

Hilltop Holdings Completes Merger of FirstSouthwest and Southwest Securities

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DALLAS--(BUSINESS WIRE)-- Hilltop Holdings Inc. (NYSE:HTH) ("Hilltop") announced today the successful merger of its broker-dealer subsidiaries First Southwest Company LLC and Hilltop Securities Inc. (formerly Southwest Securities, Inc.). The new combined firm will operate as HilltopSecurities and remain headquartered in Dallas, Texas.

This Smart News Release features multimedia. View the full release here:

<http://www.businesswire.com/news/home/20160125005360/en/>

Hill A. Feinberg, chairman and CEO of HilltopSecurities and Robert W. Peterson, president and COO of HilltopSecurities (Photo: Business Wire)

The merger is the culmination of a process that began in January 2015 with Hilltop's completed

acquisition of Dallas-based SWS Group, Inc., the parent company of Southwest Securities. During 2015, both companies worked diligently to achieve FINRA and other regulatory approvals for the eventual merger of the broker-dealers, and in October 2015 Southwest Securities adopted the HilltopSecurities name in preparation of completing the merger.

The merger brings together two respected firms with deep roots in Texas and more than 100 years of combined history in the financial services industry. With the completion of the merger, they are building on this legacy to create a new, stronger company. In addition to its new name, HilltopSecurities features new branding throughout the organization, including a new logo, a new website at HilltopSecurities.com, new marketing materials and new signage that is being rolled out in its offices across the country during the months ahead.

“We are excited to complete the merger of FirstSouthwest and legacy Southwest Securities, marking an important milestone on our path toward building a leading regional broker-dealer with an expanding national presence,” said Jeremy Ford, CEO of Hilltop Holdings. “HilltopSecurities’ cohesive leadership team and experienced employees are well-positioned to carry out the strategic vision for the new firm.”

The new firm is led by Hill A. Feinberg, former chairman and CEO of FirstSouthwest, who will serve as chairman and CEO of HilltopSecurities, and Robert W. Peterson, former president and CEO of Southwest Securities, who will serve as president and COO of HilltopSecurities. John R. Muschalek, formerly head of correspondent clearing and securities lending at FirstSouthwest, will serve as HilltopSecurities’ Chief Administrative Officer, and J. Michael Edge, former CFO of SWS Group, will serve as CFO of the new firm.

With approximately 1,000 employees in more than 50 offices across the United States, HilltopSecurities provides a full range of financial guidance, services and solutions. The firm serves public and private institutions, issuers and investors through six primary business lines:

- **Public Finance**, led by Jack Addams and David Medanich. Mr. Addams has been with FirstSouthwest for 15 years and Mr. Medanich has been with FirstSouthwest for 34 years.
- **Capital Markets**, led by Daniel Leland. Mr. Leland has been with legacy Southwest Securities for 20 years.
- **Retail Brokerage**, led by David Geschke. Mr. Geschke has more than 28 years of private client wealth management experience and has been with legacy Southwest Securities since April 2015.
- **Structured Finance**, led by Michael Marz. Mr. Marz has been with FirstSouthwest for 22 years.
- **Clearing Services**, led by Lana Calton. Ms. Calton has been with legacy Southwest Securities for 23 years.
- **Securities Lending**, led by Lisa Palmeri. Ms. Palmeri has been with legacy Southwest Securities for 13 years.

“This is the beginning of a new chapter for our combined firm,” Mr. Feinberg said. “The completion of our merger propels us into a future filled with opportunity for our clients, our employees, our company and our community. We look forward to continuing to serve as trusted advocates for our clients, delivering the guidance, solutions and services they need to help them achieve their definition of success.”

About Hilltop Holdings

Hilltop Holdings is a Dallas-based financial holding company. Through its wholly owned subsidiary, PlainsCapital Corporation, a regional commercial banking franchise, it has two operating subsidiaries: PlainsCapital Bank and PrimeLending. Through Hilltop Securities Inc. and Hilltop Securities Independent Network Inc. it provides a full complement of securities brokerage, institutional and investment banking services in addition to clearing services

and retail financial advisory. Through Hilltop Holdings' other wholly owned subsidiary, National Lloyds Corporation, it provides property and casualty insurance through two insurance companies, National Lloyds Insurance Company and American Summit Insurance Company. At September 30, 2015, Hilltop employed approximately 5,400 people and operated approximately 425 locations in 44 states. Hilltop Holdings' common stock is listed on the New York Stock Exchange under the symbol "HTH." Find more information at Hilltop-Holdings.com, PlainsCapital.com, HilltopSecurities.com, Primelending.com and Nationallloydsinsurance.com.

About HilltopSecurities Inc.

Hilltop Securities Inc., a member of NYSE, FINRA and SIPC, is a full-service financial services firm and registered investment adviser headquartered in Dallas, Texas, with offices across the United States. The firm's areas of focus include public finance; municipal and taxable fixed income underwriting, sales and trading; equity and portfolio trading; retail brokerage services; securities clearing; structured finance; corporate finance; and securities lending. A wholly owned subsidiary of Hilltop Holdings Inc., HilltopSecurities' affiliates include Hilltop Securities Independent Network Inc., PlainsCapital Bank, PrimeLending and National Lloyds Corporation.

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