

COMMUNITY TRUST BANCORP INC /KY/
Form DEF 14A
March 20, 2019

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
SCHEDULE 14A INFORMATION

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

Community Trust Bancorp, Inc.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN CHARTER)

Kentucky (state or other jurisdiction of incorporation)	001-31220 (commission file number)	61-0979818 (irs employer identification no.)
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346 North Mayo Trail, Pikeville, Kentucky (address of principal executive offices)	41501 (zip code)
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Registrant's telephone number, including area code (606) 432-1414

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:

COMMUNITY TRUST BANCORP, INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD APRIL 23, 2019

The Annual Meeting of Shareholders of Community Trust Bancorp, Inc. ("CTBI") will be held at Community Trust Bank, Inc., 346 North Mayo Trail, Pikeville, Kentucky, on Tuesday, April 23, 2019 at 10:00 a.m. EDT for the following purposes:

1. To elect a Board of seven directors to hold office until the next Annual Meeting of Shareholders and until their successors are elected and qualify.
2. To ratify and approve the appointment of BKD, LLP as CTBI's Independent Registered Public Accounting Firm for the fiscal year ending December 31, 2019.
3. To approve the advisory (nonbinding) resolution relating to executive compensation.
4. To transact such other business as may properly come before the meeting or any adjournment thereof.

Only those holders of stock of record at the close of business on February 28, 2019 are entitled to notice of and to vote at the Annual Meeting and any adjournment thereof.

The Board of Directors recommends that you vote FOR each of the nominees for director, FOR the ratification and approval of the independent registered public accounting firm, FOR the approval of the advisory (nonbinding) resolution relating to executive compensation, and that you grant discretion on such other business as may properly come before the meeting or any adjournment.

CTBI is furnishing all proxy materials, including the Proxy Card, to our shareholders via direct mail, except for shareholders who have previously elected to receive their documents via electronic delivery. However, all of the proxy materials listed below may also be obtained over the Internet at <http://materials.proxyvote.com/204149>:

- Notice of Annual Meeting of Shareholders
- CTBI's Proxy Statement
- CTBI's 2018 Annual Report to Shareholders
- Form of Proxy

Shareholders are cordially invited to attend the Annual Meeting of Shareholders. You may obtain directions to the meeting location by calling our Investor Relations Department toll-free at (800) 422-1090. We hope you will attend the meeting and vote your shares in person.

By Order of the Board of Directors

/s/ Jean R. Hale
Jean R. Hale
Chairman of the Board,
President and Chief Executive Officer

Pikeville, Kentucky
April 1, 2019

IMPORTANT

WHETHER OR NOT YOU EXPECT TO BE PRESENT AT THE MEETING, PLEASE SUBMIT A PROXY. IN THE EVENT YOU ATTEND THE MEETING, YOU MAY REVOKE YOUR PROXY AND VOTE YOUR SHARES IN PERSON AT ANY TIME BEFORE YOUR PROXY IS EXERCISED.

Community Trust Bancorp, Inc.
346 North Mayo Trail
Pikeville, Kentucky 41501

PROXY STATEMENT

Annual Meeting of Shareholders
to be held April 23, 2019

INTRODUCTION

This Proxy Statement and accompanying proxy are furnished in connection with the solicitation of proxies by the Board of Directors (“Board”) of CTBI for use at the Annual Meeting of Shareholders (the “Annual Meeting”) to be held on Tuesday, April 23, 2019, at 10:00 a.m. (EDT), at Community Trust Bank, Inc., 346 North Mayo Trail, Pikeville, Kentucky, and any adjournments thereof. A copy of CTBI’s 2018 Annual Report to Shareholders accompanies this Proxy Statement.

In accordance with rules adopted by the U.S. Securities and Exchange Commission (“SEC”), our proxy materials may also be accessed on the Internet at <http://materials.proxyvote.com/204149>. The cost of solicitation of proxies will be borne by CTBI. In addition to the use of the mail, proxies may be solicited in person, by telephone and other means of communication by directors, officers, and other employees of CTBI, none of whom will receive additional compensation for such services. CTBI will also request brokerage houses, custodians, and nominees to forward soliciting materials to the beneficial owners of stock held of record by them and will pay the reasonable expenses of such persons for forwarding such materials. This Proxy Statement and the accompanying proxy are first being mailed or given to shareholders of CTBI on or about April 1, 2019.

RECORD DATE AND VOTING SECURITIES

The Common Stock of CTBI (“Common Stock”) is the only class of outstanding voting securities. Only holders of Common Stock of record at the close of business on February 28, 2019 (the “Record Date”) are entitled to notice of and to vote at the Annual Meeting. At the Record Date, there were 17,767,653 shares of Common Stock outstanding. With respect to the election of directors, shareholders have cumulative voting rights. Accordingly, each shareholder will have the right to cast as many votes in the aggregate as equals the number of shares of Common Stock held by the shareholder multiplied by the number of directors to be elected at the Annual Meeting. Each shareholder may cast all of his or her votes for one candidate or distribute such votes among two or more candidates. Shareholders will be entitled to one vote for each share of Common Stock held of record on the Record Date with regard to all proposals and other matters that properly come before the Annual Meeting or any adjournment thereof.

Each proxy, unless the shareholder otherwise specifies, will be voted in favor of the election of the seven nominees for director named herein, for the approval of the appointment of BKD, LLP as CTBI’s Independent Registered Public Accounting Firm for the fiscal year ending December 31, 2019 and for the approval of the advisory (nonbinding) resolution relating to executive compensation. Where a shareholder has appropriately specified how the proxy is to be voted, it will be voted accordingly. As to any other matter which may properly be brought before the Annual Meeting or any adjournment thereof, a vote may be cast pursuant to the accompanying proxy in accordance with the judgment of the person or persons voting the proxy. Shareholders may vote by mail, by telephone, or over the Internet by following the instructions on the Proxy Card. A shareholder may revoke his or her proxy at any time prior to its exercise. Revocation may be effected by written notice to CTBI, by a subsequently dated proxy received by CTBI, by oral revocation in person at the Annual Meeting or any adjournment thereof, or by voting in person at the Annual Meeting or any adjournment thereof.

A majority of the outstanding shares present in person or by proxy is required to constitute a quorum to transact business at the Annual Meeting. Abstentions will be treated as present for purposes of determining a quorum, but as unvoted shares for purposes of determining the approval of any matter submitted to the shareholders for a vote. If a broker indicates that it does not have discretionary authority as to certain shares to vote on a particular matter, such shares will not be considered as present and entitled to vote with respect to such matter. At the Annual Meeting, brokers and other nominees will not have discretionary authority with respect to election of directors or approval of the advisory nonbinding resolution relating to executive compensation. Therefore, if you hold shares through a broker or other nominee and do not provide voting instructions to your broker or other nominee, your shares will not be voted with respect to such proposals.

PRINCIPAL SHAREHOLDERS

The following table sets forth information as to each shareholder known by CTBI to beneficially own more than five percent of the Common Stock as of the Record Date.

Beneficial Owner Name and Address	Amount and Nature of Beneficial Ownership	Percent of Class
Community Trust and Investment Company As Fiduciary 100 East Vine St., Suite 501 Lexington, Kentucky 40507	1,800,725 (1)	10.1%
BlackRock Inc. 55 East 52 nd Street New York, NY 10055	1,234,357 (2)	6.9%
The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355	944,715 (3)	5.3%

The shares indicated are held by Community Trust and Investment Company, a subsidiary of CTBI, in fiduciary capacities as trustee, executor, agent, or otherwise. Of the shares indicated, Community Trust and Investment Company has sole voting rights with respect to 1,223,087 shares and no voting rights with respect to 577,638 shares. Community Trust and Investment Company has sole investment authority with respect to 543,159 shares, shared investment authority with respect to 92,925 shares, and directed investment authority with respect to 1,155,641 shares; 732,606 shares are held by CTBI's Employee Stock Ownership Plan ("ESOP") and 423,035 shares are held by the 401(k) Plan. Each participant for whom shares are maintained in his or her ESOP or 401(k) Plan account is entitled to direct the Trustee as to the manner in which voting rights will be exercised with respect to such shares. The Trustee will vote in its discretion all unallocated shares and all shares for which no voting instructions are timely received.

This information is taken from a Schedule 13G/A filed February 4, 2019 with respect to holdings of BlackRock (2) Inc. subsidiaries as of December 31, 2018. The Schedule 13G/A reports sole voting power with respect to 1,192,980 shares and sole dispositive power with respect to 1,234,357 shares.

This information is taken from a Schedule 13G/A filed February 11, 2019 with respect to holdings of The (3) Vanguard Group, Inc. and subsidiaries as of December 31, 2018. The Schedule 13G/A reports sole voting power with respect to 15,935 shares, shared voting power with respect to 5,050 shares, sole dispositive power with respect to 925,620 shares, and shared dispositive power with respect to 19,095 shares.

ELECTION OF DIRECTORS

CTBI's directors are elected at each Annual Meeting of Shareholders and hold office until the next election of directors or until their successors are duly elected and qualify. The persons named below, all of whom currently serve as directors of CTBI, have been nominated for election to serve until the next Annual Meeting of Shareholders.

Charles J. Baird
Nick Carter
Franklin H. Farris, Jr.
Jean R. Hale
James E. McGhee II
M. Lynn Parrish
Anthony W. St. Charles

Unless authority to do so is withheld, it is the intention of the persons named in the proxy to vote for the election of each of the nominees listed above. All nominees have indicated a willingness to serve and CTBI does not anticipate that any of the above nominees will decline or be unable to serve if elected as a director. However, in the event that one or more of such nominees is unable, unwilling, or unavailable to serve, the persons named in the proxy shall have authority, according to their judgment, to vote for such substitute nominees as they, after consultation with CTBI's Board of Directors, shall determine. If considered desirable, cumulative voting will be exercised by the persons named in the proxy to elect as many of such nominees as possible.

The Nominating and Corporate Governance Committee assists the Board in identifying qualified persons to serve as directors of CTBI. The Committee will evaluate proposed director nominees, including incumbent directors, prior to recommending re-nomination. The Nominating and Corporate Governance Committee selects as candidates for nomination individuals of high personal and professional integrity and ability who can contribute to the Board's collective effectiveness in serving the interests of CTBI's shareholders. Maturity of judgment and community leadership are considered strengths for Board members. Although the Committee does not utilize a specific or formulaic diversity policy or requirement, it does consider the make-up of the Board as a whole and favorably views Board diversity with respect to the following attributes: professional and life experience, education, skills, age, race, and gender.

On February 26, 2019, the Board of Directors increased the size of the Board of Directors to eight directors and appointed Mr. Farris as a director to fill the resulting vacancy for a term expiring at the 2019 Annual Meeting. Mr. Farris was brought to the attention of the Nominating and Corporate Governance Committee by Mr. Lynn Parrish, CTBI's lead independent director. The Nominating and Corporate Governance Committee recommended the appointment of Mr. Farris as a director to the Board.

Each of the above-listed nominees has been identified as possessing good judgment, strength of character, and an independent mind, as well as a reputation for integrity and the highest personal and professional ethics. Each nominee also brings a strong and varied background and set of skills to the Board of Directors, giving the Board, as a whole, competence and experience in a range of areas.

Below is the information concerning each of the director nominees, including each nominee's particular and specific qualifications, attributes, and skills which led the Board to conclude that he/she should serve as a director. As more fully described below, the nominees for director collectively have skills in areas considered by the Nominating and Corporate Governance Committee to be valuable to CTBI, including experience in finance, accounting, legal matters, management, operations, and business development and growth, within the financial institutions, energy, and other business sectors.

Charles J. Baird, age 69, was appointed to the Board in 1987. He currently serves as Chairman of the Board's Corporate Retirement and Employee Benefit Committee and as Vice Chairman of the Board's Executive Committee. Mr. Baird has been an attorney with Baird and Baird, PSC since 1975. He became President of Baird and Baird, PSC in 2009. In addition to his more than 40 years of legal and management experience, he has attended seminars on banking law, corporate finance, and numerous legal matters, has been involved in numerous significant acquisitions during his legal career, and has been a director of many organizations over the years. Mr. Baird has extensive legal experience in the businesses of coal, natural gas, and other natural resources, including the origination and management of such enterprises. Mr. Baird is currently Chairman of the Eastern Kentucky Exposition Center and Coal Operators and Associates, Inc. He was a member of the Workers' Compensation Board Nominating Commission of Kentucky from 1987 until 2010, serving as Chairman for 10 years, and resumed service as a member from 2013 to 2016. Mr. Baird also serves as a director of Community Trust and Investment Company, a subsidiary of CTBI. During his extensive professional career, Mr. Baird has developed relationships with many of our shareholders, customers, and employees.

Nick Carter, age 72, was appointed to the Board in 2008. He currently serves as Chairman of the Board's Compensation Committee and as a member of the Audit and Asset Quality Committee. Mr. Carter also serves as a director of Community Trust and Investment Company. Mr. Carter was President and COO of Natural Resource Partners L.P. (a coal, mineral, and aggregate reserve ownership business) and its subsidiaries (NYSE:NRP) from 2002 until his retirement in September 2014. In his capacity as President and COO of NRP, Mr. Carter was responsible for all operational functions of the company, including accounting and finance, and was also responsible for the management of the company's banking relationships, including those with many of the major banking entities in the United States. For twelve years prior to joining NRP, Mr. Carter managed a \$120 million private coal landholding company with operations in five states. In those capacities, Mr. Carter attended and spoke at several investor conferences each year and attended numerous conferences and seminars relating to business management and legal matters. Mr. Carter is a director of Alliance Resource Partners, LP (NASDAQ:ARLP) and a former director of the National Bank of Hustonville. Mr. Carter also serves on the board and as chairman of the compensation committee of Tacora Resources Inc., a privately owned iron ore mining company with operations in Labrador/Newfoundland, Canada.

Franklin H. Farris, Jr., age 68, was appointed to the Board on February 26, 2019. He served as managing partner of the Louisville office of KPMG, LLP (KPMG), an international public accounting firm, from 2004 to 2009. Mr. Farris, a certified public accountant, was an audit partner with KPMG from 1984 until his retirement in September 2009, after 37 years of service. In addition to his managing partner role, Mr. Farris maintained a client partner role on a number of accounting and auditing matters, including significant experience with public companies, as well as those with international operations. Upon his retirement from KPMG, he joined Mountjoy Chilton Medley, a Kentucky-based audit and advisory firm, where he served as an audit partner until 2015. In 2015, he formed Farris Advisory Services, LLC, where he continues to provide CFO type services to small and medium size businesses. In addition, in 2015, he joined the Bluegrass International Fund, an EB-5 Regional Center, as its chief financial officer. Mr. Farris is a member of the American Institute of Certified Public Accountants and the Kentucky Society of Certified Public Accountants.

Jean R. Hale, age 72, was appointed to the Board in 1993 and was elected Chairman in 2004. She currently serves as Chairman of the Board's Executive Committee and as a member of the Corporate Retirement and Employee Benefit Committee. Ms. Hale also serves as Chairman of the Board of Community Trust Bank, Inc. and Community Trust and Investment Company. Ms. Hale has been employed by CTBI since 1969 and held various positions within the company, primarily in the lending area, serving as Executive Vice President and Senior Lender, Senior Vice President/Commercial Lending, and Vice President/Consumer Lending, as well as serving as Compliance and CRA Officer, prior to becoming President and CEO of Community Trust Bank, Inc., CTBI's lead subsidiary, in 1993 and President and CEO of CTBI in 1999. She is Chairman of the Board of the Kentucky Economic Development Finance Authority and a member of the Kentucky Economic Development Partnership Board, the Commonwealth Seed

Capital, LLC Board, the University of Pikeville Board of Trustees, the ARH Foundation Board, and the Community Depository Institutions Advisory Council of the Federal Reserve Bank of Cleveland. In addition, she serves on the Executive Committee and as Chair of the Development Committee and Finance Committee for SOAR (Shaping Our Appalachian Region).

James E. McGhee II, age 61, was appointed to the Board in 2005. He currently serves as Chairman of the Board's Risk and Compliance Committee, as Vice Chairman of the Corporate Retirement and Employee Benefit Committee and the Nominating and Corporate Governance Committee, and as a member of the Executive Committee and the Audit and Asset Quality Committee. Mr. McGhee was an executive officer of Mountain Valley Explosives from 1995 until 2006 at which time he sold the company and formed Three JC Investments, LLC. As President of Three JC Investments, LLC, he is involved in explosives consulting, natural gas development, and commercial property. Over the years, Mr. McGhee has started several small businesses involving property and energy. He also served as Executive Director of Dyno Explosives Distributors Association. During his career, Mr. McGhee was responsible for sales, acquisition, distribution, personnel, and financial reporting for several locations with Coal-Mac, Sandy Valley Explosives, and Dyno East Kentucky dba Mountain Valley Explosives. In addition to Mr. McGhee's business management experience, he has attended several business related safety, sales, and management seminars, an accounting for non-accountants seminar, and continuing education classes for directors.

M. Lynn Parrish, age 69, was appointed to the Board in 1993. He currently serves as the lead independent director of the Board, Chairman of the Board's Nominating and Corporate Governance Committee, Vice Chairman of the Audit and Asset Quality Committee and the Compensation Committee, and a member of the Executive Committee and the Risk and Compliance Committee. Mr. Parrish has been President of Marwood Land Company, Inc., a mineral development company, since 1992. He co-founded Coal-Mac, Inc., a coal marketing and production company, in 1978 and served as its president until 1992. In this capacity, Mr. Parrish oversaw all corporate functions, including accounting and finance, until Coal-Mac, Inc. was acquired by a public company in 1989. In 1993, he co-founded Knott Floyd Land Company, Inc., another coal marketing and production company. As its chairman of the board and president, Mr. Parrish oversaw all functions of the company, including accounting and finance. In 2006, Knott Floyd Land Company, Inc. was acquired by a private equity fund. Today, Mr. Parrish has an ownership interest in Jigsaw Enterprises, LLC, an engineering and excavating company, Bit Source LLC, a software development company, and Eastern Telephone and Technologies, Inc., an electrical and digital company. Mr. Parrish has served on several boards of directors over the years, including the Kentucky Chamber of Commerce and Pikeville Medical Center, and is currently a board member of Leadership Institute for School Principals, CEDAR, Inc., and the University of Pikeville, among others.

Anthony W. St. Charles, age 60, was appointed to the Board in 2010. He currently serves on the Board's Audit and Asset Quality Committee, Corporate Retirement and Employee Benefit Committee, Risk and Compliance Committee, and Compensation Committee. Mr. St. Charles is the President and Chief Executive Officer of The St. Charles Group, LLC of Cincinnati, Ohio. Mr. St. Charles has provided consulting services and subject matter expertise to financial institutions and technology companies in the United States and Europe for the past 30 years. His company specializes in control environment reviews, finance related remedial activities, electronic banking, retail delivery channel analysis, and operations reengineering for all back office processes. This broad spectrum of financial industry expertise allows Mr. St. Charles to provide valuable insight to the Board of Directors. Prior to the formation of his own company, Mr. St. Charles was involved in Sales and Consulting with the Unisys Corporation for five years and held officer level positions with U.S. Bank for fourteen years.

The Nominating and Corporate Governance Committee will consider candidates nominated by shareholders. The Nominating and Corporate Governance Committee will evaluate candidates recommended by shareholders on the same basis as it evaluates any other properly recommended nominee. Shareholders who desire to recommend a candidate for election at the next Annual Meeting of Shareholders should submit the name of the candidate and information concerning the qualifications of the candidate by mail to the Nominating and Corporate Governance Committee at CTBI's address on or before February 17, 2020.

SECURITY OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

Directors

The following persons are the directors of Community Trust Bancorp, Inc. as of the Record Date. Their security ownership as of the Record Date is as follows:

Name	Amount and Nature of Beneficial Ownership	Percent (1) of Class (3)
Charles J. Baird	204,178	1.1%
Nick Carter	3,000	(2)
Franklin H. Farris, Jr.	1,650	(2)
Jean R. Hale	233,091	(4) 1.3%
James E. McGhee II	27,601	(2)
M. Lynn Parrish	174,242	(5) 1.0%
Dr. James R. Ramsey	11,025	(2)
Anthony W. St. Charles	8,337	(2)
All directors and executive officers as a group (18 in number including the above named individuals)	878,259	(6) 4.9%

Under the rules of the Securities and Exchange Commission, a person is deemed to beneficially own a security if the person has or shares the power to vote or direct the voting of such security or the power to dispose or to direct the disposition of such security. A person is also deemed to beneficially own any shares of which that person has the right to acquire beneficial ownership within sixty days. Shares of Common Stock subject to options exercisable within sixty days are deemed outstanding for computing the percentage of class of the person holding such options but are not deemed outstanding for computing the percentage of class for any other person. Unless otherwise indicated, the named persons have sole voting and investment power with respect to shares held by them. Beneficial ownership of CTBI Common Stock is shown as of the Record Date.

(2) Less than 1 percent.

Includes 6,213 shares held as trustee under various trust agreements established by Mr. Baird's mother, Florane J. Baird, for her grandchildren, 159,000 shares held as trustee of the Bryan M. Johnson Testamentary Trust FBO Rosemary Dean, 30,800 shares held as trustee of the Carolyn A. Baird Family Trust, 220 shares held as trustee under various trust agreements established for Mr. Baird's grandchildren, and 245 shares held by Mr. Baird's wife, over which Mr. Baird has no voting or investment power.

(4) Includes 5,199 restricted shares awarded under CTBI's stock ownership plans, 23,827 shares held in the ESOP, and 78,910 shares held in the 401(k) Plan which she has the power to vote.

(5)

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Includes 113,796 shares held by Mr. Parrish's wife, Jessica J. Parrish, as trustee of the Trust under the M. Lynn Parrish 2006 GRAT over which Mr. Parrish has no voting or investment power.

(6) Includes 413 shares which may be acquired by all directors and executive officers as a group pursuant to options exercisable within sixty days of the Record Date.

Executive Officers

The following persons are the executive officers of Community Trust Bancorp, Inc. as of the Record Date, in addition to Jean R. Hale, Chairman of the Board, President, and Chief Executive Officer. They are not nominated to serve as directors. Their security ownership as of the Record Date is as follows:

Name	Position	Amount and Nature of Beneficial Ownership	Percent of Class
James B. Draughn	Executive Vice President	32,227 (2)	(1)
James J. Gartner	Executive Vice President	2,036 (3)	(1)
Mark A. Gooch	Executive Vice President and Secretary	60,669 (4)	(1)
Charles Wayne Hancock	Executive Vice President	6,239 (5)	(1)
D. Andrew Jones	Executive Vice President	16,942 (6)	(1)
Larry W. Jones	Executive Vice President	11,896 (7)	(1)
Richard W. Newsom	Executive Vice President	30,912 (8)	(1)
Ricky D. Sparkman	Executive Vice President	26,096 (9)	(1)
Kevin J. Stumbo	Executive Vice President, CFO and Treasurer	22,296 (10)	(1)
Andy D. Waters	Executive Vice President	5,821 (11)	(1)

(1) Less than 1 percent.

(2) Includes 6,726 restricted shares awarded under CTBI's stock ownership plans, 10,395 shares held in the ESOP, and 13,903 shares held in the 401(k) Plan which Mr. Draughn has the power to vote.

(3) Includes 1,416 restricted shares awarded under CTBI's stock ownership plans, 147 shares held in the ESOP, and 89 shares held in the 401(k) Plan which Mr. Gartner has the power to vote.

(4) Includes 3,254 restricted shares awarded under CTBI's