

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  <b>Stifel Financial Corp.</b>		<b>2</b> Issuer's employer identification number (EIN)  <b>43-1273600</b>	
<b>3</b> Name of contact for additional information  <b>Stifel Investor Relations</b>	<b>4</b> Telephone No. of contact  <b>314-342-2000</b>	<b>5</b> Email address of contact  <b>investorrelations@stifel.com</b>	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  <b>One Financial Plaza, 501 N Broadway</b>		<b>7</b> City, town, or post office, state, and ZIP code of contact  <b>St. Louis, MO 63102</b>	
<b>8</b> Date of action  <b>August 31, 2018</b>		<b>9</b> Classification and description  <b>Common Stock</b>	
<b>10</b> CUSIP number  <b>860630102</b>	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol  <b>SF</b>	<b>13</b> Account number(s)

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶

On August 31, 2018, Stifel Financial Corp. ("Stifel") completed a merger with Business Bancshares, Inc. ("BBI"). Pursuant to the terms and conditions of the Agreement and Plan of Merger dated as of May 10, 2018 (the "Merger Agreement") among Stifel, BBI, Merger Subsidiary created under Stifel ("Merger Sub"), BBI was merged with Merger Sub with BBI surviving, and undergoing a name change to Stifel Bancorp, Inc. In the merger, each share of BBI common stock was converted into consideration in the amount of \$0.705, to be adjusted post-closing to account for final valuations, indemnification claims, and potential earnout payments. Each former BBI stockholder received this consideration in the form of cash and/or shares of Stifel common stock, with the ratio received based upon the election made by such stockholder. For purposes of determining the number of shares a former BBI stockholder would receive in the Merger, the value of the Stifel common stock was determined as of August 31, 2018 (the day of the Merger).

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

The aggregate tax basis of the Stifel common stock a former BBI stockholder received in the Merger (including any fractional share deemed received in exchange for cash) is generally the same as the former BBI stockholder's aggregate adjusted basis in the BBI stock surrendered, reduced by the amount of cash that the former BBI stockholder receives in exchange for its BBI stock (excluding any cash received in lieu of a fractional share of Stifel common stock) and increased by the amount of gain, if any, the former BBI stockholder recognized in the Merger (excluding any gain resulting from the deemed receipt and redemption of a fractional share of Stifel common stock). The actual tax basis will differ with respect to each former BBI stockholder and therefore, each such stockholder is urged to contact their own tax advisor with respect to the manner in which basis is determined and allocated among the Stifel common stock received in Merger.

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶


See Questions 14 and 15 above.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►  
**The Merger qualified as a tax free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). In general, the U.S. federal income tax consequences to the former BBI stockholders are determined under Code Sections 354, 356, 358 and the U.S. Treasury Regulations promulgated thereunder.**

18 Can any resulting loss be recognized? ►  
No.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ►  
**The Merger was effective on August 31, 2018 and, therefore, the reportable tax year is 2018.**

<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature ►		Date ►	10/22/18
	Print your name ►	James G. Laschober	Title ►	SVP
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ►			Firm's EIN ►
	Firm's address ►			Phone no.