

Business Continuity Plan Disclosure

MidSouth Capital, Inc. (“MSCI” or the “Firm”) is providing you with this document to inform you of its ability to respond to certain business disruptions at your Registered Representative's local office or at the main office of MSCI. Your Registered Representative is associated with MSCI and, as a result, all transactions that you place through him or her are processed through MSCI's systems. MSCI's ability to respond to business disruptions is therefore important to your relationship with your Representative. In general, MSCI maintains a business continuity plan and intends to continue business in the event of a significant business disruption.

Brokerage Accounts With RBC Dain Rauscher

MidSouth Capital, Inc. is a fully disclosed introducing broker/dealer that clears its securities through a clearing firm, RBC Dain Rauscher. If MidSouth Capital's corporate office were to be directly affected by a significant business disruption (an “SBD”), we have several registered branch office locations across the United States from which to service your brokerage account(s). With our network of branch offices and independent registered representatives, it is highly unlikely that a SBD would affect all access points to our clearing firm where your brokerage account is held. If your point of contact, one of our branch offices, or your local Registered Representative is affected by a local SBD in his/her area, all efforts will be made by all reasonable means to contact you and to provide you with an alternate point of contact. In the very unlikely event that you cannot reach your local office, representative or the corporate home office during a SBD, you may contact the clearing firm, RBC Dain Rauscher, directly to place sell orders, to close out short positions and to request checks to your address of record only. All such orders will be placed as market orders.

Packaged Product Holdings (i.e. Variable Rate Products, Certain Mutual Fund Holdings, REIT's, etc.)

The Firm does not place its variable annuity transactions through its clearing firm; rather, transactions are placed directly through the variable annuity provider. Accordingly, in the unlikely event that MSCI is unable to continue business, clients may directly contact their variable annuity provider, as indicated on their periodic account statements, to process limited trade-related transactions. Certain mutual fund and other packaged product transactions also may not be placed through our clearing firm. Such business is referred to as “direct”, “outside”, or “check and application way” business. In the unlikely event that MSCI is unable to continue business, clients may directly contact their mutual fund or other product provider, as indicated on their periodic account statements, to process limited trade-related transactions. Please contact your Registered Representative to determine whether your transactions were placed through the clearing firm or direct with the product provider as check and application way business.

Redundancy of Mission Critical Information

MidSouth Capital, Inc. backs up all of its necessary financial information and removes that information offsite to provide business continuity. The recovery of information for purposes of the company's financial ability to proceed in the event of an SBD should be less than twelve (12) hours.

Disclaimer

The firm's business continuity plan is designed to enable us to meet our existing obligations to our clients in the event of an emergency or SBD. However, it is not infallible. The plan is designed to work in different emergency situations. But, these events are, by their nature, unpredictable and it is impossible to anticipate every scenario that could cause an SBD. The business continuity plan is subject to change without notice. If the plan is modified, an updated disclosure will be promptly

posted to our web site and the updated plan will be mailed upon written request. The information provided in this document is for informational purposes only. Nothing contained herein shall be construed to amend, supplement, or otherwise modify any of the terms and conditions set forth in any customer agreement between you, MidSouth Capital, Inc., and the clearing firm. Customers of MidSouth Capital, Inc. must look to the business continuity plan of the clearing firm, RBC Dain Rauscher, which maintains custody of your brokerage account and/or the business continuity plan of the packaged product providers who maintain your direct business accounts for further guidance. The clearing firm and packaged product providers are required to develop and maintain their own business continuity plans independent of MidSouth Capital, Inc.