



Dallas G. Caudle, Jr.  
President and Chief Operating Officer

**MidSouth Bank Stock Price as of March 31, 2010**

The Bank is asked from time to time to provide information as to the stock price of its common voting stock, \$1.00 par value. The Bank has no definitive method for ascertaining the value of the shares. The Bank is currently offering up to 3,000,000 shares of its convertible preferred stock at a price of \$5.00 per share. Each share is convertible into two shares of the Bank's common stock. For each five shares of preferred stock purchased in the offering, an investor will receive a warrant to purchase one additional common share at a purchase price equal to 75% of trailing-quarter-end book value (but not less than \$2.50 and not more than \$10.00 per share). We have surpassed the \$4 million threshold and will continue to raise funds for a few more weeks. You may find more detailed information about the performance of the Bank by clicking on "Shareholder Information" at our homepage, which is [www.midsouthbanking.com](http://www.midsouthbanking.com).

MidSouth Bank is chartered under the laws of the State of Tennessee. The Bank is a member of the FDIC and the Federal Reserve System. The Bank opened for business on January 27, 2004.

The Bank has 3,841,935 shares of its common stock and 848,928 shares of its preferred stock outstanding. There is no market maker in these shares, nor are the shares listed or traded on any recognized market or exchange. The shares are bought and sold in privately negotiated transactions (although, to the best of our knowledge, no shares of preferred stock have yet been traded). There are no "bid and asked" quotes published or, to the Bank's knowledge, available. The Bank is dependent on reports from persons involved in the transactions as to the actual prices and number of shares involved. Some transactions may involve persons affiliated with the Bank and thus may not be indicative of the price the shares would bring in transactions between parties not so affiliated. The Bank regards the trading in the stock as thin, given that, for example, an estimated 19,149 shares traded during 2009 out of 3,841,935 shares then outstanding. This was less than 1% of the outstanding shares during the course of the entire calendar year.

The Bank does not trade in its own stock nor does it make a market in that stock. However, the prices of publicly traded bank stocks in general have been somewhat volatile and that may also apply to our Bank's stock price. There may be some speculation in the current trading prices of the Bank's stock. There can be no assurance that shares acquired at any of the prices reported to management can be resold for comparable amounts.

If you need any additional information, please contact Gina King at (615) 278-7111, FAX (615) 278-7311 or e-mail [gina.king@midsouthbanking.com](mailto:gina.king@midsouthbanking.com).

Please send stock and all correspondence to:

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Sincerely,

Dallas G. Caudle, Jr.