

Frequently Asked Questions

Who is HilltopSecurities?

HilltopSecurities was formed as the principal broker-dealer subsidiary in the Hilltop Holdings family of companies. HilltopSecurities was created through the merger of two successful broker-dealer firms – FirstSouthwest, which became part of the Hilltop Holdings family in 2012, and Southwest Securities, which joined Hilltop Holdings in 2015. The first step in combining these firms took place in the fall of 2015 when Southwest Securities adopted the HilltopSecurities name. **The second step occurred at close of business on January 22, 2016, with FirstSouthwest’s merger into HilltopSecurities. On Monday, January 25, 2016, HilltopSecurities opened for business as one combined firm for the first time.**

Who is Hilltop Holdings?

With \$12.4 billion in assets and \$1.7 billion in common equity as of September 30, 2015, Hilltop Holdings Inc. (NYSE:HTH) is a Texas-based diversified financial holding company specializing in banking, mortgage origination, financial advisory and insurance. One of the nation’s most accomplished financial services executives, Gerald J. Ford, is the Chairman of the Board of Hilltop Holdings, as well as the company’s largest stockholder. Hilltop Holdings’ President and CEO is Jeremy B. Ford, an industry veteran responsible for overseeing the company’s subsidiaries, managing its investor relations, and pursuing and executing mergers, acquisitions and other strategic transactions.

Hilltop Holdings has three principal business units. They include PlainsCapital Corp. (parent company of PlainsCapital Bank, the sixth-largest Texas-based bank, and PrimeLending, the country’s sixth-largest mortgage originator based on purchase units in 2014), HilltopSecurities and National Lloyds Corp. The Hilltop Holdings family of companies employs approximately 5,400 people in approximately 425 locations across 44 states and the District of Columbia. *Forbes* recently ranked Hilltop Holdings 5th on its list of the best banks among the top 100 largest publicly traded banks and thrifts in the United States. Hilltop Holdings seeks to build a strong, diversified Texas-based financial services holding company through acquisitions and organic growth in Texas and the Southwestern U.S.

Why is the merger taking place?

Simply put, it makes sense. While Southwest Securities and FirstSouthwest each have strong reputations and deep roots in the financial services industry, together they represent new strength, stability and opportunity, offering clients a wider range of services. Founded in 1946, FirstSouthwest has long been renowned for its nationwide public finance business, while Southwest Securities, founded in 1972, built the largest full-service brokerage firm headquartered in the Southwest, based on the number of retail financial advisors. The combination of these complementary broker-dealers creates a powerful new firm, greater than the sum of its parts.

What does this mean for clients and customers?

They will benefit from a united, well-capitalized company that can provide a broad range of financial services and solutions, for individuals, businesses and communities. These two companies combined will result in a larger, more robust and diversified single advocate for clients.

What is the size of HilltopSecurities?

HilltopSecurities has approximately 1,000 employees spread throughout more than 50 offices in 17 states. The Dallas headquarters in Renaissance Tower will be the largest location. Based on combined FirstSouthwest and Southwest Securities assets as of Sept. 30, 2015, HilltopSecurities has \$14 billion in retail assets under management, \$41 billion in clearing services client assets and \$20 billion in municipal cash management assets under management. Ipreo ranked FirstSouthwest's public finance business as the number one financial advisor in 2014 based on new issues. Based on Investment News' rankings, HilltopSecurities is the nation's third-largest Clearing Services firm by number of broker-dealer clients. HilltopSecurities is a financially strong and stable company in what many consider an unstable market.

What are HilltopSecurities' primary business lines?

- Capital Markets
- Public Finance
- Retail Brokerage
- Structured Finance
- Securities Lending
- Clearing Services

Who is HilltopSecurities' leadership?

The leadership team at HilltopSecurities is comprised of experienced executives from both FirstSouthwest and Southwest Securities. Members of the firm's executive leadership team include:

- Hill A Feinberg, Chairman and CEO
- Robert W. Peterson, President and COO
- John R. Muschalek, Chief Administrative Officer
- J. Michael Edge, Chief Financial Officer

Will day-to-day business operations change, and will customers have the same company representative?

Customers should not see any change in their business relationships. While the new firm will feature new HilltopSecurities branding on client communications and other materials, as well as a dynamic new website, our municipal advisory business will continue to carry the FirstSouthwest name as a division of HilltopSecurities. Clients will have access to the same services they've come to expect, and may have new opportunities through the combination of the company's strengths. Customers will still have the same contacts. If you need to reach them, please use the following format: Firstname.Lastname@HilltopSecurities.com. The previous email addresses will continue to work during the transition, but we recommend updating address books.

Where can I go for more information?

To learn more about HilltopSecurities, visit HilltopSecurities.com. For more information about Hilltop Holdings, please visit www.Hilltop-Holdings.com.

