
Section 1: 8-K (8-K)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **December 12, 2018**

Hilltop Holdings Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation)

1-31987
(Commission
File Number)

84-1477939
(IRS Employer Identification
No.)

2323 Victory Avenue, Suite 1400
Dallas, Texas
(Address of principal executive offices)

75219
(Zip Code)

Registrant's telephone number, including area code: **(214) 855-2177**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Section 5 — Corporate Governance and Management

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On December 12, 2018, Hilltop Holdings Inc., or the Company, announced the appointment of M. Bradley Wings as President and Chief Executive Officer of Hilltop Securities Inc., effective as of February 20, 2019. Mr. Wings, age 51, most recently served as Senior Executive Managing Director at Piper Jaffray, where he has worked since February 1991. While at Piper Jaffray, he was a member of the firm's leadership team and held the roles of Head of Fixed Income Services and Firm Investments and Trading, President of Piper Jaffray Investment Management, Firm Risk Management, Head of Hopewood Lane Trading, Co-Head of Piper Jaffray Financial Products, Head of Municipal Sales and Trading and Institutional Municipal Sales Representative. Mr. Wings also is a member of the Board of the Bond Dealers of America and a committee member of the Fixed Income Market Structure at the United States Securities and Exchange Commission.

In connection with the appointment of Mr. Wings as President and Chief Executive Officer of Hilltop Securities Inc., the Company and Mr. Wings entered into an employment agreement (the "**Employment Agreement**") that will become effective as of February 20, 2019 and remain in effect until the third anniversary of the effective date. Pursuant to the Employment Agreement, Mr. Wings is entitled to an annual base salary of \$500,000 and is eligible to participate in (1) an annual incentive bonus program adopted by the Compensation Committee of the Board of Directors of the Company, or whomever is delegated such authority by the Board (the "**Incentive Bonus**"), and (2) any long-term incentive award programs adopted by the Compensation Committee, or whomever is delegated such authority by the Board. With respect to calendar year 2019, the Employment Agreement provides that Mr. Wings is entitled to a minimum Incentive Bonus of \$1,000,000 and the value of his long-term incentive award to be granted in 2020 will be at least \$500,000. Mr. Wings also is entitled to reimbursement of employment-related expenses and to participate in the employee benefit programs generally available to employees of the Company.

Additionally, the Employment Agreement provides that Mr. Wings will receive a sign-on cash bonus of \$1,500,000 on the effective date of his employment. Further, Mr. Wings will receive grants of restricted stock units as follows on the effective date of his employment: (i) 83,000 restricted stock units (the "**Equity Grant**") and (ii) restricted stock units having an aggregate fair market value of \$200,000 on the date of grant (the "**Sign-on Grant**"). The Equity Grant and Sign-on Grant will be subject to the terms and conditions of the Hilltop Holdings Inc. 2012 Equity Incentive Plan (the "**Equity Incentive Plan**") and award agreements between the Company and Mr. Wings, which will provide that the restricted stock units underlying the Equity Grant and Sign-On Grant will cliff vest on the third anniversary of the grant date, subject to early termination or forfeiture in accordance with the award agreement.

The Employment Agreement also provides for the reimbursement of up to \$400,000 of out-of-pocket costs related to Mr. Wings's relocation to Dallas, Texas. These expenses will continue to be reimbursable by the Company in the event the Employment Agreement does not become effective for any reason.

If the Employment Agreement is terminated (1) by Mr. Wings, (2) by the Company for "Cause" (as such term is defined in the Employment Agreement), or (3) in the event of Mr. Wings's death or disability, Mr. Wings (or his estate, as applicable) will be entitled to receive his base salary through the effective date of such termination, all earned and unpaid and/or vested, nonforfeitable amounts owed to him at such time under the Employment Agreement, restricted stock unit award agreements or under any compensation or benefit plans, and reimbursement for any unreimbursed business expenses incurred prior to the effective date of such termination (collectively, the "**Accrued Amounts**"). With respect to a termination resulting from Mr. Wings's death or disability, the unvested portion of the Equity Grant also will vest, subject to certain conditions; *provided, however*, in the event that Mr. Wings death or disability precedes the first anniversary of the effective date of his employment, Mr. Wings (or his estate, as

applicable) will receive \$2,000,000, less the aggregate amount of any salary and Incentive Bonus paid to Mr. Wings prior to such date in lieu of the vesting of the Equity Grant, which will forfeit in full.

If Mr. Wings's employment is terminated by the Company without "Cause" (other than pursuant to a "Change in Control" (as such term is defined in the Employment Agreement)), Mr. Wings will be entitled to receive the Accrued Amounts and, subject to his execution and delivery to the Company of a release, the following amount: (1) before the first anniversary of the effective date of his employment, \$2,000,000, less the aggregate amount of any salary and Incentive Bonus paid to Mr. Wings prior to such date in lieu of the vesting of the Equity Grant, which will forfeit in full; or (2) on or after the first anniversary of the effective date of his employment, a lump-sum cash payment equal to the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the Incentive Bonus paid to him in respect of the calendar year immediately preceding the year of the termination. Any unvested portion of the Equity Grant also will vest in full if such termination occurs on or after the first anniversary of the effective date of his employment.

If Mr. Wings's employment is terminated without "Cause" within the 12 months immediately following, or the six months immediately preceding, a "Change in Control," Mr. Wings will be entitled to receive the Accrued Amounts and, if such Change in Control is on or after the first anniversary of the effective date of his employment, a lump-sum cash payment equal to two times the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the Incentive Bonus paid to him in respect of the calendar year immediately preceding the year of the termination, provided that Mr. Wings executes and delivers a release to the Company. Any unvested restricted stock unit awards, including the Equity Grant and Sign-On Grant, also will vest if Mr. Wings is terminated without "Cause" within the 12 months immediately following, or the six months immediately preceding, a "Change in Control." Notwithstanding, any amounts payable to Mr. Wings upon a "Change in Control" shall not constitute a "parachute payment" and will be reduced accordingly.

The Employment Agreement also includes, among other things, customary non-competition, non-solicitation, non-disparagement, confidentiality and arbitration provisions.

A copy of the Employment Agreement is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated by reference herein. The form of the Equity Grant award agreement is filed as Exhibit 10.2 to this Current Report on Form 8-K and incorporated by reference herein.

Section 9 — Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

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| (a) Financial statements of businesses acquired. | Not applicable. |
| (b) Pro forma financial information. | Not applicable. |
| (c) Shell company transactions. | Not applicable. |
| (d) Exhibits. | Not applicable. |

The following exhibits are filed or furnished, depending on the relative item requiring such exhibit, in accordance with the provisions of Item 601 of Regulation S-K and Instruction B.2 to this form.

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
10.1	<u>Employment Agreement by and between Hilltop Holdings Inc. and Martin B. Wings, dated as of November 20, 2018, but effective pursuant to its terms.</u>
10.2	<u>Form of Restricted Stock Unit Award Agreement to be entered into with Martin B. Wings upon the effective date of his employment.</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Hilltop Holdings Inc.,
a Maryland corporation

Date: December 12, 2018

By: /s/ COREY PRESTIDGE
Name: Corey G. Prestidge
Title: Executive Vice President,
General Counsel & Secretary

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Section 2: EX-10.1 (EX-10.1)

Exhibit 10.1

EMPLOYMENT AGREEMENT

This Employment Agreement (this “**Agreement**”) is dated as of November 20, 2018 (the “**Execution Date**”), and is entered into by and between Martin B. Wings (“**Executive**”) and Hilltop Holdings Inc., a Maryland corporation (“**HTH**” or the “**Company**”), on behalf of itself and all of its subsidiaries (collectively “**Employer**”). As an inducement to render services to HTH’s wholly owned, indirect subsidiary, its regional broker-dealer, Hilltop Securities, Inc., Executive and Employer agree as follows:

- Employment.** Upon the terms and subject to the conditions contained in this Agreement, Executive agrees to provide full-time services for Employer during the Term (hereinafter defined). Executive agrees to devote his best efforts to the business of Employer, and shall perform his duties in a diligent, trustworthy and business-like manner, all for the purpose of advancing the business of Employer.
- Duties.** The duties of Executive shall be those duties that can reasonably be expected to be performed by a person with the title of President and Chief Executive Officer of a regional broker-dealer and its subsidiaries. Upon reasonable notice, the Executive’s duties may, from time to time, be reasonably changed or modified and only at the approval and discretion of the President of HTH. Executive has received and is familiar with Employer’s employment, ethics and insider trading policies and procedures, and understands and agrees his duties include compliance with such policies and procedures, as amended from time to time.
- Salary and Benefits.**
 - Base Salary.** Employer shall, during the Term, pay Executive an annual base salary of Five Hundred Thousand Dollars (\$500,000). Such salary shall be paid in accordance with the then current payroll practices of Employer, less applicable withholding and salary deductions. Base salary shall be reviewed at least annually by the Company, but may not be reduced.
 - Sign-on Cash Bonus.** Employer shall pay Executive a sign-on cash bonus of One Million Five Hundred Thousand Dollars (\$1,500,000), less applicable withholding and salary deductions, payable on Employer’s next regular pay date following the Effective Date (hereinafter defined), provided that Executive is employed by Employer on such date.
 - Annual Incentive Bonus.** During the Term, Executive shall be eligible to participate in an annual incentive bonus program adopted by the Compensation Committee (the “**Compensation Committee**”) of the Board of Directors of the Company (the “**Board**”), or whomever is delegated such authority by the Board (the “**Incentive Bonus**”). The Incentive Bonus shall not be based upon performance criteria that would encourage Executive to take any unnecessary and excessive risks that threaten the value of Employer. Subject to the terms of the annual incentive bonus program, any bonus payable under this [Section 3\(c\)](#) shall be paid on or before March 15 of the year following the year for which the bonus is payable. With respect to calendar year 2019,

Executive shall be eligible to participate for the entire 2019 calendar year notwithstanding the Effective Date, and Executive is guaranteed to receive a minimum of award of \$1,000,000, provided a Termination of Employment (hereinafter defined) with respect to

Executive has not occurred pursuant to Section 5(a)(i) or Section 5(b) prior to such payment date.

- (d) **Long-Term Incentive Awards.** As soon as administratively practical following the Effective Date, Executive shall receive a grant of 83,000 restricted stock units (the “**Equity Grant**”). The Equity Grant shall be subject to the terms and conditions of the Hilltop Holdings Inc. 2012 Equity Incentive Plan and an award agreement between Executive and Employer, which terms shall include, without limitation, cliff vesting of the Equity Grant on the third anniversary of the Effective Date, subject to early termination or forfeiture in accordance with the terms of the award agreement. The Hilltop Holdings Inc. 2012 Equity Incentive Plan and the form of the Equity Grant award agreement are attached hereto as “Addendum A” and those terms are incorporated herein by reference and made a part hereof. As soon as administratively practical following the Effective Date, Executive shall receive a grant of restricted stock units with respect to the number of shares of the common stock of the Company having a fair market value on the date of grant equal to Two Hundred Thousand Dollars (\$200,000) (the “**Sign-On Grant**”). The Sign-On Grant shall be subject to the terms and conditions of the Hilltop Holdings Inc. 2012 Equity Incentive Plan and an award agreement between Executive and Employer, which terms shall include, without limitation, cliff vesting of the Sign-On Grant on the third anniversary of the Effective Date, subject to early termination or forfeiture in accordance with the terms of the award agreement. Executive also shall be eligible to participate in any long-term incentive award programs adopted by the Compensation Committee, or whomever is delegated such authority by the Board (an “**LTIP Award**”). An LTIP Award shall be subject to the terms and conditions of the applicable long-term incentive award program and an award agreement between Executive and Employer. An LTIP Award shall not be based upon performance criteria that would encourage Executive to take any unnecessary and excessive risks that threaten the value of Employer. Executive agrees to execute any documents requested by Employer in connection with the grant of the Equity Grant, the Sign-On Grant and any LTIP Award pursuant to this Section 3(d). Notwithstanding the foregoing, with respect to the LTIP Award contemplated to be made in the first calendar quarter of 2020 relating to the period ended December 31, 2022, Executive shall receive an LTIP Award equal in value to at least \$500,000, provided Executive is employed by Employer on the date of grant of such LTIP Award. Notwithstanding anything in this Agreement to contrary, the Hilltop Holdings Inc. 2012 Equity Incentive Plan and the award agreements evidencing the grants provided for in this Section 3(d) shall control and govern.
- (e) **Reimbursement of Expenses.** Employer shall reimburse Executive for all out-of-pocket expenses incurred by Executive in the course of his duties, in accordance with Employer’s normal policies. Executive shall be required to submit to Employer appropriate documentation supporting such out-of-pocket expenses as a prerequisite to reimbursement in accordance with Employer’s normal policies. The amount of expenses eligible for reimbursement under this Section 3(e) during a calendar year shall not affect the expenses eligible for reimbursement in any other calendar year. Reimbursement of eligible expenses shall be made on or before the last day of the calendar year following the calendar year in which the expenses were incurred.

- (f) **Relocation.** Employer shall reimburse Executive up to a maximum of Four Hundred Thousand Dollars (\$400,000) for out-of-pocket expenses related to the relocation of Executive to the Dallas, Texas area, including, without limitation, any gross-up of such expenses. Executive shall be required to submit to Employer appropriate documentation supporting such out-of-pocket relocation expenses as a prerequisite to reimbursement.
 - (g) **Employee Benefits.** During the Term, Executive shall be entitled to participate in the employee benefit programs generally available to employees of Employer.
 - (h) **Benefits Not in Lieu of Compensation.** No benefit or perquisite provided to Executive shall be deemed to be in lieu of base salary or other compensation.
4. **Term of Agreement.** This Agreement shall only become effective and binding immediately following the expiration of Executive's satisfaction of the three-month restricted period as provided pursuant to agreements with his previous employer (the "**Effective Date**"). Executive hereby covenants with Employer that Executive will comply with the restrictions imposed by his previous employer for the applicable periods. Notwithstanding anything in this Agreement to the contrary, neither Employer nor Executive shall have rights or obligations under this Agreement until the Effective Date, except to the extent relocation expenses are incurred prior to the Effective Date. Further notwithstanding anything in this Agreement to the contrary, this Agreement shall not become effective or binding if the Effective Date has not occurred by June 30, 2019. Unless earlier terminated pursuant to the terms of this Agreement, this Agreement shall remain in effect until the date that is the third anniversary of the Effective Date (such third anniversary date being referred to herein as the "**Term Date**") and such period from the Effective Date to the earlier of the Term Date or termination of this Agreement being referred to herein as the "**Term**"). Unless Employer and Executive agree in writing to extend the term of this Agreement at any time on or before the Term Date, this Agreement shall automatically expire on the Term Date.
5. **General Termination Provisions.** If Executive has a Termination of Employment during the Term, other than under the provisions of Section 6, then upon such Termination of Employment, Employer will be liable to Executive for all payments (if any) as described in Section 5, as follows:
- (a) **Termination by Employer.** Employer may terminate Executive's employment and this Agreement under this Section 5 only upon the occurrence of one or more of the following events and under the conditions described below.
 - (i) **Termination For Cause.** Employer may discharge Executive for Cause (hereinafter defined), and, upon such Termination of Employment, this Agreement shall terminate immediately (except for such provisions of this Agreement that expressly survive termination hereof) and Executive shall only be entitled to receive:
 - (A) Executive's base salary through the effective date of such Termination of Employment at the annual rate in effect at the time Notice of Termination is given, payable within ten (10) business days after the effective date of such Termination of Employment;

- (B) all earned and unpaid and/or vested, nonforfeitable amounts owing at the effective date of such Termination of Employment under this Agreement or any compensation and benefit plans, programs, and arrangements of Employer and its affiliates in which Executive theretofore participated, payable in accordance with the terms and conditions of this Agreement or the plans, programs, and arrangements (and agreements and documents thereunder) pursuant to which such compensation and benefits were granted; and
 - (C) reimbursement for any unreimbursed business expenses properly incurred by Executive in accordance with Employer policy prior to the effective date of such Termination of Employment (collectively, (A) through (C) above shall be the “**Accrued Amounts**”).
- (ii) **Termination Without Cause.** If Employer shall discharge Executive without Cause (other than pursuant to a Change in Control as described in Section 6), then upon such Termination of Employment, this Agreement shall terminate immediately (except for such provisions of this Agreement that expressly survive termination hereof) and Executive shall be entitled to receive the Accrued Amounts. In addition, conditioned upon Executive’s execution and delivery to Employer of a release, in a form provided by Employer, within forty-five (45) days following such Termination of Employment, Executive shall be entitled to receive:
- (A) any portion of the Sign-On Grant or any other LTIP Award granted to Executive that vests pursuant to the terms of the applicable award agreement (excluding the Equity Grant and, in order to avoid duplication, if a payment is provided pursuant to Section 5(a)(ii)(C)(i) below, any and all LTIP Awards (other than the Equity Grant and Sign-On Grant) shall terminate automatically and all units granted pursuant thereto shall be forfeited);
 - (B) full vesting and acceleration of, and waiver of any restrictions on transfer, sale or other disposal with respect to, the Equity Grant;
 - (C)
 - (i) if and only if, such Termination of Employment is before the first anniversary of the Effective Date, a cash amount equal to Two Million Dollars (\$2,000,000), less the aggregate amount of any salary and Incentive Bonus paid to Executive prior to such Termination of Employment; or
 - (ii) if, and only if, such Termination of Employment is on or after the first anniversary of the Effective Date, a cash amount equal to one (1) times the sum of (1) the annual base salary rate of Executive immediately prior to the effective date of such Termination of Employment, and (2) an amount equal to the Incentive Bonus paid to Executive in respect of the calendar year

immediately preceding the year of the Termination of Employment, payable in a lump-sum payment within sixty (60) days of the effective date of such Termination of Employment.

(iii) **Termination Because of Death or Disability.** In the event of Executive's death or disability (within the meaning of Employer's disability policy that is in effect at the time of disability), upon such Termination of Employment, this Agreement shall terminate immediately and Executive (or his estate) shall be entitled to receive the Accrued Amounts and, items (A) and (B), and, if applicable, (C)(i), immediately above in Section 5(a)(ii), *provided, however*, in the case of Executive's disability, vesting of the Equity Grant, Sign-On Grant and any other LTIP Award granted shall be conditioned upon Executive's (or Executive's legal guardian's) execution and delivery to Employer of a release, in a form provided by Employer, within forty-five (45) days following such Termination of Employment.

(b) **Termination by Executive.** Executive may voluntarily terminate this Agreement at any time following its execution. If Executive shall voluntarily terminate his employment for any reason, this Agreement shall terminate immediately (except for such provisions of this Agreement that expressly survive termination hereof) and Executive shall only be entitled to receive the Accrued Amounts. Notwithstanding the foregoing, if Executive is required by Employer to relocate his primary residence outside of Dallas/Ft. Worth, Texas or their surrounding counties, Executive shall be entitled to voluntarily terminate this Agreement (except for such provisions of this Agreement that expressly survive termination) and receive the applicable benefits set forth in Section 5(a)(ii) of this Agreement.

6. **Termination Upon Change in Control.**

(a) Upon the discharge of Executive by Employer without Cause within the twelve (12) months immediately following, or the six (6) months immediately preceding, a Change in Control, then upon such Termination of Employment, this Agreement shall terminate immediately (except for such provisions of this Agreement that expressly survive termination hereof) and Executive shall be entitled to receive the Accrued Amounts. In addition, conditioned upon Executive's execution of a release, in a form provided by Employer, within forty-five (45) days following such Termination of Employment, Executive shall be entitled to receive:

- (i) full vesting of the Equity Grant, Sign-On Grant and any other LTIP Award granted; and
- (ii) if, and only if, such Change of Control is on or after the first anniversary of the Effective Date, a cash amount equal to two (2) times the sum of (A) the annual base salary rate of Executive immediately prior to the effective date of such Termination of Employment, and (B) an amount equal to the Incentive Bonus paid to Executive in respect of the calendar year immediately preceding the year of the Termination of Employment, payable in a lump-sum payment within sixty

(60) days of the effective date of such Termination of Employment (or, if later, the effective date of the Change in Control).

- (b) Anything in this Section 6 to the contrary notwithstanding, in the event it shall be determined that any payment or distribution made, or benefit provided, by Employer to or for the benefit of Executive pursuant to this Agreement or any plan, program, or arrangement of Employer (whether paid or payable or distributed or distributable or provided pursuant to the terms hereof or otherwise) would constitute a “parachute payment” as defined in Section 280G of the Code, then the benefits payable to Executive under this Agreement or such plan, program, or arrangement shall be reduced so that the aggregate present value of all payments in the nature of compensation to (or for the benefit of) Executive that are contingent on a change of control (as defined in Section 280G(b)(2)(A) of the Code) is One Dollar (\$1.00) less than the amount that Executive could receive without being considered to have received any parachute payment (the amount of this reduction in the benefits payable is referred to herein as the “**Excess Amount**”). The determination of the amount of any reduction required by this Section 6(b) shall be made by an independent accounting firm selected by Employer, and such determination shall be conclusive and binding on the parties hereto.
- (c) Notwithstanding anything to the contrary contained herein, any amounts payable to Executive pursuant to Section 6(a) shall be reduced by any amounts previously received by Executive pursuant to Section 5 above.

7. **Definitions.**

- (a) **Cause.** “Cause” for termination shall mean that, prior to any termination pursuant to Section 5(a)(i) hereof, Executive shall have committed or caused:
 - (i) an act of fraud, embezzlement or theft;
 - (ii) Employer is required to remove or replace Executive by formal order or formal or informal instruction, including a requested consent order or agreement, from the Federal Reserve or any other regulatory or administrative authority having jurisdiction;
 - (iii) intentional breach of fiduciary duty involving personal profit;
 - (iv) intentional wrongful disclosure of trade secrets or confidential information of Employer;
 - (v) intentional violation of any law, rule or regulation (other than traffic violations or similar offenses) or final cease and desist order;
 - (vi) intentional action or inaction that causes material economic harm to Employer;
 - (vii) an intentional violation of the Company’s or Employer’s written policies, standards or guidelines applicable to Executive; or

(viii) the failure or refusal of Executive to follow the reasonable lawful directives of the HTH Board.

provided, however, that none of the actions described in clauses (iv) through (vii) above shall constitute grounds for a “Cause” termination unless any such act or actions shall have been determined by the Compensation Committee to have been materially harmful to Employer. For the purposes of this Agreement, no act or failure to act on the part of Executive shall be deemed “intentional” unless done or omitted to be done by Executive not in good faith and without reasonable belief that his action or omission was in the best interest of Employer and upon prior written notice to the Executive.

Notwithstanding the foregoing, Executive shall not be deemed to have been terminated for “Cause” hereunder unless and until there shall have been delivered to Executive a copy of a resolution duly adopted by the affirmative vote of not less than a majority (50.1%) of the members of the Compensation Committee then in office at a meeting of the Compensation Committee called and held for such purpose (after reasonable notice to Executive and an opportunity for Executive, together with his counsel, to be heard before such members), finding that in the good faith opinion of such members, Executive had committed an act set forth above in this Section 7(a) and specifying the particulars thereof in detail.

(b) **Change in Control.** A “**Change in Control**” means and shall be deemed to have occurred for purposes of this Agreement if and when any of the following occur:

- (i) The acquisition by any individual, entity, or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)) (a “**Person**”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of thirty-three percent (33%) or more of either (A) the then outstanding shares of common stock of the Company (the “**Outstanding Company Common Stock**”) or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the “**Outstanding Company Voting Securities**”); provided, however, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change in Control: (1) any acquisition directly from the Company, (2) any acquisition by the Company, (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company, (4) any acquisition by a Person who holds or controls entities that, in the aggregate (including the holdings of such Person), hold or control ten percent (10%) or more of the Outstanding Company Common Stock or the Outstanding Company Voting Securities on the Effective Date, or (5) any acquisition by any entity pursuant to a transaction which complies with clauses (A), (B), and (C) of subsection (iii) of this Section 7(b);
- (ii) Individuals who, as of the Effective Date, constitute the Board (the “**Incumbent Board**”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by the Company’s

stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

- (iii) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company or any of its subsidiaries with a third party or sale or other disposition of all or substantially all of the assets of the Company to a third party, or the acquisition of assets or securities of another entity by the Company or any of its subsidiaries (a “**Business Combination**”), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of, respectively, the then outstanding shares of common stock (or, for a non-corporate entity, equivalent securities) and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors (or, for a non-corporate entity, equivalent securities), as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any entity resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such entity resulting from such Business Combination, or any Person who holds or controls entities that, in the aggregate (including the holdings of such Person), hold or control ten percent (10%) or more of the Outstanding Company Common Stock or the Outstanding Company Voting Securities on the Effective Date) beneficially owns, directly or indirectly, thirty-three percent (33%) or more of, respectively, the then outstanding shares of common stock (or, for a non-corporate entity, equivalent securities) of the entity resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such entity, except to the extent that such ownership existed prior to the Business Combination, and (C) at least a majority of the members of the board of directors (or, for a non-corporate entity, the equivalent body) of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or
- (iv) The approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

- (c) **Notice of Termination.** “**Notice of Termination**” shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and the termination date, and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for Termination of Employment under the provision so indicated. Any purported Termination of Employment by Employer or by Executive (other than due to Executive’s death) shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 12 hereof.
- (d) **Termination of Employment.** “**Termination of Employment**” shall mean a “separation from service” as such term is defined in the regulations issued under Section 409A.
8. **Governing Law.** THIS AGREEMENT IS MADE AND ENTERED INTO IN THE STATE OF TEXAS, AND THE LAWS OF TEXAS SHALL GOVERN ITS VALIDITY AND INTERPRETATION IN THE PERFORMANCE BY THE PARTIES OF THEIR RESPECTIVE DUTIES AND OBLIGATIONS.
9. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties concerning the employment of Executive, and there are no representations, warranties or commitments other than those in writing executed by all of the parties. This is an integrated agreement. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party’s rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.
10. **Arbitration.**
- (a) Executive and Employer acknowledge and agree that any claim or controversy arising out of or relating to this Agreement or the breach of this Agreement or any other dispute arising out of or relating to the employment of Executive by Employer, shall be settled by final and binding arbitration in the City of Dallas, Texas, in accordance with the Employment Arbitration Rules of the American Arbitration Association in effect on the date the claim or controversy arises.
- (b) All claims or controversies subject to arbitration shall be submitted to arbitration within six (6) months from the date the written notice of a request for arbitration is effective. All claims or controversies shall be resolved by a panel of three (3) arbitrators who are licensed to practice law in the State of Texas and who are experienced in the arbitration of labor and employment disputes. These arbitrators shall be selected in accordance with the Employment Arbitration Rules of the American Arbitration Association in effect at the time the claim or controversy is commenced. Either party may request that the arbitration proceeding be stenographically recorded by a Certified Shorthand Reporter. The arbitrators shall issue a written decision with respect to all claims or controversies within thirty (30) days from the date the claims or controversies are heard in arbitration. The parties shall be entitled to be represented by legal counsel at any arbitration proceeding. The arbitrators may award actual attorney’s fees and costs to a party in a manner determined by such arbitrators.

- (c) Employer and Executive acknowledge and agree that the arbitration provisions in Sections 10(a) and 10(b) may be specifically enforced by either party and submission to arbitration proceedings compelled by any court of competent jurisdiction. Employer and Executive further acknowledge and agree that the decision of the arbitrators may be specifically enforced by either party in any court of competent jurisdiction.
- (d) Notwithstanding the arbitration provisions set forth above, Executive and Employer acknowledge and agree that nothing in this Agreement shall be construed to require the arbitration of any claim or controversy arising under the NON-DISCLOSURE, NON-INTERFERENCE, NON-COMPETITION, and NON-DISPARAGEMENT provisions set forth at Sections 13 through 16 of this Agreement. These provisions shall be enforceable by any court of competent jurisdiction and shall not be subject to ARBITRATION pursuant to Sections 10(a)-(c). Executive and Employer further acknowledge and agree that nothing in this Agreement shall be construed to require arbitration of any claim for workers' compensation benefits (although any claims arising under Tex. Labor Code § 450.001 shall be subject to arbitration) or unemployment compensation.
11. **Assistance in Litigation; Class Action Waiver.** Executive shall make himself available, upon the request of Employer, to testify or otherwise assist in litigation, arbitration or other disputes involving Employer, or any of its directors, officers, employees, subsidiaries or parent corporations, during the term of this Agreement and at any time following the termination of this Agreement. Executive hereby waives any right or ability to be a class or collective action representative or to otherwise recover damages in any putative or certified class, collective, or multi-party action or proceeding against Employer or any of its affiliates.
12. **Notice.** Any notice or communication required or permitted to be given to the parties shall be delivered personally or sent by United States registered or certified mail, postage prepaid and return receipt requested, and addressed or delivered as follows, or to such other address as the party addressed may have substituted by notice pursuant to this Section. Any notice given pursuant to this Section 12 will be effective immediately upon delivery if delivered in person or three (3) days after mailing deposited in the United States addressed as set forth below:
- (a) If to Employer:
- Prior to December 31, 2019:
- Hilltop Holdings Inc.
2323 Victory Avenue, Suite 1400
Dallas, Texas 75219
Attention: General Counsel
- After January 1, 2020:
- Hilltop Holdings Inc.
6565 Hillcrest Avenue, 6th Floor
University Park, Texas 75205
Attention: General Counsel

(b) If to Executive:

Martin B. Wings
8 Blue Flag Ct.
North Oaks, MN 55127

13. **Non-Disclosure of Confidential Information.** Employer agrees to provide Executive access to Employer's Confidential Information, which information will be necessary to Executive's performance of the duties and responsibilities contemplated herein. Executive acknowledges that such Confidential Information is a valuable asset of Employer and that any disclosure or unauthorized use of any Confidential Information by Executive will cause irreparable harm and loss to Employer. For the purposes of this Agreement, "**Confidential Information**" shall mean trade secrets, confidential or proprietary information, including, but not limited to the following: methods of operation, products, inventions, services, processes, equipment, know-how, technology, technical data, policies, strategies, designs, formulas, developmental or experimental work, improvements, discoveries, research, plans for research or future products and services, database schemas or tables, software, development tools or techniques, training procedures, training techniques, training manuals, business information, marketing and sales methods, plans and strategies, competitors, markets, market surveys, techniques, production processes, infrastructure, business plans, distribution and installation plans, processes and strategies, methodologies, budgets, financial data and information, customer and client information, prices and costs, fees, customer and client lists and profiles, employee, customer and client nonpublic personal information, supplier lists, business records, product construction, product specifications, audit processes, pricing strategies, business strategies, marketing and promotional practices, management methods and information, plans, reports, recommendations and conclusions, information regarding the skills and compensation of employees and contractors of Employer, and other business information disclosed to Executive by Employer, either directly or indirectly, in writing, orally, or by drawings or observation. Confidential Information does not include, and there shall be no obligation hereunder with respect to, information that (a) is generally available to the public on the Effective Date, (b) becomes generally available to the public other than as a result of a disclosure not otherwise permissible hereunder, or (c) was known by Executive prior to his employment by Employer. Executive agrees that during the term of this Agreement and thereafter, Executive will not disclose any Confidential Information.
- i. Upon the termination of Executive's employment for any reason, Executive shall immediately return and deliver to Employer any and all Confidential Information, software, devices, cell phones, personal data assistants, credit cards, data, reports, proposals, lists, correspondence, materials, equipment, computers, hard drives, papers, books, records, documents, memoranda, manuals, e-mail, electronic or magnetic recordings or data, including all copies thereof, which belong to Employer or relate to Employer's business and which are in Executive's possession, custody or control, whether prepared by Executive or others. If at any time after termination of Executive's employment Executive determines that Executive has any Confidential Information in Executive's possession or control, Executive shall immediately return to Employer all such Confidential Information in Executive's possession or control, including all copies and portions thereof.

- ii. Throughout Executive's employment with Employer and thereafter: (A) Executive shall hold all Confidential Information in the strictest confidence, take all reasonable precautions to prevent its inadvertent disclosure to any unauthorized person, and follow all Company policies protecting the Confidential Information; and (B) Executive shall not, directly or indirectly, utilize, disclose or make available to any other person or entity, any of the Confidential Information, other than in the proper performance of Executive's duties.
14. **Non-Interference.** Executive covenants and agrees that for a period of eighteen (18) months following Executive's Termination of Employment for any reason (the "**Non-Solicit Restricted Period**"), Executive shall not recruit, hire or attempt to recruit or hire other employees of Employer, directly or by assisting other employees of Employer or others, nor shall Executive contact or communicate with any other employees of Employer for the purpose of inducing other employees of Employer to terminate their employment with Employer. For purposes of this covenant, "other employees of Employer" shall refer to employees who are still actively employed by, or doing business with, Employer at the time of the attempted recruiting or hiring. Further, during the Non-Solicit Restricted Period, Executive shall not, directly or indirectly, solicit or recruit any customer who is a current customer of the Company or induce or seek to cause such person or entity to terminate or diminish his, her or its relationship with the Company.
15. **Non-Competition.** Ancillary to his promise to protect the Confidential Information of Employer, Executive agrees covenants that during the term of this Agreement and for a period of twelve (12) months following the later of (i) the first anniversary of the Effective Date or (ii) his Termination of Employment (the "**Non-Compete Restricted Period**"), Executive shall not, other than in connection with Executive's duties under this Agreement, engage or invest in, own, manage, operate, finance, control, participate in the ownership, management, operation, financing or control of, be employed by, associated with or in any manner connected with, lend Executive's name or any similar name to, lend Executive's credit to or render services or advice to any business that provides services of investment banking, consumer banking, commercial banking, financial advisory services, municipal finance, mortgage banking, residential mortgage brokerage, commercial mortgage brokerage, trading, sales or underwriting of securities, clearing, stock lending, structured products, retail or institutional securities brokerage, equipment leasing, personal property leasing, personal insurance, commercial insurance or other financial services of any type whatsoever anywhere within the State of Texas; provided, however, Executive may purchase or otherwise acquire up to (but not more than) one percent (1%) of any class of securities of any enterprise (but without participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange or have been registered under Section 12 (g) of the Securities Exchange Act of 1934.

Executive further acknowledges that:

- (a) The services to be performed by Executive under this Agreement are of a special, unique, unusual, extraordinary and intellectual character;
- (b) Employer's business is nationwide in scope and its products and services are marketed throughout the United States of America;

- (c) Employer competes with other businesses that are or could be located in any part of the United States of America; and
- (d) The provisions of this Section 15 are reasonable and necessary to protect Employer's business.
16. **Non-Disparagement.** During the term of this Agreement and after Executive's Termination of Employment for any reason, Executive agrees not to, directly or indirectly, disclose, communicate, or publish any disparaging, negative, harmful, or disapproving information, written communications, oral communications, electronic or magnetic communications, writings, oral or written statements, comments, opinions, facts, or remarks, of any kind or nature whatsoever (collectively, "**Disparaging Information**"), that disparages the reputation of Employer, its products, services, directors or employees. Executive acknowledges that in executing this Agreement, he has knowingly, voluntarily, and intelligently waived any free speech, free association, free press, or First Amendment to the United States Constitution (including, without limitation, any counterpart or similar provision or right under the Texas Constitution) rights to disclose, communicate, or publish Disparaging Information concerning or related to Employer. Executive further acknowledges and agrees that any breach or violation of this non-disparagement provision shall entitle Employer to seek injunctive relief to prevent any future breaches of this provision and/or to sue Executive under the provisions of this Agreement for the immediate recovery of any damages caused by such breach.
17. **Tolling.** If Executive violates any of the restrictions contained in Sections 13 through 16, the Non-Solicit Restricted Period and the Non-Compete Restricted Period shall be suspended and shall not run in favor of Executive from the time of the commencement of any violation until the time when Executive cures the violation to the satisfaction of Employer; the period of time in which Executive is in breach shall be added to the Non-Solicit Restricted Period and Non-Compete Restricted Period.
18. **Injunctive Relief and Additional Remedy.** Executive acknowledges that the injury suffered by Employer as a result of a breach of Sections 13 through 16 of this Agreement would be irreparable and that an award of money damages to Employer for such a breach would be an inadequate remedy. Consequently, Employer shall have the right, in addition to any other rights it may have, to obtain relief to restrain any breach or threatened breach or otherwise to specifically enforce Sections 13 through 16 of this Agreement, and Employer will not be obligated to post bond or other security in seeking such relief. Without limiting Employer's rights under this Section 18 or any other remedies of Employer, if Executive breaches the provisions of Sections 13 through 16, Employer shall have the right to cease making payments otherwise due to Executive under this Agreement.
19. **Reasonableness.** Executive hereby represents to Employer that Executive has read and understands, and agrees to be bound by, the terms of Sections 13 through 16. Executive acknowledges that the geographic scope and duration of the covenants contained in Sections 13 through 16 are fair and reasonable in light of (a) the nature and wide geographic scope of the operations of Employer's business; (b) Executive's level of control over and contact with the business; and (v) the amount of compensation, trade secrets and Confidential Information that Executive is receiving in connection with Executive's employment by Employer. It is the desire and intent of the Parties that the provisions of Sections 13 through 16 be enforced to the fullest

extent permitted under applicable law, whether now or hereafter in effect and therefore, to the extent permitted by applicable law, Executive and Employer hereby waive any provision of applicable law that would render any provision of Sections 13 through 16 invalid or unenforceable.

20. **Binding Agreement and Successors.** This Agreement shall inure to the benefit of and be enforceable by Executive's and Employer's respective personal or legal representatives, executors, administrators, assigns, successors, heirs, distributees, devisees, and legatees. Notwithstanding anything herein to the contrary, the duties of Executive hereunder are personal in nature and may not be assigned to any other person or entity. If Executive should die while any amounts would still be payable to him hereunder if he had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to his devisee, legatee, or other designee, or, if there be no such designee, to his estate. In the event of a Change in Control, Employer shall require any successor (whether direct or indirect, by purchase, merger consolidation or otherwise) to all or substantially all of the business and/or assets of Employer, by agreement in form and substance satisfactory to Executive, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that Employer would be required to perform it if no such succession had taken place.
21. **No Mitigation of Amounts Payable Hereunder.** Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Agreement be reduced by any compensation earned by Executive as the result of employment by another employer after the date of termination or otherwise.
22. **Captions.** The captions of this Agreement are inserted for convenience and are not part of the Agreement.
23. **Gender and Number.** Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.
24. **Severability.** In case of any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any other respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement. This Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been a part of the Agreement and there shall be deemed substituted therefor such other provision as will most nearly accomplish the intent of the parties to the extent permitted by the applicable law.
25. **Amendment.** Except as otherwise provided herein, this Agreement may not be alter, amended or modified at any time except by a written instrument approved by the Compensation Committee, and executed by Employer and Executive. Any attempted amendment or modification without such approval and execution shall be null and void ab initio and of no effect. Notwithstanding the foregoing provisions of this Section 25, the Compensation Committee may change or modify this Agreement without Executive's consent or signature if the Compensation Committee determines,

in its sole discretion, that such change or modification is required for purposes of compliance with or exemption from the requirements of Section 409A.

26. **No Waiver.** No waiver by either party at any time of any breach by the other party of, or compliance with, any condition or provision of this Agreement to be performed by the other party shall be deemed a waiver of similar or dissimilar provisions or conditions at any time.
27. **Survival of Provisions.** The covenants and agreements of the parties set forth in Sections 5, 6, and 8 through 21 are of a continuing nature and shall survive the expiration, termination or cancellation of this Agreement, regardless of the reason therefor.
28. **Counterparts.** This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original.
29. **Section 409A.** In the event that it is reasonably determined by Employer or Executive that, as a result of Section 409A, any of the payments that Executive is entitled to under the terms of this Agreement or any nonqualified deferred compensation plan (as defined under Section 409A) may not be made at the time contemplated by the terms hereof or thereof, as the case may be, without causing Executive to be subject to an income tax penalty and interest, Employer will make such payment (with interest thereon) on the first day that would not result in Executive incurring any tax liability under Section 409A. In addition, other provisions of this Agreement or any other plan notwithstanding, Employer shall have no right to accelerate any such payment or to make any such payment as the result of an event if such payment would, as a result, be subject to the tax imposed by Section 409A.
30. **Six Month Delay.** To the extent (i) any payments to which Executive becomes entitled under this Agreement, or any agreement or plan referenced herein, in connection with Executive's Termination of Employment with Employer constitute deferred compensation subject to Section 409A; (ii) Executive is deemed at the time of his Termination of Employment to be a "specified employee" under Section 409A; and (iii) at the time of Executive's Termination of Employment, Employer is publicly traded (as defined in Section 409A), then such payments (other than any payments permitted by Section 409A to be paid within six (6) months of Executive's Termination of Employment) shall not be made until the earlier of (x) the first day of the seventh (7th) month following Executive's Termination of Employment or (y) the date of Executive's death following such Termination of Employment. During any period that payment or payments to Executive are deferred pursuant to the foregoing, Executive shall be entitled to interest on the deferred payment or payments at a per annum rate equal to Federal-Funds rate as published in *The Wall Street Journal* on the date of Executive's Termination of Employment with Employer. Upon the expiration of the applicable deferral period, any payments which would have otherwise been made during that period (whether in a single sum or in installments) in the absence of this Section 30 (together with accrued interest thereon) shall be paid to Executive or Executive's beneficiary in one lump sum.

EXECUTIVE

/s/ M. BRADLEY WINGES

Name: Martin B. Winges

HILLTOP HOLDINGS INC.

By: /s/ JEREMY B. FORD

Name: Jeremy B. Ford

Its: President & Co-Chief Executive Officer

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Section 3: EX-10.2 (EX-10.2)

Exhibit 10.2

RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (this "Agreement"), dated as of the [•] day of [•] 2019, between Hilltop Holdings Inc., a Maryland corporation (the "Company"), and Martin B. Winges (the "Participant").

WITNESSETH

In consideration of the mutual promises and covenants made herein and the mutual benefits to be derived herefrom, the parties hereto agree as follows:

1. Grant and Vesting of Restricted Stock Units.

(a) Subject to the provisions of this Agreement and to the provisions of the Hilltop Holdings Inc. 2012 Equity Incentive Plan (the "Plan"), the Company hereby grants to the Participant as of [•], 2019 (the "Grant Date"), an Award under the Plan of 83,000 Restricted Stock Units (the "Awarded Units"). Each Awarded Unit shall be a notional Share, with the value of each Awarded Unit being equal to the Fair Market Value of a Share at any time. All capitalized terms used herein, to the extent not defined, shall have the meaning set forth in the Plan.

(b) Subject to the terms and conditions of this Agreement, one hundred percent (100%) of the Awarded Units shall vest and no longer be subject to any restriction (other than the restrictions set forth in Section 5 below) on the third anniversary of the Grant Date (the "Restriction Period"), provided that the Participant is employed by (or, if the Participant is a director or consultant, is providing services to) the Company or any of its Subsidiaries or Affiliates on such date.

(c) Notwithstanding the foregoing, in the event of the Participant's Termination of Employment during the Restriction Period due to death or Disability (as defined below) or by the Company without Cause (as defined below), all of the Awarded Units granted hereunder shall immediately vest and no longer be subject to restriction. Except as provided in the preceding sentence or expressly set forth in the Employment Agreement by and between the Company and Participant, in the event of the Participant's Termination of Employment during the Restriction Period, all unvested Awarded Units shall be forfeited by the Participant for no consideration effective immediately upon such termination. Upon forfeiture, all of the Participant's rights with respect to the forfeited Awarded Units shall cease and terminate, without any further obligation on the part of the Company. For purposes of this Agreement, employment with the Company shall include employment with the Company's Subsidiaries and those of its successors. Nothing in this Agreement or the Plan shall confer upon the Participant any right to continue in the employ of the Company or any of its Subsidiaries or Affiliates or interfere in any way with the right of the Company or any such Subsidiaries or Affiliates to terminate the Participant's employment at any time.

(d) To the extent not previously forfeited, the Awarded Units shall immediately vest in full and no longer be subject to restriction upon the Participant's Termination of Employment without Cause within six (6) months preceding or twelve (12) months following a Change in Control.

Winges 2019 Equity Grant (Time-Based)

(e) For purposes of this Agreement, the following terms are defined as set forth below:

i. “*Cause*” means any of the following: (A) the Participant shall have committed a felony or an intentional act of gross misconduct, moral turpitude, fraud, embezzlement, theft, dishonesty, misappropriation, or criminal conduct; (B) the Company shall have been ordered or directed by any federal, state or administrative regulatory agency with jurisdiction to terminate or suspend the Participant’s employment; (C) after being notified in writing by the Company to cease any particular activity, the Participant shall have continued such activity; or (D) deliberate failure on the part of the Participant (1) to perform the Participant’s principal employment duties, (2) to comply with the policies of the Company and its Affiliates in any material respect, or (3) to follow specific reasonable directions received from the Company and its Affiliates.

ii. “*Disability*” means a permanent disability within the meaning of Section 22(e)(3) of the Code, excluding, for purposes of this definition, the last sentence thereof.

(f) Awarded Units that have become vested pursuant to the terms of this Section 1 are collectively referred to herein as “Vested RSUs.” All other Awarded Units are collectively referred to herein as “Unvested RSUs.”

2. Issuance of Shares.

The Company shall convert the Vested RSUs into the number of whole Shares equal to the number of Vested RSUs, subject to the provisions of the Plan and this Agreement, including, without limitation, the forfeiture provisions of Section 1(c) and Section 5, and the clawback provisions of Section 16, and shall either electronically register such Shares in the Participant’s name or issue certificates for the number of Shares equal to the Vested RSUs in the Participant’s name, on the first of the following events:

(i) on the third anniversary of the Grant Date;

(ii) within thirty (30) days following the Participant’s Termination of Employment due to death, Disability or by the Company without Cause, provided, that if such thirty (30) day period begins in one taxable year and ends in a second taxable year, the Vested RSUs shall be converted into Shares in the second taxable year; or

(iii) as a result of a Change in Control, within thirty (30) days following the later of (A) Participant’s Termination of Employment or (B) the effective date of a Change in Control (so long as such Change in Control qualifies as a permissible payment event pursuant to Section 409A(a)(2)(A)(v) of the Code and the regulations issued thereunder).

The Company shall electronically register such shares, or issue certificates for the number of Shares, equal to the Vested RSUs in the Participant’s name or in the name of such person or persons to whom the Participant’s rights under the Award passed by will or the applicable laws of

descent and distribution. From and after the date of registration or receipt of such Shares, the Participant, or such person or persons to whom the Participant's rights under the Award passed by will or the applicable laws of descent and distribution, as the case may be, shall have full rights of transfer or resale with respect to such Shares, subject to Section 5 hereof and applicable state and federal regulations.

3. Who May Receive Converted Vested RSUs.

During the lifetime of the Participant, the Shares received upon conversion of Vested RSUs shall only be received by the Participant or the Participant's legal representative. If the Participant dies prior to the date his or her Vested RSUs are converted into Shares as described in Section 2 above, the Shares relating to such converted Vested RSUs may be received by any individual who is entitled to receive the property of the Participant pursuant to the applicable laws of descent and distribution.

4. Nontransferability of the Restricted Stock Units. Subject to the provisions of the Plan and this Agreement, the Unvested RSUs shall not be transferable by the Participant by means of sale, assignment, exchange, encumbrance, pledge, or otherwise.

5. Non-Solicitation. The Participant covenants and agrees that during his or her employment with the Company or its Affiliates and for a period of eighteen (18) months subsequent to the Participant's Termination of Employment for any reason, whether involuntary or voluntary, the Participant shall not directly or indirectly, as an owner, stockholder, director, employee, partner, agent, broker, or consultant recruit, hire or attempt to recruit or hire other employees of the Company or its Affiliates, nor shall the Participant contact or communicate with any other employees of the Company or its Affiliates for the purpose of inducing other employees to terminate their employment with the Company or its Affiliates. For purposes of this Section 5, "other employees" shall refer to employees who are still actively employed by or doing business with the Company or its Affiliates at the time of the attempted recruiting or hiring. In addition, Participant agrees not to hire or employ, either directly or indirectly, or aid in the hire or employ of any former employee of the Company or its Affiliates within 60 days of that former employee's separation date from the Company or its Affiliates. Participant acknowledges and agrees that the damage to Company and its Affiliates if Participant breaches this Section 5 or the non-solicitation provisions contained in any written agreement by and between the Participant and the Company will be extremely difficult to determine. Therefore, Participant agrees that if Participant violates this Section 5 or the non-solicitation provisions contained in any written agreement by and between the Participant and the Company, Participant will pay to the Company the value of the RSUs received and all costs incurred by Company, including its reasonable attorneys' fees, in any claim against Participant or to defend against any claim made by Participant related to the subject-matter herein. To the extent applicable, all Awarded Units shall immediately cease to vest as of the date of such breach, and any Vested RSUs that had not been converted into Shares prior to the date of such breach and any Unvested RSUs shall be immediately forfeited and this Agreement (other than the provisions of this Section 5) will be terminated on the date of such breach.

6. Rights as a Stockholder.

The Participant will have no rights as a stockholder with respect to any Shares covered by this Agreement until the electronic registration of, or the issuance of certificates for, such Shares in the Participant's name with respect to the Awarded Units. The Awarded Units shall be subject to the terms and conditions of this Agreement regarding such Shares. No adjustment shall be made for dividends or other rights for which the record date is prior to the registration of, or the issue of certificates for, such Shares in the Participant's name.

7. Adjustments.

Adjustments to the Awarded Units (or any of the Shares covered by the Awarded Units), if any, shall be made in accordance with Section 3(d) of the Plan.

8. Conditions for Issuance.

The Committee may, in its discretion, require the Participant to represent to, and agree with, the Company in writing that such person is acquiring the Shares without a view toward the distribution thereof. The certificates for such Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer. Notwithstanding any other provision of the Plan or this Agreement, the Company shall not be required to issue or deliver any certificate or certificates for Shares under the Plan prior to fulfillment of all of the following conditions: (i) listing, or approval for listing upon notice of issuance, of such Shares on the Applicable Exchange; (ii) any registration or other qualification of such Shares of the Company under any state or federal law or regulation, or the maintaining in effect of any such registration or other qualification that the Committee shall, in its absolute discretion upon the advice of counsel, deem necessary or advisable; and (iii) obtaining any other consent, approval or permit from any state or federal governmental agency that the Committee shall, in its absolute discretion after receiving the advice of counsel, determine to be necessary or advisable. Notwithstanding any of the provisions hereof, the Participant hereby agrees that he or she will not acquire any Shares, and that the Company will not be obligated to issue any Shares to the Participant hereunder, if the issuance of such Shares shall constitute a violation by the Participant or the Company of any provision of any law or regulation of any governmental authority. Any determination in this connection by the Company shall be final, binding and conclusive. The obligations of the Company and the rights of the Participant are subject to all applicable laws, rules and regulations.

9. Taxes and Withholding.

No later than the date as of which an amount with respect to this Agreement first becomes includible in the gross income of the Participant or subject to withholding for federal, state, local or foreign income or employment or other tax purposes, the Participant shall pay to the Company or the applicable Affiliate, or make arrangements satisfactory to the Company regarding the payment of, any federal, state, local or foreign taxes of any kind required by applicable law and regulations to be withheld with respect to such amount. Unless the Participant has made separate arrangements satisfactory to the Company, the Company may elect, but shall not be obligated, to withhold Shares deliverable upon vesting of the Awarded Units having a Fair Market Value on the date of withholding equal to the minimum amount (or, if permitted by the Company,

such higher withholding rate to the extent consistent with equity accounting in accordance with Generally Accepted Accounting Principles) required to be withheld for tax purposes, all in accordance with such procedures as the Committee establishes. The obligations of the Company under this Agreement and the Plan shall be conditional on compliance by the Participant with this Section 9, and the Company and its Affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise payable to the Participant. The Committee may establish such procedures as it deems appropriate, including making irrevocable elections, for the settlement of withholding obligations with Shares.

10. Notices.

All notices and other communications under this Agreement shall be in writing and shall be given by hand delivery to the other party or by e-mail, facsimile, overnight courier or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Participant:	At the most recent home address or e-mail address maintained by the Company in its personnel records.
If to the Company:	Hilltop Holdings Inc. 6565 Hillcrest Avenue Dallas, Texas 75205
Attention:	General Counsel
Facsimile:	(214) 580-5722

or to such other address, e-mail or facsimile number as any party shall have furnished to the other in writing in accordance with this Section 10. Notice and communications shall be effective when actually received by the addressee.

11. Successors and Assigns.

The terms of this Agreement shall be binding upon the Participant and upon the Participant's heirs, executors, administrators, personal representatives, transferees and successors in interest, and upon the Company and its successors and assignees. Notwithstanding anything to the contrary in this Agreement, neither this Agreement nor any rights granted herein shall be assignable by the Participant.

12. Laws Applicable to Construction.

The interpretation, performance and enforcement of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Maryland, without reference to principles of conflict of laws. In addition to the terms and conditions set forth in this Agreement, this Award is subject to the terms and conditions of the Plan, as it may be amended from time to time, which are hereby incorporated by reference.

13. Severability.

The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

14. Conflicts and Interpretation.

In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern, including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (i) interpret the Plan; (ii) prescribe, amend and rescind rules and regulations relating to the Plan; and (iii) make all other determinations deemed necessary or advisable for the administration of the Plan. The Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any question arising under this Agreement.

15. Amendment.

This Agreement may be unilaterally amended or modified by the Committee at any time; provided that no amendment or modification shall cause a Qualified Performance-Based Award to cease to qualify for the Section 162(m) Exemption or, without the Participant's written consent, materially impair the rights of the Participant as provided by this Agreement, except such an amendment made to cause the terms of this Agreement or the Awarded Units granted hereunder to comply with applicable law (including tax law), Applicable Exchange listing standards or accounting rules. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

16. Clawback.

All Awarded Units granted pursuant to this Agreement shall be subject to any clawback, recoupment or forfeiture provisions (i) required by law or regulation and applicable to the Company or its Subsidiaries or Affiliates as in effect from time to time or (ii) set forth in any policies adopted or maintained by the Company or any of its Subsidiaries or Affiliates as in effect from time to time.

17. Headings.

The headings of paragraphs herein are included solely for convenience of reference and shall not affect the meaning or interpretation of any of the provisions of this Agreement.

18. Counterparts.

This Agreement may be executed in multiple counterparts, which together shall constitute one and the same Agreement. A manually or electronically signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

19. Entire Agreement.

This Agreement, together with the Plan, supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan, and that any agreement, statement or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

20. Section 409A; Six Month Delay.

The Awarded Units granted under this Agreement are intended to be exempt from Section 409A of the Code, and the provisions of this Agreement will be administered, interpreted and construed accordingly. Notwithstanding anything to the contrary contained herein, in the event any distribution made on account of the Participant's Termination of Employment as provided in Section 1 above is deemed to be subject to (and not otherwise exempt from) the requirements of Section 409A of the Code and the Participant is deemed a "specified employee" (within the meaning of Section 409A of the Code and the regulations issued thereunder), then the Participant shall not be entitled to any such distributions that are subject to Section 409A of the Code until the earliest of: (i) the first day of the seventh month following the Participant's Termination of Employment; (ii) the date of the Participant's death; or (iii) such earlier date as complies with the requirements of Section 409A of the Code.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, as of the date first above written, the Company has caused this Agreement to be executed on its behalf by a duly authorized officer and the Participant has hereunto set the Participant's hand.

HILLTOP HOLDINGS INC.

By: _____
Name: Corey G. Prestidge
Title: Executive Vice President, General Counsel & Secretary

Agreed and acknowledged:

PARTICIPANT

Name: Martin B. Winges

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