

momentum

3RD QUARTER 2023



IN THIS ISSUE

WHAT MO MEANS TO
HILLTOP




BUILDING ON OUR MOMENTUM

The cover of this edition of *Momentum* features a pair of celebrities—Hilltop’s very own Mo the Buffalo mascot along with our good friend Peruna, the mascot of the SMU Mustangs. Hilltop is a proud sponsor of SMU athletics this year, but our ties to the university go well beyond that. Hilltop’s Chairman, Gerald J. Ford, has long been a supporter of the university, where he earned a B.A. in economics, as well as a J.D. from the SMU Dedman School of Law. In fact, our company’s name is inspired by SMU’s campus, which is nicknamed “the Hilltop” due to its elevated location overlooking downtown Dallas to the south.

And if you’ve read this newsletter before, I’m sure you’re familiar with Mo the Buffalo. Mo was originally the mascot for PlainsCapital Bank and over the years has come to represent the entire Hilltop family of companies. Mo is short for Momentum, a word and idea that means a great deal to our organization. It represents our drive to continue growing, moving forward toward our goals, and never slowing down in our quest to help our customers and communities succeed and prosper. And what better representation of momentum than our buffalo mascot – a proud, enduring, and irresistible force.

Throughout the pages of this edition of *Momentum*, you’ll see examples of Hilltop’s continued strength and commitment to service. From launching new business initiatives and services to investing in the next generation through our intern program, we’re moving forward with purpose. And underlying our momentum is the strong culture we’ve developed across our family of companies. I’m especially proud of our recent recognition as one of the nation’s top workplaces in the financial services industry. This award is the result of anonymous, voluntary employee surveys conducted by a third party, and it speaks to the pride we take in what we do and who we are.

I hope you enjoy these articles. I’m always excited to share stories about our momentum. As always, our success wouldn’t be possible without the continued hard work of our employees and the support of our loyal customers across the country. Thank you for all you do.



Jeremy B. Ford
President and CEO



INTERNS REFLECT ON 2023 SUMMER PROGRAM

For many college students, a summer internship is a top priority when preparing to enter the workforce. It's a great way to learn more about a company, decide if that industry is a good fit for possible future employment, and practice some office etiquette along the way.

This summer's Hilltop Holdings, HilltopSecurities, and PlainsCapital Bank interns spent their workdays learning from leaders across the enterprise in their fields of expertise. From executive leadership lunch and learns, skills-building workshops, and a company overview speaker series, the group got a taste of what it might be like to join the herd.

Outside of the office, the interns participated in enterprise-wide networking events and even gave back to our local community by helping to distribute 35,763 meals through the North Texas Food Bank and their Feeding Network.

A total of 70 interns from 30 different colleges and universities spent the summer with Hilltop and its subsidiaries.

"Interning with PlainsCapital this summer was an amazing experience! I got to learn about the day-to-day operations of the company, as well as the industry as a whole. As interns, we were given many tasks that helped us develop new skills to grow our confidence in banking. Overall, this internship was a valuable experience that has helped me discover new passions and has set me up for success."

Calie Corporon
PlainsCapital Bank intern
Texas Tech University

"Interning at HilltopSecurities has given me a clear view of where I want to end up next year, defining the many paths that lay ahead of me. Throughout my summer here, I've been exposed to many of the pillars that hold up our business and what it takes to do those jobs exceptionally. I'm extremely thankful for these lessons that will help guide my career compass. The culture here at Hilltop is second to none and unlike any other job I've had. I can't be more appreciative of those who have taken the time to mentor me and answer countless questions as I learn how to navigate this exciting industry!"

Ian Shrivastava
HilltopSecurities intern
Ohio State University

"From day one, I felt welcomed and supported by my department and everyone at Hilltop. The learning opportunities were endless, and I got to work on exciting projects that expanded my skills in ways that cannot be taught in the classroom."

Emily Roytek
Hilltop Holdings intern
Texas A&M University



THE HISTORY OF OUR BELOVED MASCOT

At Hilltop Holdings, the company mascot, Mo (short for Momentum), is so much more than just a symbol that is used within the organization's branding. Nothing better represents Hilltop's focus on helping move clients forward than the American bison – a symbol of the collective strength, unified force, and the unstoppable momentum of an advancing herd.

Mo the Buffalo first joined the Hilltop herd as the symbol of PlainsCapital Bank in its early days in Lubbock, Texas. Today, Mo proudly represents Hilltop's entire family of companies. He even has an entire day dedicated to celebrating him. May 9 has been designated as the official "Mo the Buffalo Day" because on May 9, 2016, the American bison was named the national mammal of the United States.

Hilltop's beloved mascot comes in many forms. The company's "live" mascot is a 21-year-old buffalo who resides on a ranch in Weatherford. He roams freely and spends most of his time doing his two favorite things – eating and sleeping! Throughout the year, you will see him making an appearance at several Hilltop community events.

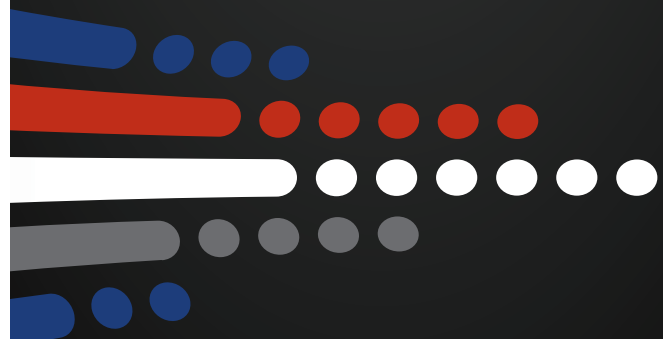
Hilltop's "costume mascot" Mo has been worn by many over the past several decades. Spirited employees have volunteered to proudly represent Mo at company events, baseball games, open houses, and more. Last month, costume mascot Mo teamed up with Peruna, the mascot of the Southern Methodist University Mustangs, as part of Hilltop's 2021-2023 sponsorship with SMU Athletics. Together, Mo and Peruna represent two institutions with deep Texas roots. Be on the lookout for the Hilltop family of companies at SMU athletic events this Fall!

HERD IN MOTION: HILLTOPSECURITIES' CLEARING DIVISION HOSTS SUCCESSFUL CONFERENCE

HilltopSecurities hosted the Ahead of the Curve 2023 Clearing Conference in June, welcoming approximately 50 owners and operations managers from correspondent clearing clients based across the nation. The conference served as a forum to discuss topics related to business development, industry trends, and regulatory initiatives that impact broker-dealers and registered investment advisors.

The two-day event included keynote addresses from former Dallas Fed Chairman Robert Kaplan, internationally renowned business thought leader John Spence, and Cyber Defense Labs CEO Bob Anderson. In addition to multiple breakout sessions, a regulatory panel comprised of representatives from the American Securities Association and the Bond Dealers of America discussed and answered questions related to compliance topics. The firm also welcomed nearly 20 sponsors to the conference, including Envestnet, First Trust, and Broadridge.

"The Ahead of the Curve Conference was a great opportunity for us to connect face-to-face with our clearing clients, many of whom who have partnered with our firm for decades," said Lana Calton, Executive Managing Director, Head of Clearing. "In addition, my team and I were so appreciative of the show of support from senior management, Operations, and other departments across the firm who help us serve the needs of our clients on a daily basis."



PRIMELENDING INTRODUCES 24-HOUR CREDIT APPROVAL PROCESS—1DAY ADVANTEDGE

Timing is everything when it comes to buying a house. That's why PrimeLending has introduced 1Day AdvantEDGE¹ to provide customers with mortgage credit approval² in 24 hours. Plus, they will receive a \$250 lender credit³ at closing.



From buying their first home to relocating to “right-sizing” for changing stages of life, the sooner a homebuyer can back up their offer with a mortgage approval letter, the better off they can be at the negotiating table. If a customer qualifies for the 1Day AdvantEDGE program, they will get credit approval within 24 hours of completing their online application. Like any mortgage, there are eligibility requirements associated with 1Day AdvantEDGE.

“1Day AdvantEDGE represents a significant leap forward in the mortgage industry,” said Kristi Harris, PrimeLending’s EVP of National Operations. “Our customers and business partners value this simplified and accelerated approval process that gives them a real advantage in today’s competitive market.”

How is this fast turn-around possible? It's thanks to efficiencies gained by PrimeLending's ongoing commitment to innovate and automate. Over the past few years, the company has significantly streamlined and simplified the mortgage process by integrating industry-leading technologies such as Blue Sage for loan origination, PointServ for digital documentation, and D1CEdge for data validation.

“We understand that leveraging technology is key to creating a better overall customer experience. I'm incredibly proud of the way our employees are embracing innovation and change to keep us on the forefront of the industry,” Harris said.

1. Restrictions apply. All loans subject to credit approval. Borrower may not own other real estate or rely on self-employment to qualify (W-2 or verified fixed income only). Limited to conventional/conforming loan for purchase of primary residence with a 20% down payment. Must submit application and required documentation via online application portal and integrated resources and receive approve/eligible or accept from automated underwriting system. Refinance, investment, VA, FHA, USDA, jumbo, bond, down payment assistance programs, renovation, construction, and brokered out loans are not eligible. Will be subject to property meeting investor requirements. Eligible applications submitted after 1 p.m. local time or on a weekend or company holiday will be deemed submitted the next business day. Unforeseen circumstances excuses lender's performance. Effective for applications after 7/11/23. Rates, fees, and offer terms subject to change. See <https://www.primelending.com/legal-disclosures/1day-advantagededge-terms-and-conditions> for full details.

2. Approval indicates an Underwriter has reviewed your application and has verified all necessary forms of income, assets, and credit; final approval is subject to property conditions (e.g., inspection, appraisal) and is voided by changes in borrower's credit, loan program, or unforeseen circumstances beyond lender's control.

3. \$250 lender credit will be applied at closing to offset lender closing costs. No cash value. May not be combined with other offers.

HILLTOP HOLDINGS, PLAINSCAPITAL BANK AND PRIMELENDING NAMED TOP WORKPLACES

Hilltop Holdings Inc. and its subsidiaries PlainsCapital Bank and PrimeLending were recently named among the nation's Top Workplaces in the financial services industry for 2023 by Energage. The rankings are based on the results of anonymous, voluntary employee surveys conducted by Energage earlier in the year. According to Energage, “fewer than 3% of eligible organizations earn a Top Workplace designation, making these achievements clear differentiators among peers.”

“I am extremely proud that Hilltop, PlainsCapital Bank, and PrimeLending have been recognized as Top Workplaces in the financial services industry,” said Jeremy B. Ford, President and CEO of Hilltop. “These rankings are a direct result of the honest feedback from our employees across the country and they reflect our strong culture of service and shared core principles.”

The workplace survey conducted by Energage gathers employee feedback about a company's culture and other themes, including:

- Values, direction, and cooperation
- Employee appreciation, meaningfulness, and potential
- Manager support and employee development and growth
- Execution, open-mindedness, and innovation
- Employee motivation and loyalty
- Confidence in the company leader
- Pay, benefits, training, and work-life flexibility

Results are measured against Energage's Top Workplaces benchmark, based on more than 17 years of data from 27 million employee surveys across 70,000 organizations. Approximately three-quarters of employees across the Hilltop family of companies completed the survey.



HILLTOPSECURITIES ANNOUNCES EXPANDED INSURANCE CAPABILITIES THROUGH HILLTOPSECURITIES INSURANCE

In August, HilltopSecurities announced the expansion of its insurance service capabilities with the launch of HilltopSecurities Insurance, its affiliate that offers insurance solutions to financial professionals.

HilltopSecurities Insurance serves as a resource and partner for financial professionals and other client-facing employees across the Hilltop family of companies to help them serve their clients and assess their financial needs.

Currently, HilltopSecurities Insurance serves:

- Financial professionals in HilltopSecurities' Private Client Group and Momentum Independent Network
- Agricultural insurance professionals who work with owners of family farms
- Financial services professionals—including registered representatives, registered investment advisors (RIAs), and insurance agents—who are clients of HilltopSecurities' clearing services

"With its elevated service offerings, HilltopSecurities Insurance is poised to serve as a go-to resource for financial professionals seeking hands-on support when it comes to choosing insurance solutions for their clients," said HilltopSecurities President and CEO Brad Wings. "HilltopSecurities Insurance's commitment to customer service, combined with its seasoned team of insurance experts, will bring value to financial professionals and the clients they serve."

HilltopSecurities Insurance consists of eight experienced insurance professionals. The team's role goes beyond granting access to insurance products – it functions as a full-service partner to financial professionals, working closely with them to implement insurance solutions that best align with their clients'



financial plans, long-term goals, and risk management needs. They help them create comprehensive risk management plans through customized advice, expertise, and financial planning.

Currently, HilltopSecurities Insurance offers solutions across four key areas: insurance and annuity review, business planning, personal and family planning, and estate planning.

HilltopSecurities Insurance is led by Dave Kittredge, Senior Managing Director and Head of Insurance. Kittredge, who joined earlier this year to lead the expansion, has worked in the financial services industry for more than 35 years. He most recently served with M Financial Group, where he led the organization's most critical strategic growth initiatives. As head of insurance, Kittredge is responsible for the strategic direction and management of HilltopSecurities Insurance's sales, marketing, operations, and partnerships.

In addition to Kittredge, Will Nelson, who has been with HilltopSecurities for nearly 20 years, helps lead HilltopSecurities Insurance. As Managing Director of Insurance, Nelson is responsible for day-to-day sales and operations.

"We are pleased to provide specialized expertise to financial professionals so they can help their clients protect their wealth and achieve their goals," said Kittredge. "Ultimately, our goal is to help financial professionals enhance their client relationships and run a more efficient business so they can grow."

To Learn More About
HilltopSecurities
Insurance's services call:

1.833.FOR.HTSI

or visit:

[HTSINSURE.COM](https://www.htsinsure.com)

BRANCH SPOTLIGHT: PLAINSCAPITAL'S TURTLE CREEK BRANCH PAVES THE WAY FOR DECADES OF SUCCESS

There's no denying West Texas is where PlainsCapital Bank's roots lie. But in 1999, PlainsCapital entered the North Texas market by opening a branch in Dallas' Turtle Creek neighborhood.

"The Turtle Creek branch was the Bank's first expansion outside of Lubbock when it opened in January of 1999," says Brian Heflin, the Bank's Chief Operating Officer. "We knew, moving to Dallas, that we didn't have the infrastructure in place to open up branches on every corner. The Bank was right under \$1 billion in assets when we opened up Turtle Creek, so when we moved to Dallas, I was told if the branch lost more than \$100,000 in the first year, they'd bring me back to Lubbock. So, I had a goal to be profitable very quickly."

With the large task at hand, Heflin and his team held a reception for prominent Texas Tech alumni and friends of the Bank, including folks in the Turtle Creek area. These first receptions introduced the Bank to new customers, which opened the door for more referrals. One new client provided referrals that accounted for over \$1 billion in loan commitments, a significant amount of deposits, and still continues to refer like-minded customers to the Bank.

"The power of referral, understanding how to take care of the customer, and those West Texas roots really hold true for the way we do business," Heflin explains.

Today, the Turtle Creek branch is led by Branch President Cole Dulaney. He joined PlainsCapital as a credit analyst and has spent the past 21 years at Turtle Creek. He understands the clients and community that his team serves.

"We love working with our clients," Dulaney says. "It's our job to help them in their business, whether that's on the cash management side or the loan side where they may need some capital for growth needs or to expand their business. We enjoy seeing them succeed."

The Turtle Creek branch staff, lenders, and credit analysts give back to the community through their relationships with Friends of the Katy Trail and Turtle Creek Association. They also participate in an annual cleanup of Reverchon Park, just down the road from the branch.

"I've been very fortunate and blessed to work with some great people that have helped me through my career, and now I have a great team that certainly helps our branch service our many clients," Dulaney says. "This has always been an important office to PlainsCapital Bank, and it's an honor to be in charge of it."



*Brian Heflin
Chief Operating Officer
PlainsCapital Bank*



*Cole Dulaney
Turtle Creek Branch President
PlainsCapital Bank*



DON'T WRITE OFF THE RISKS OF CHECK FRAUD

If you still prefer to write checks as a form of payment, you are not alone. In 2022, Americans issued about 3.4 billion checks—a low number compared to the nearly 19 billion checks issued in 1990, but still significant. While check usage is on the decline, cases of check fraud continue to rise.

Businesses and individuals alike continue to depend on checks to make payments for anything from daily purchases to monthly bills. Criminals target paper checks with the intent to alter the payee information to duplicate the check (counterfeit) in an effort to obtain funds. In many cases the criminals will forward the stolen checks as payment to a person who is a victim of another scam. Ultimately, this person is asked to send out funds to an account in the fraudster's control.

The easiest point of access for criminals to get ahold of checks is through the postal service. Mail containing paper checks is at risk while sitting in a mailbox. Criminals will steal checks from home mailboxes as well as break into postal service blue mailboxes. The best way to protect yourself against check fraud is to use alternative methods of payment, if possible. You are better off delivering paper checks in person than through the mail. If you must send a check through the mail, avoid putting checks in your home mailbox to be picked up or using the blue mailboxes on the street. Instead, drop off the envelope inside your local post office.

Be sure to monitor your bank account to see if the check clears payable to the correct payee and for the right amount. If the check's payee tells you they did not receive payment, but you can see the check has cleared your account, contact your bank as soon as possible to start a claim. When a payee name is forged on the back of the check, the claim must be sent to the bank that negotiated the check and can take some time to get a response back. The sooner you take action, the faster the bank can start the recovery process on your behalf.

There is risk of fraud with all forms of payment so you should always monitor your account and advise your bank of any suspicious activity as soon as possible. As a reminder you should never provide your bank information to someone based on a phone call, text, or email. Always verify by contacting the person or business asking for the information at a known number, not one provided by the caller or listed in the text or email. For more information, visit the Fraud Resources page on the PlainsCapital Bank website.



LOAN ORIGINATORS DRIVE CHANGE AS PRIMELENDING ADVISORY COUNCIL

Knowing what customers want and giving employees the tools they need is a driving focus of PrimeLending. But how to cover 50 states at once and know exactly what the mortgage originator's teams need today? PrimeLending's loan officers give the company a tremendous advantage, which is why it turns to them first through the PrimeLending Advisory Council. Assembled to provide the leadership team with candid feedback and insights related to all aspects of its business, the PrimeLending Advisory Council helps the company stay agile and proactive in response to a fast-moving and diverse marketplace.

"The relationship-based model has worked for more than 35 years because of the local expertise, creativity, and passion shared by the field," said Tim Elkins, EVP, Chief Production Officer. "It's this collective industry experience that makes the Advisory Council such a powerful resource for planning and growth, and one of our greatest assets."

Comprised of loan originators representing every region, the Advisory Council has been tasked with sharing insights on products, processes, technologies, corporate support levels, and more so that PrimeLending can ensure the tools, support, and products it provides are helping to drive its business.

"Being a member of the Advisory Council is big honor and a huge



responsibility I take very seriously," said Mark Raskin (NMLS# 176513), Branch Manager. "A genuine example of our One Team, One Purpose mindset in action, as part of this group I've seen time and again that PrimeLending is listening and our voices matter."

The Advisory Council also will play an instrumental role as PrimeLending sets priorities, solves problems, determines what is and isn't working, and course corrects as needed. Advisory Council members' insights are essential to helping PrimeLending raise the bar for the company and the industry as a whole. The goal for the Advisory Council is to help ensure PrimeLending remains the premier mortgage lender for modern loan originators. Their invaluable feedback is keeping the company on the right track.

HILLTOPSECURITIES LAUNCHES FULLY PAID LENDING PROGRAM

In September, HilltopSecurities announced the launch of its Fully Paid Lending Program. The program allows eligible clients the opportunity to earn additional income by lending securities they already own in their portfolios.

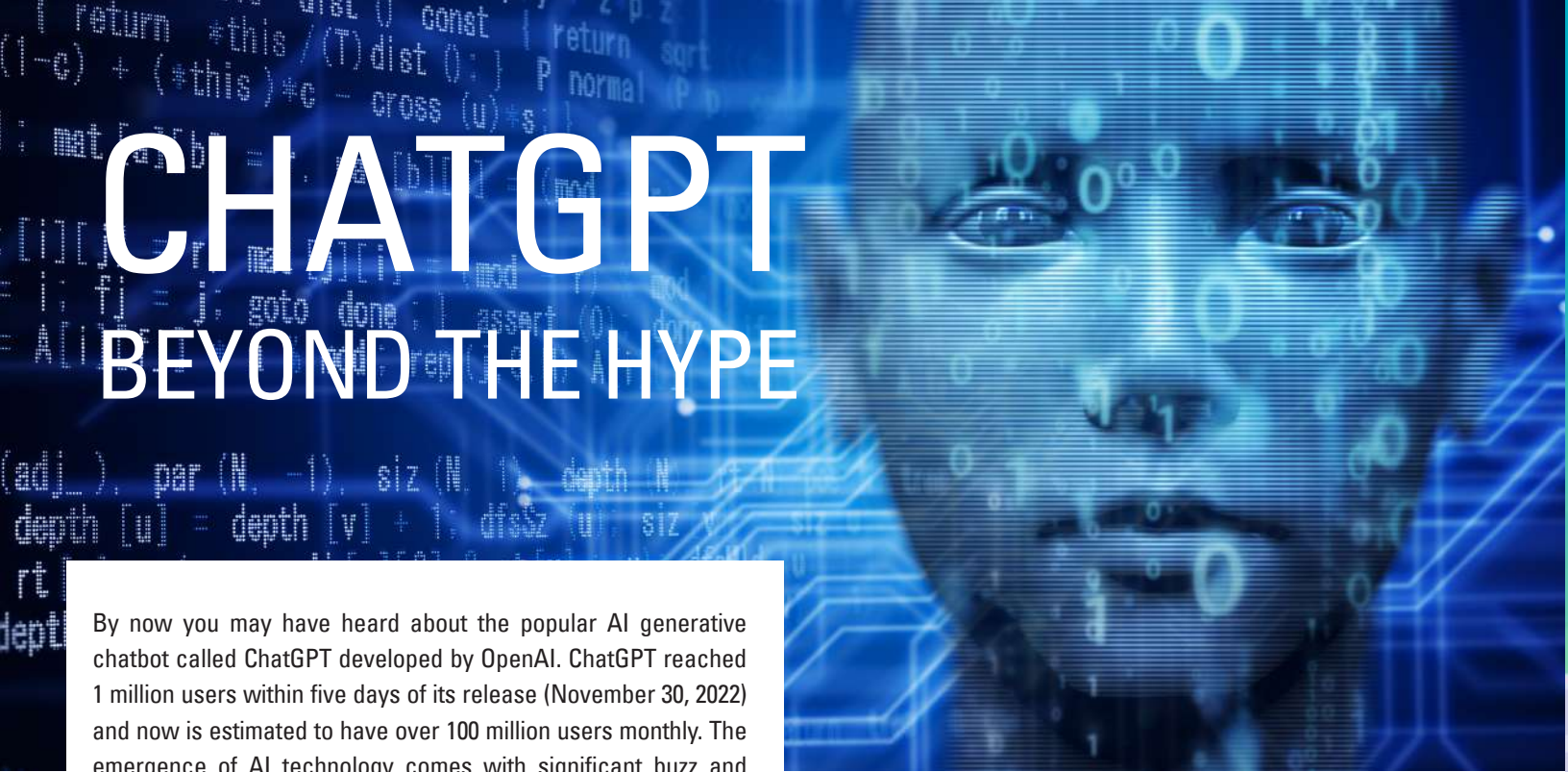
"At HilltopSecurities, we're constantly looking for ways to deliver more value to clients within our own wealth management group as well as those who are introduced to us from our Clearing clients," said Lana Calton, HilltopSecurities Executive Managing Director, Head of Clearing who also oversees the firm's securities lending team.

Once eligible clients are enrolled in the program, HilltopSecurities may borrow fully paid or excess margin securities when there is demand for them in the securities lending market. Clients will participate in the proceeds earned for lending the shares, which will accrue and post daily to their accounts through HilltopSecurities' Momentum Client or Momentum Mobile platforms.

"We're excited to add this program to give clients an opportunity to earn incremental income on their equity securities," said John Muschalek, HilltopSecurities Executive Managing Director, Head of Wealth Management.

When enrolled in the program, clients maintain full ownership and can sell their loaned shares at any time. Clients may unenroll from the program at any time.





CHATGPT BEYOND THE HYPE

By now you may have heard about the popular AI generative chatbot called ChatGPT developed by OpenAI. ChatGPT reached 1 million users within five days of its release (November 30, 2022) and now is estimated to have over 100 million users monthly. The emergence of AI technology comes with significant buzz and interest, but it is not without security concerns and risk. Even if your knowledge of AI is limited, it is crucial to know how to safely navigate advanced tools that become more sophisticated every day.

What is ChatGPT?

It's an artificial intelligence tool that generates original text based on a prompt given by the user. The chatbot can summarize information quickly and provide helpful suggestions in an easily digestible format. It is powered by an algorithm called a large language model. The algorithm is fed by a massive text database, which can include webpages, books, and other sources.

While powerful, the model is not perfect and can make mistakes. In some cases, these mistakes can lead to incorrect or harmful responses. For example:

- It does not always make accurate calculations, so computation prompts might not yield correct answers.
- It may inadvertently generate offensive or biased language, or it may provide inaccurate information that could lead to negative consequences.
- It can generate text for events that never occurred or create links to websites and pages that do not exist.
- The model was trained on legacy data and therefore has limited knowledge of events that occurred after 2021. Answers regarding current events could contain misleading or incorrect information.

When utilizing ChatGPT, it is important to keep in mind that it is a tool meant to supplement, not replace, human expertise. ChatGPT has limitations, and results should be human reviewed. All information provided by ChatGPT should be verified with trusted sources and experts.

Be cautious about the information you share with ChatGPT. OpenAI gathers user information, including name and contact details, all of which could be shared with third parties, including vendors and service providers. Any information that is sent to the model as input and output could potentially be used to help retrain the model. That data could be at risk if there is a data breach. Avoid sharing sensitive or confidential information such as financial data, personally identifiable information, or intellectual property. The best way to secure your data is to not allow OpenAI to use it.



WHERE'S MO?

THE HILLTOP HUNT BEGINS ON OCT. 5!

HilltopSecurities' Hilltop Hunt is back for 2023, offering Texas K-12 educators a chance to win a share of \$50,000 in prizes to support their local school districts.

The contest takes place entirely online at HilltopHunt.com, and for 10 business days, beginning on World Teachers Day, Oct. 5, participants can answer daily riddles that provide clues about Mo's travels across an interactive map of the Lone Star State. By answering the riddles correctly, contestants will be entered into a drawing to win a share of the prizes.

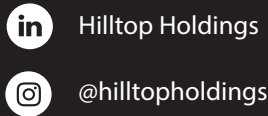
There is no purchase necessary to register or win, and the contest is open to educators in Texas teaching kindergarten through 12th grade.

Complete details and rules can be found at HilltopHunt.com



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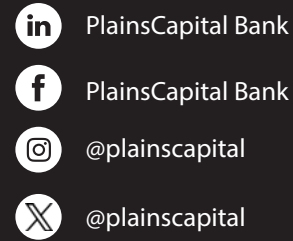
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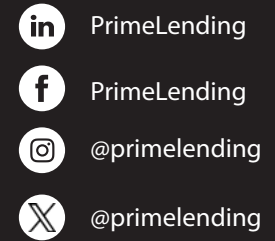
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PrimeLending



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