

WILSON BANK HOLDING CO
Form DEF 14A
March 14, 2016

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
(Amendment No.)

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 under § 240.14a-12

WILSON BANK HOLDING COMPANY
(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.
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(2) Form, Schedule or Registration Statement No.:
(3) Filing Party:
(4) Date Filed:

March 14, 2016

To our Shareholders:

The year of 2015 was a record year for Wilson Bank Holding Company as our enclosed annual report will reflect. Our assets totaled \$2.021 billion as of December 31, 2015 which represents \$148 million in growth for the year.

Net earnings for 2015 were a record \$23.8 million, which is \$3.086 million greater than 2014, representing a 14.9% increase. Earnings per share were a record \$3.12 increasing from \$2.75 per share in 2014. The book value of your stock increased by \$2.67 per share for the year while we paid out 20.83% of earnings in dividends. Based on recently reported trades, the market value of your stock is approximately \$50.15 per share, up \$2.40 per share from December 31, 2014. Our return on average stockholder equity was 11.17% for 2015.

During 2015 we experienced a great year of growth as we developed new products and technology to better serve our customer base. We experienced growth in each of our 25 offices as we experienced an improved economy in the eight counties we serve. We see tremendous growth opportunities for the future. Our new Cookeville office opened in January 2015 and has been very successful as we entered Putnam County.

If you have access to our shareholder portal, we encourage you to vote your proxy via the portal rather than returning by mail. If you need assistance with the portal, please contact Kayla Hawkins (615) 443-5901 or April McCullough at (615) 547-5390.

We deeply thank you for your continued investment in Wilson Bank Holding Company. We encourage you to vote by proxy and to attend our Shareholder Meeting on Tuesday, April 12, 2016 at 7:00 P.M.

Sincerely,

WILSON BANK HOLDING COMPANY

Randall Clemons Jerry Franklin
President/CEO Chairman

WILSON BANK HOLDING COMPANY
LEBANON, TENNESSEE
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To the Shareholders of Wilson Bank Holding Company:

The Annual Meeting of Shareholders (the "Annual Meeting") of Wilson Bank Holding Company (the "Company") will be held on Tuesday, April 12, 2016 at 7:00 p.m. (CDT) at the main office of the Company, located at 623 West Main Street, Lebanon, Tennessee 37087, for the following purposes:

- (1) To elect three (3) Class III directors to hold office for a term of three (3) years and one Class II director to hold office for a term of two (2) years and in each case until their successors are duly elected and qualified;
- (2) To ratify the appointment of Maggart & Associates, P.C. as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2016;
- (3) To consider and act upon a proposal to adopt the Company's 2016 Equity Incentive Plan;
- (4) To vote on a proposed increase in the number of authorized shares of the Company's Common Stock; and
- (5) To transact such other business as may properly come before the Annual Meeting or any adjournment(s) thereof.

Only shareholders of record at the close of business on February 8, 2016 are entitled to notice of and to vote at the Annual Meeting or any adjournment(s) thereof.

Your attention is directed to the Proxy Statement accompanying this Notice for a more complete statement regarding the matters proposed to be acted upon at the Annual Meeting.

By Order of the Board of Directors,

J. Anthony Patton, Secretary

March 14, 2016

YOUR REPRESENTATION AT THE ANNUAL MEETING IS IMPORTANT. TO ENSURE YOUR REPRESENTATION, WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY. SHOULD YOU SUBSEQUENTLY DESIRE TO REVOKE YOUR PROXY, YOU MAY DO SO AS PROVIDED IN THE ACCOMPANYING PROXY STATEMENT AT ANY TIME BEFORE IT IS VOTED.

NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS

Important Notice Regarding the Availability of Proxy Materials for the Annual Shareholder Meeting to be Held on April 12, 2016

Pursuant to rules promulgated by the Securities and Exchange Commission, we have elected to provide access to these proxy statement materials (which includes this proxy statement, a proxy card and our 2015 Annual Report) both by sending you this full set of proxy statement materials, including a proxy card, and by notifying you of the availability of such materials on the Internet.

This proxy statement, the Company's 2015 Annual Report and a proxy card are available at: www.wilsonbank.com.

The Annual Meeting of Shareholders will be held April 12, 2016 at 7:00 p.m. (CDT) at the Company's main office, 623 West Main Street, Lebanon, Tennessee 37087. In order to obtain directions to attend the Annual Meeting of Shareholders, please call 615-444-2265. The proposals to be voted upon at the Annual Meeting of Shareholders (each, a "Proposal"), all of which are more completely set forth in this proxy statement, are as follows:

- (1) To elect three (3) Class III directors to hold office for a term of three (3) years and one Class II director to hold office for a term of two (2) years and in each case until their successors are duly elected and qualified;
- (2) To ratify the appointment of Maggart & Associates, P.C. as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2016;
- (3) To consider and act upon a proposal to adopt the Company's 2016 Equity Incentive Plan;
- (4) To approve an amendment to the Company's Charter, as amended, to increase the authorized shares of the Company's common stock, par value \$2.00 per share, to 50,000,000; and
- (5) To transact such other business as may properly come before the Annual Meeting or any adjournment(s) thereof.

Our Board of Directors recommends that you vote FOR the approval of Proposal #1, Proposal #2, Proposal #3 and Proposal #4.

WILSON BANK HOLDING COMPANY
LEBANON, TENNESSEE
PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of Wilson Bank Holding Company (the “Company”) of proxies for the Annual Meeting of Shareholders of the Company (the “Annual Meeting”) to be held on Tuesday April 12, 2016, at the Company’s main office, 623 West Main Street, Lebanon, Tennessee 37087, at 7:00 p.m. (CDT). This proxy material was first mailed to shareholders on or about March 14, 2016.

All valid proxies which are received will be voted in accordance with the recommendations of the Board of Directors unless otherwise specified thereon and will be voted “For” election of the director nominees set out below, “For” the ratification of Maggart & Associates, P.C. as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2016, “For” the adoption of the Company’s 2016 Equity Incentive Plan and “For” approval of the amendment to the Company’s Charter to increase the authorized shares of the Company’s common stock, par value \$2.00 per share (the “Common Stock”) to 50,000,000 shares (the “Charter Amendment”). A proxy may be revoked by a shareholder at any time prior to its use by filing with the Secretary of the Company a written revocation or a duly executed proxy bearing a later date, or by attending the Annual Meeting and voting in person.

Only holders of record of the Common Stock at the close of business on February 8, 2016 (the “Record Date”) are entitled to notice of and to vote at the Annual Meeting. As of the Record Date, the Company had 7,692,277 shares of Common Stock issued and outstanding, the holders of which are entitled to one (1) vote for each share held on each of the matters to be voted upon at the Annual Meeting. The representation in person or by proxy of at least a majority of the outstanding shares entitled to vote is necessary to provide a quorum at the meeting. The directors shall be elected by a plurality of the votes cast in the election by the holders of Common Stock represented and entitled to vote at the Annual Meeting. The approval of the ratification of Maggart & Associates, P.C. as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2016, the adoption of the Company’s 2016 Equity Incentive Plan, the approval of the Charter Amendment and any other matters submitted to the shareholders but not proposed in this Proxy Statement will be approved if the number of shares of Common Stock voted in favor of the Proposal exceeds the number of shares of Common Stock voted against it. The Board of Directors of the Company does not know of any other matters which will be presented for action at the Annual Meeting other than those proposed in this Proxy Statement, but the persons named in the proxy (who are directors of the Company) intend to vote or act with respect to any other proposal which may be presented for action according to their best judgment. Abstentions and “non-votes” are accounted as “present” in determining whether a quorum is present. A “non-vote” occurs when a nominee holding shares for a beneficial owner votes on one (1) proposal, but does not vote on another proposal because the nominee does not have discretionary voting power and has not received instructions from the beneficial owner. Pursuant to the rules of the New York Stock Exchange (the “NYSE”), if your broker does not receive instructions from you, your broker will not be able to vote your shares in the election of directors, resulting in a broker non-vote. So long as a quorum is present, a “non-vote” or abstention will have no effect on the approval of the nominees to the Company’s board of directors, the approval of the ratification of Maggart & Associates, P.C. as the Company’s independent registered public accounting firm, the adoption of the Company’s 2016 Equity Incentive Plan, the approval of the Charter Amendment or on approval of any other proposal that properly comes before the Annual Meeting.

The cost of solicitation of proxies will be borne by the Company, including expenses in connection with preparing, assembling, and mailing this Proxy Statement. Such solicitation will be made by mail, and may also be made by the Company’s directors, officers or employees personally or by telephone or other form of electronic communication. The Company may reimburse brokers, custodians and nominees for their expenses in sending proxies and proxy materials to beneficial owners.

Wilson Bank and Trust (the “Bank”) is located in Lebanon, Tennessee and is a wholly-owned subsidiary of the Company. The Bank is the only subsidiary of the Company.

STOCK OWNERSHIP

There are no persons who are the beneficial owners of more than 5% of the Company's Common Stock, its only class of voting securities.

The following table sets forth information regarding the beneficial ownership of the Company's Common Stock as of February 8, 2016 (unless otherwise noted), for:

- each of our directors and nominees;
- each of our executive officers named in the Summary Compensation Table (the "Named Executive Officers"); and
- all of our directors and executive officers as a group.

The percentages of shares outstanding provided in the table are based on 7,692,277 voting shares outstanding as of February 8, 2016. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission (the "SEC") and generally includes voting or investment power with respect to securities. Unless otherwise indicated, each person or entity named in the table below has sole voting and investment power, or shares voting and investment power with his or her spouse, with respect to all shares of stock listed as owned by that person. The number of shares shown does not include the interest of certain persons in shares held by family members in their own right. Shares issuable upon exercise of options that are exercisable within sixty (60) days of February 8, 2016 are considered outstanding for the purpose of calculating the percentage of outstanding shares of Company Common Stock held by the individual, but not for the purpose of calculating the percentage of outstanding shares held by any other individual.

Name and Address of Beneficial Owner ⁽¹⁾	Amount and Nature of Beneficial Ownership ⁽²⁾	Percent of Class (%)
Directors:		
Charles Bell	119,582 ⁽³⁾	1.56%
Jack W. Bell	70,554 ⁽⁴⁾	.92%
J. Randall Clemons ⁽⁵⁾	119,449 ⁽⁶⁾	1.56%
James F. Comer	18,545 ⁽⁷⁾	.25%
Jerry L. Franklin	70,198	.92%
John B. Freeman	31,026	.41%
William P. Jordan	18,911 ⁽⁸⁾	.25%
Harold R. Patton	48,819 ⁽⁹⁾	.64%
James Anthony Patton	23,365	.31%
H. Elmer Richerson ⁽⁵⁾	57,374 ⁽¹⁰⁾	.75%
Named Executive Officers:		
Gary Whitaker	21,607 ⁽¹¹⁾	.28%
John C. McDearman III	4,976 ⁽¹²⁾	.07%
Lisa Pominski	11,196 ⁽¹³⁾	.15%
Executive Officers and Directors as a group (13 persons)	616,102 ⁽¹⁴⁾	8.01%

⁽¹⁾ The address for each of the directors and executive officers set forth in the table above is 623 West Main Street, Lebanon, Tennessee 37087.

- (2) Each person has sole voting and investment power with respect to the shares listed unless otherwise indicated.
- (3) Includes 53,296 held by Mr. C. Bell's wife.
- (4) Includes 10,773 shares held by or on behalf of Mr. J. Bell's children and 45,537 shares that are pledged.
- (5) Messrs. Clemons and Richerson are also Named Executive Officers.
- (6) Includes 6,700 shares held by Mr. Clemons' wife, 42,906 shares held by the Clemons Family Limited Partnership and 300 shares issuable upon exercise of options granted under the Company's 2009 Stock Option Plan.

- (7) Includes 3,390 shares held by or on behalf of Mr. Comer's children and/or other dependents and 8,848 shares that are pledged.
- (8) Includes 8,214 shares held by the Jordan Family Trust and 2,244 shares held by the Jordan Irrevocable Trust.
- (9) Includes 24,125 shares held by Mr. H. Patton's wife.
- (10) Includes 838 shares held by Mr. Richerson's wife, 6,010 shares that are pledged, and 200 shares issuable upon exercise of options granted under the Company's 2009 Stock Option Plan.
- (11) Includes 300 shares issuable upon exercise of options granted under the Company's 2009 Stock Option Plan.
- (12) Includes 500 shares issuable upon exercise of options granted under the Company's 2009 Stock Option Plan and 4,164 shares that are pledged.
- (13) Includes 1,958 shares held by Ms. Pominski's husband, 100 shares that are issuable upon exercise of options granted under 2009 Stock Option Plan, and 1,541 shares that are pledged.
- (14) Includes 1,400 shares that are issuable upon exercise of options granted under the Company's 2009 Stock Option Plan.

PROPOSAL 1 — ELECTION OF DIRECTORS

The Board of Directors of the Company currently consists of ten (10) members. The Company's bylaws provide for a minimum of five (5) and maximum of fifteen (15) directors, the exact number to be set by the Company's Board of Directors. The Company's charter provides that the Board of Directors shall be divided into three (3) classes, each class to be as nearly equal in number as possible. The terms of three (3) Class III directors expire at the Annual Meeting. These directors are James F. Comer, Jerry L. Franklin, and John B. Freeman. The nomination of each of James F. Comer, Jerry L. Franklin, and John B. Freeman has been approved by the Company's Board of Directors.

In accordance with the Company's retirement policy for members of the Company's Board of Directors, Mr. Harold R. Patton's term as director will expire at the Annual Meeting. Accordingly, the Board of Directors of the Company has determined that it will reduce the size of the Board of Directors from ten (10) members to nine (9) members immediately following the Annual Meeting. Because applicable provisions of the Tennessee Business Corporation Act require that each class of directors of a classified board be as equal in number as possible, the Company will need to move a director from Class I to Class II at the Annual Meeting as a result of the retirement of Mr. H. Patton. The Board of Directors has selected Charles Bell to move from Class I to Class II, and the nomination of Mr. C. Bell as a Class II director has been approved by the Company's Board of Directors.

Unless contrary instructions are received, the enclosed proxy will be voted in favor of the election as directors of the nominees listed below. Each nominee has consented to be a candidate and to serve, if elected. All the nominees currently are serving as directors of the Company. While the Company's Board of Directors has no reason to believe that any nominee will be unable to accept nomination or election as a director, if such event should occur, proxies will be voted with discretionary authority for a substitute or substitutes who will be designated by the Company's current Board of Directors.

Information Concerning Nominees

The following table contains certain information concerning the nominees and continuing directors, which information has been furnished to the Company by the individuals named below:

Class III Directors (Nominees for Election to the Board; Term to Expire at the 2019 Annual Meeting of Shareholders)

Name ⁽¹⁾	Age	Director Since	Current Position; Prior Business Experience
James F. Comer ⁽²⁾	57	1996	Director; Owner/President - Comerica Enterprises, Inc. (since 2006); Vice President - Lending and Account Executive of Farm Credit Services of America (1980-1995)
Jerry L. Franklin	78	1987	Director; Retired Businessman; Franchisee Owner of Ponderosa Restaurants (until 2008)

Class II Director (Nominee for Election to the Board; Term to Expire at the 2018 Annual Meeting of Shareholders)

Name ⁽¹⁾	Age	Director Since	Current Position; Prior Business Experience
Charles Bell ⁽²⁾⁽⁴⁾	77	1993	Director; Owner - Horn Springs Angus Farm, Consultant (since 1995) and President (until 1995) - Lebanon Aluminum Products, Inc.

Class I Directors (Continuing Directors until 2017 Annual Meeting of Shareholders)

Name ⁽¹⁾	Age	Director Since	Current Position; Prior Business Experience
J. Randall Clemons	63	1987	Director; President and Chief Executive Officer of the Company (since 1992); Director and Chief Executive Officer of the Bank (since 1987); Chairman of the Bank's Board of Directors (since 2002)
William P. Jordan ⁽⁵⁾	51	2014	Director: Real Estate Investor and farming operation partner
James Anthony Patton	55	1987	Director; Salesman - Mid Tenn Technologies (since 2003); Salesman and Director of Business Development - Remar Inc. (since 2011)

Class II Directors (Continuing Directors until 2018 Annual Meeting of Shareholders)

Name ⁽¹⁾	Age	Director Since	Current Position; Prior Business Experience
Jack W. Bell ⁽³⁾⁽⁴⁾	57	1987	Director; Owner - Jack W. Bell Builders, Inc. (since 1994); Vice President of Operations - Lebanon Aluminum Products, Inc. (until 1995)
H. Elmer Richerson	63	1998	Director; Executive Vice President of the Company (since 1992); President of the Bank (since 2002); Executive Vice President of the Bank (1994-2002); Vice President of the Bank (1989-1994)

(1) All directors serve on the Boards of Directors of the Company and the Bank.

(2) Messrs. C. Bell and Comer serve on the Advisory Board of Directors of the Smith County branches of the Bank.

(3) Mr. J. Bell serves on the Advisory Board of Directors of the DeKalb County branches of the Bank.

(4) Charles Bell is the father of Jack W. Bell.

(5) Mr. Jordan serves on the Advisory Board of the Rutherford County branches of the Bank.

Director Qualifications

The information describing the current position and prior business experience of each of the nominees and continuing directors above and below contains information regarding the person's service as a director, business experience, director positions held currently or at any time during the last five (5) years and the experiences, qualifications, attributes or skills that caused the Board of Directors to determine that the person should serve as a director for the Company.

Mr. J. Bell has extensive real estate construction and development experience as the owner of a building enterprise that engages in residential and commercial construction in the Company's market areas.

Mr. Jordan has extensive experience in the real estate industry as a real estate investor in Middle Tennessee. He is also involved in a number of community and public service activities in the Company's market area.

Mr. H. Patton has extensive knowledge of agricultural related businesses located in the Company's market area and is well known among the agriculture community within the Company's market area.

Mr. Richerson has extensive experience as a banker in the Company's market area and is a community leader that is actively involved in a number of community activities. His extensive knowledge of the Bank's history and his involvement in the day to day operations of the Bank allow him to provide the Board of Directors with company-specific experience and expertise.

Mr. Comer has extensive agricultural expertise having been involved in agricultural-related professions for over 20 years. He also has extensive experience in making loans and other extensions of credit to agricultural borrowers in the Company's market area.

Mr. Franklin has extensive experience in the restaurant industry, having been the owner of a number of restaurants in the communities served by the Company. He is also actively involved in a number of community activities in the Company's market area.

Mr. Freeman has extensive experience as a small business owner in the communities that the Company serves and has previously served as a director of another financial institution in the Company's market.

Mr. C. Bell has extensive experience as a small business owner of a manufacturing business in the Company's market area as well as expertise in agricultural matters similar to those customers of the Company involved in agricultural related businesses and has previously served as a director of another financial institution in the Company's market.

Mr. Clemons has extensive experience as a banker in the Company's market area and is a community leader that is actively involved in a number of community activities. He is able to provide insight to the Board of Directors on the factors that impact the Company and the communities the Company serves and his day to day management of the Bank allows him to provide the Board of Directors with company-specific experience and expertise.

Mr. J. A. Patton is a Director of Business Development and a member of the Board of Directors of Hospital Solutions for Remar, Inc. and is responsible for securing contracts with the medical industry. His experience as an employee of that company gives him knowledge of board functions and financials that allows him to offer insight to the Board of Directors on a wide range of matters impacting the Company's operations.

Director Independence

The Board of Directors has determined that each of the following directors is an “independent director” within the meaning of the listing standards of the NYSE:

James F. Comer;	William P. Jordan;
John B. Freeman;	Harold R. Patton; and
Jerry L. Franklin;	James Anthony Patton

Description of the Board and Committees of the Board

The Company does not have an executive compensation or nominating committee. The Board of Directors of the Company also serves as the Board of Directors of the Bank. The Board of Directors of the Company and the Board of Directors of the Bank,

based upon recommendations by the Personnel Committee of the Board of Directors of the Bank, establish general compensation policies and programs for the Company and the Bank and determine annually the compensation to be paid to Company and Bank employees, including their respective executive officers. The Board of Directors does not believe it is necessary to have a nominating committee because the Boards of Directors of the Company and the Bank work together to develop general criteria concerning the qualifications, recommendations and selection of directors and officers of the Company and the Bank, including considering recommendations made for such positions by shareholders of the Company. All of the Company's directors participate in the consideration of director nominees.

Each potential director nominee is evaluated on the same basis regardless of whether he or she is recommended by management, a director or a shareholder. The Board of Directors has not adopted a policy with respect to minimum qualifications for directors, nor has the Board of Directors adopted a formal diversity policy for nominees. Rather, the Board of Directors annually reviews and determines the specific qualifications and skills that one or more directors must possess in the context of the then current needs of the Board of Directors with respect to experience, expertise and age. In making recommendations for nominees to the Board of Directors, the Board of Directors seeks to include directors who, when taken together with the other nominees and continuing directors, will create a Board of Directors that offers a diversity of education, professional experience, background, age, perspective, viewpoints and skill. Each of the nominees for director to be elected at the Annual Meeting was nominated and recommended by the Board of Directors.

The Company has not received director nominee recommendations from any shareholders for the terms of any directors whose terms expire at the Annual Meeting commencing in 2016 and expiring in 2019. The Board of Directors will consider nominees recommended by shareholders, provided that such recommendations are submitted to the Board of Directors in writing, describe the reasons why the shareholder finds the recommended person to be a qualified candidate and comply with the requirements of the Company's Bylaws.

On September 28, 2009, the Board of Directors adopted a retirement policy for board members which requires that a director that served on the Board of Directors as of the policy's implementation must retire from the Board of Directors at the first annual meeting of shareholders following his or her 80th birthday. Directors elected to the Board of Directors for the first time after the policy's implementation will be required to retire from the Board of Directors at the first annual meeting of shareholders following the director's 70th birthday. Mr. H. Patton has reached the mandatory retirement age pursuant to the policy and, accordingly, his service on the Board of Directors will end as of the Annual Meeting.

The Board of Directors of the Company has no standing committees. The Board of Directors of the Bank has ten standing committees consisting of the Audit, Executive, Personnel, Finance, Marketing, Building, Investment, Long Range Planning, Data Processing and Board Relations Committee. The Chairman of the Board of Directors of the Company, Mr. Jerry Franklin is a member of all committees. The Chairman of the Board of Directors of the Bank, Mr. Clemons, and Mr. Richerson are also members of all of the committees with the exception that Mr. Clemons and Mr. Richerson are not members of the Personnel Committee or the Audit Committee. The members of each committee are generally appointed in May of each year and serve until the following May. Therefore, the committee members identified below may not have been on each identified committee for the entire 2015 fiscal year. Unless otherwise provided below, the members identified below are the current members of the applicable committees.

Audit Committee. The Company does not have a separately-designated standing audit committee. The Bank, however, does have a separately-designated standing audit committee, composed of Messrs. J.A. Patton, Comer and Jordan, with Mr. J.A. Patton serving as the committee's Chairman. The Audit Committee reviews annual and interim reports of the independent auditors and provides advice and assistance regarding the accounting, auditing and financial reporting practices of the Company and the Bank. The Audit Committee operates pursuant to the terms of a charter which was adopted by the Board of Directors in December 2004 and amended in February 2009 (the "Audit Committee Charter").

A copy of the Audit Committee Charter is not available on the Company's website, but was provided as an appendix to the Company's proxy statement for the 2015 Annual Meeting of Shareholders. All of the Audit Committee's members are independent under the current listing standards of the NYSE. While the Board of Directors believes that certain of its audit committee members are financially literate and have a level of financial sophistication necessary to serve on the Audit Committee, it has determined that the Company does not have an "audit committee financial expert" as defined by the SEC's rules and regulations serving on the Audit Committee. The Board of Directors further believes that the current members of the Company's Board of Directors provide a breadth of experience and level of community relationships that are important to the Company and that the Company does not believe that it could attract an additional director that meets the requirements of an "audit committee financial expert" who also has those similar relationships. In making its determination, the Board of Directors particularly considered the size and nature of the Company's business and the importance of the directors' knowledge of the local communities served by the Bank. The Audit Committee held five (5) meetings during 2015.

Executive Committee. The Executive Committee is composed of Messrs. C. Bell, Comer, J. Bell, Freeman, and H. Patton, with Mr. Freeman serving as the committee's Chairman. The Executive Committee reviews corporate activities of the Company and the Bank, makes recommendations to the Board of Directors of the Company and the Bank on their respective policy matters and makes executive decisions on matters that do not require a meeting of the full Board of Directors. The Executive Committee held twelve (12) meetings during 2015.

Personnel Committee. The Personnel Committee, composed of Messrs. Comer, H. Patton, Jordan and J.A. Patton, with Mr. J.A. Patton serving as the committee's Chairman, considers and recommends to the Board of Directors of the Bank the compensation of the Bank's personnel, including the Named Executive Officers. This committee, all of the members of which are independent under the listing standards of the NYSE, held five (5) meetings during 2015. This Committee does not have a written charter. Compensation decisions for the Company's executive officers, including its Named Executive Officers, are made by the Board of Directors of the Company upon recommendation of the Personnel Committee.

The agenda for meetings of the Personnel Committee is determined by its Chairman with the assistance of the Bank's HR Director and the Company's Chief Executive Officer. Personnel Committee meetings are regularly attended by the Chairman of the Board, the Chief Executive Officer and the Chief Human Resources Officer. When considering the compensation of Mr. Clemons and Mr. Richerson, the Personnel Committee meets in executive session without Mr. Clemons's or Mr. Richerson's participation. The Personnel Committee's Chairman reports the committee's recommendations on executive compensation to the Board of Directors of the Bank and the Company. The Bank's human resources and accounting departments support the Personnel Committee in its duties and may be delegated authority to fulfill certain administrative duties regarding the compensation programs.

Finance Committee. The Finance Committee functions as the credit review board of the Bank. This committee reviews loan applications meeting certain criteria and approves those found creditworthy. In addition, this committee reviews all loans that are funded. The committee is comprised of Messrs. C. Bell, J. Bell, Freeman, H. Patton, Jordan, J.A. Patton, and Comer, with Mr. Comer serving as the committee's Chairman. The Finance Committee held twelve (12) meetings during 2015.

Marketing Committee. The Marketing Committee is composed of Messrs. C. Bell, Freeman, H. Patton, and J. Bell, with Mr. J. Bell serving as the committee's Chairman. The Marketing Committee recommends the direction of the marketing efforts of the Company and the Bank. This committee held three (3) meetings during 2015.

Building Committee. The Building Committee is composed of Messrs. Comer, Freeman, and H. Patton, with Mr. H. Patton serving as the committee's Chairman. This committee makes recommendations to the Company's and the Bank's Boards of Directors on the immediate and future building needs of the Company and the Bank. This committee held two (2) meetings during 2015.

Investment Committee. The Investment Committee is composed of Messrs. Freeman, J.A. Patton and C. Bell, with Mr. C. Bell serving as the committee's Chairman. The Investment Committee reviews and directs the investment portfolio of the Bank. This committee held four (4) meetings during 2015.

Long Range Planning Committee. The Long Range Planning Committee is composed of Messrs. J. Bell, C. Bell, and J.A. Patton, with Mr. J. Bell serving as the committee's Chairman. This committee explores strategic opportunities available to the Bank and recommends the direction the Bank should take on these matters. This committee held one (1) meeting in 2015.

Data Processing Committee. The Data Processing Committee is composed of Messrs. J. Bell, J.A. Patton, Comer and Jordan, with Mr. J. Bell serving as the committee's Chairman. The Data Processing Committee reviews the computer

hardware and software needs of the Company and the Bank and makes recommendations regarding purchases thereof to the respective Boards of Directors. This committee held four (4) meetings during 2015.

During the fiscal year ended December 31, 2015, the Board of Directors of the Company held thirteen (13) meetings with the Board of Directors of the Bank also meeting fourteen (14) times. Each director attended at least 99% of the aggregate number of meetings of both the Bank's and the Company's Boards of Directors and the committees on which such director served. The Company encourages each member of the Board of Directors to attend the Annual Meeting of Shareholders, and all of the Company's directors attended the 2015 Annual Meeting of Shareholders.

The Company's Board of Directors has established procedures for the Company's shareholders to communicate with members of the Board of Directors. Shareholders may communicate with any of the members of the Company's or the Bank's Board of Directors, including the chairperson of any of the committees of the Board of Directors, by writing to a director c/o Wilson Bank Holding Company, 623 West Main Street, Lebanon, Tennessee 37087.

Board Leadership Structure. The Company separates the roles of Chief Executive Officer and Chairman of the Board in recognition of the differences between the two roles. The Chief Executive Officer is responsible for setting the strategic direction for the Company and the day to day leadership and performance of the Company, while the Chairman of the Board provides guidance to the Chief Executive Officer, sets the agenda for Board meetings and presides over meetings of the full Board.

Board's Role in Risk Oversight. While the Board of Directors has the ultimate oversight responsibility for the risk management process, various committees of the Board of Directors assist the Board of Directors in fulfilling its oversight responsibilities in certain areas of risk. In particular, the Audit Committee focuses on financial and enterprise risk exposures, including internal controls, and discusses with management, the internal auditors and the independent registered public accountants the Company's policies with respect to risk assessment and risk management, including risks related to fraud, liquidity, cyber security, credit operations and regulatory compliance. The Audit Committee also assists the Board of Directors in fulfilling its duties and oversight responsibilities relating to the Company's or the Bank's compliance and ethics programs, including compliance with legal and regulatory requirements.

Compliance with Section 16(a) of the Securities Exchange Act of 1934

Section 16(a) of the Exchange Act requires the Company's executive officers and directors and persons who beneficially own more than ten percent (10%) of the Common Stock to file reports of ownership and changes in ownership with the SEC. Officers, directors and greater than ten percent (10%) beneficial owners are required by federal securities regulations to furnish the Company with copies of all Section 16(a) forms they file.

Based solely on the Company's review of the copies of such forms and written representations from certain reporting persons furnished to the Company, the Company believes that its officers, directors and greater than ten percent (10%) beneficial owners, if any, were in compliance with all applicable Section 16(a) filing requirements in the 2015 fiscal year, except for one (1) late filing by each of Ms. Pominski, Mr. Jordan, and Mr. Freeman.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" EACH OF THE NOMINEES LISTED ABOVE.

PROPOSAL 2 — RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors of the Company, as recommended and approved by the Audit Committee, is recommending to the shareholders the ratification of the appointment of the accounting firm of Maggart & Associates, P.C. to serve as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2016. Maggart & Associates, P.C. has served in this capacity for the Company since 1987. A representative of Maggart & Associates, P.C. is expected to be present at the Annual Meeting, will have the opportunity to make a statement if he or she so desires, and is expected to be available to respond to appropriate questions.

During the fiscal years ended December 31, 2015 and December 31, 2014, the Company incurred the following fees for services provided by Maggart & Associates, P.C.:

	2015	2014
Audit Fees: ^(a)	\$244,318	\$270,649
Audit-Related Fees: ^(b)	\$43,466	\$51,900
Tax Fees: ^(c)	\$10,566	\$2,100
Other Fees:	\$—	\$—

(a) Includes fees related to the annual independent audit of the Company’s financial statements, reviews of the Company’s annual report on Form 10-K and quarterly reports on Form 10-Q and fees related to the audit of the effectiveness of the Company’s internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002.

(b) Includes fees related to the audit of the Company’s 401(k) plan, the Bank’s U.S. Department of Housing and Urban Development audit, and asset liability review.

(c) Includes fees related to the preparation of the Company’s tax returns and other tax related assistance.

The Audit Committee considered these fees and concluded that the performance of these services was consistent with Maggart & Associates, P.C.’s independence.

The Audit Committee also has adopted a formal policy concerning approval of audit and non-audit services to be provided by the independent auditor to the Company. The policy requires that all services Maggart & Associates, P.C., the Company’s independent auditor, may provide to the Company, including audit services and permitted audit-related and non-audit services, be pre-approved by the Audit Committee. The Audit Committee pre-approved all audit and non-audit services provided by Maggart & Associates, P.C. during fiscal 2015.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE “FOR” THE RATIFICATION OF THE APPOINTMENT OF MAGGART & ASSOCIATES, P.C. AS THE COMPANY’S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE YEAR ENDING DECEMBER 31, 2016.

PROPOSAL 3 - ADOPTION OF THE COMPANY'S 2016 EQUITY INCENTIVE PLAN

Our Board of Directors has adopted and recommends that you approve the Wilson Bank Holding Company 2016 Equity Incentive Plan (the "Equity Incentive Plan"). If approved by shareholders, the Equity Incentive Plan will authorize awards in respect of an aggregate of 750,000 shares of Common Stock. If approved by our shareholders, the Equity Incentive Plan will be effective as of April 12, 2016.

The primary purpose of the Equity Incentive Plan is to promote the interests of the Company and its shareholders by, among other things, (i) attracting and retaining key officers, employees and directors of, and consultants to, the Company and its subsidiaries and affiliates, (ii) motivating those individuals by means of performance-related incentives to achieve long-range performance goals, (iii) enabling such individuals to participate in the long-term growth and financial success of the Company, (iv) encouraging ownership of stock in the Company by such individuals, and (v) linking their compensation to the long-term interests of the Company and its shareholders.

Our general compensation philosophy is that long-term stock-based incentive compensation should strengthen and align the interests of our officers and employees with our shareholders. We believe that the utilization of stock options have been effective over the years in enabling us to attract and retain the talent critical to the Company. We believe that stock ownership has focused our key employees on improving our performance, and has helped to create a culture that encourages employees to think and act as shareholders. Participants in our long-term incentive compensation program generally include our officers and other key employees.

The Equity Incentive Plan is intended to facilitate our efforts to better align the Company's long-term awards structure with its business and talent needs and our shareholders' interests. Unlike our earlier equity incentive plans which only permitted stock options, the Equity Incentive Plan includes a variety of award types that we may grant under the Equity Incentive Plan, including shares of restricted stock, restricted stock units, performance awards and stock options.

If approved by the Company's shareholders, the Equity Incentive Plan will reserve an aggregate of 750,000 shares for issuance under the plan. We believe this authorization will enable us to implement our long-term stock incentive program, including our increased use of restricted shares, for the life of the plan.

If the Equity Incentive Plan is not approved, we may become unable to provide long-term, stock-based incentives to present and future employees consistent with our current compensation philosophies and objectives.

We believe that our equity award programs have contributed to our success in the past and are important to our ability to achieve our corporate performance goals in the years ahead. We believe that the ability to attract, retain and motivate talented employees is integral to our long-term performance and shareholder returns. We believe that the Equity Incentive Plan will allow us the flexibility to implement our current long-term incentive philosophy in future years as we seek to further better align executive and shareholder interests. For these reasons, we consider approval of the Equity Incentive Plan important to our future success.

The following is a brief summary of the principal features of the Equity Incentive Plan, which is qualified in its entirety by reference to the Equity Incentive Plan itself, a copy of which is attached hereto as Appendix A and incorporated herein by reference.

Shares Available for Awards under the Plan. Under the Equity Incentive Plan, awards may be made in Common Stock of the Company. Subject to adjustment as provided by the terms of the Equity Incentive Plan, the maximum number of shares of Common Stock with respect to which awards may be granted under the Equity Incentive Plan is 750,000. Except as adjusted in accordance with the terms of the Equity Incentive Plan, no more than 100,000 shares of

Common Stock authorized under the Equity Incentive Plan may be awarded as incentive stock options. The maximum number of shares with respect to which awards may be granted under the Equity Incentive Plan shall be increased by the number of shares with respect to which options or other awards were granted by the Company as of the effective date of this Equity Incentive Plan, but which terminate, expire unexercised, or are settled for cash, forfeited or cancelled or withheld without delivery of the shares after the effective date of the Equity Incentive Plan.

Shares of Common Stock subject to an award under the Equity Incentive Plan but which terminate, expire unexercised or are settled for cash, or are forfeited, cancelled or withheld without delivery of the shares, including shares of Common Stock withheld or surrendered in payment of any exercise or purchase price of an award or taxes relating to an award, remain available for awards under the Equity Incentive Plan. Shares of Common Stock issued under the Equity Incentive Plan may be either newly issued shares or shares which have been reacquired by the Company. Shares issued by the Company as substitute awards granted solely in connection with the assumption of outstanding awards previously granted by a company acquired by the Company, or

with which the Company combines, (“Substitute Awards”) do not reduce the number of shares available for awards under the Equity Incentive Plan.

In addition, the Equity Incentive Plan imposes individual limitations on the amount of certain awards in order to comply with Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”). Under these limitations, no single participant may, in any calendar year, receive either performance awards or an aggregate amount of options and stock appreciation rights (“SARs”) that relate to more than 10,000 shares of Common Stock, subject to adjustment in certain circumstances. Further, the maximum amount of all performance awards that are settled in cash and that may be granted in any fiscal year under the Equity Incentive Plan is \$750,000.

With certain limitations, awards made under the Equity Incentive Plan may be adjusted by the Personnel Committee of the Board of Directors (the “Committee”) in its discretion or to prevent dilution or enlargement of benefits or potential benefits intended to be made available under the Equity Incentive Plan in the event of any stock dividend, reorganization, recapitalization, stock split, combination, merger, consolidation, change in laws, regulations or accounting principles or other relevant unusual or nonrecurring event affecting the Company.

Eligibility and Administration. Current and prospective officers and employees, and directors of, and consultants to, the Company or its subsidiaries or affiliates are eligible to be granted awards under the Equity Incentive Plan. As of March 1, 2016, approximately 100 individuals were eligible to participate in the Equity Incentive Plan. However, the Company has not at the present time determined who will receive the shares of Common Stock that will be authorized for issuance under the Equity Incentive Plan or how they will be allocated. The Committee will administer the Equity Incentive Plan, except with respect to awards to non-employee directors, for which the Equity Incentive Plan will be administered by the Board. The Committee will be composed of not less than two non-employee directors, each of whom will be a “Non-Employee Director” for purposes of Section 16 of the Exchange Act and Rule 16b-3 thereunder, and an “outside director” within the meaning of Section 162(m) and the related regulations promulgated under the Code. Subject to the terms of the Equity Incentive Plan, the Committee is authorized to select participants, determine the type and number of awards to be granted, determine and later amend (subject to certain limitations) the terms and conditions of any award, interpret and specify the rules and regulations relating to the Equity Incentive Plan, and make all other determinations which may be necessary or desirable for the administration of the Equity Incentive Plan.

Stock Options and Stock Appreciation Rights. The Committee is authorized to grant stock options, including both incentive stock options, which can result in potentially favorable tax treatment to the participant, and non-qualified stock options. The Committee may specify the terms of such grants subject to the terms of the Equity Incentive Plan. The Committee is also authorized to grant SARs, either with or without a related option. The exercise price per share subject to an option is determined by the Committee, but may not be less than the fair market value of a share of Common Stock on the date of the grant, except in the case of Substitute Awards. The maximum term of each option or SAR, the times at which each option or SAR will be exercisable, and the provisions requiring forfeiture of unexercised options at or following termination of employment generally are fixed by the Committee, except that no option or SAR relating to an option may have a term exceeding ten years. Incentive stock options that are granted to holders of more than ten percent of the Company’s voting securities are subject to certain additional restrictions, including a five-year maximum term and a minimum exercise price of 110% of fair market value.

A stock option or SAR may be exercised in whole or in part at any time, with respect to whole shares only, within the period permitted thereunder for the exercise thereof. Stock options and SARs shall be exercised by written notice of intent to exercise the stock option or SAR and, with respect to options, payment in full to the Company of the amount of the option price for the number of shares with respect to which the option is then being exercised.

Payment of the option price must be made in cash or cash equivalents, or, at the discretion of the Committee, (i) by transfer, either actually or by attestation, to the Company of unencumbered shares that have previously been

acquired by the participant which have a fair market value on the date of exercise equal to the option price, together with any applicable withholding taxes, or (ii) by a combination of such cash or cash equivalents and such shares. Payment of the option price may be made in such other method as the Committee shall approve including withholding shares of Common Stock issuable upon exercise of an option having a fair market value equal to the option price together with any applicable withholding taxes. Subject to applicable securities laws and Company policy, the Company may permit an option to be exercised by delivering a notice of exercise and simultaneously selling the shares thereby acquired, pursuant to a brokerage or similar agreement approved in advance by proper officers of the Company, using the proceeds of such sale as payment of the option price, together with any applicable withholding taxes. Until the participant has been issued the shares subject to such exercise, he or she shall possess no rights as a shareholder with respect to such shares.

Restricted Shares and Restricted Share Units. The Committee is authorized to grant restricted shares of Common Stock and restricted share units. Restricted shares are shares of Common Stock subject to transfer restrictions as well as forfeiture upon

certain terminations of employment prior to the end of one or several restricted periods or other conditions specified by the Committee in the award agreement. A participant granted restricted shares of Common Stock generally has most of the rights of a shareholder of the Company with respect to the restricted shares, including the right to receive dividends and the right to vote such shares. None of the restricted shares may be transferred, encumbered or disposed of during the restricted period or until after fulfillment of the restrictive conditions.

Each restricted share unit has a value equal to the fair market value of a share of Common Stock on the date of grant. The Committee determines, in its sole discretion, the restrictions applicable to the restricted share units and whether a participant will be credited with dividend equivalents on any vested restricted share units at the time of any payment of dividends to shareholders on shares of Common Stock. Except as determined otherwise by the Committee, restricted share units may not be transferred, encumbered or disposed of, and such units shall terminate, without further obligation on the part of the Company, unless the participant remains in continuous employment of the Company for the restricted period and any other restrictive conditions relating to the restricted share units are met.

Performance Awards. A performance award consists of a right that is denominated in cash or shares of Common Stock, valued, as determined by the Committee, in accordance with the achievement of certain performance goals during certain performance periods as established by the Committee, and payable at such time and in such form as the Committee shall determine. Performance awards may be paid in a lump sum or in installments following the close of a performance period or on a deferred basis, as determined by the Committee. Except as otherwise determined by the Committee, termination of employment prior to the end of any performance period, other than for reasons of death or disability, will result in the forfeiture of the performance award. The Committee may in its discretion waive any performance goals or other terms and conditions relating to a performance award. A participant's rights to any performance award may not be transferred, encumbered or disposed of in any manner, except by will or the laws of descent and distribution or as the Committee may otherwise determine.

Performance awards are subject to certain specific terms and conditions under the Equity Incentive Plan. Unless otherwise expressly stated in the relevant award agreement, each award granted to a Covered Officer under the Equity Incentive Plan is intended to be performance-based compensation within the meaning of Section 162(m). Performance goals for Covered Officers will be limited to one or more of the following financial performance measures relating to the Company or any of its subsidiaries, operating units, business segments or divisions: (a) earnings or book value per share; (b) net income; (c) return on equity, assets, capital, capital employed or investment; (d) earnings before interest, taxes, depreciation and/or amortization; (e) operating income or profit; (f) operating efficiencies; (g) certain asset quality ratios; (h) allowance for loan losses; (i) net interest income, net interest spread, net interest margin, after tax operating income and after tax operating income before preferred stock dividends; (j) cash flow(s); (k) total revenues or revenues per employee; (l) stock price or total shareholder return; (m) growth in deposits; (n) debt or cost reduction; (o) dividends; (p) strategic business objectives, consisting of one or more objectives based on meeting specified cost targets, soundness targets, business expansion goals and goals relating to acquisitions or divestitures; or (q) any combination thereof. Each goal may be expressed on an absolute and/or relative basis, may be based on or otherwise employ comparisons based on internal targets, the past performance of the Company or any subsidiary, operating unit or division of the Company and/or the past or current performance of other companies, and in the case of earnings-based measures, may use or employ comparisons relating to capital, shareholders' equity and/or shares outstanding, or to assets or net assets. The Committee may appropriately adjust any evaluation of performance under criteria set forth in the Equity Incentive Plan to exclude any of the following events that occurs during a performance period: (i) restructurings, investments, mergers and acquisitions, discontinued operations, extraordinary items, (ii) events either not directly related to the operations of the Company or not within the reasonable control of the Company's management, (iii) the effects of changes in tax laws, accounting principles or other such laws or provisions affecting reported results, (iv) any items that are unusual in nature or infrequently occurring (within the meaning of applicable accounting standards) and/or described in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual report to shareholders for the applicable year, (v) litigation or

claims, judgments or settlements or (vi) such other similar matters as may be determined by the Committee.

To the extent necessary to comply with Section 162(m) of the Code, with respect to grants of performance awards, no later than 90 days following the commencement of each performance period (or such other time as may be required or permitted by Section 162(m)), the Committee will, in writing, (1) select the performance goal or goals applicable to the performance period, (2) establish the various targets and bonus amounts which may be earned for such performance period, and (3) specify the relationship between performance goals and targets and the amounts to be earned by each Covered Officer for such performance period. Following the completion of each performance period, the Committee will certify in writing whether the applicable performance targets have been achieved and the amounts, if any, payable to Covered Officers for such performance period. In determining the amount earned by a Covered Officer for a given performance period, subject to any applicable award agreement, the Committee shall have the right to reduce (but not increase) the amount payable at a given level of performance to take into account additional factors that the Committee may deem relevant to the assessment of individual or corporate performance for the performance period. With respect to any Covered Officer, the maximum annual number of shares in respect of which all

performance awards may be granted under the Equity Incentive Plan is 10,000 and the maximum annual amount of all performance awards that are settled in cash is \$750,000.

Other Stock-Based Awards. The Committee is authorized to grant any other type of awards that are denominated or payable in, valued by reference to, or otherwise based on or related to shares of Common Stock. The Committee will determine the terms and conditions of such awards, consistent with the terms of the Equity Incentive Plan.

Non-Employee Director Awards. The Board may provide that all or a portion of a non-employee director's annual retainer and/or retainer fees or other awards or compensation as determined by the Board be payable in non-qualified stock options, restricted shares, restricted share units and/or other stock-based awards, including unrestricted shares, either automatically or at the option of the non-employee directors. The Board will determine the terms and conditions of any such awards, including those that apply upon the termination of a non-employee director's service as a member of the Board. Non-employee directors are also eligible to receive other awards pursuant to the terms of the Equity Incentive Plan, including options and SARs, restricted shares and restricted share units, and other stock-based awards upon such terms as the Committee may determine; provided, however, that with respect to awards made to members of the Committee, the Equity Incentive Plan will be administered by the Board.

Termination of Employment. The Committee will determine the terms and conditions that apply to any award upon the termination of employment with the Company, its subsidiaries and affiliates, and provide such terms in the applicable award agreement or in its rules or regulations.

Change in Control. The Committee may (in accordance with Section 409A, to the extent applicable), in its discretion, in the event of a change in control, take such actions as it deems appropriate to provide for the acceleration of the exercisability, vesting and/or settlement in connection with such change in control of each or any outstanding award under the Equity Incentive Plan or portion thereof and the shares acquired pursuant thereto upon such conditions (if any), including termination of the participant's service prior to, upon, or following such change in control, to such extent as the Committee shall determine. The Committee may in its discretion and without the consent of any participant, determine that, upon the occurrence of a change in control, each or any award or a portion thereof outstanding immediately prior to the change in control and not previously exercised or settled will be canceled in exchange for a payment with respect to each vested share subject to such award in cash, shares, shares of a corporation or other business entity a party to the change in control, or other property which, in any such case, will be in an amount having a fair market value equal to the fair market value of the consideration to be paid per share in the change in control, reduced by the exercise or purchase price per share, if any, under such award.

Amendment and Termination. The Board may amend, alter, suspend, discontinue or terminate the Equity Incentive Plan or any portion of the Equity Incentive Plan at any time, except that shareholder approval must be obtained for any such action if such approval is necessary to comply with any tax or regulatory requirement with which the Board deems it desirable or necessary to comply. The Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate any award, either prospectively or retroactively. The Committee does not have the power, however, to amend the terms of previously granted options to reduce the exercise price per share subject to such option or to cancel such options and grant substitute options with a lower exercise price per share than the cancelled options. The Committee also may not materially and adversely affect the rights of any award holder without the award holder's consent.

Other Terms of Awards. The Company may take action, including the withholding of amounts from any award made under the Equity Incentive Plan, to satisfy withholding and other tax obligations. The Committee may provide for additional cash payments to participants to defray any tax arising from the grant, vesting, exercise or payment of any award. Except as permitted by the applicable award agreement, awards granted under the Equity Incentive Plan generally may not be pledged or otherwise encumbered and are not transferable except by will or by the laws of

descent and distribution, or as permitted by the Committee in its discretion.

Certain Federal Income Tax Consequences. The following is a brief description of the Federal income tax consequences generally arising with respect to awards under the Equity Incentive Plan.

Tax consequences to the Company and to participants receiving awards will vary with the type of award. Generally, a participant will not recognize income, and the Company is not entitled to take a deduction, upon the grant of an incentive stock option, a nonqualified option, a SAR or a restricted share award. A participant will not have taxable income upon exercising an incentive stock option (except that the alternative minimum tax may apply). Upon exercising an option other than an incentive stock option, the participant must generally recognize ordinary income equal to the difference between the exercise price and fair market value of the freely transferable and non-forfeitable shares of Common Stock acquired on the date of exercise.

If a participant sells shares of Common Stock acquired upon exercise of an incentive stock option before the end of two years from the date of grant and one year from the date of exercise, the participant must generally recognize ordinary income equal to the difference between (i) the fair market value of the shares of Common Stock at the date of exercise of the incentive stock option (or, if less, the amount realized upon the disposition of the incentive stock option shares of Common Stock), and (ii) the exercise price. Otherwise, a participant's disposition of shares of Common Stock acquired upon the exercise of an option (including an incentive stock option for which the incentive stock option holding period is met) generally will result in short-term or long-term capital gain or loss measured by the difference between the sale price and the participant's tax basis in such shares of Common Stock (the tax basis generally being the exercise price plus any amount previously recognized as ordinary income in connection with the exercise of the option).

The Company generally will be entitled to a tax deduction equal to the amount recognized as ordinary income by the participant in connection with an option. The Company generally is not entitled to a tax deduction relating to amounts that represent a capital gain to a participant. Accordingly, the Company will not be entitled to any tax deduction with respect to an incentive stock option if the participant holds the shares of Common Stock for the incentive stock option holding periods prior to disposition of the shares.

Similarly, the exercise of an SAR will result in ordinary income on the value of the stock appreciation right to the individual at the time of exercise. The Company will be allowed a deduction for the amount of ordinary income recognized by a participant with respect to an SAR. Upon a grant of restricted shares, the participant will recognize ordinary income on the fair market value of the Common Stock at the time restricted shares vest unless a participant makes an election under Section 83(b) of the Code to be taxed at the time of grant. The participant also is subject to capital gains treatment on the subsequent sale of any Common Stock acquired through the exercise of an SAR or restricted share award. For this purpose, the participant's basis in the Common Stock is its fair market value at the time the SAR is exercised or the restricted share becomes vested (or is granted, if an election under Section 83(b) is made). Payments made under performance awards are taxable as ordinary income at the time an individual attains the performance goals and the payments are made available to, and are transferable by, the participant.

Section 162(m) of the Code generally disallows a public company's tax deduction for compensation paid in excess of \$1 million in any tax year to its five most highly compensated executives other than its chief financial officer. However, compensation that qualifies as "performance-based compensation" is excluded from this \$1 million deduction limit and therefore remains fully deductible by the company that pays it. The Company intends that (i) performance awards and (ii) options granted (a) with an exercise price at least equal to 100% of fair market value of the underlying shares of Common Stock at the date of grant (b) to employees the Committee expects to be Named Executive Officers at the time a deduction arises in connection with such awards, qualify as "performance-based compensation" so that these awards will not be subject to the Section 162(m) deduction limitations. However, as the Named Executive Officers' compensation increases, the Company's Board of Directors and Personnel Committee will consider the deductibility limitations of Section 162(m) when establishing the Named Executive Officers' compensation opportunities, but other considerations, such as providing the Company's Named Executive Officers with competitive and adequate incentives to remain with the Company and increase the Company's business operations, financial performance and prospects, as well as rewarding extraordinary contributions, will also significantly factor into the Board of Directors' and Personnel Committee's decisions.

The foregoing discussion is general in nature and is not intended to be a complete description of the Federal income tax consequences of the Equity Incentive Plan. This discussion does not address the effects of other Federal taxes or taxes imposed under state, local or foreign tax laws. Participants in the Equity Incentive Plan are urged to consult a tax advisor as to the tax consequences of participation.

The Equity Incentive Plan is not intended to be a "qualified plan" under Section 401(a) of the Code.

The following table summarizes information concerning the Company's equity compensation plans at December 31, 2015:

	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants And Rights	Weighted Average Exercise Price of Outstanding Options Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans
Equity compensation plans approved by security holders	37,419	\$ 40.25	36,675
Equity compensation plans not approved by security holders	—	—	—
Total	37,419	\$ 40.25	36,675

Required Vote, Recommendation of the Board. In order for the Equity Incentive Plan to be approved, the number of shares of Common Stock voted in favor of the adoption of the plan must exceed the number of shares of Common Stock voted against the adoption of the plan.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" THE ADOPTION OF THE WILSON BANK HOLDING COMPANY 2016 EQUITY INCENTIVE PLAN.

PROPOSAL 4 - APPROVAL OF THE CHARTER AMENDMENT TO INCREASE THE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK

The Company's Charter, as amended, currently authorizes the issuance of 15,100,000 shares of capital stock, with 15,000,000 shares reserved for Common Stock and 100 shares reserved for Organizational Stock. As of February 8, 2016, 7,692,277 shares of Common Stock were issued and outstanding.

On January 25, 2016, the Board unanimously approved and adopted, subject to shareholder approval, a proposed amendment to the Company's Charter, providing for an increase in the authorized number of shares of capital stock from 15,100,000 to 50,100,000 with 50,000,000 shares reserved for Common Stock and 100 shares reserved for Organizational Stock. In order for the amendment to the Company's Charter to be approved, the number of shares of Common Stock voted in favor of the amendment must exceed the number of shares of Common Stock voted against the amendment.

If this proposal is approved by the Company's shareholders at the Annual Meeting, the amendment to the Charter will become effective upon the filing of Articles of Amendment with the Secretary of State of Tennessee, a copy of which is attached hereto as Appendix B and incorporated herein by reference, which filing is expected to take place shortly after the Annual Meeting. The Board believes that it is in the best interests of the Company and all of its shareholders to amend the Charter.

Except as set forth below, the relative rights of the holders of Common Stock under the Charter would remain unchanged. Article 6 of the Charter, as amended by the proposed amendment, is set forth below:

"6. The total number of shares of stock which the corporation is authorized to issue is one hundred (100) shares of Organizational Stock, no par value per share and fifty million (50,000,000) shares of Common Stock, \$2.00 par value per share."

The Board of Directors believes that with the current level of authorized capital stock, the Company is constrained in its ability to pursue strategies intended to support its planned growth and to enhance shareholder value. The Board of Directors considers the proposed increase in the number of authorized shares of Common Stock desirable because it would give the Company the necessary flexibility to issue Common Stock in connection with stock dividends and splits, acquisitions, equity financings, the Company's 2016 Equity Incentive Plan and for other general corporate purposes. The Company currently has no oral or written plans, arrangements or understandings for the issuance of the additional shares of Common Stock to be authorized pursuant to this proposal.

The amendment to the Company's Charter will ensure that the Company will continue to have an adequate number of authorized and unissued shares of Common Stock available for future use. As is the case with the shares of Common Stock which are currently authorized but unissued, if this amendment to the Company's Charter is adopted by the shareholders, the Board will have authority to issue the additional shares of Common Stock from time to time without further action on the part of shareholders except as may be required by applicable law or by the rules of any stock exchange or market on which the Company's securities may then be listed or authorized for quotation.

The additional number of authorized shares could have the effect of making it more difficult for a third party to take over the Company in a transaction not approved by the Board. Shareholders do not have any preemptive or other rights to subscribe for any shares of Common Stock which may in the future be issued by the Company.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" APPROVAL OF THE PROPOSED AMENDMENT TO THE COMPANY'S CHARTER TO INCREASE THE NUMBER OF AUTHORIZED SHARES

OF COMMON STOCK.

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PROPOSAL 5 - OTHER MATTERS

The Board of Directors is not aware of any other matters which may be brought before the Annual Meeting. However, if any matter other than the proposed matters properly comes before the meeting for action, proxies will be voted for such matters in accordance with the best judgment of the persons named as proxies.

AUDIT COMMITTEE REPORT FOR 2015

The Audit Committee reviews the Company's financial reporting process on behalf of the Board of Directors of the Company. Management has the primary responsibility for the financial statements and the reporting process. The Company's independent registered public accounting firm is responsible for expressing an opinion on the conformity of the Company's audited financial statements to generally accepted accounting principles.

In this context, the Audit Committee has reviewed and discussed with management and the independent registered public accounting firm the audited financial statements. The Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 16, as amended (AICPA, Professional Standards, Vol. 1 AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T. In addition, the Audit Committee has received from the independent registered public accounting firm the written disclosures and letter required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the audit committee concerning independence, and discussed with it, the firm's independence from the Company and its management. The Audit Committee has considered whether the independent registered public accounting firm provision of non-audit services to the Company is compatible with maintaining the registered public accounting firm's independence.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Company's Board of Directors, and the Company's Board of Directors has approved, that the Company's consolidated audited financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2015, for filing with the SEC.

J. Anthony Patton, Chairman
James F. Comer
William P. Jordan

The foregoing report of the Audit Committee shall not be deemed incorporated by reference by any general statement incorporating by reference the Proxy Statement into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under such acts.

EXECUTIVE COMPENSATION

Risk Assessment of Compensation Policies

The Board of Directors of the Company and the Bank has reviewed the Company's and the Bank's compensation policies as generally applicable to their employees and believes that their policies do not encourage excessive and unnecessary risk taking, and that the level of risk that they do encourage is not reasonably likely to have a materially adverse effect on the Company or the Bank.

Compensation Discussion and Analysis

Compensation Policy and Philosophy. Decisions with respect to compensation of the Company's and the Bank's executive officers, including the Chief Executive Officer and the other Named Executive Officers, as identified in the Summary Compensation Table, for fiscal year 2015 were made by the Board of Directors of the Bank based upon recommendations by the Personnel Committee. Decisions regarding the non-equity compensation of the Company's and the Bank's executive officers that are not Named Executive Officers are made by the Chief Executive Officer in consultation with such officer's supervisor. For these officers, the Chief Executive Officer is responsible for establishing the framework for how these individuals are compensated. The components of compensation of executive officers consist of a base salary, an annual cash incentive, amounts contributed (and earnings) under the executive officer's Executive Salary Continuation Agreement prior to the freezing of the accrual of benefits under these agreements effective October 1, 2012, and thereafter under the Supplemental Executive Retirement Plan Agreements entered into in 2012 and 2015 and matching and profit-sharing contributions under the Company's 401(k) plan (as well as health and disability insurance and other non-cash benefits similar to those of all employees of the Bank or Company). At times, these executive officers have also been awarded equity based compensation in the form of time vested stock options; however, the Personnel Committee and the Chief Executive Officer have historically focused on cash-based compensation that is currently paid out, using stock options primarily in connection with promotions or changes in duties. The Company utilizes the Executive Salary Continuation Agreements and the SERP Agreements (as defined below), each as described in more detail below, to provide for post-retirement or other post-termination payments to the Named Executive Officers. No member of the Personnel Committee served as an officer or employee of the Company or of any of its subsidiaries during 2015.

The overarching policy of the Personnel Committee and the Board of Directors in determining executive compensation, including the compensation of the Chief Executive Officer, is to attract and retain the highest quality talent to lead the Company and to reward key executives based upon their individual performance and the performance of the Bank and the Company. The Personnel Committee evaluates both performance and compensation to ensure that the Company and the Bank maintain their ability to attract and retain superior employees in key positions and that compensation packages provided to key employees remain competitive relative to the compensation paid to similarly situated executives of peer companies. The Personnel Committee believes that providing incentives to and rewarding the performance of the Company's and the Bank's executive officers enhances the profitability of the Company. To that end, the Personnel Committee believes that the compensation paid to the Company's and the Bank's executive officers should include base salary and a significant cash incentive opportunity designed to reward performance as measured against established goals. The Personnel Committee has not historically utilized equity-based compensation as a significant component of the compensation paid to the Named Executive Officers. The Personnel Committee, however, continues to evaluate the possibility of using equity-based awards as a component of total compensation for the Named Executive Officers and may utilize equity-based awards more in the future in connection with, but not limited to, promotions or changes in duties.

Executive compensation programs impact all employees by setting general levels of compensation and helping to create an environment of goals, rewards and expectations. Because we believe the performance of every employee is

important to our success, we are mindful of the effect of executive compensation and incentive programs on all of our employees.

Say on Pay Vote. At our 2014 Annual Meeting of Shareholders, we held our triennial shareholder advisory vote on the compensation of our Named Executive Officers and our shareholders overwhelmingly approved our fiscal year 2013 executive compensation program. Of the 3,983,914 votes cast, 3,926,953, or 98.6%, were cast in favor of approval. The Personnel Committee has considered the results of the vote on our 2013 executive compensation program and concluded that the shareholders support the Company's compensation policies and procedures which the Personnel Committee believes provide a competitive pay-for-performance package that effectively incentivizes our Named Executive Officers and encourages long-term retention. The Company's strong financial performance in fiscal year 2015 reinforces the Personnel Committee's view that our executive compensation program is achieving its objectives, and the Board and the Personnel Committee made no significant changes to the program during the year. The Personnel Committee will continue to consider shareholder views about our core compensation principles and objectives when determining executive compensation.

Base Salary. Each year the Personnel Committee reviews and approves a base salary for Mr. Clemons taking into account several factors, including prior year base salary, responsibilities, tenure, performance, salaries paid to chief executive officers of other financial institutions of a similar size in similar markets, the Bank's overall pay scale, including retirement benefits payable to Mr. Clemons, and the Bank's recent performance. Taking these factors into consideration, the Personnel Committee approved an increase of 4% to the 2015 base salary of Mr. Clemons when compared to 2014. In setting the base salaries of the other Named Executive Officers, the Personnel Committee considers the recomme