

# CORPORATE OVERVIEW: CREATING & SUSTAINING RELATIONSHIP CAPITAL



# CORPORATE OVERVIEW: Creating & Sustaining Relationship Capital

## A bold vision for every client's success.

HilltopSecurities delivers the forthright advice and the tailored solutions necessary for municipal issuers, institutional investors, broker-dealers and individuals to thrive. Leveraging our bold, adaptive firm culture and deep municipal market experience, we blend honesty with sound judgment, serving as our clients' strongest ally and fiercest advocate. Creating and sustaining relationship capital enables us to understand our clients' definitions of success — from personal security and freedom, to institutional growth and community expansion — in a way that is both meaningful and rewarding.

Today, HilltopSecurities offers specialized knowledge and insight for the following client segments:

### Municipal Issuers

Rooted in the communities we serve, HilltopSecurities is honored to work with those who advance our society. For municipal issuers, we offer a deep understanding of bold objectives through extensive experience and a purity of purpose.

### Institutional Investors

Our reliable, effective solutions, paired with accurate and relevant market information, allow institutional investors to achieve specific liquidity and capital demands that enable the highest return.

### Broker-Dealers and Registered Investment Advisers (RIAs)

Broker-dealers and registered investment advisers are able to leverage our deep industry experience and the resources of the third largest national clearing firm to meet their specific needs.

### Individual Investors

With professionally delivered investment options and candid discussions regarding expected outcomes, individual investors can pursue their definitions of success.

## Our future is built on a formidable commitment to your success.

Our mission is to serve as trusted advocates for our clients by providing the expert financial guidance, solutions and services that achieve their definition of success. We deliver on this mission in two critical ways:

### Forthright Advice

As trusted advisors and advocates, we listen and respectfully collaborate, pairing honesty with sound judgment, allowing clients to achieve confidence in their decision-making. Our long-term relationships are built on a foundation of transparency and candid conversation.

### Tailored Solutions

We create tailored solutions specific to the needs of our municipal issuer, institutional, broker-dealer and individual investor clients. Our solutions and services are developed by teams of experienced financial professionals who embrace our vision to build noble and collaborative relationships that can enrich the financial future of individuals, businesses and communities. We evaluate and test the integrity of each proposal, helping clients define their most effective options to pursue their goals. Our diverse products, complete with risk and cost analysis, provide clients with reliable information for better decision-making.

With our passionate commitment to long-term relationship building, clients can rely on HilltopSecurities to always operate with the highest degree of integrity, to never lose sight of the critical role collaboration plays in helping our clients pursue their definitions of success, and to be adaptable and respectful while pursuing excellence.



## Municipal issuer solutions and services.

Our public finance professionals serve as financial advisors or underwriters to local and state governments, school districts, authorities, nonprofits and privately held entities across the United States.

With a nationwide network of bankers and advisors, HilltopSecurities provides our clients with teams of professionals who have specialized sector expertise coupled with deep local and regional knowledge.

### Financial Advisory

HilltopSecurities provides financial advisory services for all types of entities that issue debt for public purposes, including private and nonprofit organizations. We have consistently ranked among the top financial advisors in the nation for issuances of debt, based both on number and par value of issues, according to Ipreo MuniAnalytics.

We maintain deep and proven advisory expertise across a variety of public finance sectors including:

- General Obligation
- Water and Sewer
- School Districts and Higher Education
- Airports, Rapid Transits, Toll Roads and Ports
- Health Care
- Housing
- Public Power
- Public-Private Partnerships (P3)
- Special Districts (including MUDs)
- State Revolving Funds
- Convention Centers and Hotels

As a broker-dealer affiliated municipal advisor, we are a participant and not just an observer in the municipal market. Our firsthand knowledge is a key advantage in the pricing, structuring and timing of an issue.

### Underwriting

HilltopSecurities provides underwriting expertise for municipal clients. Our direct participation in the capital markets provides our clients with the real-time market information they need to help them make more informed decisions about their bond issues.

### Continuing Disclosure

We strive to ensure our clients can easily access the capital markets. Our experienced, in-house team partners with clients each year to help them meet the industry's increasingly important disclosure requirements.

### Asset Management

FirstSouthwest Asset Management, an RIA, provides investment management services, government investment pool administration and arbitrage rebate services to clients nationwide. As public sector investment officers are asked to do more with fewer resources, our professionals partner closely with each client to ease this burden while delivering the benefits of our knowledge and experience.

### Structured Products

As an extension of our municipal finance practice, HilltopSecurities provides advice to public sector entities nationwide in connection with the implementation of balance sheet strategies and the use of structured financial products. Each of our structured finance professionals has broad experience in the implementation of comprehensive financing and hedging plans applicable to balance sheet management efforts.





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## Housing Advisory

For more than 50 years our dedicated housing professionals have partnered with state and local housing issuers across the country to help families achieve the dream of home ownership. Our history as an innovator in single-family and multi-family transactions has garnered proven results for our clients.

## Mortgage Trading/Securitization

The leaders of the HilltopSecurities team pioneered the development of Market Rate To Be Announced (TBA) programs for housing finance agencies (HFAs). As the TBA Program provider for numerous HFAs, we have the capital, technology and expertise to help agencies structure and implement a no-risk pipeline management market rate TBA program to drive mortgage production. Our expertise in Mortgage Trading/Securitizations provides HFA clients with a multitude of options for the best execution of their new and seasoned mortgage assets.

## Institutional investor solutions and services.

Our capital markets professionals leverage in-house, real-time access to market experts and participants to inform both their own thinking and that of our clients. Our clients enjoy many benefits, including access to diverse products, personalized service, responsiveness and advice with integrity. We have built a broad distribution network and provide reliable access to a full spectrum of municipal, corporate ABS/CMBS/MBS, including TBA mortgage securities, UITs, U.S. Treasuries, agency debentures, equities and special products.

## Trading

With trading desks in major markets across the country, including Dallas, Houston, New York, Boston, Chicago, Los Angeles, Denver and Ft. Lauderdale, HilltopSecurities' secondary trading group combines both electronic and voice trading to give our customers superior execution. Clients have direct access to the capital markets through our informed and experienced professionals.

We work closely with mutual funds, insurance companies, banks, corporations, asset managers, arbitrage accounts, hedge funds and mortgage originators to understand their needs so we can remain proactive in sharing new opportunities.

## Underwriting

We are an active underwriter of debt issued by agencies of the U.S. government, allowing us to structure deals specifically for our clients and to let them know as new deals come to market. We are a leading market maker and underwriter of fixed income securities including corporate bonds, MBS/CMBS/ABS securities, U.S. securities and structured projects.

## Sales

HilltopSecurities has 15 institutional sales offices in major markets across the country, offering real-time and accurate market information that provides market insight combined with detailed analytics. We have developed an extensive distribution network serving institutional investors by accommodating a full range of fixed income securities.



### Bank Advisory Services

Through HilltopBancSystems we deliver innovative proprietary software and customized services for depository institutions. Our suite of products – HBS Portfolio Manager, HBS Risk Manager and HBS Profit Manager – provides easy delivery, operation, support, security and data retention. In addition, HilltopBancSystems utilizes expertise and experienced analysis to provide customized consulting services for banking clients.

### Securities Lending

HilltopSecurities' experienced securities lending professionals rely on their extensive network of relationships to facilitate borrow and loan transactions on a full range of securities with registered broker-dealers nationwide.

## Broker-dealer and RIA solutions and services.

Our broker-dealer services provide clients with the technology they expect, along with highly responsive and highly personal service, making HilltopSecurities a true partner in the success of their business.

### Clearing Services

Our services are designed for broker-dealers and RIAs who value:

- Real-time access to client data
- Reliable, seamless service
- Flexible, efficient processing
- Long-term stability
- Personable culture and service

We offer a diverse suite of products and technology solutions to provide client-specific responses that address the individual needs of our clients.

We maintain an ongoing understanding of each correspondent's business, enabling us to rapidly adapt technology and processes to accommodate their unique and ever-changing clearing, reporting and regulatory compliance needs.

We continually request and welcome the input of our correspondent partners to shape the products and services we offer. This ongoing collaboration and free flow of communication enables HilltopSecurities to deliver solutions designed specifically to meet our clients' real-world challenges.

### Investment Advisor Services

For both RIAs and "hybrid" broker-dealer firms offering advisory services, HilltopSecurities offers clearing and custody solutions customized to each client's unique needs.

### Cash Management

We offer several cash management solutions to help our clients' customers make the most of their accounts.

### Wealth Management Services

HilltopSecurities provides our clearing correspondents with access to a variety of innovative wealth management products and services.





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## Training

We offer robust initial and ongoing training webinars on back-office operations and platforms, as well as a video library of tutorials available anytime through our Advisor and Client platforms to educate our clients about system enhancements and enable them to fully use all of the features available to them.

## Individual investor solutions and services.

Through our wealth management professionals, HilltopSecurities serves individuals and families, delivering personal, reliable financial advisory services and investment programs to meet client goals.

Clients have access to our full-service advisory and wealth management platform to build investment plans and portfolios designed for their specific needs. Our experienced financial professionals focus on understanding client needs so they can deliver a high level of individualized, personal service to assist them with their financial objectives. Our comprehensive financial advisory services include:

- A full array of equity and fixed income securities
- Alternative investments
- Mutual funds & exchange traded products
- Insurance products
- Managed accounts
- Money market funds
- Futures and commodities
- FDIC-insured deposits

For investors seeking to protect and grow the assets they have built through a lifetime of hard work, security is often their most highly valued commodity. HilltopSecurities' Private Client Group and HilltopSecurities Independent Network have the tools, expertise and commitment to personal service necessary to build what their clients value most.



## Our history is anchored in tradition.

HilltopSecurities represents the realization of a vision and a new beginning — the combination of two established, respected and successful broker-dealers to create a new firm, greater than the sum of its parts.

In January 2015, Hilltop Holdings Inc. (NYSE: HTH), a Texas-based diversified financial holding company, acquired Southwest Securities, Inc., a regional full-service broker-dealer founded in 1972. Hilltop Holdings is the parent company of PlainsCapital Bank, the sixth largest Texas-based bank by deposits; PrimeLending, a mortgage originator ranked sixth in the U.S. for purchase units in 2015; and National Lloyds Corporation, a niche property and casualty underwriter providing homeowners insurance for low value dwellings.

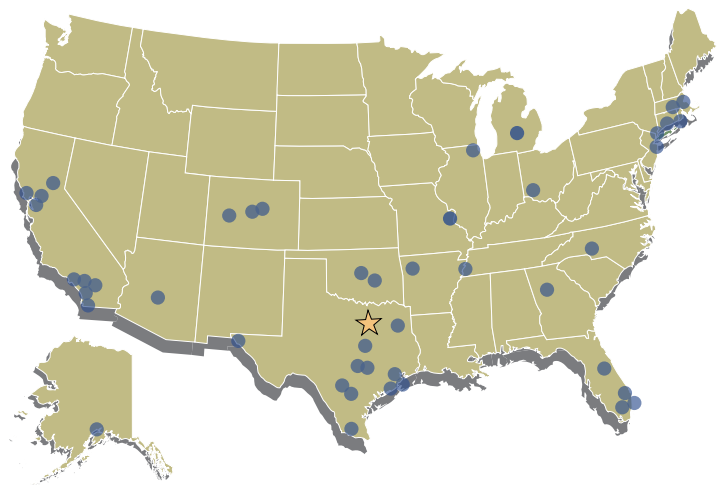
In addition, Hilltop Holdings was the parent of FirstSouthwest Company, a broker-dealer established in 1946 and renowned for its nationwide public finance advisory business. With complementary business lines and a shared history representing more than 110 years of industry experience, Southwest Securities and FirstSouthwest were combined under the HilltopSecurities name to create a new, robust firm backed by a well-capitalized, publicly traded parent company focused on building a lasting legacy.

## The HilltopSecurities difference.

For municipal issuers, institutional investors, broker-dealers and individual investors, HilltopSecurities delivers the forthright advice and tailored solutions necessary for our clients to thrive. Clients choose us because of our corporate boldness and adaptability, our national network in the municipal market and our ability to create and sustain relationship capital — the currency we value most.

## The Hilltop Holdings family of companies.

Hilltop Holdings is a Dallas-based financial holding company. Its wholly owned subsidiary, PlainsCapital Corporation, a regional commercial banking franchise, has two operating subsidiaries: PlainsCapital Bank and PrimeLending. Under Hilltop Securities Holdings LLC, HilltopSecurities and HilltopSecurities Independent Network provide a full complement of securities brokerage, institutional and investment banking services in addition to clearing services and retail financial advisory. Hilltop Holdings' other wholly owned subsidiary, National Lloyds Corporation, provides property and casualty insurance through two insurance companies, National Lloyds Insurance Company and American Summit Insurance Company. At December 31, 2016, Hilltop employed approximately 5,400 people in more than 400 locations across the country. Hilltop Holdings' common stock is listed on the New York Stock Exchange under the symbol "HTH."



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**HilltopSecurities**  
A Hilltop Holdings Company



Hilltop Securities Inc., a member of NYSE, FINRA and SIPC, delivers the forthright advice and tailored solutions necessary for municipal issuers, institutions, broker-dealers and individuals to thrive. We are a financial services firm and registered investment adviser headquartered in Dallas, Texas, with offices across the United States. Our 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; and securities lending. A wholly owned subsidiary of Hilltop Holdings Inc. (NYSE: HTH), HilltopSecurities' affiliates include Hilltop Securities Independent Network Inc., PlainsCapital Bank, PrimeLending and National Lloyds Corporation. Learn more at [HilltopSecurities.com](http://HilltopSecurities.com).

## Contact Us

HilltopSecurities is ready to provide you with the forthright advice and tailored solutions necessary to meet your definition of success. To learn more, call or visit us online today.

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