

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

<b>Part I Reporting Issuer</b>			
1 Issuer's name <b>Stifel Financial Corp.</b>		2 Issuer's employer identification number (EIN) <b>43-1273600</b>	
3 Name of contact for additional information <b>Stifel Investor Relations</b>	4 Telephone No. of contact <b>314-342-2000</b>	5 Email address of contact <b>investorrelations@stifel.com</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>501 North Broadway</b>		7 City, town, or post office, state, and Zip code of contact <b>Saint Louis, MO 63102</b>	
8 Date of action <b>6/5/2015</b>	9 Classification and description <b>Common Stock</b>		
10 CUSIP number <b>860630102</b>	11 Serial number(s)	12 Ticker symbol <b>SF</b>	13 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 June 5, 2015, Stifel Financial Corp. ("Stifel") completed a merger with Sterne Agee Group, Inc. ("Sterne"). Pursuant to the terms and conditions of the Agreement and Plan of Merger (the "Agreement"), dated as of February 23, 2015, between Stifel, Saban Merger Subsidiary, Inc. ("Merger Sub"), Saban Successor Subsidiary, LLC ("Successor Sub"), Sterne, and Fortis Advisors LLC, as the Representative, Merger Sub was merged into Sterne with Sterne surviving (the "Merger"). Immediately after the Merger, Sterne was merged into Successor Sub with Successor Sub surviving as an entity disregarded from Stifel (the "Second Step Merger"). In the Merger, each share of Sterne common stock was converted into consideration in the amount of \$52.83, to be adjusted post-closing to account for final valuations and indemnification claims. Each former Sterne 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 Sterne stockholder would receive in the Merger, the value of the Stifel common stock was determined as of February 22, 2015 (the day before the Agreement was signed).

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 Sterne stockholder received in the Merger is generally the same as the former Sterne stockholder's basis in the Sterne stock surrendered reduced by the amount of cash that the former Sterne stockholder receives in exchange for its Sterne 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 Sterne stockholder recognized in the Merger. The actual tax basis will differ with respect to each former Sterne 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 the 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 ▶ Based upon Stifel's reasonable assumptions with respect to any purchase price adjustments and indemnification claims to be made on or after the date of this filing, the Merger, together with the Second Step Merger, qualified as a 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 Sterne stockholders are determined under Code Sections 354, 356, 358 and the U.S. Treasury Regulations promulgated thereunder. Stifel will update this filing as necessary once final purchase price adjustments have been made.

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 and the Second Step Merger were effective on June 5, 2015 and, therefore, the reportable tax year is 2015.

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.

**Sign Here**

Signature ▶ Thomas K Goedeke Date ▶ July 14, 2015

Print your name ▶ Thomas Goedeke Title ▶ Director, Tax Compliance & Reporting

<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.