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Texas Capital Expands ETF Portfolio with Two New Innovative Offerings

The TXSS and OILT ETFs further enable the world to invest in the strength of the Texas economy

DALLAS – December 21, 2023 – Texas Capital Bancshares, Inc. (NASDAQ: TCBI), the parent company of Texas Capital, today announced the launch of the Texas Capital Texas Small Cap Equity Index ETF (NASDAQ: TXSS) and the Texas Capital Texas Oil Index ETF (NYSE Arca: OILT).

The TXSS ETF will track the performance of the Texas Capital Texas Small Cap Equity Index, a sector GDP weighted and market-capitalization weighted diversified index designed primarily to reflect the performance of stocks in small-capitalization companies headquartered in Texas. Key business sectors in the small cap equity index include industrials, energy, consumer discretionary, health care and real estate. The OILT ETF will track the performance of the Alerian Texas Weighted Oil and Gas Index, an index providing exposure to companies that extract oil and gas within Texas. Companies in the index must be publicly traded and responsible for more than 0.1% of the annual state oil and gas production of Texas over the past 10 years, based on data published by the Texas Railroad Commission.

“We are strategically broadening our ETF offerings, granting global investors unparalleled access to the dynamic investment opportunities in the Lone Star State,” said Edward Rosenberg, head of ETF & Funds Management for Texas Capital and president of the Texas Capital Funds Trust. “The momentum led by the Texas Capital Texas Equity Index ETF (TXS) serves as a strong foundation for additional products, and we are confident that the TXSS and OILT ETFs present unique opportunities for investors to gain exposure to the thriving Texas economy.”

The TXSS ETF focuses on the backbone of the Texas economy – small businesses – recognizing their pivotal role in the state’s economy. The OILT ETF emphasizes the resilience and productivity of the Texas energy sector, including companies operating in the Permian Basin, Barnett Shale, Eagle Ford Shale, Haynesville/Bossier Shale and Granite Wash. In addition to TXS, these investment vehicles capitalize on Texas’ pro-business environment, robust human capital and world-renowned academic institutions.

“Building on the success of TXS, we hope these new funds will be viewed as distinctive opportunities, inviting investors to explore investment in one of the world’s largest and fastest-growing economies,” said Daniel Hoverman, head of Corporate & Investment Banking at Texas Capital. “As the premier full-service financial institution in Texas, we take great pride in our unique position to bring these investment avenues to market through our ETF & Funds Management practice. Our growing ETF portfolio ensures that individuals across the world can invest in and benefit from the economic advantages afforded by the economy in the Lone Star State.”

The Texas Capital Funds Trust is a Delaware statutory trust formed in 2023 and registered as an open-end management investment company under the Investment Company Act of 1940. The Trust has retained Texas Capital Bank Wealth Management Services, Inc., doing business as Texas Capital Bank Private Wealth Advisors, as the adviser to the Fund. The Fund's portfolio is managed by J. Steven Orr, the chief investment officer of Texas Capital Bank Private Wealth Advisors, and Carlos Pena, Texas Capital ETF & Funds Management's portfolio manager.

Additional details on the funds can be found [here](#).

About Texas Capital

Texas Capital Bancshares, Inc. (NASDAQ®: TCBI), a member of the Russell 2000® Index and the S&P MidCap 400®, is the parent company of Texas Capital Bank d/b/a Texas Capital, is a full-service financial services firm that delivers customized solutions to businesses, entrepreneurs, and individual customers. Founded in 1998, the institution is headquartered in Dallas with offices in Austin, Houston, San Antonio and Fort Worth and has built a network of clients across the country. With the ability to service clients through their entire lifecycles, Texas Capital has established commercial banking, consumer banking, investment banking and wealth management capabilities. All services are subject to applicable laws, regulations, and service terms. Member FDIC. For more information, please visit www.texascapital.com.

Disclosures

Investors should carefully consider the investment objectives, risks and charges of the Fund before investing. The prospectus contains this information and other information about the Fund, and it should be read carefully before investing. Investors can obtain a copy of the prospectus by calling 844.TCB.ETFS (844.822.3837).

Texas Risk. Texas' economy relies to a significant extent on certain key industries, such as the oil and gas industry (including drilling, production and refining), chemicals production, technology and telecommunications equipment manufacturing and international trade. Each of these industries has from time to time suffered from economic downturns, and adverse conditions in one or more of these industries could impair the ability of issuers of Texas municipal securities to pay principal or interest on their obligations.

Investment and Market Risk. As with all investments, an investment in the Fund is subject to investment risk. Investors in the Fund could lose money, including the possible loss of the entire principal amount of an investment, over short or prolonged periods of time.

Geographic Concentration Risk. Because the Fund and the Index will invest only in issuers headquartered in Texas, the Fund's performance is expected to be closely tied to various factors such as social, financial, economic and political conditions within that region. Events that negatively affect that region may cause the value of the Fund's shares to decrease, in some cases significantly. As a result, the Fund may be more volatile than more geographically diverse funds.

Index Tracking Risk. There is no guarantee that the Fund will achieve a high degree of correlation to the Index and therefore achieve its investment objective. The Fund may have difficulty achieving its investment objective due to fees, expenses (including rebalancing expenses) and other transaction costs

related to the normal operation of the Fund. These costs that may be incurred by the Fund are not incurred by the Index, which may make it more difficult for the Fund to track the Index.

New Adviser Risk. The Adviser has not previously served as an adviser to a registered mutual fund or ETF. As a result, there is no long-term track record against which an investor may judge the Adviser and it is possible the Adviser may not achieve the Fund's intended investment objective.

New Fund Risk. The Fund is new and does not have shares outstanding as of the date of the Prospectus. If the Fund does not grow large once it commences trading, it will be at greater risk than larger funds of wider bid-ask spreads for its shares, trading at a greater premium or discount to net asset value, liquidation and/or a stop to trading. Any resulting liquidation of the Fund could cause the Fund to incur elevated transaction costs for the Fund and negative tax consequences for its shareholders.

Passive Investment Risk. The Fund is not actively managed, and the Adviser will not sell a security due to current or projected under performance of a security, industry, or sector, unless that security is removed from the Index by the Index Provider, who is unaffiliated with the Adviser. The Fund invests in securities included in the Index regardless of the Adviser's independent analysis of the investment decision.

Shares are not individually redeemable and are issued and redeemed at their net asset value only in large, specified blocks of shares called creation units. Shares otherwise can be bought and sold only through exchange trading at market price (not NAV). Shares may trade at a premium or discount to their net asset value in the secondary market. Brokerage commissions will reduce returns.

Texas Capital Bank Wealth Management Services, Inc. d/b/a Texas Capital Bank Private Wealth Advisors ("PWA"), a wholly owned subsidiary of Texas Capital Bank and a Registered Investment Advisor with the U.S. Securities and Exchange Commission ("SEC"), serves as investment adviser to the Texas Capital Texas Equity Index ETF and is paid a fee for its services. Shares of the Texas Capital Texas Equity Index ETF are not deposits or obligations of, or guaranteed or endorsed by, Texas Capital Bank or its affiliates. The Texas Capital Texas Equity Index ETF is not insured by the FDIC or any other government agency. The Texas Capital Texas Equity Index ETF is distributed by Northern Lights Distributors, LLC, member FINRA/SIPC, which is not affiliated with Texas Capital Bank Private Wealth Advisors.

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