

STIFEL FINANCIAL CORP
Form DEF 14A
April 26, 2013
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Rule 240.14a-12

STIFEL FINANCIAL CORP.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required
 - Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
- 1) Title of each class of securities to which transaction applies:

- 2) Aggregate number of securities to which transaction applies:

 - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

 - 4) Proposed maximum aggregate value of transaction:

 - 5) Total fee paid:
- .. Fee paid previously with preliminary materials.
- .. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- (1) Amount Previously Paid:

 - (2) Form, Schedule or Registration Statement No.:

 - (3) Filing Party:

 - (4) Date Filed:

Table of Contents

STIFEL FINANCIAL CORP.

One Financial Plaza

501 North Broadway

St. Louis, Missouri 63102-2102

(314) 342-2000

April 26, 2013

To the Stockholders of Stifel Financial Corp.:

Dear Stockholder:

We cordially invite you to attend Stifel Financial Corp.'s annual stockholders' meeting. The meeting will be held on **Wednesday, June 12, 2013, at 11 a.m. on the 2nd Floor, One Financial Plaza, 501 North Broadway, St. Louis, Missouri, 63102.**

We are distributing to stockholders a Notice of Internet Availability of Proxy Materials (the "Notice") on or about April 26, 2013. The Notice informs stockholders how to access this proxy statement and our Annual Report for the year ended December 31, 2012 on the Internet and how to submit their proxy online. The Notice also contains instructions on how to request a printed set of proxy materials.

At the meeting, stockholders will vote on a number of important matters. Please take the time to carefully read each of the proposals described in the attached proxy statement. Please vote, your vote is important.

Thank you for your support of Stifel.

Sincerely,

Ronald J. Kruszewski

Chairman of the Board, President

and Chief Executive Officer

Table of Contents**TABLE OF CONTENTS**

<u>ABOUT THE ANNUAL MEETING</u>	1
<u>GENERAL</u>	4
<u>VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF</u>	5
<u>Ownership of Directors, Nominees, and Executive Officers</u>	6
<u>Ownership of Certain Beneficial Owners</u>	8
<u>INFORMATION CONCERNING THE BOARD OF DIRECTORS</u>	9
<u>Director Independence</u>	9
<u>Board of Directors Leadership, Risk Oversight, Meetings and Committees</u>	9
<u>PROPOSAL I ELECTION OF DIRECTORS</u>	12
<u>Experience and Diversity</u>	12
<u>Class III Director Nominees</u>	13
<u>Class II Director Nominee</u>	19
<u>Continuing Directors</u>	20
<u>Compensation of Directors in Last Fiscal Year</u>	31
<u>Additional Information About Director Compensation</u>	32
<u>CORPORATE GOVERNANCE AND CODE OF ETHICS</u>	32
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	32
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	34
<u>Named Executive Officers</u>	34
<u>Compensation Philosophy and Objectives</u>	34
<u>Setting Compensation</u>	35
<u>Involvement of Executive Officers</u>	35
<u>Compensation Peer Group</u>	35
<u>Compensation Consultants</u>	36
<u>Risk Oversight of the Company's Compensation Program</u>	36
<u>Compensation Program and Payments</u>	36
<u>Base Salary</u>	36
<u>Annual Incentive Compensation</u>	36
<u>Long-Term Incentive Awards</u>	40
<u>Perquisites and Other Personal Benefits</u>	40

<u>Retirement Plans</u>	40
<u>Health and Welfare Plans</u>	40
<u>Employee Ownership Guidelines</u>	41

Table of Contents

<u>Deductibility of Executive Compensation</u>	41
<u>COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION</u>	41
<u>EXECUTIVE COMPENSATION IN THE LAST FISCAL YEAR</u>	42
<u>Summary Compensation Table</u>	42
<u>Grants of Plan-Based Awards</u>	44
<u>Additional Information About the Compensation Paid to Named Executive Officers in 2012</u>	46
<u>Outstanding Equity Awards at Fiscal Year-End</u>	47
<u>Options Exercised and Stock Units Converted</u>	48
<u>Post-Retirement Benefits</u>	49
<u>Discussion of Post-Employment Payments</u>	50
<u>PROPOSAL II _ ADVISORY RESOLUTION TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS</u>	52
<u>PROPOSAL III _ RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	55
<u>REPORT OF THE AUDIT COMMITTEE</u>	56
<u>FUTURE STOCKHOLDER PROPOSALS</u>	58
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	58
<u>HOUSEHOLDING OF MATERIALS</u>	58
<u>OTHER MATTERS</u>	58
<u>MISCELLANEOUS</u>	59

Table of Contents

STIFEL FINANCIAL CORP.

One Financial Plaza

501 North Broadway

St. Louis, Missouri 63102-2102

(314) 342-2000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

- Date and Time:** Wednesday, June 12, 2013, at 11:00 a.m., Central Time
- Place:** One Financial Plaza, 2nd Floor
501 North Broadway
St. Louis, Missouri 63102
- Items of Business:**
- I. To elect six (6) Class III Directors and one (1) Class II Director, each as nominated by the Board of Directors;
 - II. To approve, on an advisory basis, the compensation of our named executive officers;
 - III. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013; and
 - IV. To consider and act upon other business as may properly come before the meeting and any adjournment or postponement thereof.
- Record Date:** You are entitled to vote only if you were a Company stockholder at the close of business on April 15, 2013.
- Voting by Proxy:** Your vote is very important. Whether or not you plan to attend the Annual Meeting, please vote your shares by proxy to ensure they are represented at the meeting. You may submit your proxy vote by telephone or Internet, as described in the Notice of Internet Availability of Proxy Materials and the following proxy statement, by no later than Tuesday, June 11, 2013. If you received a paper copy of the proxy card by mail, you may sign, date and mail the proxy in the envelope provided. The envelope is addressed to our vote tabulator, Broadridge Financial Solutions, Inc., and no postage is required if mailed in the United States.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting

to be held on June 12, 2013

Our proxy statement and 2012 annual report are available at:

www.investorvote.com/sf

By Order of the Board of Directors,

David M. Minnick, Corporate Secretary

April 26, 2013

YOUR VOTE IS VERY IMPORTANT

Even if you plan to attend this meeting in person, we urge you to promptly vote your shares on the Internet, by telephone, or if you requested printed copies of the proxy materials, you can vote by dating, signing and returning the proxy card in a postage-paid return envelope.

iii

Table of Contents

ABOUT THE ANNUAL MEETING

WHO IS SOLICITING MY VOTE?

Our Board of Directors is soliciting your vote at the 2013 Annual Meeting of stockholders (the Annual Meeting).

WHAT WILL I BE VOTING ON?

Election of seven directors nominated by our Board of Directors.

Advisory approval of the compensation of our named executive officers.

Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013.

Any other business that properly comes before the meeting or any adjournment(s) or postponement(s) of such meeting.

HOW MANY VOTES DO I HAVE?

You will have one vote for every share of Company common stock you owned on the record date, April 15, 2013, for each of the directors to be elected and on each other proposal presented at the Annual Meeting. Common stock is our only class of outstanding stock. There is no cumulative voting in the election of directors.

HOW MANY VOTES CAN BE CAST BY ALL STOCKHOLDERS?

63,224,366 votes, consisting of one vote for each share of common stock that was outstanding on the record date.

HOW MANY VOTES MUST BE PRESENT TO HOLD THE MEETING?

31,612,184 votes, which represents a majority of the votes that can be cast at the Annual Meeting. We urge you to vote by proxy even if you plan to attend the Annual Meeting so that we will know as soon as possible that enough votes will be present for us to hold the meeting.

DOES ANY SINGLE STOCKHOLDER CONTROL AS MUCH AS 5 PERCENT OF ANY CLASS OF STIFEL S COMMON STOCK?

There are two (2) stockholders that beneficially own over 5% of our common stock.

HOW DO I VOTE?

You can vote either by proxy, with or without attending the Annual Meeting, or in person at the Annual Meeting.

To vote electronically via the Internet, please follow the instructions provided at www.investorvote.com/sf.

Alternatively, to vote via telephone, please call (800) 652-VOTE (8683).

If you requested that a proxy card be mailed to you, you may fill out your proxy card, date and sign it, and return it in the provided postage-paid envelope. We must receive your proxy card no later than June 11, 2013, for your proxy to be valid and for your vote to count.

Our employees who participate in our employee benefit plans may vote those shares on our Intranet or may have their proxy card mailed to them.

If you want to vote in person at the Annual Meeting, and you hold your stock through a securities broker or other nominee (that is, in street name), you must obtain a proxy from your broker or nominee and bring that proxy to the meeting.

Shares Held in our 401(k) Plan or in our Employee Stock Ownership Plan and Trust

On April 15, 2013, the Stifel, Nicolaus & Company, Incorporated Profit Sharing 401(k) Plan (the 401(k) Plan) held 1,115,198 shares of our common stock in the name of Prudential, as trustee of the 401(k) Plan. If you are a participant in the 401(k) Plan, you may instruct Prudential how to vote shares of common stock credited to your 401(k) Plan account by indicating your instructions by voting on our Intranet or by requesting a proxy card and returning it to us by June 11, 2013. A properly executed proxy card or Intranet instructions will be voted as directed. If no proper voting direction is received, Prudential, in its capacity as the 401(k) Plan trustee, will vote your shares held in the 401(k) Plan in the same proportion as votes received from other participants in the 401(k) Plan.

Table of Contents

On April 15, 2013, our Employee Stock Ownership Plan and Trust held 770,535 shares of our common stock in the name of Prudential, as trustee of the Stock Ownership Plan and Trust. If you are a participant in the Stock Ownership Plan and Trust, you may instruct Prudential how to vote shares of common stock credited to your Stock Ownership Plan and Trust account by indicating your instructions by voting on our Intranet or by requesting a proxy card and returning it to us by June 11, 2013. A properly executed proxy card or Intranet instructions will be voted as directed. If no proper voting direction is received, Prudential, in its capacity as the trustee of the Stock Ownership Plan and Trust, will vote your shares held in the Stock Ownership Plan and Trust in the same proportion as votes received from other participants in the Stock Ownership Plan and Trust.

Broker Non-Votes

Under the rules of the New York Stock Exchange (NYSE), your shares cannot be voted without your specific voting instructions on Proposals I and II. See the section entitled *Can My Shares Be Voted If I Don't Vote Electronically, Don't Vote By Telephone, Don't Return My Proxy Card, and Don't Attend the Annual Meeting?* below for additional information. Accordingly, in order for your shares to be voted on all matters, please return your instructions promptly through any of the above-noted means. **Please vote; your vote is important.** Voting on matters presented at stockholders meetings, particularly the election of directors, is the primary method for stockholders to influence the direction taken by a publicly-traded company. We urge you to participate in the election through any of the above-noted means. Please understand that if you vote electronically, vote by telephone, or return a proxy card without specifying your vote on a particular proposal, then this will be construed as an instruction to vote the shares as recommended by the Board on all matters to be considered at the meeting.

CAN I CHANGE MY VOTE?

Yes. Prior to the meeting date, you may cast a new vote by telephone, Internet, or Intranet, or request and return a proxy card with a later date, or send a written notice of revocation to David M. Minnick, our Corporate Secretary, at One Financial Plaza, 501 North Broadway, St. Louis, Missouri 63102, or e-mail us at investorrelations@stifel.com. If you attend the Annual Meeting and want to vote in person, you can request that your previously submitted proxy not be used.

WHAT ARE THE VOTES REQUIRED TO ELECT DIRECTORS, ADVISORY APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS, AND APPROVE THE RATIFICATION OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM?

In an uncontested election, as is the case in this election, each nominee for director shall be elected to the Board of Directors if the votes cast FOR such nominee's election exceed the WITHHOLD votes cast against such nominee's election.

The affirmative vote of a majority of the shares of our common stock cast at the meeting in person or by proxy is required for advisory approval of the compensation of our named executive officers.

The affirmative vote of a majority of the shares of our common stock cast at the meeting in person or by proxy is required to ratify Ernst & Young LLP as our independent registered public accounting firm.

WHAT IF I DON'T VOTE FOR SOME OF THE MATTERS LISTED IN THESE PROXY MATERIALS OR ON MY PROXY CARD?

If you vote for some, but not all, matters electronically or by telephone, or return a proxy card without indicating your vote with regard to a particular matter, your shares will be voted FOR all of the nominees listed on the card, FOR the advisory approval of the compensation of our named executive officers, FOR the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013, and in the discretion of the proxy holders as to any other matters that may properly come before the Annual Meeting or any postponement or adjournment of the Annual Meeting.

Table of Contents

HOW ARE BROKER NON-VOTES AND ABSTENTIONS TREATED?

Broker non-votes and abstentions are counted for purposes of determining whether a quorum is present. When tabulating the voting results for any particular proposal, shares that constitute broker non-votes and, pursuant to our By-Laws, abstentions are not considered votes cast on that proposal. Accordingly, broker non-votes and abstentions will not affect the outcome of any matter being voted on at the Annual Meeting. In order to minimize the number of broker non-votes, the Company encourages you to provide voting instructions to the organization that holds your shares by carefully following the instructions provided in the Notice.

CAN MY SHARES BE VOTED IF I DON T VOTE ELECTRONICALLY, DON T VOTE BY TELEPHONE, DON T RETURN MY PROXY CARD, AND DON T ATTEND THE ANNUAL MEETING?

Proposals I and II are not considered routine matters under the NYSE rules and, therefore, brokerage firms and nominees that are members of the NYSE will not be able to vote the shares that they hold for you in nominee name if they have not received your voting instructions with regard to these proposals. For Proposals I and II, shares that constitute broker non-votes and abstentions are not considered votes cast on that proposal. Accordingly, broker non-votes and abstentions will not affect the outcome of the votes under either proposal.

Proposal III, the ratification of our independent registered public accounting firm, is considered a routine matter under the NYSE rules for voting purposes. Accordingly, brokerage firms and nominees that are members of the NYSE have the authority under those rules to vote the shares that they hold for you in nominee name even if you have not furnished voting instructions within a specified period of time prior to the Annual Meeting.

COULD OTHER MATTERS BE DECIDED AT THE ANNUAL MEETING?

We do not know of any other matters that will be considered at the Annual Meeting. If any other matters arise at the Annual Meeting, the proxies will be voted at the discretion of the proxy holders.

WHAT HAPPENS IF THE MEETING IS ADJOURNED OR POSTPONED?

Your proxy will still be valid and may be voted at the adjourned or postponed meeting.

WHY DID I RECEIVE A ONE-PAGE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS INSTEAD OF A FULL SET OF PROXY MATERIALS?

As permitted by the U.S. Securities and Exchange Commission (the SEC) rules, we have elected to provide access to our proxy materials over the Internet, which reduces our costs and the environmental impact of our Annual Meeting. Accordingly, we mailed a Notice of Internet Availability of Proxy Materials to our stockholders of record and beneficial owners who have not previously requested a printed or electronic set of proxy materials. The Notice contains instructions on how to access our proxy statement and annual report and vote online, as well as instructions on how to request a printed set of proxy materials.

HOW CAN I ACCESS STIFEL S PROXY MATERIALS AND ANNUAL REPORT ELECTRONICALLY?

To vote electronically via the Internet, you will need your control number, which was provided to you in the Notice or the proxy card included in your printed or electronic set of proxy materials. Once you have your control number, you may go to www.investorvote.com/sf and enter your control number when prompted to vote. To request the proxy materials electronically, you may either call (800) 652-VOTE (8683) or send an e-mail requesting electronic delivery

of the materials to investorrelations@stifel.com. Additionally, the proxy materials are available at www.investorvote.com/sf and at www.stifel.com/investorrelations.

Table of Contents

STIFEL FINANCIAL CORP.

One Financial Plaza

501 North Broadway

St. Louis, Missouri 63102-2102

(314) 342-2000

PROXY STATEMENT

FOR ANNUAL MEETING OF STOCKHOLDERS TO BE

HELD ON WEDNESDAY, JUNE 12, 2013

GENERAL

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of Stifel Financial Corp. (the Company) for use at the Annual Meeting of stockholders to be held on Wednesday, June 12, 2013, at 11 a.m., on the 2nd Floor, One Financial Plaza, 501 North Broadway, St. Louis, Missouri 63102, and any adjournment or postponement thereof, for the purposes set forth in the accompanying notice of Annual Meeting of stockholders.

Beginning on April 26, 2013, the Notice of this proxy statement and the Annual Meeting was mailed to our stockholders of record as of the close of business on April 15, 2013. The Notice also contains instructions on how to obtain paper copies of these proxy materials and a proxy card.

All proxies, whether voted electronically online, by telephone, or by proxy card, will be voted in accordance with the instructions contained in the proxy. If no choice is specified, proxies will be voted in favor of the election of each of the nominees for director proposed by the Board of Directors in Proposal I, in favor of the advisory resolution related to the compensation of our named executive officers in Proposal II, and in favor of the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013 in Proposal III, each as recommended by the Board of Directors. A stockholder who executes a proxy may revoke it at any time before it is voted by delivering another proxy to us bearing a later date, by casting a new vote by telephone, Internet, or Intranet, by submitting written notice of such revocation to David M. Minnick, our Corporate Secretary, or by personally appearing at the Annual Meeting and casting a vote in person.

A majority of the outstanding shares of common stock present in person or by proxy will constitute a quorum at the Annual Meeting.

In an uncontested election, as is the case in this election, each nominee for director shall be elected to the Board of Directors if the votes cast FOR such nominee's election exceed the WITHHOLD votes cast against such nominee's election. Each share will have one vote for the election of each director. There is no cumulative voting in the election of directors.

The affirmative vote of a majority of the shares of our common stock cast at the meeting in person or by proxy is required for the advisory approval of the compensation of our named executive officers and for the ratification of the

appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013.

A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner. Broker non-votes are counted as votes present at the meeting for purposes of determining whether a quorum exists.

When tabulating the voting results for any particular proposal, shares that constitute broker non-votes and, pursuant to our By-Laws, abstentions are not considered votes cast on that proposal. Accordingly, broker non-votes and abstentions will not affect the outcome of any matter being voted on at the Annual Meeting.

Table of Contents

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The close of business on April 15, 2013, has been fixed as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting. On April 15, 2013, there were 63,224,366 shares of our common stock outstanding and entitled to vote.

Table of Contents**Ownership of Directors, Nominees, and Executive Officers**

The following table sets forth information regarding the amount of common stock beneficially owned, as of April 15, 2013, by each of our directors, each nominee for election as a director, the executive officers named in the Summary Compensation Table, and all of our directors and executive officers as a group.

Name	Number of Shares Beneficially Owned ^{(1) (2)}	Percentage of Outstanding Common Stock ⁽³⁾	Unvested Stock Units ⁽⁴⁾
Ronald J. Kruszewski ⁽⁵⁾	1,115,160	1.76%	276,295
James M. Zemlyak ⁽⁶⁾	714,833	1.13%	141,887
Thomas W. Weisel ^{(7) (8)}	543,608	*	157,226
Richard J. Himelfarb	327,135	*	12,509
Thomas P. Mulroy ⁽⁹⁾	294,341	*	156,464
Thomas B. Michaud	223,247	*	
Ben A. Plotkin ⁽¹⁰⁾	192,344	*	48,625
Victor J. Nesi	169,793	*	176,689
Robert E. Lefton ⁽¹¹⁾	104,136	*	
Bruce A. Beda	71,628	*	
James M. Oates	66,682	*	
Charles A. Dill ⁽¹²⁾	65,592	*	
Frederick O. Hanser ⁽¹³⁾	58,362	*	
John P. Dubinsky	46,900	*	
Alton F. Irby III	26,816	*	
Michael W. Brown	21,067	*	
Kelvin R. Westbrook	20,135	*	
Robert E. Grady ⁽¹⁴⁾	10,736	*	93
Michael J. Zimmerman	2,856	*	
Directors and Executive Officers as a Group (23 persons)	4,237,636	6.65%	1,074,413

(1) Except as otherwise indicated, each individual has sole voting and investment power over the shares listed beside his name. These shares were listed on regulatory filings by each of the individual directors or executive officers.

- (2) Includes the following shares that such persons and group have the right to acquire currently or within 60 days following April 15, 2013, upon the exercise of stock options: Mr. Lefton 7,500; Mr. Beda 2,250; Mr. Dill 2,250; Mr. Hanser 7,500; Mr. Dubinsky 450; Mr. Irby 6,819; Mr. Brown 7,496; and directors and executive officers as a group 34,265. Also includes the following shares underlying stock units held by such persons and which are currently vested or which vest within 60 days following April 15, 2013: Mr. Kruszewski 64,864; Mr. Zemlyak 19,861; Mr. Weisel 5,911; Mr. Himelfarb 4,584; Mr. Mulroy 14,551; Mr. Plotkin 8,013; Mr. Nesi 15,796; Mr. Lefton 17,266; Mr. Beda 21,364; Mr. Oates 19,729; Mr. Dill 17,272; Mr. Hanser 17,257; Mr. Dubinsky 17,257; Mr. Irby 8,813; Mr.

Table of Contents

Brown 8,813; Mr. Westbrook 17,251; Mr. Grady 9,090; and directors and executive officers as a group 305,968. Also includes the following shares which have been allocated to such persons under the Stifel Financial Corp. Stock Ownership Plan and Trust and the 401(k) Plan, respectively: Mr. Kruszewski 1,268 and 0; Mr. Zemlyak 1,067 and 11,411; Mr. Weisel 54 and 0; Mr. Himelfarb 264 and 6,768; Mr. Mulroy 264 and 0; Mr. Plotkin 142 and 0; Mr. Nesi 103 and 0; and directors and executive officers as a group 8,507 and 44,816.

- (3) Based upon 63,224,366 shares of common stock issued and outstanding as of April 15, 2013, and, for each director or officer or the group, the number of shares subject to options or stock units which the director, officer, or the group has the right to acquire currently or within 60 days following April 15, 2013.
- (4) Includes shares underlying stock units held by such persons but which are not convertible into our common stock within the 60-day period after April 15, 2013, and, therefore, under the rules of the SEC, are not deemed to be beneficially owned as of April 15, 2013. The stock units generally will be transferred into common stock at the end of a three- to six-year period after the date of grant contingent upon the holder's continued employment with us.
- (5) Includes (i) 685,626 shares held in a limited liability company as to which Mr. Kruszewski has sole voting power and (ii) 4,500 shares held in a trust for the benefit of Mr. Kruszewski's children as to which he also has sole voting power.
- (6) Includes (i) 608,120 shares held in a limited liability company as to which Mr. Zemlyak has sole voting power and (ii) 3,000 shares held in a trust for the benefit of Mr. Zemlyak's child as to which he also has sole voting power.
- (7) Mr. Weisel has pledged 210,267 shares as collateral as security for certain obligations. Additionally, Thomas Weisel Investment Management, Inc., a company owned by Mr. Weisel, has pledged 78,342 shares as collateral as security for certain obligations, as to which shares Mr. Weisel has sole voting and investment power.
- (8) Includes 15,098 shares held by the Thomas W. Weisel Trust.
- (9) Mr. Mulroy has pledged 56,700 shares as collateral as security for a line of credit.
- (10) Mr. Plotkin has pledged 116,226 shares as collateral as security for a line of credit. There were no advances on the line of credit as of April 15, 2013.
- (11) Includes 8,015 shares held by the Robert E. Lefton Revocable Trust.

- (12) Mr. Dill has pledged 46,070 shares as collateral for a loan.
- (13) Includes 33,603 shares held by the Frederick O. Hanser Revocable Trust.
- (14) Includes 310 shares held by the Robert E. Grady Revocable Trust.
- (*) Shares beneficially owned do not exceed 1% of the outstanding shares of our common stock.

Table of Contents**Ownership of Certain Beneficial Owners**

Based on filings made under Section 13(d) and Section 13(g) of the Securities Exchange Act of 1934, as of April 15, 2013, the persons identified below were the only persons known to us to be a beneficial owner of more than 5% of our common stock.

Name and Address	Number of Shares Beneficially Owned	Percent of Outstanding Common Stock ⁽¹⁾
BlackRock, Inc. 40 East 52nd Street New York, New York 10022	4,035,414 ⁽²⁾	6.4%
Royce & Associates, LLC 745 Fifth Avenue New York, New York 10151	3,769,613 ⁽³⁾	6.0%

(1) Based upon 63,224,366 shares of common stock issued and outstanding as of April 15, 2013.

(2) The information shown is based on a Schedule 13G, Amendment No. 3, filed February 8, 2013, of Blackrock, Inc. The amended Schedule 13G indicates that Blackrock, Inc. has sole voting power and sole dispositive power with respect to all 4,035,414 shares.

(3) The information shown is based on a Schedule 13G, Amendment No. 2, filed January 22, 2013, of Royce & Associates, LLC. The amended Schedule 13G indicates that Royce & Associates, LLC has sole voting power and sole dispositive power with respect to all 3,769,613 shares.

Table of Contents

INFORMATION CONCERNING THE BOARD OF DIRECTORS

Director Independence

Under NYSE Corporate Governance Standards, an independent director is a member of the Board of Directors who:

Does not, and has not for the three years prior to the date of determination, received more than \$120,000 per year in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);

Is not, and has not been for the three years prior to the date of determination, an employee of the Company;

Is not, and has not been, affiliated with or employed by the present or former auditor of the Company, or one of the auditor's affiliates, unless it has been more than three years since the affiliation, employment, or the auditing relationship ended;

Is not, and has not been for the three years prior to the date of determination, part of an interlocking directorship in which an executive officer of the Company serves on the compensation committee of a Company that concurrently employs the director;

Is not, and has not been for the three years prior to the date of determination, an executive officer or an employee of another company (1) that accounts for at least 2% or \$1 million, whichever is greater, of the Company's consolidated gross revenues or (2) for which the Company accounts for at least 2% or \$1 million, whichever is greater, of such other company's consolidated gross revenues;

Has no other material commercial, industrial, banking, consulting, legal, accounting, charitable, or familial relationship with the Company, either individually or as a partner, stockholder, or officer of an organization or entity having such a relationship with the Company, which relationship would adversely impact the director's independence in connection with the Company; and

Has, and for the three years prior to the date of determination had, no immediate family members (i.e., spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and anyone who shares the director's home) in any of the above categories; provided, however, that in the case of employment of one of the above-described immediate family members, the family member must have served as an executive officer or partner of the subject entity to impact the director's independence.

It is a responsibility of the Board of Directors to regularly assess each director's independence and to take appropriate actions in any instance in which the requisite independence has been compromised.

The Board of Directors has determined that Messrs. Beda, Brown, Dill, Dubinsky, Grady, Hanser, Irby, Lefton, Oates, Westbrook, and Zimmerman qualify as independent directors. In making this determination, the Board of Directors considered the rules of the NYSE and the SEC, including the rules recently adopted by the NYSE regarding the independence of the Compensation Committee, and reviewed information provided by the directors in questionnaires concerning the relationships that we may have with each director. In particular, with respect to Mr. Irby, the Board of Directors considered the related party transaction described on page 32 of this proxy statement and concluded that Mr. Irby's independence was not compromised.

Board of Directors Leadership, Risk Oversight, Meetings and Committees

Leadership: Our Board of Directors is presently composed of eleven independent directors and eight employee directors. The Board strategically considers the combination or separation of the Chairman and Chief Executive Officer roles as an integral part of its planning process and corporate governance philosophy. Ronald J. Kruszewski concurrently serves as both a Chairman of the Board as well as the Company's President and Chief Executive Officer. Thomas W. Weisel shares the role of Chairman of the Board with Mr. Kruszewski.

In connection with the Company's acquisition of Thomas Weisel Partners Group, Inc. (TWPG) in July 2010, the Board determined that Mr. Weisel's service along with Mr. Kruszewski as Chairman of the Board would assist the integration of the two companies and would otherwise be in the best interests of the Company. Although Mr.

Table of Contents

Kruszewski currently serves as Chairman of the Board as well as the Company's President and Chief Executive Officer, the Board believes that this structure serves the Company well because it provides consistent leadership and accountability for managing Company operations. In addition, our Board of Directors also holds regularly scheduled executive sessions without management, at which a non-management director presides in compliance with the NYSE Corporate Governance Standards.

Risk Oversight: Our Board of Directors has responsibility for the oversight of risk management. Our Board of Directors, either as a whole or through its Committees, regularly discusses with Company management our major risk exposures, their potential impact and the steps we take to monitor and control such exposures.

While our Board is ultimately responsible for risk oversight, each of our Committees assists the full Board in fulfilling its oversight responsibilities in certain areas of risk. In particular, the Risk Management/Corporate Governance Committee oversees the Company's enterprise risk management framework, including the policies, procedures, control activities and management information systems in place to identify, measure, monitor and control the Company's top risk exposures, including market, credit, operational, liquidity/funding, legal/compliance, reputational, strategic and emerging risks. The Risk Management/Corporate Governance Committee also oversees the management of risks associated with Board organization, membership and structure, and the organizational and governance structure of our Company. The Audit Committee assists our Board in fulfilling its oversight responsibilities with respect to the management of financial and accounting risk exposures. Finally, the Compensation Committee focuses on the management of risks arising from our compensation policies and programs.

Meetings: During 2012, our Board of Directors met 13 times, including both regularly scheduled and special meetings. During the year, all of the incumbent directors attended at least 75% of all meetings held by the Board of Directors and all Committees on which they serve. It is our policy to encourage the members of our Board of Directors to attend the Annual Meeting of stockholders. At the last annual meeting, six of the then-current directors were in attendance.

Committees: The standing committees of our Board of Directors are the Audit Committee, Compensation Committee, Executive Committee, and Risk Management/Corporate Governance Committee. The Audit Committee, Compensation Committee, and Risk Management/Corporate Governance Committee each operates pursuant to a written charter approved by the Board of Directors. The full text of each such charter and our corporate governance guidelines are available in the Corporate Governance section of our web site located at www.stifel.com, or may be obtained by any stockholder, without charge, upon request by contacting David M. Minnick, our Corporate Secretary, at (314) 342-2000 or by e-mail at investorrelations@stifel.com.

Audit Committee. Messrs. Beda (Chairman), Dubinsky, Grady, Oates and Westbrook are the current members of the Audit Committee, each of whom are independent directors as defined by the NYSE, the SEC, and as determined by our Board of Directors. The duties of the Audit Committee include:

Recommending to the Board of Directors a public accounting firm to be placed in nomination for stockholder ratification as our independent auditors and compensating and terminating the independent auditors as deemed necessary;

Meeting periodically with our independent auditors and financial management to review the scope of the proposed audit for the then-current year, the proposed audit fees, and the audit procedures to be utilized,

reviewing the audit and eliciting the judgment of the independent auditors regarding the quality of the accounting principles applied to our financial statements; and

Evaluating on an annual basis the qualification, performance, and independence of the independent auditors, based on the Audit Committee's review of the independent auditors' report and the performance of the independent auditors throughout the year.

Each member of the Audit Committee is financially literate, knowledgeable, and qualified to review financial statements. The audit committee financial expert designated by our Board of Directors is Mr. Beda. The Audit Committee met five times during 2012.

Compensation Committee. Messrs. Oates (Chairman), Lefton (Vice Chairman), Beda, Dill, Hanser and Irby are the current members of the Compensation Committee, each of whom are independent directors as defined by the NYSE and as determined by our Board of Directors. The Compensation Committee met five times during 2012. The duties of the Compensation Committee include:

Reviewing and recommending to our Board of Directors the salaries of all of our executive officers;

Table of Contents

Reviewing market data to assess our competitive position for the components of our executive compensation;

Making recommendations to our Board of Directors regarding the adoption, amendment, and rescission of employee benefit plans; and

Reviewing the Company's compensation policies and practices with respect to the Company's employees to ensure that they are not reasonably likely to have a material adverse effect on the Company.

Compensation Committee Interlocks and Insider Participation. During 2012, there were no interlocks or insider participation on the part of the members of the Compensation Committee.

Executive Committee. Messrs. Kruszewski (Co-Chairman), Weisel (Co-Chairman), Beda, Dubinsky, Grady and Oates are the current members of the Executive Committee. Except to the extent limited by law, between meetings of the full Board, the Executive Committee performs the same functions and has the same authority as the full Board. The Executive Committee met four times during 2012.

Risk Management/Corporate Governance Committee. Messrs. Grady (Chairman), Beda, Brown, Hanser, Lefton and Oates are the current members of the Risk Management/Corporate Governance Committee, each of whom are independent directors as defined by the NYSE and as determined by our Board of Directors. The Risk Management/Corporate Governance Committee met four times during 2012. The duties of the Risk Management/Corporate Governance Committee include:

Assisting the Board in the oversight of the Company's risk management, including the Company's risk assessment guidelines, policies and procedures regarding market, credit, operational, liquidity/funding, compliance/legal, reputational, strategic and emerging risks;

Communicating with senior management, including our Chief Executive Officer, Chief Financial Officer and Chief Compliance Officer, concerning key risk management matters;

Reviewing at least quarterly, the major risk exposures of the Company, particularly credit, operational, liquidity/funding, compliance/legal, reputational, strategic and emerging risks and assessing the steps taken by management to monitor and control such risk exposures;

Overseeing the management of risks associated with Board organization, membership and structure;

Overseeing the search for individuals qualified to become members of our Board of Directors and selecting director nominees to be presented for approval at the annual meeting of our stockholders;

Considering nominees for directors recommended by our stockholders; and

Reviewing our corporate governance guidelines at least annually and recommending changes to our Board of Directors as necessary.

In accordance with the Risk Management/Corporate Governance Committee's charter and our corporate governance guidelines, the Risk Management/Corporate Governance Committee considers nominees recommended by stockholders and reviews the qualifications and contributions of the directors standing for election each year. In identifying and evaluating nominees for director, the Risk Management/Corporate Governance Committee considers, among other things, each candidate's strength of character, judgment, career specialization, relevant technical skills, experience, diversity, and the extent to which the candidate would fill a need on the Board of Directors.

Stockholders may recommend individuals to the Risk Management/Corporate Governance Committee for consideration as potential director nominees by giving written notice to David M. Minnick, our Corporate Secretary, at least 90 days, but not more than 120 days, prior to the anniversary of our preceding year's annual meeting, along with the specific information required by our By-Laws including, but not limited to, the name and address of the nominee; the number of shares of our common stock beneficially owned by the stockholder (including associated persons) nominating such nominee; and a consent by the nominee to serve as a director, if elected, that would be required for a nominee under the SEC rules. If you would like to receive a copy of the provisions of our By-Laws setting forth all of these requirements, please send a written request to Stifel Financial Corp., Attention: David M. Minnick, Corporate Secretary, One Financial Plaza, 501 North Broadway, St. Louis, Missouri 63102-2102. The Risk Management/Corporate Governance Committee has not adopted any specific procedures for considering the recommendation of director nominees by stockholders, but will consider stockholder nominees on the same basis as other nominees. Please also see the procedures described in the section entitled *Future Stockholder Proposals* in this proxy statement.

Table of Contents

PROPOSAL I - ELECTION OF DIRECTORS

Our Company's Board of Directors currently consists of 19 persons, divided into three classes. The nominees for election at the Annual Meeting are as follows: six (6) Class III members and one (1) Class II member. Typically, each class is elected for a term of three years, and the classes together are staggered so that one class term expires each year. In connection with the acquisition of KBW, Inc. and effective February 15, 2013, the Company's Board of Directors expanded the size of the Board from 17 persons to 19 persons and elected Messrs. Michaud and Zimmerman to serve as directors for a term ending at the Company's next annual meeting. Dr. Robert Lefton, who served as a Class III director for all of 2012 and whose term expires in 2013, is not standing for reelection. Accordingly, effective immediately prior to the commencement of the Annual Meeting, the Board of Directors will be comprised of 18 persons with six (6) persons in each class.

The Board of Directors, upon the recommendation of the Risk Management/Corporate Governance Committee, has nominated (i) Michael W. Brown, John P. Dubinsky, Robert E. Grady, Thomas B. Michaud, James M. Oates and Ben A. Plotkin for election as Class III directors to hold office until the 2016 Annual Meeting of stockholders or until their respective successors are elected and qualified or until their earlier death, resignation, or removal, and (ii) Michael J. Zimmerman for election as a Class II director to hold office until the 2015 Annual Meeting of stockholders or until his respective successor is elected and qualified or until his earlier death, resignation, or removal. Each of the nominees is currently serving as a director of our Company.

Shares represented by your proxy will be voted in accordance with your direction as to the election of directors from the persons listed below as nominees. In the absence of direction, the shares represented by your proxy will be voted FOR the election of each nominee. In an uncontested election, as is the case in this election, each nominee for director shall be elected to the Board of Directors if the votes cast FOR such nominee's election exceed the WITHHOLD votes cast against such nominee's election. Shares represented by your proxy cannot be voted for more than six (6) Class III directors and one (1) Class II director. In the event any person listed as a nominee becomes unavailable as a candidate for election, it is intended that the shares represented by your proxy will be voted for the remaining nominees and any substitute nominee recommended by the Board of Directors.

The Board of Directors has adopted a director resignation policy that requires each director nominee who is standing for re-election, prior to each election of directors at an annual meeting, to submit to the Board of Directors an irrevocable letter of resignation which will become effective if that director does not receive the necessary majority votes for election and the Board of Directors determines to accept such resignation. In such circumstances, the Risk Management/Corporate Governance Committee will evaluate and make a recommendation to the Board of Directors with respect to the submitted resignation. The Board of Directors will take action on such recommendation within 180 days following the annual meeting at which the election occurred and will publicly disclose its decision including, if applicable, the reasons for rejecting a resignation.

Experience and Diversity

The Risk Management/Corporate Governance Committee of the Board of Directors actively seeks directors who provide the Board with a diversity of perspectives and backgrounds.

The composition of our current Board of Directors reflects diversity in business and professional experience, skills, and ethnic background. When considering whether directors and nominees have the experience, qualifications, attributes, and skills, taken as a whole, to enable the Board of Directors to satisfy its oversight responsibilities effectively in light of the Company's business and structure, the Risk Management/Corporate Governance Committee and the Board of Directors focused primarily on the information discussed in each of the individual biographies set

forth below. These biographies briefly describe the business experience during the past five years or longer, if material, of each of the nominees for election as a director and our other directors whose terms of office as directors will continue after the Annual Meeting, including, where applicable, positions held with us or our principal subsidiary, Stifel, Nicolaus & Company, Incorporated, and information as to the other directorships held by each of them during such five-year period. These biographies also include the specific individual attributes considered by the Risk Management/Corporate Governance Committee and the Board of Directors in coming to the conclusion that each such nominee or current director should serve as a director of the Company.

Table of Contents

Class III Director Nominees

Michael W. Brown, 67

Director Since: 2010, Class III nominee for term ending in 2016

Committees: Risk Management/Corporate Governance Committee

Other Current Public Company Directorships: EMC Corporation

(NYSE: EMC), VMWare, Inc. (NYSE: VMW), and Insperty, Inc.

(NYSE: NSP), formerly known as Administaff, Inc.

Other Public Company Directorships Within the Past 5 Years: Thomas

Weisel Partners Group, Inc. (NASDAQ: TWPG)

Career Highlights

Microsoft Corporation, a global software company (NASDAQ: MSFT)

Vice President and Chief Financial Officer (August 1994 – July 1997)

Vice President – Finance and Treasurer (1989 – August 1994)

Deloitte & Touche LLP, a provider of assurance, tax, and business consulting services (1971 – 1989)

Other Professional Experience and Community Involvement

Former Chairman, NASDAQ Stock Market Board of Directors

Former Governor, National Association of Securities Dealers

Experience and Qualifications

Mr. Brown has considerable financial and accounting expertise, including eight years of financial leadership with a leading technology company and directorships at other publicly held companies. Mr. Brown also has considerable experience as a director and governor of self-regulatory organizations within the financial services industry.

Table of Contents

John P. Dubinsky, 69

Director Since: 2003, Class III nominee for term ending in 2016

Committees: Audit Committee and Executive Committee

Other Current Public Company Directorships: Aegion Corporation

(NASDAQ: AEGN)

Career Highlights

Chairman, Stifel Bank & Trust (April 2007 – present)

President and Chief Executive Officer, Westmoreland Associates, LLC, a financial consulting company (1995 – present)

CORTEX (Center of Research, Technology, and Entrepreneurial Expertise)

Chairman (2008 – present)

President and Chief Executive Officer (2003 – 2008)

President Emeritus, Firststar Bank (1999 – 2001)

Chairman, President, and Chief Executive Officer, Mercantile Bank (1997 – 1999)⁽¹⁾

President and Chief Executive Officer, Mark Twain Bancshares, Inc.

Other Professional Experience and Community Involvement

Trustee, Barnes-Jewish Hospital

Trustee, Washington University

Trustee, St. Louis Public Library

Trustee, National Public Radio Foundation, Washington, D.C.

Experience and Qualifications

Mr. Dubinsky is a leader in the financial consulting industry and has extensive experience in managing financial institutions. Mr. Dubinsky also has strong experience as a director of other publicly held and large private companies as well as not-for-profit entities.

⁽¹⁾ Until the merger with U.S. Bank National Association (formerly, Firststar Bank, N.A.)

Table of Contents

Robert E. Grady, 55

Director Since: 2010, Class III nominee for term ending in 2016

Committees: Audit Committee, Executive Committee and Risk

Management/Corporate Governance Committee (Chairman)

Other Current Public Company Directorships: Maxim Integrated

Products, Inc. (NASDAQ: MXIM)

Other Public Company Directorships Within the Past 5 Years:

Thomas Weisel Partners Group, Inc. (NASDAQ: TWPG), AuthenTec,

Inc. (NASDAQ: AUTH) and Blackboard, Inc. (NASDAQ: BBBB)

Career Highlights

Partner and Managing Director, Cheyenne Capital Fund, a private equity investment firm (2009 – present)

Managing Director, Carlyle Group, a global alternative asset management firm (2000 – 2009)

Member, Management Committee

Chairman and Fund Head, Carlyle Venture Partners

Member, Investment Committee (Carlyle Venture Partners, Carlyle Asia Growth Partners, and Carlyle Europe Technology Partners)

Managing Director, Robertson Stephens & Company (1993 – 2000)

Member, Management Committee

Other Professional Experience and Community Involvement

Chairman, New Jersey State Investment Council, which oversees the state's \$75 billion pension fund

Chairman, New Jersey Council of Economic Advisors

Chairman of the Industry Advisory Board, Crosslink Capital

Director, Viator, Inc.

Director, Jackson Hole Mountain Resort

Director, Symbio LLC

Director, Pro Guide Direct

Trustee, Pardee RAND Graduate School

Visiting Fellow, Hoover Institution, Stanford University

Former Chairman, National Venture Capital Association

Former Deputy Assistant to President George H.W. Bush, The White House

Former Executive Associate Director, Office of Management and Budget, Executive Office of the President
Former Lecturer in Public Management, Stanford Graduate School of Business
M.B.A., Stanford Graduate School of Business
A.B., Harvard College

Experience and Qualifications

Mr. Grady has extensive leadership experience in the private equity investment and the broker-dealer segments of the financial services industry. Mr. Grady also has substantial federal and state governmental experience as well as strong academic experience. Finally, Mr. Grady has considerable experience as a director of other publicly and privately held companies.

Table of Contents

Thomas B. Michaud, 48

Senior Vice President of Stifel Financial Corp.

Director Since: February 2013, Class III nominee for term ending in 2016

Other Public Company Directorships Within the Past 5 Years: KBW, Inc.

(NYSE: KBW)

Career Highlights

Stifel Financial Corp. Senior Vice President (February 2013 – present)
Keefe, Bruyette & Woods, Inc., a wholly-owned broker-dealer subsidiary of Stifel Financial Corp.
Chairman and Chief Executive Officer (2011 – present)
President (2006 – present)
Director (1999 – present)
KBW, Inc.
Chief Executive Officer and President (2011 – 2013)
Chief Operating Officer (2005 – 2011)
Vice Chairman (2005 – 2013)

Other Professional Experience and Community Involvement

Chairman, Keefe, Bruyette & Woods, Ltd., London based subsidiary
Board of Advisors Member, Greenwich Chapter of the American Red Cross (2004 – present)
Director, Foreign Policy Association, Foreign Policy Association, a non-profit organization (2011 – present)
Capital Campaign Committee, Middlebury College (2007 – present)
Former Member, Greenwich Town Meeting
M.B.A., Stern School of Business at New York University
Bachelor of Arts, Middlebury College

Experience and Qualifications

Mr. Michaud's expertise in the financial and trading markets, his extensive knowledge of the banking sector and his reputation and relationships within the financial services industry all serve to provide the Board with valuable institutional insights regarding our customer relationships, strategic development and direction, execution of our business plan and the opportunities and challenges faced by our industry.

Table of Contents

James M. Oates, 66

Director Since: 1996, Class III nominee for term ending in 2016

Committees: Audit Committee, Compensation Committee (Chairman),

Executive Committee and Risk Management/Corporate Governance

Committee

Other Current Public Company Directorships: Connecticut River Bancorp

(PK: CORB.PK)

Career Highlights

Managing Director, The Wydown Group, a financial consulting firm (1994 – present)

Chairman, Hudson Castle Group, Inc. (formerly IBEX Capital Markets, Inc.), a financial services company (1997–2011)

Chief Executive Officer, Newworld Bank Corp. (1985 – 1994)

Other Professional Experience and Community Involvement

Board Member, Virtus Funds

Board Member, Connecticut River Bancorp

Chairman, Connecticut River Bank

Board Member, New Hampshire Trust Company

Chairman of the Board, John Hancock Funds

Chairman of the Board, Emerson Investment Management, Inc.

Trustee Emeritus of Middlesex School, Concord, Massachusetts

Experience and Qualifications

Mr. Oates has led several financial services and consulting firms and has substantial investment experience serving on public company, mutual fund, and private investment boards and committees.

Table of Contents

Ben A. Plotkin, 57

Vice Chairman and Senior Vice President of Stifel Financial Corp.

Director Since: 2007, Class III nominee for term ending in 2016

Career Highlights

Stifel Financial Corp. Vice Chairman and Senior Vice President (August 2007 – present)
Stifel, Nicolaus & Company, Incorporated Executive Vice President (February 2007 – present)
Ryan Beck & Company, Inc., a broker-dealer Chairman and Chief Executive Officer (1997 – February 2007)
Ryan Beck, a broker-dealer firm
Executive Vice President and Director (1990 – 1997)
Director and Vice President – Investment Banking Division (1987 – 1990)

Other Professional Experience and Community Involvement

Advised numerous financial services organizations throughout his career as a lawyer and investment banker
Previously served on the boards of other financial institutions and the trade association for the securities industry
Presently active with several not-for-profit organizations

Experience and Qualifications

Mr. Plotkin's expertise with respect to corporate strategy and advising financial services clients provides practical insight to the Board regarding key Company operations and strategic planning.

Table of Contents

Class II Director Nominee

Michael J. Zimmerman, 62

Director Since: February 2013, Class II nominee for term ending in 2015

Other Current Public Company Directorships: Overseas Shipholding Group, Inc. (FINRA OTC: OSGIQ), Non-Executive Chairman

Other Public Company Directorships Within the Past 5 Years: KBW, Inc. (NYSE: KBW), Financial Federal Corporation (NYSE: FIF), and Smithfield Foods, Inc. (NYSE: SFD)

Career Highlights

Continental Grain Company, a diversified international agribusiness and investment firm
Vice Chairman (2012 - present)
Executive Vice President and Chief Financial Officer (1999 - 2012)
Senior Vice President, Investments and Strategy (1996 - 1999)
Managing Director, Salomon Brothers, Inc. (1976 - 1996)

Other Professional Experience and Community Involvement

Investment Committee Member, Arlon Group LLC, an investment subsidiary of Continental Grain Company
Chairman, Finance Committee, Continuum Health Partners, a non-profit health care organization
Chairman, FOJP Service Corporation, a non-profit insurance company
Chairman, Investment Committee, U.S. Holocaust Museum

Experience and Qualifications

Mr. Zimmerman's experience within the financial services industry and his broad understanding of investment banking both as an industry and a culture provide valuable judgment and insights, including those relevant to the recent economic climate. This background, together with the perspectives applied from his past and present service on other boards, including as an independent director and audit committee member of a publicly-held company, brings a knowledge and a skill set that are integral to our Board.

Table of Contents

Continuing Directors

Bruce A. Beda, 72

Director Since: 1997, Class I director with term ending in 2014

Committees: Audit Committee (Chairman), Compensation

Committee, Executive Committee and Risk Management/Corporate

Governance Committee

Career Highlights

Chief Executive Officer, Kilbourn Capital Management, LLC, a financial asset manager (2001 – present)

Held various management positions at two Fortune 200 companies for 15 years and was Chief Financial Officer of a public company

Other Professional Experience and Community Involvement

M.B.A., Finance, University of Michigan

B.B.A, Accounting, University of Michigan

Experience and Qualifications

Mr. Beda has financial expertise and decade-long leadership as a financial asset manager and provides an important historical perspective with respect to Company operations. Mr. Beda also has substantial experience as a director of other publicly held companies.

Table of Contents

Frederick O. Hanser, 71

Director Since: 2003, Class I director with term ending in 2014

Committees: Compensation Committee and Risk

Management/Corporate Governance Committee

Career Highlights

Stifel Bank & Trust, a subsidiary of Stifel Financial Corp.

Chairman of the Audit Committee (2010 – present)

Director and Vice Chairman (2007 – present)

Director, SLC Holdings, LLC, the manager and holding company for the St. Louis Cardinals, LLC (1996 – present)

Chairman and Vice Chairman, St. Louis Cardinals, LLC, a professional baseball team (1996 – 2010)

Attorney, Fordyce and Mayne, a law firm

Attorney, Armstrong, Teasdale LLP, a law firm

Other Professional Experience and Community Involvement

One of three principal organizers and Member, Board of Directors, of Mississippi Valley Bancshares, Inc., a bank holding company (NASDAQ: MVBI) ⁽¹⁾

Practiced law for 29 years, focused in banking, corporate and estate taxation, medical law, venture capital, and closely held businesses

B.A., Yale University

J.D., Washington University

Member, Board of Directors, CrimeStoppers – St. Louis Region

Former Member, Board of Directors, and President, BackStoppers, Inc.

Experience and Qualifications

Mr. Hanser has extensive legal and managerial background, as well as experience as a director of other financial services companies.

⁽¹⁾ Purchased by Southwest Bank of St. Louis in 1984

Table of Contents

Ronald J. Kruszewski, 54

Chairman of the Board of Directors, President and Chief Executive Officer of Stifel Financial Corp.

Director Since: 1997, Class I director with term ending in 2014

Committees: Executive Committee (Co-Chairman)

Other Public Company Directorships Within the Past 5 Years: Angelica

Corporation (NYSE: AGL), non-executive Chairman

Career Highlights

Stifel Financial Corp.

Chairman (2001 – present)

President and Chief Executive Officer (September 1997 – present)

Stifel, Nicolaus & Company, Incorporated

Chairman (2001 – present)

President (April 2011 – present)

Chief Executive Officer (September 1997 – present)

Other Professional Experience and Community Involvement

Member, Board of Directors, Securities Industry and Financial Markets Association (SIFMA)

Member, U.S. Ski and Snowboard Team Foundation Board

Chairman of Downtown Now!

Member, Board of Directors, St. Louis Regional Chamber and Growth Association

Member, Board of Directors, Barnes-Jewish Hospital

Member, Board of Trustees, Webster University

Member, Regional Business Council in St. Louis

Member, Young Presidents' Organization - St. Louis Chapter

Former Chairman, Downtown St. Louis Partnership, Inc.

Experience and Qualifications

Mr. Kruszewski has extensive managerial and leadership experience in the financial services industry in addition to a comprehensive understanding and knowledge of the Company's day-to-day operations and strategy.

Table of Contents

Thomas P. Mulroy, 51

Senior Vice President of Stifel Financial Corp.

Director Since: 2005, Class I director with term ending in 2014

Career Highlights

Stifel Financial Corp. Senior Vice President (December 2005 present)

Stifel, Nicolaus & Company, Incorporated

Executive Vice President (December 2005 present)

Co-Director of Institutional Group (July 2009 present)

Director, Equity Capital Markets (December 2005 July 2009)

Legg Mason, Inc. Executive Vice President (1986 November 2005)

Other Professional Experience and Community Involvement

Chairman of the Board of Stifel Nicolaus Europe Ltd.

B.S. in finance, Ithaca College

M.B.A. in finance, American University

Experience and Qualifications

With over 25 years of experience in capital markets, Mr. Mulroy has developed extensive knowledge of the industry. His substantial experience and perspective assists the Board in its review of the Company's capital markets business.

Table of Contents

Thomas W. Weisel, 72

Chairman of the Board of Directors of Stifel Financial Corp.

Director Since: 2010, Class I director with term ending in 2014

Committees: Executive Committee (Co-Chairman)

Other Public Company Directorships Within the Past 5 Years: NASDAQ

OMX Group, Inc. (NASDAQ: NDAQ) and Thomas Weisel Partners Group,

Inc. (NASDAQ: TWPG)

Career Highlights

Chairman and Chief Executive Officer, Thomas Weisel Partners Group, Inc. (NASDAQ: TWPG) (1999 – 2010)
Founder, Chairman, and Chief Executive Officer, Montgomery Securities (1971 – 1997)

Other Professional Experience and Community Involvement

Member and former Chairman, U.S. Ski and Snowboarding Team Foundation Board (1977 – present)

Chairman, USA Cycling Foundation Board (2000 – present)

Member, Board of Trustees, San Francisco Museum of Modern Art (1982 – present)

Founder and Chairman, Tailwind Sports, Owner of the Discovery and US Postal Cycling Teams (1990 – 2007)

Chairman and Board Member, Empower America (1994 – 2002)

Chairman, Capital Campaign for California School of Arts & Crafts (1996 – 1997)

Member, Board of Directors, Stanford Endowment Management Board (2001 – 2009)

Member, Advisory Board, Harvard Business School (2007 – 2009)

Board Member, NASDAQ (2002 – 2006)

Trustee, Museum of Modern Art in New York (1996 – 2011)

Experience and Qualifications

Mr. Weisel has extensive entrepreneurial and operational experience in the financial services industry, as evidenced by his founding and development of the investment firms of TWPG and Montgomery Securities prior to joining the Company.

Table of Contents

Kelvin R. Westbrook, 57

Director Since: 2007, Class I director with term ending in 2014

Committees: Audit Committee

Other Current Public Company Directorships: Archer-Daniels Midland

Company (NYSE: ADM) and Camden Property Trust (NYSE: CPT)

Other Public Company Directorships Within the Past 5 Years: Angelica

Corporation (NYSE: AGL)

Career Highlights

President and Chief Executive Officer, KRW Advisors, LLC, a privately held telecommunications and media consulting and advisory services firm (October 2007 – present)

Broadstripe, LLC (formerly known as Millennium Digital Media Systems, LLC), broadband services company ⁽¹⁾

Chairman and Chief Strategic Officer (September 2006 – October 2007)

President and Chief Executive Officer (May 1997 – September 2006)

Other Professional Experience and Community Involvement

Member, Board of Directors, BJC HealthCare

Member, Board of Directors, National Cable Satellite Corporation, better known as C-SPAN (2002 – 2011)

Former partner of a national law firm

Experience and Qualifications

Mr. Westbrook brings legal, media, and marketing expertise to the board of directors. In addition, through his service on the boards of directors and board committees of other public companies and not-for-profit entities, Mr. Westbrook has gained an in-depth knowledge and expertise in corporate governance.

⁽¹⁾ Broadstripe, LLC and certain of its affiliates filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code in January 2009, approximately 15 months after Mr. Westbrook resigned from the firm.

Table of Contents