

INTERNAL REVENUE CODE SECTION 6045B INFORMATION REPORTING

BACKGROUND

Brief Description of Transaction. On December 9, 2010, shareholders of Cadence Financial Corporation (“**Cadence**”) approved the acquisition by Community Bancorp LLC of Cadence through a merger transaction. Upon consummation of the merger transaction, shares of common stock of Cadence (“**Cadence Common Stock**”) became unlisted on any stock exchange and unreported on any quotation system and each outstanding share of Cadence Common Stock was converted into the right to receive \$2.50 in cash. The cash received by each shareholder for each share of Cadence Common Stock is the gross amount per share realized by such shareholder for such Cadence Common Stock as part of the merger transaction. Additionally, as part of the merger transaction, each holder of a vested unexercised option to purchase Cadence Common Stock was cancelled and converted into a right to receive \$.20 per share.

Information Reporting Requirement. With the passage of the Energy Improvement and Extension Act of 2008, Section 6045B of the Internal Revenue Code of 1986, as amended (“**Code**”) requires cost basis reporting in corporate transactions after January 1, 2011. Under Section 6045B of the Code, corporations that engage in an action that affects the basis of its outstanding stock have 45 days to file either with the Internal Revenue Service (“**IRS**”) or post on their corporate websites an information return describing the action and the action’s “quantitative effect” on the basis of each share of stock (“**Section 6045B Information Reporting**”). This requirement can apply to mergers, stock splits, stock dividends, recapitalizations and distributions in excess of cumulative earnings and profits.

On February 22, 2011, IRS released Notice 2011-18 (“**Notice**”), which provides transitional relief for issuers of securities from Section 6045B of the Code information reporting. Such Notice makes it clear that IRS expects issuers to comply and provides that until a form is developed and made available, issuer compliance with Section 6045B of the Code may be satisfied through public reporting of information on the corporation’s website. Additionally, the Notice provides IRS will not impose penalties under Section 6721 of the Code for failure to file an issuer return with IRS within 45 days of a corporate action for which Section 6045B Information Reporting applies, provided that the issuer files the issuer return with IRS or posts such information on the corporation’s website as provided in the regulations by January 17, 2012.

REQUIRED INFORMATION

The following information is intended to meet the requirements set forth in Section 6045B of the Code:

Reporting Issuer: Cadence Financial Corporation
EIN: 64-0694775

Security Information: CUSIP: 127384101
Symbol: CADE
Exchange: NASDAQ
Security: Common Stock

Contact at Issuer or Transfer Agent: Non-registered (“street name”) former shareholders should contact their brokerage firm directly for inquiries pertaining to their accounts. Registered shareholders should contact Cadence Investor Relations or Transfer Agent for inquiries pertaining to their account.

Cadence Financial Corporation
301 University Drive
Starkville, Mississippi 39759

Attention: Richard T. Haston

Registrar And Transfer Company
10 Commerce Drive
Cranford, NJ 07016
Attention: Investor Relations Department

Action:

Acquisition through the merger of a wholly-owned subsidiary of Community Bancorp LLC with and into Cadence. As a result of the foregoing merger transaction, Cadence became a wholly-owned subsidiary of Community Bancorp LLC and each share of Cadence Common Stock was converted into the right to receive \$2.50. Additionally, owners of vested and exercised options to purchase Cadence Common Stock received the same merger considerations and owners of vested unexercised options to purchase Cadence Common Stock were cancelled and converted into the right to receive \$.20 per share.

Effect of Action (Merger) on Basis in Cadence Common Stock or Options to Purchase Cadence Common Stock:

No change in basis of Cadence Common Stock as a result of the merger transaction. No change in basis of options to purchase Cadence Common Stock as a result of the merger transaction.