

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
THE BARABOO BANCORPORATION, INC.		39-1434200	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
LOUISE LEE	608-356-7703	LLEE@BARABOONATIONAL.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
PO BOX 50		BARABOO, WI 53913	
8 Date of action		9 Classification and description	
DECEMBER 10, 2014		COMMON STOCK	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
067021105		BAOB	

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 ▶

STOCK DIVIDEND DECLARED DECEMBER 10, 2014 BY BOARD OF DIRECTORS

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 ▶

A STOCK DIVIDEND OF \$0.04 PER SHARE - DECEMBER 10, 2014

For example, if you own 1,000 shares of stock at four cents (\$.04) per share, the dollar value equals \$40.00. Based on the closing bid stock price of \$1.75 on December 10, 2014, you will receive 22.86 additional shares (\$40.00/\$1.75 = 22.86).

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 ▶

THE CHANGE IN BASIS IS CALCULATED AS FOLLOWS:

Divide the adjusted basis of the old stock by the number of shares of the old and new stock. The result is your basis for each share of stock.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►
CODE SECTION 6045B - REQUIRES REPORTING BY ISSUERS OF STOCK WITH RESPECT TO ORGANIZATIONAL ACTIONS THAT AFFECT THE BASIS OF THE STOCK.

BARABOO BANCORPORATION ISSUED NON-TAXABLE COMMON STOCK DISTRIBUTIONS (DIVIDENDS) TO SHAREHOLDERS DURING 2014. PER IRS CODE SECTION 305(a), THESE DIVIDENDS ARE NON-TAXABLE.

18 Can any resulting loss be recognized? ►
NO INCOME OR LOSS IS RECOGNIZED UNTIL STOCK IS SOLD.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ►

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 ► *Louise Lee* Date ► 12/16/14
Print your name ► Louise Lee Title ► Asst. Cashier, Baraboo National Bank

Paid Preparer Use Only	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.