

TEXAS CAPITAL BANCSHARES INC/TX

Form 424B2

November 30, 2016

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Filed Pursuant to Rule 424(b)(2)

Registration No. 333-196339

**CALCULATION OF REGISTRATION FEE**

<b>Title of each Class of Securities to be Registered</b>	<b>Amount to be Registered</b>	<b>Proposed Maximum Offering Price Per Share</b>	<b>Proposed Maximum Aggregate Offering Price</b>	<b>Amount of Registration Fee(2)</b>
Common Stock, \$.001 par value per share	3,450,000(1)	\$74.13(2)	\$255,748,500	\$29,641.25

(1) Includes 450,000 shares of common stock that the underwriters have the option to purchase.

(2) Calculated in accordance with Rule 457(c) under the Securities Act of 1933, as amended (the Securities Act ) based on the average high and low closing prices on the Nasdaq Global Select Market on November 28, 2016.

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**Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-196339**

PROSPECTUS SUPPLEMENT

(To prospectus dated May 28, 2014)

**3,000,000 shares**

**Common Stock**

We are offering 3,000,000 shares of our common stock to be sold in this offering.

Our common stock is traded on the Nasdaq Global Select Market under the symbol TCBI. On November 28, 2016, the closing sale price of our common stock was \$73.15 per share, as reported on the Nasdaq Global Select Market. You are urged to obtain current market prices for our common stock.

**Investing in our common stock involves risks. You should carefully read this prospectus supplement, the accompanying prospectus, our periodic reports and other information we file with the Securities and Exchange Commission and Risk Factors beginning on page S-4 of this prospectus supplement and on page 4 of the accompanying prospectus before making a decision to purchase our common stock.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement. Any representation to the contrary is a criminal offense.**

*The shares of our common stock are not savings accounts, deposits or other obligations of our Bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.*

The underwriters have agreed to purchase shares of our common stock at a price of \$68.65 per share, which will result in us receiving approximately \$205.6 million of proceeds after estimated expenses, or \$236.5 million if the underwriters exercise their option to purchase additional shares in full. The underwriters propose to offer the shares from time to time for sale in negotiated transactions or otherwise, at market prices on the Nasdaq Global Select Market prevailing at the time of sale, at prices related to such prevailing market prices or otherwise. See Underwriting.

The underwriters have the option to purchase up to an additional 450,000 shares of common stock, at the price per share set forth above, for 30 days after the date of this prospectus. The underwriters expect to deliver the shares to purchasers in book-entry form only, through the facilities of The Depository Trust Company, against payment on or about December 2, 2016.

*Joint Bookrunning Managers*

**BofA Merrill Lynch**

**J.P. Morgan**

**Morgan Stanley**

The date of this prospectus supplement is November 28, 2016.

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You should rely only on the information contained in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with information that is different from that contained in this prospectus supplement or the accompanying prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should assume that the information appearing in this prospectus supplement and the accompanying prospectus is accurate only as of their respective dates. Our business, financial condition and results of operations may have changed since those dates. This prospectus supplement supersedes the accompanying prospectus to the extent it contains information that is different from or in addition to the information in that prospectus.

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and certain other matters and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part, the accompanying prospectus, gives more general information about us and the common stock offered hereby. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. To the extent the description of this offering in the prospectus supplement differs from the description of our common stock in the accompanying prospectus or any document incorporated by reference filed prior to the date of this prospectus supplement, you should rely on the information in this prospectus supplement.

**We are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The distribution of this prospectus and the offering of the common stock in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the common stock and the distribution of this prospectus outside the United States. This prospectus does not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, any common stock offered by this prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.**

It is important for you to read and consider all information contained in this prospectus supplement and the accompanying prospectus, including the documents incorporated by reference therein, in making your investment decision.

In this prospectus supplement, TCBI, we, our and us or the Company refer to Texas Capital Bancshares, Inc., which is a financial holding company headquartered in Dallas, Texas, and its subsidiaries on a consolidated basis, unless the context otherwise requires. References to Texas Capital Bank or the Bank refer to Texas Capital Bank, National Association, which is our principal banking subsidiary.

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, or the SEC. You may read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room. The SEC also maintains an Internet website at <http://www.sec.gov> that contains reports, proxy statements and other information electronically filed by issuers. Texas Capital Bancshares, Inc.'s Internet address is <http://www.texascapitalbank.com>. The information on, or that can be accessible through, our website is not a part of this document.

In this prospectus supplement, as permitted by law, we incorporate by reference information from other documents that we file with the SEC. This means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus supplement and should be read with the same care. When we update the information contained in documents that have been incorporated by reference by making future filings with the SEC, the information incorporated by reference in this prospectus supplement is considered to be automatically updated and superseded. In other words, in case of a conflict or inconsistency between information contained in this prospectus supplement and information incorporated by reference into this prospectus supplement, you should rely on the information contained in the document that was filed later.

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We incorporate by reference the documents listed below and any documents we file with the SEC in the future under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, between the date of this document and the date of the termination of the offer being made pursuant to this prospectus supplement (other than information that, under the Exchange Act and SEC rules, is deemed to be furnished and not filed with the SEC):

Registration Statement on Form 10, filed with the SEC on August 24, 2000, as amended by Current Report on Form 8-K filed with the SEC on May 21, 2015, Item 8.01 Other Events - Update to Description of Common Stock;

Annual Report on Form 10-K for the year ended December 31, 2015, filed with the SEC on February 18, 2016 and footnotes 1 and 13 to the Company's consolidated financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2013, filed with the SEC on February 21, 2014;

Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016, filed with the SEC on April 21, 2016, June 30, 2016, filed with the SEC on July 21, 2016, and September 30, 2016, filed with the SEC on October 20, 2016;

Current Reports on Form 8-K filed with the SEC on February 22, 2016, May 19, 2016 and November 28, 2016; and

Proxy Statement on Schedule 14A dated April 7, 2016 (only those portions incorporated by reference into the Annual Report on Form 10-K).

You may request a copy of any of these filings, other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing, at no cost, by writing to or telephoning us at the following address:

Texas Capital Bancshares, Inc.

2000 McKinney Avenue, Suite 700

Dallas, Texas 75201

Attention: Heather Worley

(214) 932-6600

Other than any documents expressly incorporated by reference, the information on our website and any other website, including the SEC's website, that is referred to in this prospectus supplement is not part of this prospectus supplement.



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**FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein contain statements that are considered forward-looking statements within the meaning of United States federal securities laws. In addition, we or our management may make other written or oral communications from time to time that contain forward-looking statements. Forward-looking statements may also be contained in our future filings with SEC, in press releases and in oral and written statements made by us or with our approval that are not statements of historical fact. These forward-looking statements are based on our beliefs, assumptions and expectations of our future performance taking into account all information currently available to us. Words such as believes, expects, estimates, anticipates, plans, goals, objectives, expects, intends, seeks, likely, targeted, continue, remain, other similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements may include, among other things, statements about the credit quality of our loan portfolio, economic conditions, including the continued impact on our customers from declines and volatility in oil and gas prices, expectations regarding rates of default or loan losses, volatility in the mortgage industry, our business strategies and our expectations about future financial performance, future growth and earnings, the appropriateness of our allowance for loan losses and provision for loan losses, the impact of increased regulatory requirements on our business, increased competition, interest rate risk, new lines of business, new product or service offerings and new technologies.

Forward-looking statements are subject to various risks and uncertainties, which change over time, are based on management's expectations and assumptions at the time the statements are made and are not guarantees of future results. Important factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, the following:

Deterioration of the credit quality of our loan portfolio or declines in the value of collateral related to external factors such as commodity prices or interest rates, increased default rates and loan losses or adverse changes in the industry concentrations of our loan portfolio.

Changes in the U.S. economy in general or the Texas economy specifically resulting in deterioration of credit quality or reduced demand for credit or other financial services we offer, including declines and volatility in oil and gas prices.

Changing economic conditions or other developments adversely affecting our commercial, entrepreneurial and professional customers.

Changes in the value of commercial and residential real estate securing our loans or in the demand for credit to support the purchase and ownership of such assets.

The failure to correctly assess and model the assumptions supporting our allowance for loan losses, causing it to become inadequate in the event of decreases in loan quality and increases in charge-offs.

Adverse changes in economic or market conditions, or our operating performance, which could cause access to capital market transactions and other sources of funding to become more difficult to obtain on terms and conditions that are acceptable to us.

The inadequacy of our available funds to meet our deposit, debt and other obligations as they become due, or our failure to maintain our capital ratios as a result of adverse changes in our operating performance or financial condition.

The failure to effectively balance our funding sources with cash demands by depositors and borrowers.

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The failure to effectively manage our interest rate risk resulting from unexpectedly large or sudden changes in interest rates or rate or maturity imbalances in our assets and liabilities.

The failure to successfully expand into new markets, develop and launch new lines of business or new products and services within the expected timeframes and budgets or to successfully manage the risks related to the development and implementation of these new businesses, products or services.

The failure to attract and retain key personnel or the loss of key individuals or groups of employees.

The failure to manage our information systems risk or to prevent cyber attacks against us or our third party vendors.

Legislative and regulatory changes imposing further restrictions and costs on our business, a failure to remain well capitalized or well managed or regulatory enforcement actions against us.

Adverse changes in economic or business conditions that impact the financial markets or our customers.

Increased or more effective competition from banks and other financial service providers in our markets.

Uncertainty in the pricing of mortgage loans that we purchase, and later sell or securitize, as well as competition for the mortgage servicing rights, or MSR, related to these loans and related interest rate risk resulting from retaining MSR.

Material failures of our accounting estimates and risk management processes based on management judgment, or the supporting analytical and forecasting models.

Failure of our risk management strategies and procedures, including failure or circumvention of our controls.

An increase in the incidence or severity of fraud, illegal payments, security breaches and other illegal acts impacting our Bank and our customers.

Structural changes in the markets for origination, sale and servicing of residential mortgages.

Unavailability of funds obtained from capital transactions or from our Bank to fund our obligations.

Failures of counterparties or third party vendors to perform their obligations.

Environmental liability associated with properties related to our lending activities.

Severe weather, natural disasters, acts of war or terrorism and other external events.

Incurrence of material costs and liabilities associated with legal and regulatory proceedings and related matters with respect to the financial services industry, including those directly involving us or our Bank. Actual outcomes and results may differ materially from what is expressed in our forward-looking statements and from our historical financial results due to the factors discussed elsewhere in this prospectus supplement or disclosed in our other SEC filings. Forward-looking statements included herein speak only as of

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the date hereof and should not be relied upon as representing our expectations or beliefs as of any date subsequent to the date of this prospectus supplement. Except as required by law, we undertake no obligation to revise any forward-looking statements contained in this prospectus supplement, whether as a result of new information, future events or otherwise. The factors discussed herein are not intended to be a complete summary of all risks and uncertainties that may affect our businesses. Though we strive to monitor and mitigate risk, we cannot anticipate all potential economic, operational and financial developments that may adversely impact our operations and our financial results. Forward-looking statements should not be viewed as predictions and should not be the primary basis upon which investors evaluate an investment in our common stock.

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**PROSPECTUS SUPPLEMENT SUMMARY**

*This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus supplement and does not contain all the information that you need to consider in making your investment decision. You should carefully read this entire prospectus supplement and the accompanying prospectus, as well as the information to which we refer you and the information incorporated by reference herein, before deciding whether to invest in our common stock.*

**The Company**

The Company is a Delaware corporation organized in 1996 and the parent of Texas Capital Bank. The Company is a registered bank holding company and a financial holding company.

The Bank is headquartered in Dallas, with primary banking offices in Austin, Dallas, Fort Worth, Houston and San Antonio, the five largest metropolitan areas of Texas. All of our business activities are conducted through the Bank. We have focused on organic growth, maintenance of credit quality and recruiting and retaining experienced bankers with strong personal and professional relationships in their communities.

We serve the needs of commercial businesses and successful professionals and entrepreneurs located in Texas as well as operate several lines of business serving a regional or national clientele of commercial borrowers. We are primarily a secured lender, with a majority of our loans being made to businesses headquartered or with operations in Texas. At the same time, our national lines of business continue to provide specialized lending products to businesses throughout the United States. We have benefitted from the success of our business model since inception, producing strong loan growth and favorable loss experience amidst a challenging environment for banking nationally.

**The Texas Market**

The Texas market for banking services is highly competitive. Texas largest banking organizations are headquartered outside of Texas and are controlled by out-of-state organizations. We also compete with other providers of financial services, such as savings and loan associations, credit unions, consumer finance companies, securities firms, insurance companies, commercial finance and leasing companies, full service brokerage firms and discount brokerage firms. We believe that many middle market companies and successful professionals and entrepreneurs are interested in banking with a company headquartered in, and with decision-making authority based in, Texas and with established Texas bankers who have the expertise to act as trusted advisors to customers with regard to their banking needs.

Our banking centers in our target markets are served by experienced bankers with lending expertise in the specific industries found in their market areas and established community ties. We believe our Bank can offer customers more responsive and personalized service than our competitors. If we provide effective service to these customers, we believe we will be able to establish long-term relationships and provide multiple products to our customers, thereby enhancing our profitability.

**National Lines of Business**

While the Texas market continues to be central to the growth and success of our company, we have developed several lines of business, including our mortgage finance, mortgage correspondent aggregation, homebuilder finance, insurance premium finance and lender finance lines of business, that offer specialized loan and deposit products to businesses regionally and throughout the country. We believe this helps us mitigate our geographic concentration risk in Texas.

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In the third quarter of 2015, we launched a correspondent lending program, mortgage correspondent aggregation, or MCA, to complement our mortgage finance warehouse lending program. Through our MCA program we commit to purchase residential mortgage loans from independent correspondent lenders and deliver those loans into the secondary market via whole loan sales to independent third parties or in securitization transactions to government sponsored enterprises such as Fannie Mae, Freddie Mac and Ginnie Mae.

## **Business Strategy**

Drawing on the business and community ties of our management and their banking experience, our strategy is to continue building an independent bank that focuses primarily on middle market business customers and successful professionals and entrepreneurs in each of the five major metropolitan markets of Texas as well as our national lines of business. To achieve this, we seek to implement the following strategies:

Targeting middle market businesses and successful professionals and entrepreneurs;

Growing our loan and deposit base in our existing markets by hiring additional experienced bankers in our different lines of business;

Continuing our emphasis on credit policy to maintain credit quality consistent with long-term objectives;

Leveraging our existing infrastructure to support a larger volume of business;

Maintaining stringent internal approval processes for capital and operating expenditures;

Continuing our extensive use of outsourcing to provide cost-effective operational support with service levels consistent with large-bank operations; and

Extending our reach within our target markets and lines of business through service innovation and service excellence.

Our principal executive offices are located at 2000 McKinney Avenue, Suite 700, Dallas, Texas 75201 and our telephone number is (214) 932-6600. Our Internet address is <http://www.texascapitalbank.com>. The reference to our website address does not constitute incorporation by reference of the information contained on the website, which should not be considered part of this prospectus.

## **Energy Portfolio**

Our outstanding energy loan portfolio represented 6% of total loans, or \$1.1 billion, as of September 30, 2016. Our provision for credit losses increased in the third quarter of 2016, due primarily to credit deterioration of our energy loans resulting from sustained volatility in oil and gas prices. We reported an allocated reserve of \$65.1 million at September 30, 2016, or 6% of our energy loan portfolio. Of \$7.4 million in net charge-offs in the third quarter of



2016, \$1.8 million were energy related. Non-accruals in the energy portfolio increased to \$150.0 million at September 30, 2016 compared to \$127.1 million at June 30, 2016. Total criticized energy loan balances at September 30, 2016 as a percent of total loans held for investment increased to 25% from 22% at June 30, 2016. Our unfunded commitments totaled approximately 45% of our outstanding energy portfolio at September 30, 2016, an increase reflecting new commitments. Less than \$20 million of unfunded commitments relate to criticized loans. We continue to proactively manage our energy portfolio and overall credit quality, and believe we are appropriately reserved against further energy-related losses.

### **Risk Factors**

An investment in our common stock involves certain risks. You should carefully consider the risks described under **Risk Factors** beginning on page S-4 of this prospectus supplement, in the **Risk Factors** section of the accompanying prospectus, and in our Annual Report on Form 10-K filed on February 18, 2016, as well as other information included or incorporated by reference into this prospectus supplement and the accompanying prospectus, including our financial statements and the notes thereto, before making an investment decision.

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**The Offering**

Common stock offered by us, excluding the 3,000,000 shares, par value \$0.01 per share  
 underwriters option to purchase additional  
 shares

Underwriters option 450,000 shares

Common stock outstanding prior to this 46,009,495 shares(1)  
 offering

Common stock outstanding after this 49,009,495 shares(1)  
 offering, excluding the underwriters option  
 to purchase additional shares

Use of proceeds The net proceeds, after estimated expenses, to us from the sale of the  
 common stock offered hereby will be approximately \$205.6 million or  
 \$236.5 million if the underwriters exercise their option to purchase  
 additional shares in full.

We intend to use the net proceeds of this offering to provide capital  
 support for the growth of Texas Capital Bank and for other general  
 corporate purposes.

Nasdaq Global Select Market symbol TCBI

(1) Based on the number of shares outstanding as of September 30, 2016, excluding 177,613 outstanding stock  
 appreciation rights, 389,329 outstanding restricted stock units and outstanding warrants to purchase 581,500  
 shares of common stock. See footnote 12 *Stock-Based Compensation and Employee Benefits* to the consolidated  
 financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2015 for a  
 description of our benefit plans providing for issuance of common stock.

Unless otherwise stated, the shares presented in this prospectus assume no exercise of the underwriters option to  
 purchase additional shares.

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**RISK FACTORS**

You should carefully consider the risks described below before deciding to invest in shares of our common stock. The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. If any of the following risks actually occurs, our business, financial condition or results of operations could be materially adversely affected. In that case, the trading price of our common stock could decline substantially, and you may lose all or part of your investment.

**Risk Factors Relating to Our Business**

You should carefully consider the risks described in the Risk Factors section of the accompanying prospectus, and in our Annual Report on Form 10-K filed on February 18, 2016, as well as other information included or incorporated by reference into this prospectus supplement and the accompanying prospectus, including our financial statements and the notes thereto.

**Risk Factors Related to Investing in Our Common Stock**

*Our stock price can be volatile.* Stock price volatility may make it more difficult for you to resell your common stock at prices you find attractive at the time you would like to sell. Our stock price can fluctuate significantly in response to a variety of factors including, among other things:

actual or anticipated variations in our operating results or our quarterly or annual earnings, or those of other companies in our industry, including contraction in our net interest margin resulting from shifts in our loan portfolio to lower-yielding categories of loans, declining market rates, competition, and the near-term impact of capital and liquidity transactions, as well as changes in employee compensation resulting from hiring of key individuals and the impact of stock prices on equity-based compensation;

changes in accounting standards, policies, guidance, interpretations or principles;

reactions of investors to our press releases, our other public announcements and our filings with the SEC;

announcements by us or our competitors of significant acquisitions, dispositions, innovations or new programs and services;

changes in recommendations to buy or sell our stock by securities analysts following our stock;

changes in financial or earnings estimates by securities analysts or our ability to meet those estimates;

operating results and stock price performance of other companies that investors deem comparable to us;

general economic conditions and overall market fluctuations;

the trading volume of our common stock;

changes in business, legal or regulatory conditions, or other developments affecting participants in our industry, and publicity regarding our business or any of our significant customers or competitors;

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changes in governmental regulations or monetary policies, including the policies of the Board of Governors of the Federal Reserve System, or the Federal Reserve;

future sales of our common stock by us, directors, executives and significant shareholders; and

changes in economic and political conditions affecting our target markets, including fluctuations in the price of crude oil and natural gas.

General market fluctuations, industry factors and general economic and political conditions and events, such as economic slowdowns or recessions, interest rate changes or credit loss trends, could also cause our stock price to decrease regardless of operating results as evidenced by the recent volatility and disruption of capital and credit markets.

*The trading volume in our common stock is less than that of other larger financial services companies, and a significant amount of our common stock is held by institutional investors.* Although our common stock is traded on the Nasdaq Global Select Market, the trading volume in our common stock is less than that of other larger financial services companies. Given the lower trading volume of our common stock, significant sales of our common stock, or the expectation of these sales, could cause our stock price to fall. In addition, a substantial majority of common stock outstanding is held by institutional shareholders, and trading activity involving large positions may increase volatility of the stock price. Concentration of ownership by institutional investors and inability to execute trades covering large numbers of shares can increase volatility of the price of our stock. Changes in the general economic outlook or perspectives on our business or prospects by our institutional investors, whether factual or speculative, can have a major impact on our stock price.

*An investment in our common stock is not an insured deposit.* Our common stock is not a bank deposit and, therefore, is not insured against loss by the Federal Deposit Insurance Corporation, any other deposit insurance fund or by any other public or private entity. Investment in our common stock is subject to the risks described in the Risk Factors section herein and in our Annual Report on Form 10-K and is subject to the same market forces that affect the price of securities of any company. As a result, if you purchase our common stock you may lose some or all of your investment.

*The holders of our indebtedness and preferred stock have rights that are senior to those of our common shareholders.* As of September 30, 2016, we had outstanding \$286.0 million in subordinated notes, \$113.4 million in junior subordinated notes that are held by statutory trusts which issued trust preferred securities to investors and \$20.0 million under our revolving, non-amortizing line of credit (maximum availability of \$130.0 million) which matures on December 21, 2016. Payments of the principal and interest on the trust preferred securities are conditionally guaranteed by us to the extent not paid by each trust, provided the trust has funds available for such obligations.

Our subordinated notes and junior subordinated notes are senior to our shares of common stock in right of payment of dividends and other distributions. In the event of our bankruptcy, dissolution or liquidation, the holders of our indebtedness must be satisfied before any distributions can be made to our common shareholders. If certain conditions are met, we have the right to defer interest payments on the junior subordinated debentures (and the related trust preferred securities) at any time or from time to time for a period not to exceed 20 consecutive quarters in a deferral period, during which time no dividends may be paid to holders of our common stock.

At September 30, 2016, we had issued and outstanding 6,000,000 shares of our 6.50% Non-Cumulative Perpetual Preferred Stock, Series A, having an aggregate liquidation preference of \$150.0 million. Our preferred stock is senior

to our shares of common stock in right of payment of dividends and other distributions. We must be current on dividends payable to holders of preferred stock before any dividends can be paid on our common stock. In the event of our bankruptcy, dissolution or liquidation, the holders of our preferred stock must be satisfied before any distributions can be made to our common shareholders.

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*We do not currently pay dividends on our common stock.* We have not paid dividends on our common stock and we do not expect to do so for the foreseeable future. Our ability to pay dividends is limited by regulatory restrictions and the need to maintain sufficient consolidated capital. The ability of the Bank to pay dividends to us is limited by its obligation to maintain sufficient capital and by other regulatory restrictions.

*Restrictions on Ownership.* The ability of a third party to acquire us is limited under applicable U.S. banking laws and regulations. The Bank Holding Company Act of 1956, as amended, or the BHC Act, requires any bank holding company (as defined therein) to obtain the approval of the Board of Governors of the Federal Reserve prior to acquiring, directly or indirectly, more than 5% of our outstanding common stock. Any company (as defined in the BHC Act) other than a bank holding company would be required to obtain Federal Reserve approval before acquiring control of us. Control generally means (i) the ownership or control of 25% or more of a class of voting securities, (ii) the ability to elect a majority of the directors or (iii) the ability otherwise to exercise a controlling influence over management and policies. A holder of 25% or more of our outstanding common stock, other than an individual, is subject to regulation and supervision as a bank holding company under the BHC Act. In addition, under the Change in Bank Control Act of 1978, as amended, and the Federal Reserve's regulations thereunder, any person, either individually or acting through or in concert with one or more persons, is required to provide notice to the Federal Reserve prior to acquiring, directly or indirectly, 10% or more of our outstanding common stock.

*Anti-takeover provisions of our certificate of incorporation, bylaws and Delaware law may make it more difficult to receive a change in control premium.* Certain provisions of our certificate of incorporation and bylaws could make a merger, tender offer or proxy contest more difficult, even if such events were perceived by many of our stockholders as beneficial to their interests. These provisions are more fully described in our Registration Statement on Form 10, as amended, which was filed with the SEC on August 24, 2000, as amended by Item 8.01 of our Current Report on Form 8-K which was filed with the SEC on May 21, 2015, which are incorporated by reference into this prospectus. These provisions include advance notice for nominations of directors and stockholders' proposals, and authority to issue blank check preferred stock with such designations, rights and preferences as may be determined from time to time by our board of directors. In addition, as a Delaware corporation, we are subject to Section 203 of the Delaware General Corporation Law which, in general, prevents an interested stockholder, defined generally as a person owning 15% or more of a corporation's outstanding voting stock, from engaging in a business combination with our company for three years following the date that person became an interested stockholder unless certain specified conditions are satisfied.



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**USE OF PROCEEDS**

The net proceeds, after estimated expenses, to us from the sale of the common stock offered hereby will be approximately \$205.6 million or \$236.5 million if the underwriters exercise their option to purchase additional shares in full. We intend to use the net proceeds of this offering to provide capital support for the growth of Texas Capital Bank and for other general corporate purposes.

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The following table presents our capitalization as of September 30, 2016:

on an actual basis; and

on an as adjusted basis, after giving effect to the sale of 3,000,000 shares of our common stock in this offering at \$68.65 per share and the application of the net proceeds of this offering in the manner contemplated in the section Use of Proceeds.

The following table should be read in conjunction with the section titled Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and notes thereto, in each case, that are included in the documents that are incorporated by reference into this prospectus.

	<b>As of September 30, 2016</b>	
	<b>Actual</b>	<b>As adjusted</b>
	<b>(unaudited, in thousands)</b>	
Cash and cash equivalents	\$ 3,588,419	\$ 3,794,014
Debt:		
Total short-term debt	1,751,420	1,751,420
Total long-term debt, net	394,360	394,360
<b>Total debt</b>	<b>2,145,780</b>	<b>2,145,780</b>
Stockholders' equity:		
Preferred stock, \$.01 par value, \$1,000 liquidation value		
Authorized shares 10,000,000; Issued shares 6,000,000	150,000	150,000
Common stock, \$.01 par value Authorized shares 100,000,000		
Issued shares 46,009,912, actual; 49,009,912, as adjusted (1)	460	490
Additional paid-in capital	717,452	923,017
Retained earnings	857,238	857,238
Treasury stock (shares at cost: 417)	(8)	(8)
Accumulated other comprehensive income, net of taxes	640	640
<b>Total stockholders' equity</b>	<b>1,725,782</b>	<b>1,931,377</b>
<b>Total capitalization</b>	<b>\$ 3,871,562</b>	<b>\$ 4,077,157</b>

- (1) Does not reflect 177,613 outstanding stock appreciation rights, 389,329 outstanding restricted stock units and outstanding warrants to purchase 581,500 shares of common stock, in each case as of September 30, 2016. See footnote 12 *Stock-Based Compensation and Employee Benefits* to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2015 for a description of our benefit plans

providing for issuance of common stock.

**DIVIDEND POLICY**

No cash dividends have ever been paid by us on our common stock, and we do not anticipate paying any cash dividends on our common stock in the foreseeable future. Our principal source of funds to pay cash dividends on our common stock would be cash dividends from our Bank. The payment of dividends on our common stock and by our Bank is subject to certain restrictions imposed by federal banking laws, regulations and authorities.

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**Table of Contents****PRICE RANGE OF COMMON STOCK**

The following table presents the range of high and low sale prices reported on the Nasdaq Global Select Market for the periods shown below:

	<b>Sale price per share</b>	
	<b>High</b>	<b>Low</b>
<b><u>2014</u></b>		
First Quarter	\$ 67.08	\$ 56.45
Second Quarter	66.62	50.76
Third Quarter	60.74	49.90
Fourth Quarter	62.07	51.58

	<b>Sale price per share</b>	
	<b>High</b>	<b>Low</b>
<b><u>2015</u></b>		
First Quarter	\$ 54.81	\$ 40.40
Second Quarter	63.70	47.55
Third Quarter	63.25	48.01
Fourth Quarter	61.83	46.25

	<b>Sale price per share</b>	
	<b>High</b>	<b>Low</b>
<b><u>2016</u></b>		
First Quarter	\$ 49.88	\$ 29.78
Second Quarter	51.84	34.54
Third Quarter	55.25	42.36
Fourth Quarter (through November 28, 2016)	75.85	54.20

As of September 30, 2016, there were 202 holders of record of our common stock and approximately 46,009,495 shares of our common stock outstanding. On November 28, 2016, the closing sale price for our common stock was \$73.15 per share, as reported on the Nasdaq Global Select Market.

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**DESCRIPTION OF COMMON STOCK**

The following is a brief description of our common stock. This summary does not purport to be complete in all respects. This description is subject to and qualified in its entirety by reference to our certificate of incorporation, as amended, copies of which have been filed with the SEC and are also available upon request from us.

**General**

We have 100,000,000 shares of authorized common stock, \$0.01 par value per share, of which 46,009,495 shares were outstanding as of September 30, 2016. Under our certificate of incorporation, as amended, we have authority to issue up to 10,000,000 shares of preferred stock, par value \$0.01 per share, of which 6,000,000 shares of our 6.50% Non-Cumulative Perpetual Preferred Stock, Series A, or the Preferred Stock, having an aggregate liquidation preference of \$150 million, were issued and outstanding as of the date hereof.

**Common Stock**

Each holder of our common stock is entitled to one vote for each share held on all matters with respect to which the holders of our common stock are entitled to vote. Holders of our common stock are not entitled to cumulative voting in the election of directors.

In the event of dissolution or liquidation, after payment of all creditors and payment of liquidation preferences on preferred stock, the holders of our common stock (subject to the prior rights of the holders of any outstanding preferred stock) will be entitled to receive pro rata any assets distributable to stockholders in respect of the number of shares held by them, in accordance with the Delaware General Corporation Law, or the DGCL.

The holders of shares of our common stock are entitled to such dividends as our board of directors, in its discretion, may declare out of funds legally available therefor, subject to certain limitations under the DGCL. We have not paid dividends on our common stock to date, and we do not anticipate paying dividends in the near future. However, the payment of dividends on our common stock is subject to the prior rights of the holders of any preferred stock. Payment of dividends on our common stock will be dependent upon, among other things, our earnings and financial condition, our cash flow requirements and the prevailing economic and regulatory climate.

Our common stock has no preemptive or conversion rights and is not subject to redemption.

*Anti-Takeover Provisions.* Certain provisions of our certificate of incorporation and bylaws could make a merger, tender offer or proxy contest more difficult, even if such events were perceived by many of our stockholders as beneficial to their interests. These provisions are more fully described in our Registration Statement on Form 10, as amended, which was filed with the SEC on August 24, 2000, as amended by Item 8.01 of our Current Report on Form 8-K which was filed with the SEC on May 21, 2015, which are incorporated by reference into this prospectus. These provisions include advance notice for nominations of directors and stockholders proposals, and authority to issue blank check preferred stock with such designations, rights and preferences as may be determined from time to time by our board of directors. In addition, as a Delaware corporation, we are subject to Section 203 of the Delaware General Corporation Law which, in general, prevents an interested stockholder, defined generally as a person owning 15% or more of a corporation's outstanding voting stock, from engaging in a business combination with our company for three years following the date that person became an interested stockholder unless certain specified conditions are satisfied.

*Restrictions on Ownership.* The ability of a third party to acquire us is limited under applicable U.S. banking laws and regulations. The BHC Act requires any bank holding company (as defined therein) to obtain the approval of the Board

of Governors of the Federal Reserve prior to acquiring, directly or indirectly, more

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than 5% of our outstanding common stock. Any company (as defined in the BHC Act) other than a bank holding company would be required to obtain Federal Reserve approval before acquiring control of us. Control generally means (i) the ownership or control of 25% or more of a class of voting securities, (ii) the ability to elect a majority of the directors or (iii) the ability otherwise to exercise a controlling influence over management and policies. A holder of 25% or more of our outstanding common stock, other than an individual, is subject to regulation and supervision as a bank holding company under the BHC Act. In addition, under the Change in Bank Control Act of 1978, as amended, and the Federal Reserve's regulations thereunder, any person, either individually or acting through or in concert with one or more persons, is required to provide notice to the Federal Reserve prior to acquiring, directly or indirectly, 10% or more of our outstanding common stock.

*Listing.* Our common stock is listed on the Nasdaq Global Select Market under the symbol TCBI.

*Transfer Agent and Registrar.* The transfer agent and registrar for our common stock is Computershare, Inc.

### ***Preferred Stock***

Our board of directors may from time to time authorize the issuance of one or more classes or series of preferred stock without stockholder approval. Subject to the provisions of our certificate of incorporation and limitations prescribed by law and the rules of the Nasdaq Global Select Market, if applicable, our board of directors is authorized to adopt resolutions to issue shares, establish the number of shares, change the number of shares constituting any series, and provide or change the voting powers, designations, preferences and relative rights, qualifications, limitations or restrictions on shares of our preferred stock, including dividend rights, terms of redemption, conversion rights and liquidation preferences, in each case without any action or vote by our stockholders.

Holders of Preferred Stock do not have voting rights, except with respect to authorizing or increasing the authorized amount of senior stock, certain changes in the terms of the Preferred Stock, the right to elect two directors upon nonpayment of dividends for six or more quarterly dividend periods and as otherwise required by applicable law. The Preferred Stock ranks senior to our common stock as to the payment of dividends and distribution of assets upon our liquidation, dissolution or winding-up.

During any dividend period, so long as any share of Preferred Stock remains outstanding and except as otherwise provided below, (i) no dividend may be paid, declared or set apart for any payment on and no distribution shall be made on our common stock (other than a dividend payable solely in stock that ranks junior to the Preferred Stock with respect to the payment of dividends and the distribution of assets upon our liquidation, dissolution or winding-up) and (ii) no shares of common stock may be purchased, redeemed or otherwise acquired for consideration by us, directly or indirectly, unless full dividends on all outstanding shares of the Preferred Stock for the most recently completed quarterly dividend period have been declared and paid in full (or have been declared and a sum sufficient for the payment thereof has been set apart for such payment) and any prior redemption requirements with respect to shares of the Preferred Stock have been complied with.

A dividend period for the Preferred Stock is the period from and including a dividend payment date to but excluding the next dividend payment date.

The limitations on dividends and other distributions described in the paragraph above do not apply to:

redemptions, purchases or other acquisitions of shares of common stock in connection with the administration of any employee benefit plan in the ordinary course of business;

any dividends or distributions of rights or common stock in connection with a shareholders' rights plan or any redemption or repurchase of rights pursuant to any shareholders' rights plan;

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the acquisition by us or any of our subsidiaries of record ownership in common stock for the beneficial ownership of any other persons (other than for the beneficial ownership by us or any of our subsidiaries), including as trustees or custodians; and

the exchange or conversion of common stock for or into other capital stock that is junior to the Preferred Stock and the payment of cash solely in lieu of fractional shares.

Subject to the restrictions described above, and not otherwise, dividends (payable in cash, stock, or otherwise), as may be determined by our board of directors or a duly authorized committee of the board, may be declared and paid on our common stock and other stock ranking equally with or junior to the Preferred Stock from time to time out of any assets legally available for such payment in amounts permitted by applicable regulatory authorities, and the holders of the Preferred Stock will not be entitled to participate in those dividends.

So long as any shares of Preferred Stock are outstanding, the vote or consent of the holders of at least 66 2/3% of the then-outstanding shares of Preferred Stock, voting separately as a single class, shall be necessary for effecting or validating:

any amendment, alteration or repeal of any provision of our certificate of formation (including the certificate of designations creating the Preferred Stock), or bylaws that would significantly and adversely affect the designations, preferences, limitations or relative rights of the Preferred Stock;

any amendment or alteration of our certificate of incorporation to authorize or create, or increase the authorized amount of, any shares of any class or series or any securities convertible into shares of any class or series of our capital stock ranking senior to the Preferred Stock with respect to the payment of dividends and/or the distribution of assets upon our liquidation, dissolution or winding-up; or

any consummation of a binding share exchange or reclassification involving the Preferred Stock, or of a merger or consolidation of the Company with or into another corporation or other entity, unless (x) the shares of Preferred Stock remain outstanding or, in the case of any such merger or consolidation with respect to which the Company is not the surviving corporation, are converted into or exchanged for preference securities of the surviving corporation or other entity or of an entity controlling such surviving corporation or other entity that is an entity organized and existing under the laws of the United States, any state thereof or the District of Columbia and (y) the shares of Preferred Stock remaining outstanding or such new preference securities, as the case may be, have such rights, preferences, privileges and voting powers, and limitations and restrictions thereof, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers of the Preferred Stock.

The foregoing provisions will not apply if, at or prior to the time when any such vote or consent would otherwise be required, all outstanding shares of Preferred Stock have been redeemed or have been called for redemption upon proper notice, and sufficient funds have been set aside for such redemption.

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**MATERIAL U.S. FEDERAL INCOME AND ESTATE TAX CONSEQUENCES TO NON-U.S. HOLDERS**

The following is a general discussion of material U.S. federal income and estate tax consequences of the acquisition, ownership and disposition of our common stock by a non-U.S. holder (as defined below) who acquires our common stock in this offering. This discussion is limited to non-U.S. holders who hold our common stock as a capital asset within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended, or the Code. This discussion is based upon the Code, the U.S. Federal Income Tax Regulations promulgated thereunder, and judicial decisions and administrative pronouncements of the Internal Revenue Service, or the IRS, all as in effect on the date hereof and all of which are subject to change or differing interpretation, possibly with retroactive effect, which could affect the tax consequences described herein. No rulings have been or will be sought from the IRS with respect to the matters discussed below, and there can be no assurance that the IRS will not take a different position regarding the tax consequences of a non-U.S. holder's acquisition, ownership or disposition of our common stock or that any such position would not be sustained by a court.

This discussion does not address all aspects of U.S. federal income and estate taxation that may be applicable to investors in light of their particular circumstances, and does not address any state, local, foreign or other U.S. federal tax consequences (such as U.S. gift tax consequences). Furthermore, this discussion does not consider all U.S. federal income tax consequences that may be relevant to investors subject to special treatment under U.S. federal income tax laws, such as U.S. expatriates, banks and other financial institutions, insurance companies, tax-exempt organizations, dealers in securities or currencies, controlled foreign corporations, passive foreign investment companies, and shareholders of such corporations, partnerships or other pass-through entities (or investors therein), holders who acquired our common stock pursuant to the exercise of employee stock options or otherwise as compensation and persons that hold common stock as part of a straddle, hedge, conversion transaction, or other integrated investment. Furthermore, this discussion does not address U.S. federal estate and gift tax laws (except as specifically addressed herein with respect to U.S. federal estate taxes), any other U.S. federal income tax consequences (such as the Medicare contribution tax or the alternative minimum tax) or any aspects of state, local, or foreign tax laws.

For purposes of this discussion, you are a non-U.S. holder if you are a beneficial owner of our common stock that, for U.S. federal income tax purposes, is not:

an individual that is a citizen or resident of the United States;

a corporation or other entity treated as a corporation for U.S. federal income tax purposes, that is created or organized under the laws of the United States, any state thereof, or the District of Columbia;

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust, provided that, (1) a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all substantial decisions of that trust, or (2) the trust has made an election under the applicable U.S. Treasury regulations to be treated as a U.S. person.

If a partnership (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) owns our common stock, the U.S. federal income tax treatment of a partner in the partnership generally will depend

upon the status of the partner and the activities of the partnership. Partners in a partnership that owns common stock should consult their independent tax advisors as to the particular U.S. federal income tax consequences to them of the acquisition, ownership and disposition of our common stock.

If you are considering buying our common stock, you should consult your own tax advisor about current and possible future U.S. federal income and estate tax consequences of purchasing, owning and disposing of our

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common stock in your particular situation, as well as tax consequences arising under any state, local or foreign tax laws, any other U.S. federal tax laws, and any applicable tax treaty.

### **Dividends and Distributions**

We do not plan to make any distributions for the foreseeable future. However, in the event we do make a distribution on our common stock, such payments will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Any distribution not constituting a dividend will be treated as first reducing a non-U.S. holder's adjusted tax basis in their common stock (determined on a share by share basis), but not below zero, and to the extent it exceeds the adjusted basis in the non-U.S. holder's shares of common stock, will then will be treated as gain from the sale of the common stock (subject to the rules discussed below under "Gain on Disposition of Common Stock").

Any dividends paid to you as a non-U.S. holder of common stock that are not "effectively connected" with your trade or business in the United States (as described below) generally are subject to withholding of U.S. federal income tax at a 30% rate on the gross amount (or if you are eligible for the benefits of an income tax treaty and certain certification requirements are satisfied, at the lower rate specified in the treaty). A non-U.S. holder that is eligible for a reduced rate of U.S. federal withholding tax under a tax treaty may establish its entitlement to the benefit of a reduced rate of withholding under such tax treaty by timely providing us or our paying agent with a valid IRS Form W-8BEN or Form W-8BEN-E (or other applicable form) certifying qualification for the reduced rate. Special certification and other requirements apply to certain non-U.S. holders that are pass-through entities rather than corporations or individuals. A non-U.S. holder eligible for a reduced rate of U.S. federal withholding tax under a tax treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for a refund together with the required information with the IRS. You should consult your independent tax advisors regarding your entitlement to benefits under a relevant income tax treaty.

Any dividends paid to a non-U.S. holder that are "effectively connected" with its conduct of a trade or business within the United States (and if a treaty applies, are attributable to a U.S. permanent establishment) are exempt from such U.S. withholding tax if the non-U.S. holder timely provides us or our paying agent with a valid IRS Form W-8ECI (or successor form) properly certifying such exemption and containing the non-U.S. holder's taxpayer identification number. Such "effectively connected" dividends, although not subject to U.S. withholding tax, will be subject to U.S. federal income tax on a net income basis at the same graduated rates generally applicable to U.S. persons, subject to any applicable tax treaty providing otherwise. In addition, if such non-U.S. holder is treated as a corporation for U.S. federal income tax purposes, any "effectively connected" dividends that it receives may, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate (or at a lower rate if specified by an applicable tax treaty).

### **Gain on Disposition of Common Stock**

Subject to the discussion below regarding backup withholding and FATCA, a non-U.S. holder generally will not be subject to U.S. federal income tax on gain that it realizes on a sale or other disposition of our common stock unless:

the gain is "effectively connected" with the conduct of a trade or business in the United States by such non-U.S. holder and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment of the non-U.S. holder;

the non-U.S. holder is a nonresident alien individual present in the United States for 183 days in the taxable year of the disposition, and certain other conditions are met; or

our common stock constitutes a U.S. real property interest by reason of our status as a United States real property holding corporation at any time within the shorter of the five-year period preceding the disposition or such non-U.S. holder's holding period for our common stock and certain other conditions are met.

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Effectively connected gains described in the first bullet point above are taxed at regular graduated U.S. federal income tax rates in the same manner as if the non-U.S. holder was a resident of the United States, unless an applicable income tax treaty provides otherwise. For a corporate non-U.S. holder, such effectively connected gains may also, under certain circumstances, be subject to an additional branch profits tax at a 30% rate (or at a lower rate if specified under an applicable tax treaty).

Gains described in the second bullet point above (which may be offset by U.S.-source capital losses) will generally be subject to a flat 30% tax on the gain derived from such disposition (or at a lower rate if specified under an applicable tax treaty).

With respect to the third bullet point above, we believe we are not, and we do not anticipate becoming, a United States real property holding corporation for U.S. federal income tax purposes.

## **Information Reporting and Backup Withholding**

We must report annually to the IRS and to each non-U.S. holder the amount of dividends paid to such holder and the tax withheld with respect to such dividends, regardless of whether withholding was required. Copies of the information returns reporting such dividends and withholding may also be made available to the tax authorities in the country in which the non-U.S. holder resides under the provisions of an applicable income tax treaty.

A non-U.S. holder will be subject to backup withholding for dividends paid to such holder unless such holder furnishes to us or our paying agent the required certification as to its non-U.S. status (typically, by providing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI), or such holder otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale of our common stock within the United States or conducted through certain United States-related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a U.S. person), or such owner otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a non-U.S. holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

## **Federal Estate Tax**

Shares of our common stock owned (or deemed to be held) by an individual who is not a citizen or resident of the United States (as specially defined for U.S. federal estate tax purposes) at the time of death generally will be treated as U.S. situs property and included in such person's gross estate for U.S. federal estate tax purposes, unless an applicable estate tax treaty provides otherwise, and thus may be subject to U.S. federal estate tax.

## **Foreign Account Tax Compliance Act**

Under Sections 1471 through 1474 of the Code and the final Federal Income Tax Regulations and the administrative guidance promulgated thereunder, collectively, the Foreign Account Tax Compliance Act, or FATCA, a U.S. withholding agent may be required to withhold 30% of any dividends paid after June 30, 2014 and the gross proceeds of a sale of our common stock paid after December 31, 2018 to a foreign entity (whether such foreign entity is the beneficial owner or an intermediary) unless such foreign entity agrees to comply with certain certification, reporting

and withholding obligations (which may include entering into an agreement with

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the IRS), or otherwise satisfies the requirements of an applicable FATCA intergovernmental agreement. If a dividend payment is both subject to withholding under FATCA and subject to the withholding tax discussed above under

Dividends and Distributions, the withholding under FATCA may be credited against, and therefore reduce, such other withholding tax. Non-U.S. holders should contact their own tax advisors regarding the particular consequences to them of the application of FATCA.

PROSPECTIVE INVESTORS SHOULD CONSULT THEIR INDEPENDENT TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS, ANY APPLICABLE INCOME TAX TREATIES, OR ANY OTHER U.S. FEDERAL TAX LAWS (INCLUDING ESTATE AND GIFT TAX LAWS).

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**CERTAIN ERISA CONSIDERATIONS**

The following is a summary of certain considerations associated with the purchase of the offered securities by employee benefit plans that are subject to Title I of the Employee Retirement Income Security Act of 1974, as amended, or ERISA; Keogh plans, individual retirement accounts and other plans or arrangements that are subject to Section 4975 of the Code; persons who are fiduciaries with respect to such plans or arrangements; or provisions under any federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of the Code or ERISA (collectively referred to as Similar Laws); and entities (including certain insurance company general accounts) whose underlying assets are considered to include plan assets (as defined in U.S. Department of Labor regulation 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA) by reason of any such plans, accounts or arrangements investment therein, each referred to as a Plan.

The following summarizes certain aspects of ERISA, the Code, and Similar Laws that may affect a decision by Plans to invest in the offered securities described herein. The following discussion is general in nature and not intended to be a complete discussion of the applicable laws pertaining to a Plan's decision to invest and is not intended to be legal advice. Fiduciaries of any Plan should consult their own legal counsel before investing in the offered securities described herein.

**General Fiduciary Matters**

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (referred to as an ERISA Plan) and prohibit certain transactions involving the assets of an ERISA Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the management or administration of such an ERISA Plan or the management or disposition of the assets of such an ERISA Plan, or who renders investment advice for a fee or other compensation, direct or indirect, to such a Plan, or has any authority or responsibility to do so, is generally considered to be a fiduciary of the ERISA Plan.

In considering an investment in the offered securities of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary's duties to the Plan including, without limitation, the exclusive benefit rule and the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws. In considering whether investment in the offered securities is prudent for ERISA purposes, a Plan fiduciary should consider all relevant facts and circumstances, including the limitations imposed on transferability, whether the investment provides sufficient liquidity in light of the foreseeable needs of the Plan, the tax consequences of the investment, and whether the investment is reasonably designed, as part of the Plan's portfolio, to further the Plan's purposes, taking into consideration the risk of loss and opportunity for gain associated with the offered securities.

**Prohibited Transaction Issues**

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving plan assets with persons who are parties in interest under ERISA or disqualified persons under the Code with respect to such ERISA Plans, unless an exemption is available under applicable law or issued by the U.S. Department of Labor, or DOL. A violation of these prohibited transaction rules may result in an excise tax or other liabilities under ERISA and/or Section 4975 of the Code for such parties in interest, disqualified persons, or fiduciaries, unless exemptive relief is available under an applicable statutory or administrative exemption.

The acquisition and/or holding of the offered securities by an ERISA Plan with respect to which the Company or the underwriter is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the

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investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the DOL has issued prohibited transaction class exemptions, or PTCEs, that may apply to the acquisition and holding of the offered securities. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions, provided that neither the issuer of the securities nor any of its affiliates (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any ERISA Plan involved in the transaction and provided further that the ERISA Plan pays no more, and receives no less, than adequate consideration in connection with the transaction. There can be no assurance that all of the conditions of any such exemptions will be satisfied or that these statutory or class exemptions will be available with respect to a transaction involving the offered securities or with respect to any particular Plan.

A fiduciary of any such Plan, account, or arrangement must determine that the purchase and holding of an interest in the offered securities is consistent with its fiduciary duties and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or a violation under any applicable Similar Laws. The offered securities should not be purchased or held by any person investing plan assets of any Plan, unless such purchase and holding will not constitute or result in (i) a non-exempt prohibited transaction under ERISA and the Code or similar violation of any applicable Similar Laws, (ii) an impermissible or imprudent investment, or (iii) a breach of fiduciary duty or applicable law. Each purchaser or holder of the offered securities will have exclusive responsibility for ensuring that its purchase, holding, and subsequent disposition of the offered securities does not violate ERISA, the Code, or any Similar Law. Nothing herein shall be construed as a representation that an investment in the offered securities would meet any or all of the relevant legal requirements with respect to investments by, or that investment in the offered securities is appropriate for, ERISA Plans or other plans and arrangements.

**Table of Contents****UNDERWRITING**

We are offering the shares of common stock described in this prospectus supplement through a number of underwriters. Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC and Morgan Stanley & Co. LLC are acting as joint book-running managers of the offering and as representatives of the underwriters. We have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, the number of shares of common stock indicated in the table below.

<b>Name</b>	<b>Number of shares</b>
Merrill Lynch, Pierce, Fenner & Smith Incorporated	1,020,000
J.P. Morgan Securities LLC	990,000
Morgan Stanley & Co. LLC	990,000
Total:	3,000,000

The underwriters are committed to take and pay for all of the shares of common stock being offered, if any are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriters' option to purchase additional shares described below.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus supplement, to purchase up to 450,000 additional shares of common stock from us. To the extent the option is exercised, the underwriters will become obligated, subject to certain conditions, to purchase such additional shares.

The underwriters have agreed to purchase the common stock at a price of \$68.65 per share, which will result in net proceeds to us, after deducting estimated expenses related to this offering, of approximately \$205.6 million or \$236.5 million if the underwriters exercise their option to purchase additional shares in full. The underwriters propose to offer the shares from time to time for sale in negotiated transactions or otherwise, at market prices on the Nasdaq Global Select Market prevailing at the time of sale, at prices related to such prevailing market prices or otherwise. In connection with the sale of the shares offered hereby, the underwriters may be deemed to have received compensation in the form of underwriting discounts. The underwriters may effect such transactions by selling shares to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or purchasers of shares for whom they may act as agents or to whom they may sell as principal. The underwriters may also receive from purchasers of the shares normal brokerage commissions in amounts agreed with such purchasers.

We estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses will be approximately \$355,000.

A prospectus supplement in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

We and all of our executive officers and directors have agreed that for a period of 90 days, in the case of TCBI, and 60 days, in the case of such officers and directors, from the date of this prospectus supplement, we and they will not, without the prior written consent of the representatives, dispose of or hedge any shares of our

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common stock or any securities convertible into or exercisable or exchangeable for our common stock. The restrictions described in this paragraph are subject to certain limited exceptions, including with respect to:

transfers by such officers and directors of up to 10,000 shares of common stock or any shares of common stock sold pursuant to any Rule 10b5-1 trading plan in effect prior to the date of this prospectus supplement, in each case held of record or deemed to be beneficially owned by them;

grants by us of employee or director stock options pursuant to a plan in effect on the date of the underwriting agreement or issuances by us of shares of common stock upon the exercise of outstanding stock options;

filing of registration statements on Form S-8 and amendments thereto in connection with stock options or a plan in effect on the date of the underwriting agreement; and

issuances by us pursuant to direct stock purchase, dividend reinvestment, employee stock purchase plans and employee savings plans in effect on the date of the underwriting agreement.

The representatives may release any of the securities subject to these lock-up agreements at any time without notice.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

Our common stock is traded on the Nasdaq Global Select Market under the symbol TCBI.

In connection with the offering, the underwriters may purchase and sell common stock in the open market. Purchases and sales in the open market may include short sales, purchases to cover short positions and stabilizing purchases.

Short sales involve secondary market sales by the underwriters of a greater number of common stock than it is required to purchase in the offering.

Covering transactions involve purchases of common stock in the open market after the distribution has been completed in order to cover short positions.

A short sale is covered if the short position is no greater than the number of shares of common stock available for purchase by the underwriters under their option to purchase additional shares.

The underwriters can close out a covered short sale by exercising their option or purchasing common stock in the open market.

The underwriters may also sell common stock in excess of their option, creating a naked short position. The underwriters must close out any naked short position by purchasing common stock in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in this offering.

Stabilizing transactions involve bids to purchase common stock so long as the stabilizing bids do not exceed a specified maximum.

Purchases to cover short positions and stabilizing purchases, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the

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market price of the common stock. They may also cause the price of the common stock to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The underwriters may conduct these transactions in the over-the-counter market or otherwise. If the underwriter commences any of these transactions, it may discontinue them at any time.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act of 1933, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase common stock in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discount deemed to be received by them.

These activities may have the effect of raising or maintaining the market price of the common stock or preventing or retarding a decline in the market price of the common stock, and, as a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on the Nasdaq Global Select Market, in the over-the-counter market or otherwise.

In addition, in connection with this offering certain of the underwriters (and selling group members) may engage in passive market making transactions in our common stock on the Nasdaq Global Select Market prior to the pricing and completion of this offering. Passive market making consists of displaying bids on the Nasdaq Global Select Market no higher than the bid prices of independent market makers and making purchases at prices no higher than these independent bids and effected in response to order flow. Net purchases by a passive market maker on each day are generally limited to a specified percentage of the passive market maker's average daily trading volume in the common stock during a specified period and must be discontinued when such limit is reached. Passive market making may cause the price of our common stock to be higher than the price that otherwise would exist in the open market in the absence of these transactions. If passive market making is commenced, it may be discontinued at any time.

Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus supplement in any jurisdiction where action for that purpose is required. The securities offered by this prospectus supplement may not be offered or sold, directly or indirectly, nor may this prospectus supplement or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus supplement comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus supplement. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus supplement in any jurisdiction in which such an offer or a solicitation is unlawful.

## **Selling Restrictions**

### ***European Economic Area***



In relation to each member state of the European Economic Area which has implemented the Prospectus Directive, each being referred to as a Relevant Member State, with effect from and including the date on which

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the Prospectus Directive is implemented in that Relevant Member State, no offer of shares which are the subject of the offering has been, or will be made to the public in that Relevant Member State, other than under the following exemptions under the Prospectus Directive:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the underwriters for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, *provided* that no such offer of shares referred to in (a) to (c) above shall result in a requirement for the Company or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each person located in a Relevant Member State to whom any offer of ordinary shares is made or who receives any communication in respect of an offer of ordinary shares, or who initially acquires any ordinary shares will be deemed to have represented, warranted, acknowledged and agreed to and with each underwriter and the Company that (1) it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and (2) in the case of any shares acquired by it as a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any shares to the public other than their offer or resale in any Relevant Member State other than to qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the underwriters has been given to the offer or resale; or where shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those ordinary shares to it is not treated under the Prospectus Directive as having been made to such persons.

The Company, the underwriters and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgments and agreements.

This prospectus has been prepared on the basis that any offer of shares in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of shares. Accordingly any person making or intending to make an offer in that Relevant Member State of shares which are the subject of the offering contemplated in this prospectus may only do so in circumstances in which no obligation arises for the Company or any of the Representatives to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither the Company nor the Representatives have authorized, nor do they authorize, the making of any offer of shares in circumstances in which an obligation arises for the Company or the Representatives to publish a prospectus for such offer.

For the purposes of this provision, the expression an offer of ordinary shares to the public in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the ordinary shares to be offered so as to enable an investor to decide to purchase or subscribe the ordinary shares, as the same may be varied in that Relevant Member State by any measure implementing the

Prospectus Directive in that Member State, the expression Prospectus Directive means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in each Member State.

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The above selling restriction is in addition to any other selling restrictions set out below.

### ***United Kingdom***

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are qualified investors (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or the Order, and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

### ***Switzerland***

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, or FINMA, and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

### ***Dubai International Financial Centre***

This prospectus supplement relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or DFSA. This prospectus supplement is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for the prospectus supplement. The shares to which this prospectus supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus supplement you should consult an authorized financial advisor.

### ***Canada***

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions*

*and Ongoing Registrant Obligations.* Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

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Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

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**LEGAL MATTERS**

The validity of the securities offered hereby will be passed upon for us by Alston & Bird LLP. The validity of the securities offered hereby will be passed upon for the underwriters by Simpson Thacher & Bartlett LLP.

**EXPERTS**

The consolidated financial statements of TCBI appearing in TCBI's Annual Report (Form 10-K) for the year ended December 31, 2015 and the effectiveness of TCBI's internal control over financial reporting as of December 31, 2015 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

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**PROSPECTUS**

**TEXAS CAPITAL BANCSHARES, INC.**

**Senior Debt Securities**

**Subordinated Debt Securities**

**Convertible Debt Securities**

**Common Stock**

**Preferred Stock**

**Warrants**

**Depositary Shares**

**Stock Purchase Contracts**

**Stock Purchase Units**

Texas Capital Bancshares, Inc. may offer and sell, from time to time, in one or more offerings, senior debt securities, subordinated debt securities, convertible debt securities, preferred stock, common stock, depositary shares, warrants, stock purchase contracts or stock purchase units. This prospectus provides a general description of the securities we may offer and the manner in which they may be offered. Supplements to this prospectus will describe the specific terms and manner of offering of the securities we actually offer. Prospectus supplements may also add, update, or change information contained in this prospectus. You should read this prospectus and any prospectus supplement carefully before you invest. This prospectus may not be used to sell securities, unless it is accompanied by a prospectus supplement that describes the terms and manner of offering of those securities.

We may offer these securities from time to time in amounts, prices, and on other terms to be determined at the time of the offering. We may sell these securities to or through underwriters, to other purchasers or through agents. The accompanying prospectus supplement will specify the names of any underwriters or agents.

Our common stock is traded on the Nasdaq Global Select Market under the symbol TCBI. You are urged to obtain current market prices for our common stock.

**An investment in our securities involves significant risks. You should carefully read this prospectus, any applicable prospectus supplement, our periodic reports and other information we file with the U.S. Securities and Exchange Commission and any information under the heading Risk Factors beginning on page 4 of this prospectus before making a decision to purchase our securities.**



**Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

**These securities are our unsecured obligations, are not savings accounts, deposits or other obligations of any bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.**

**The date of this prospectus is May 28, 2014**

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WE ARE RESPONSIBLE FOR THE INFORMATION CONTAINED AND INCORPORATED BY REFERENCE IN THIS PROSPECTUS AND ANY ACCOMPANYING PROSPECTUS SUPPLEMENT, AND IN ANY FREE WRITING PROSPECTUS THAT WE PREPARE. WE HAVE NOT AUTHORIZED ANYONE TO GIVE YOU ANY OTHER INFORMATION, AND WE TAKE NO RESPONSIBILITY FOR ANY OTHER INFORMATION THAT OTHERS MAY GIVE YOU. THIS PROSPECTUS, ANY ACCOMPANYING PROSPECTUS SUPPLEMENT AND ANY SUCH FREE WRITING PROSPECTUS MAY BE USED ONLY FOR THE PURPOSES FOR WHICH THEY HAVE BEEN PREPARED. YOU SHOULD NOT ASSUME THAT THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS IS ACCURATE AS OF ANY DATE OTHER THAN THE DATE OF THIS PROSPECTUS OR THE DATE OF THE RELEVANT INCORPORATED DOCUMENT, AS APPLICABLE. THE FINANCIAL CONDITION, RESULTS OF OPERATIONS OR BUSINESS PROSPECTS OF THE COMPANY MAY HAVE CHANGED SINCE THOSE DATES. WE ARE NOT MAKING AN OFFER OF THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER IS NOT PERMITTED.

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**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement we filed with the Securities and Exchange Commission, or the SEC, using a shelf registration process. Under this shelf registration process we may from time to time, in one or more series, sell any one or a combination of the securities described in this prospectus in one or more offerings. In this prospectus, TCBI, we, our, ours, and us refer to Texas Capital Bancshares, Inc., which is a registered bank holding company and a financial holding company headquartered in Dallas, Texas, and its subsidiaries on a consolidated basis, unless the context otherwise requires. References to Texas Capital Bank or the Bank mean Texas Capital Bank, N.A., which is our principal banking subsidiary.

We may offer the following securities from time to time:

senior debt securities,

subordinated debt securities,

convertible debt securities,

common stock,

preferred stock,

warrants,

depository shares,

stock purchase contracts and

stock purchase units.

This prospectus provides a general description of each of the securities we may offer. Each time we offer securities we will provide a prospectus supplement containing specific information about the terms of the securities being offered. The prospectus supplement may include a discussion of any risk factors or other special considerations that apply to those securities. The prospectus supplement may also add, update or change the information in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in the prospectus supplement. You should read both this prospectus and any prospectus supplement together with additional information described under the heading **Where You Can Find More Information**.

The registration statement containing this prospectus, including the exhibits to the registration statement, provides additional information about us and the securities offered by this prospectus. The registration statement, including the exhibits and the documents incorporated herein by reference, can be read on the SEC website or at the SEC offices mentioned under the heading **Where You Can Find More Information**.

You should rely only on the information we incorporate by reference or present in this prospectus or the relevant prospectus supplement. We have not authorized anyone else, including any underwriter or agent, to provide you with different or additional information. We may only use this prospectus to sell securities if it is accompanied by a prospectus supplement which includes the specific terms of that offering. We are only offering these securities in states where the offer is permitted. You should not assume that the information in this prospectus or a prospectus supplement is accurate as of any date other than the dates on the front of those documents.

We may sell securities to underwriters who will sell the securities to the public on terms fixed at the time of sale. In addition, the securities may be sold by us directly or through dealers or agents designated from time to time. If we, directly or through agents, solicit offers to purchase the securities, we reserve the sole right to accept and, together with our agents, to reject, in whole or in part, any of those offers.

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The prospectus supplement will contain the names of the underwriters, dealers, or agents, if any, together with the terms of the offering, the compensation of those underwriters, dealers, or agents, and the net proceeds to us. Any underwriters, dealers, or agents participating in the offering may be deemed underwriters within the meaning of the Securities Act of 1933, as amended.

## **WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains an Internet website that contains reports, proxy statements and other information about us and other issuers that file documents electronically with the SEC. The address of that site is <http://www.sec.gov>. Our Internet address is <http://www.texascapitalbank.com>. The information on, or that can be accessed through, our website is not a part of this document.

The SEC allows us to incorporate by reference information we file with it, which means that we can disclose important information to you by referring you to other documents. The information incorporated by reference is considered to be a part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. In all cases, you should rely on the later information over different information included in this prospectus.

We incorporate by reference the documents listed below and all future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, prior to the termination of the offering, except to the extent that any information contained in such filings is deemed furnished in accordance with SEC rules, including, but not limited to, information furnished under Items 2.02 and 7.01 of any Current Report on Form 8-K including related exhibits:

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2013.

Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2014;

Our Current Reports on Form 8-K; and

The description of our common stock contained in our Registration Statement on Form 10 filed on August 24, 2000.

We will provide to each person, including any beneficial owner, to whom a prospectus is delivered, a copy of any or all of the documents or information that have been incorporated by reference in this prospectus but not delivered with this prospectus. We will provide this at no cost to the requestor upon written or telephonic request addressed to Texas Capital Bancshares, Inc., 2000 McKinney Avenue, Suite 700, Dallas, Texas 75201, Attention: Heather Worley (telephone: 214-932-6600).

**You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone else to provide you with additional or different information.**

**FORWARD-LOOKING STATEMENTS**

This prospectus, each prospectus supplement and the documents incorporated by reference herein and therein contain statements that are considered forward looking statements within the meaning of United States federal securities laws. In addition, TCBI and its management may make other written or oral communications from time to time that contain forward-looking statements. Forward-looking statements, including statements about industry trends, management's future expectations and other matters that do not relate strictly to historical facts, are based on assumptions by management, and are often identified by such forward-looking terminology as expect, look, believe, anticipate, estimate, seek, may, will, trend, target, and goal or

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similar statements or variations of such terms. Forward-looking statements may include, among other things, statements about TCBI's confidence in its strategies and its expectations about financial performance, market growth, market and regulatory trends and developments, acquisitions and divestitures, new technologies, services and opportunities and earnings.

Forward-looking statements are subject to various risks and uncertainties, which change over time, are based on management's expectations and assumptions at the time the statements are made and are not guarantees of future results. Important factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, the following:

Deterioration of the credit quality of our loan portfolio, increased default rates and loan losses or adverse changes in the industry concentrations of our loan portfolio.

Developments adversely affecting our commercial, entrepreneurial and professional customers.

Changes in the value of commercial and residential real estate securing our loans or in the demand for credit to support the purchase and ownership of such assets.

The failure of assumptions supporting our allowance for loan losses causing it to become inadequate as loan quality decreases and losses and charge-offs increase.

A failure to effectively manage our interest rate risk resulting from unexpectedly large or sudden changes in interest rates or rate or maturity imbalances in our assets and liabilities.

Failure to execute our business strategy, including any inability to expand into new markets and lines of business in Texas, regionally and nationally.

Loss of access to capital market transactions and other sources of funding, or a failure to effectively balance our funding sources with cash demands by depositors and borrowers.

Failure to successfully develop and launch new lines of business and new products and services within the expected time frames and budgets, or failure to anticipate and appropriately manage the associated risks.

The failure to attract and retain key personnel or the loss of key individuals or groups of employees.

Changes in the U.S. economy in general or the Texas economy specifically resulting in deterioration of credit quality or reduced demand for credit or other financial services we offer.

Legislative and regulatory changes imposing further restrictions and costs on our business, a failure to remain well capitalized or regulatory enforcement actions against us.

An increase in the incidence or severity of fraud, illegal payments, security breaches and other illegal acts impacting the Bank and our customers.

Structural changes in the markets for origination, sale and servicing of residential mortgages.

Increased or more effective competition from banks and other financial service providers in our markets.

Material failures of our accounting estimates and risk management processes based on management judgment, or the supporting analytical and forecasting models.

Unavailability of funds obtained from capital transactions or from the Bank to fund our obligations.

Failures of counterparties or third party vendors to perform their obligations.

Failures or breaches of our information systems that are not effectively managed.

Severe weather, natural disasters, acts of war or terrorism and other external events.

Incurrence of material costs and liabilities associated with claims and litigation.



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Failure of our risk management strategies and procedures, including failure or circumvention of our controls. Actual outcomes and results may differ materially from what is expressed in our forward-looking statements and from our historical financial results due to the factors discussed elsewhere in this prospectus supplement or disclosed in our other SEC filings. Forward-looking statements included herein should not be relied upon as representing our expectations or beliefs as of any date subsequent to the date of this prospectus supplement. Except as required by law, we undertake no obligation to revise any forward-looking statements contained in this prospectus, whether as a result of new information, future events or otherwise. The factors discussed herein are not intended to be a complete summary of all risks and uncertainties that may affect our businesses. Though we strive to monitor and mitigate risk, we cannot anticipate all potential economic, operational and financial developments that may adversely impact our operations and our financial results. Forward-looking statements should not be viewed as predictions and should not be the primary basis upon which investors evaluate an investment in our securities.

Any investor in our securities should consider all risks and uncertainties disclosed in our SEC filings described under the heading "Where You Can Find More Information," all of which are accessible on the SEC's website at <http://www.sec.gov>.

### **ABOUT TEXAS CAPITAL BANCSHARES, INC.**

TCBI is the parent company of Texas Capital Bank and is a bank holding company and a financial holding company registered with the Board of Governors of the Federal Reserve System, or Federal Reserve. The Bank is headquartered in Dallas, with primary banking offices in Austin, Dallas, Fort Worth, Houston, and San Antonio, the five largest metropolitan areas of Texas. All of our business activities are conducted through the Bank. We have focused on organic growth, maintenance of credit quality and recruiting and retaining experienced bankers with strong personal and professional relationships in their communities.

We serve the needs of commercial businesses and successful professionals and entrepreneurs located in Texas as well as operate several lines of business serving a regional or national clientele of commercial borrowers. We are primarily a secured lender, with our greatest concentration of loans in Texas. We have benefitted from the Texas economy since our inception, producing strong loan growth and favorable loss experience amidst the challenging environment for banking nationally.

Our principal executive offices are located at 2000 McKinney Avenue, Suite 700, Dallas, Texas 75201 and our telephone number is (214) 932-6600.

### **RISK FACTORS**

An investment in our securities involves significant risks. Before you invest in any of our securities, in addition to the other information in this prospectus, you should carefully consider the risk factors contained in Part I, Item 1A under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013, which are incorporated herein by reference (and similar terms in any of our annual or quarterly reports for subsequent periods and current reports that we file with the SEC and that are so incorporated). Additional risks related to our securities may also be described in a prospectus supplement. Statements in or portions of a future document incorporated by reference in this prospectus, including without limitation those relating to risk factors, may update and supersede statements in and portions of this prospectus or such incorporated documents.

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**USE OF PROCEEDS**

Unless otherwise specified in a prospectus supplement accompanying this prospectus, we expect to use the net proceeds from the sale of our securities for general corporate purposes. We will specify the principal purposes for which the net proceeds from the sale of our securities will be used in a prospectus supplement at the time of sale. Until we use the net proceeds from the sale of the securities for these purposes, we may place the net proceeds in temporary investments or we may hold the net proceeds in deposit accounts in our subsidiary Bank.

**CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES**

The following table sets forth our consolidated ratios of earnings to fixed charges for the periods shown below. For purposes of computing these ratios, earnings represent the sum of income from continuing operations before taxes plus fixed charges. Fixed charges represent total interest expense, including and excluding interest on deposits. We paid dividends on preferred stock only during 2009 and commencing with the second quar