

June 22, 2011

## Regulatory Resolution and Strategic Opportunities

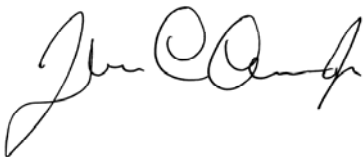
Financial markets have changed dramatically over the past several years, and every institution has had to reexamine its role and structure as this new world evolves. As Regions and Morgan Keegan have navigated through that process, we've had to make some difficult decisions. One was the settlement of regulatory charges you may have read about recently. The settlement pertained to a mutual fund business that was sold more than three years ago. After years of litigation, it was simply time to put this behind us and we are pleased to have reached a resolution that will benefit the investors in these funds.

Looking forward, our parent corporation, Regions Financial, has retained Goldman Sachs to explore strategic alternatives for Morgan Keegan as Regions evaluates how best to deploy its capital to increase shareholder value as part of its capital planning process. Please know that this undertaking has our enthusiastic support and that my colleagues and I are fully engaged in the process.

Morgan Keegan is proud of its 41-year history of stability and integrity. The firm has more than \$900 million in equity capital, no long-term debt, and is honored to serve as trusted advisor on more than \$82 billion in client assets.

Along with my colleagues, please know that I deeply appreciate the trust that you have extended to Morgan Keegan through the years, especially through the last few difficult ones. We will continue to work hard to be worthy of that trust going forward.

Sincerely,



John C. Carson Jr.  
Chief Executive Officer