

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
STOCK YARDS BANCORP, INC		61-1137529	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
NANCY DAVIS	502-625-9176	NANCY.DAVIS@SYB.COM	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
P.O. BOX 32890		LOUISVILLE KY 40232	
<b>8</b> Date of action		<b>9</b> Classification and description	
5/27/2016		3-FOR-2 STOCK SPLIT OF COMMON STOCK	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
861025104	NOT APPLICABLE	SYBT	NOT APPLICABLE

**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 ▶ A THREE-FOR-TWO STOCK SPLIT OF THE COMPANY'S COMMON STOCK COMPLETED IN THE FORM OF A STOCK DIVIDEND. THE STOCK DIVIDEND WAS DISTRIBUTED ON MAY 27, 2016 TO STOCKHOLDERS OF RECORD AS OF MAY 13, 2016.

**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 STOCK SPLIT WAS A NON-TAXABLE TRANSACTION UNDER INTERNAL REVENUE CODE (IRC) SECTION 305(a) AND, ACCORDINGLY, A STOCKHOLDER'S BASIS SHALL BE ALLOCATED UNDER IRC SECTION 307(a). UNDER IRC SECTION 307(a) EACH STOCKHOLDER WILL ALLOCATE THE BASIS IN SHARES OWNED PRIOR TO THE STOCK SPLIT OVER THOSE SHARES AND ADDITIONAL SHARES ISSUED IN THE THREE-FOR-TWO STOCK SPLIT. AS A RESULT, A STOCKHOLDER WILL MULTIPLY THE BASIS IN EACH SHARE HELD BEFORE THE STOCK SPLIT BY 66.7% TO DETERMINE THE BASIS, AFTER THE STOCK SPLIT, IN THOSE SHARES AND ADDITIONAL SHARES DISTRIBUTED IN THE STOCK SPLIT. SEE THE EXAMPLE BELOW IN #16.

**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 ▶ WE CAUTION THAT THIS IS NOT TAX ADVICE AND IS PROVIDED ONLY AS REFERENCE. INVESTORS SHOULD CONSULT THEIR TAX ADVISOR. A SHAREHOLDER WILL MULTIPLY THE BASIS IN EACH SHARE HELD BEFORE THE STOCK SPLIT BY 66.7% TO DETERMINE THE BASIS, AFTER THE STOCK SPLIT, IN THOSE SHARES AND THE ADDITIONAL SHARES DISTRIBUTED IN THE STOCK SPLIT.

**EXAMPLE:**

BEFORE THE STOCK SPLIT: A STOCKHOLDER HOLDS 100 SHARES OF STOCK YARDS BANCORP COMMON STOCK WITH A BASIS OF \$50 PER SHARE AND \$5,000 IN TOTAL.

AFTER THE STOCK SPLIT: A STOCKHOLDER HOLDS 150 SHARES OF STOCK YARDS BANCORP COMMON STOCK WITH A BASIS OF \$33 PER SHARE AND \$5,000 IN TOTAL.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC SECTION 305(a) AND IRC SECTION 307(a)

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18 Can any resulting loss be recognized? ► NO LOSS CAN BE RECOGNIZED IN CONNECTION WITH THE THREE-FOR-TWO STOCK SPLIT COMPLETED IN THE FORM OF A STOCK DIVIDEND

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE REPORTABLE TAX YEAR IS THE CALENDAR YEAR ENDING DECEMBER 31, 2016.

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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 ► Selena Johnson Date ► 8-11-16  
Print your name ► Selena Johnson Title ► TAX MANAGER

<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.	