scholars program—the vision of former Hilltop Chief Operating Officer for Subsidiaries James R. Huffines and his wife, Patty—awards five annual \$5,000 scholarships to eligible students pursuing, or planning to pursue, an undergraduate degree at a Texas public university. Eligible students must be children or step-children of full-time employees of the Hilltop family of companies.

RECOGNIZING PRIMELENDING’S TOP WOMEN ORIGINATORS

Over the years, PrimeLending has been recognized for its streamlined application process and contributions in affordable lending, for being one of the nation’s best workplaces, and much more. But this year, the company added another accolade to its growing list of achievements: 11 PrimeLending loan originators and two loan originators from PrimeLending affiliates received Top Women Originator awards from *The Scotsman Guide*.

PrimeLending has proven itself as a lender that values diversity and helps women reach their full potential. Earlier this year, Diana McKeever, VP, technology product manager, was named a *HousingWire* Rising Star and Susie Garza, EVP, director of Joint Venture Strategy and Licensing, was named a *HousingWire* Woman of Influence in 2018. PrimeLending has also been named a Great Workplace for Women for the past three years.

“PrimeLending has been instrumental in my success,” said Top Women Originator Brenda Worthen. “Besides the extremely competitive compensation plan, PrimeLending gave me the encouragement and support to grow my office.”

PrimeLending has made one thing clear: it empowers all of its employees to dream bigger, set their goals higher, and achieve them.

TOP WOMEN ORIGINATORS

- PrimeLending**
Lisa Marie Nicholas (NMLS: 113687), #8
Diane Clark (NMLS: 76844), #13
Amanda McCall (NMLS: 659241), #93
Wendy Kotowske (NMLS: 194641), #129
Kelli Beckel (NMLS: 73384), #161
Brenda Worthen (NMLS: 176974), #166
Erin Moore (NMLS: 177569), #167
Lacey Moores (NMLS: 681629), #175
Devyn Alexander (NMLS: 482904), #188
Chris Nelson-Orcutt (NMLS: 34404), #191
Natalie Reid-Loudan (NMLS: 187481), #192

Highland HomeLoans
Amy Crowell (NMLS: 5326239), #181

Jet HomeLoans
Amanda Solari (NMLS: 1027040), #164



HILLTOPSECURITIES CONFERENCE SUCCESS

HilltopSecurities’ Wealth Management and Clearing Services divisions hosted the 2019 Education Conference June 9-11 at the Fairmont Hotel in Dallas. The event brought Private Client Group financial advisors, HilltopSecurities Independent Network financial advisors, and Clearing correspondents together for three days of professional development and networking.

✓ PROVIDED FINANCIAL ADVISORS AND CLEARING CORRESPONDENTS WITH THREE DAYS OF PROFESSIONAL DEVELOPMENT AND NETWORKING

✓ GAVE ATTENDEES A CHANCE TO LEARN NEW TOOLS AND RESOURCES FROM BOTH SPONSORS AND HILLTOPSECURITIES LEADERS

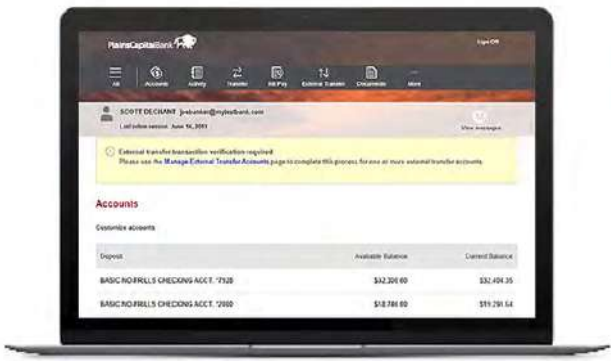
✓ PARETO SYSTEMS CEO DUNCAN MACPHERSON WAS THE KEYNOTE SPEAKER

155 TOTAL ADVISORS AND CORRESPONDENTS IN ATTENDANCE

48 TOTAL BREAKOUT SESSIONS FOR ATTENDEES LED BY SPONSORS

22 SPONSORS

PLAINSCAPITAL’S NEW ONLINE CAPABILITIES ARE NOW LIVE!



Over the past few months, PlainsCapital Bank has been working to enhance the online banking experience for its customers in a variety of ways.

The effort began on April 1 with the launch of a new, digital account opening platform through Terafina. With the new platform, customers are now able to open CDs, money market

accounts, and small business checking accounts online in addition to personal savings and checking accounts. Terafina not only provides expanded account opening options, it also offers a more simplified onboarding process. Customers can now order a debit card, purchase checks, and enroll in online banking as part of the account opening process.

In addition to the new account opening platform, on June 6, the Bank also added the ability to apply for a personal loan through its website. Customers now have the ability to apply for an auto, boat, motorcycle, RV, or personal loan with the convenient online loan application service.

On June 29, the Bank’s personal online banking platform received a new look and feel. Customers can now enjoy a better online banking experience with a visually engaging dashboard that adapts to their device, new and intuitive navigation, and simplified payments.

PlainsCapital Bank is excited to provide its customers with a more streamlined and efficient online banking experience and looks forward to the many benefits it will provide!

HOW ALEX VARELA BECAME FLUENT IN THE LANGUAGE OF LOANS

In the mortgage industry, overcoming adversity is a precursor to success. Just ask Dallas-area branch manager Alex Varela, who happens to be a top producer at PrimeLending and the recipient of the company’s first-ever Maverick Award, given for making advancements in multicultural lending.

Growing up in an impoverished neighborhood in Chicago, Illinois, Varela learned the value of hard work and perseverance at an early age. That led him to waiting tables in college when one day, he noticed that one of his regular customers drove a brand new, luxury sports car that was worth more than Varela’s parents’ home. It piqued Varela’s interest, and he asked the man what he did for a living. The rest is, as they say, history. Several weeks later, Varela became the man’s assistant and proceeded to learn everything he needed to know to start a successful career in the mortgage industry.

Home loans turned out to be a natural fit for Varela, who enjoys listening to people and solving problems, and he eventually worked his way to the top of the industry. In 2019, his commitment led him to be named the #3 Latino Mortgage Originator in the United States by The National Association of Hispanic Real Estate Professionals® (NAHREP). But breaking into the Hispanic homebuying market and networking with other NAHREP members wasn’t always easy.

Even though Varela is Hispanic, some may be surprised to learn that he doesn’t speak Spanish. “When you’re Hispanic and you don’t speak Spanish, that’s abnormal,” he said. “So, it was actually intimidating for me, personally, to go after Hispanic business because it’s somewhat embarrassing.” After overcoming his initial unease, he slowly became more comfortable opening up about his goals to fellow NAHREP members. “My vision was, ‘Look, I want to help this



consumer and do things in the community and help other Latino professionals.’”

He hired a team of bilingual processors and loan officers to help Spanish-speaking customers, and most importantly, Varela doesn’t let potential language barriers stop him from making genuine connections with his clients. “When [Spanish-speaking] consumers come into the office, I shake their hands and I say hello,” he said. “Most of them speak some English, so I ask them some questions about their family and tell them how passionate we are to serve them. And it goes a long way with that demographic.”

Varela says meeting other mortgage professionals through the years has helped him realize what a pivotal role PrimeLending plays in helping its employees succeed. “It broke my heart to see how many professionals working elsewhere in the industry were lacking the necessary training, resources, and encouragement,” he said. “They’re not given the same opportunities at other companies. They don’t have the loan products, bilingual materials, or even technology. We have so many marketing resources, software, and tools.”

With his dedication to exceptional service and helping others, Varela has made a lasting name for himself at PrimeLending and across the industry. And that’s something that will never get lost in translation.

PLAINSCAPITAL OPENS NEW BRANCHES IN SOUTHLAKE AND WILLOW PARK



PlainsCapital’s new Willow Park branch opened on September 16.



PlainsCapital relocated its Colleyville branch to Southlake on September 3.

This September, PlainsCapital Bank relocated two of its North Texas branches. On September 3, the Bank’s Colleyville branch relocated to a new, convenient location in Granite Park at Southlake Square. The new branch offers the same convenient lobby hours as the Colleyville branch with an ATM in the foyer that accepts deposits.

On September 16, the PlainsCapital Bank Aledo-Willow Park branch relocated to a new location in The Shops at Willow Park. This branch will feature:

- Safe deposit boxes
- Personal Teller Machine (ATM with the option to talk to a live teller)
- Convenient drive-thru hours

PlainsCapital looks forward to continuing to provide its customers with the same great service they are accustomed to at all of the Bank’s branch locations across the state. Stop by the new branches today in Southlake at 550 Reserve Street, Suite 125, Southlake, TX 76092 and in Willow Park at 100 Crown Pointe Blvd., Suite 102, Willow Park, TX 76087.

NATIONAL LLOYDS AGENT SPOTLIGHT: ROBERT STOVALL

Q: What made you want to become an agent, and specifically an agent with Tosh Insurance?

A: I had the opportunity to work with Tosh Insurance Agency after working as an independent claims adjuster for six years. I looked forward to taking all I had learned and helping people make sure their coverage was adequate in the event they had a loss.



Q: What do you enjoy most about working at Tosh Insurance?

A: Living and working in a small community, our customers are like friends and family. But mostly, I enjoy working alongside my coworkers. We have great people here.

Q: How long have you worked with National Lloyds?

A: 16 years.

Q: What is your favorite part about partnering with National Lloyds?

A: The underwriters we deal with are very helpful when we need them.

Q: What is the most rewarding thing about being an insurance agent?

A: For me, it has to be when a customer has a loss and is insured properly. They are able to get back to where they started. Following the devastating tornadoes in Alto, Texas, this year, we really saw firsthand what our role in insurance is.

Q: What is the most challenging aspect of what you do?

A: I have a background in claims, so I often find myself wanting to help customers through the claims process. I have to remind myself to stay in my own lane!

Q: What insight you would like to share about insurance?

A: The insurance business is all about networking and contacts, so I never meet a stranger! I’ve had the pleasure to meet so many great people throughout my career, and it has paid dividends all along the way.



HILLTOP HOLDINGS INTERNS

Thank you to the 51 students who interned across the Hilltop family of companies and spent their summer engaging in high-level projects, building peer networks, immersing in the company culture, volunteering in the community, and learning how to navigate the professional world.



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