

PINNACLE FINANCIAL PARTNERS INC

Form S-4

September 17, 2007

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**As filed with the Securities and Exchange Commission on September 17, 2007
Registration No. 333-[].**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

Form S-4

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

PINNACLE FINANCIAL PARTNERS, INC.
(Exact name of registrant as specified in its charter)

Tennessee
*(State or other jurisdiction of
incorporation or organization)*

6021
*(Primary Standard Industrial
Classification Code Number)*

62-1812853
*(I.R.S. Employer
Identification No.)*

**The Commerce Center
211 Commerce Street
Suite 300
Nashville, TN 37201
(615) 744-3700**

*(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)*

**M. Terry Turner
President and Chief Executive Officer
Pinnacle Financial Partners, Inc.
211 Commerce Street
Suite 300
Nashville, TN 37201
(615) 744-3700**

*(Name, address, including zip code, and telephone number,
including area code, of agent for service)*

With copies to:

Gary L. Scott, Chairman
Mid-America Bancshares, Inc.
7651 Highway 70 South
Nashville, Tennessee 37221

Bob F. Thompson, Esq.
Bass, Berry & Sims PLC
315 Deaderick Street, Suite 2700
Nashville, Tennessee 37238

Daniel W. Small, Esq.
One Burton Hills Boulevard, Suite
330
Nashville, Tennessee 37215

Approximate date of commencement of the proposed sale to the public: As soon as practicable after the merger described in this Registration Statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price per Unit	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common stock, \$1.00 par value per share	7,168,159	N/A	\$ 85,299,966	\$ 2,619

(1) Represents the maximum number of shares of common stock, \$1.00 par value per share, of Pinnacle Financial Partners, Inc. (Pinnacle) estimated to be issuable upon completion of the transactions contemplated in the merger of Mid-America Bancshares, Inc. (Mid-America) with and into Pinnacle based on the exchange ratio of 0.4655 shares of Pinnacle common stock for each share of common stock, \$1.00 par value per share, of Mid-America (based on 14,193,006 shares of Mid-America common stock outstanding on September 14, 2007 (including 234,000 shares of restricted stock) and 561,314 shares issuable pursuant to the exercise of options and stock appreciation rights).

(2) Pursuant to Rules 457(c) and 457(f)(1) under the Securities Act of 1933, as amended (Securities Act), and solely for the purpose of calculating the registration fee, the proposed maximum aggregate offering price is equal to (x) the estimated number of shares of Mid-America common stock to be exchanged upon completion of the transactions contemplated in the merger agreement multiplied by (y) \$7.51, the book value of Mid-America on June 30, 2007 less (z) the cash payment of \$21,289,509 expected to be paid by Pinnacle to the Mid-America shareholders.

(3) This fee has been calculated under Section 6(b) of the Securities Act, by multiplying the proposed maximum aggregate offering amount of \$85,299,966 by 0.0000307.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

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The information in this joint proxy statement/prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary joint proxy statement/prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED _____, 2007

[Insert Logo]

MERGER PROPOSAL YOUR VOTE IS IMPORTANT

The boards of directors of Pinnacle Financial Partners, Inc. (Pinnacle) and Mid-America Bancshares, Inc. (Mid-America) have adopted an agreement to merge our two companies.

If the merger is completed, Mid-America shareholders will receive, for each share of Mid-America common stock owned by such shareholders, 0.4655 shares of Pinnacle common stock and \$1.50 in cash. Pinnacle shareholders will continue to own their existing Pinnacle shares. Upon completion of the merger, Pinnacle shareholders will own approximately % of the combined company on a fully diluted basis, and Mid-America shareholders will own approximately % of the combined company on a fully diluted basis. The shares of the combined company will be traded on the Nasdaq Global Select Market under the symbol PNFP .

We are asking the Pinnacle shareholders to approve the merger agreement and the issuance of Pinnacle common stock in connection with the merger. We are also asking Pinnacle s shareholders to approve an amendment to Pinnacle s 2004 Equity Incentive Plan to increase the number of shares reserved for issuance thereunder by 500,000 shares. Pinnacle s special meeting will be held:

[], 2007
[] a.m., local time
211 Commerce Street, Suite 100
Nashville, Tennessee 37201

Pinnacle s board of directors unanimously recommends that Pinnacle shareholders vote FOR the approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger and FOR the amendment to Pinnacle s 2004 Equity Incentive Plan to increase the number of shares reserved for issuance thereunder by 500,000 shares.

We are asking the Mid-America shareholders to approve the merger agreement. Mid-America s special meeting will be held:

[], 2007
[] a.m., local time
551 North Mt. Juliet Road in the Bank of the South Community Room
Mt. Juliet, Tennessee 37122

Mid-America s board of directors unanimously recommends that Mid-America shareholders vote FOR the approval of the merger agreement.

We cannot complete the merger unless the shareholders of Mid-America approve the merger agreement and the shareholders of Pinnacle approve the merger agreement and the issuance of Pinnacle common stock in connection with the merger. Your vote is important. Whether or not you plan to attend your meeting, to ensure your shares are represented at the meeting, please vote as soon as possible by completing and submitting the enclosed proxy card.

The board of directors of each of Pinnacle and Mid-America believe this merger will create a strong combined company that will deliver important benefits to its shareholders, customers and employees.

[signature]

M. Terry Turner
President and Chief Executive Officer
Pinnacle Financial Partners, Inc.

[signature]

Gary L. Scott, Chairman
Chairman and Chief Executive Officer
Mid-America Bancshares, Inc.

You are encouraged to carefully consider the risks described on pages [] through [] of this joint proxy statement/prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this joint proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The securities Pinnacle is offering through this joint proxy statement/prospectus are not savings or deposit accounts or other obligations of any bank or savings association, and they are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

This joint proxy statement/prospectus is dated [], 2007, and is first being mailed to the shareholders of Pinnacle and Mid-America on or about [], 2007.

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211 Commerce Street, Suite 300, Nashville, Tennessee 37201

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
To Be Held on [], 2007**

NOTICE IS HEREBY GIVEN that Pinnacle Financial Partners, Inc. (Pinnacle) will hold a special meeting of shareholders at 211 Commerce Street, Suite 100, Nashville, Tennessee 37201, at [] a.m. local time on [], 2007, to consider and vote on the following matters:

1. A proposal to approve the merger agreement, dated as of August 15, 2007, between Pinnacle and Mid-America Bancshares, Inc. (Mid-America), pursuant to which Mid-America will merge with and into Pinnacle, and the issuance of Pinnacle common stock in connection with the merger. A copy of the merger agreement is attached as Appendix A to the joint proxy statement/prospectus accompanying this notice;
2. A proposal to approve the adjournment of the Pinnacle special meeting, if necessary, to permit Pinnacle to solicit additional proxies if there are insufficient votes at the special meeting to constitute a quorum or to approve the merger agreement and the issuance of Pinnacle common stock in connection with the merger;
3. A proposal to approve an amendment to Pinnacle's 2004 Equity Incentive Plan to increase the number of shares of Pinnacle common stock reserved for issuance under the plan by 500,000 shares; and
4. To transact any other business that properly comes before the special meeting or any adjournment or postponement of the special meeting.

We have fixed [], 2007 as the record date for determining those Pinnacle shareholders entitled to receive this notice of and to vote their shares at the special meeting, including any adjournment or postponement of the special meeting.

The Pinnacle board of directors has approved unanimously the proposed merger agreement with Mid-America and the issuance of Pinnacle common stock in connection with the merger and recommends that you vote FOR the approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger and for adjournment of the special meeting, if necessary, to permit Pinnacle to solicit additional proxies. The Pinnacle human resources and compensation committee has recommended and its board of directors has approved the amendment to the 2004 Equity Incentive Plan and recommend that you vote For approval of this amendment. Whether or not you plan to attend the special meeting, please mark, sign, date and return your proxy promptly.

BY ORDER OF THE BOARD OF DIRECTORS

[signature]

Hugh M. Queener
Corporate Secretary
Nashville, Tennessee
[], 2007

IMPORTANT

Your vote is important. Please mark, sign, date and return the enclosed proxy card as promptly as possible in the enclosed postage-paid envelope. Remember, your vote is important, so please act today! This will not

prevent you from voting in person but will help to secure a quorum and avoid added solicitation costs. Your proxy may be revoked at any time in the manner more specifically described in the joint proxy statement/prospectus that accompanies this notice.

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[Insert Logo]

2019 Richard Jones Road, Nashville, Tennessee 37215

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
To Be Held on [], 2007**

NOTICE IS HEREBY GIVEN that Mid-America Bancshares, Inc. (Mid-America) will hold a special meeting of shareholders at its Bank of the South office located at 551 North Mt. Juliet Road, Mt. Juliet, Tennessee 37122, at [] a.m. local time on [], 2007, to consider and vote on the following matters:

1. A proposal to approve the merger agreement, dated as of August 15, 2007, between Pinnacle Financial Partners, Inc. (Pinnacle) and Mid-America, pursuant to which Mid-America will merge with and into Pinnacle. A copy of the merger agreement is attached as Appendix A to the joint proxy statement/prospectus accompanying this notice;
2. A proposal to approve the adjournment of the Mid-America special meeting, if necessary, to permit Mid-America to solicit additional proxies if there are insufficient votes at the special meeting to constitute a quorum or to approve the merger agreement; and
3. To transact any other business that properly comes before the special meeting or any adjournment or postponement of the special meeting.

We have fixed [], 2007 as the record date for determining those Mid-America shareholders entitled to receive this notice of and to vote their shares at the special meeting, including any adjournment or postponement of the special meeting.

The Mid-America board of directors has approved unanimously the proposed merger agreement with Pinnacle and strongly encourages you to vote for approval of the merger agreement and for adjournment of the special meeting, if necessary, to permit Mid-America to solicit additional proxies. Whether or not you plan to attend the special meeting, please mark, sign, date and return your proxy promptly.

BY ORDER OF THE BOARD OF DIRECTORS

[signature]

James S. Short
Corporate Secretary

Nashville, Tennessee
[], 2007

IMPORTANT

Your vote is important. Please mark, sign, date and return the enclosed proxy card as promptly as possible in the enclosed postage-paid envelope. Remember, your vote is important, so please act today! This will not prevent you from voting in person but will help to secure a quorum and avoid added solicitation costs. Your

proxy may be revoked at any time in the manner more specifically described in the joint proxy statement/prospectus that accompanies this notice.

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ADDITIONAL INFORMATION

This joint proxy statement/prospectus serves two purposes: it is a proxy statement being used by both the Pinnacle Financial Partners, Inc. board of directors and the Mid-America Bancshares, Inc. board of directors to solicit proxies for use at their respective special meetings. It is also the prospectus of Pinnacle regarding the Pinnacle common stock to be issued to Mid-America shareholders if the merger is completed. This joint proxy statement/prospectus provides you with detailed information about the proposed merger of Mid-America into Pinnacle. We encourage you to read this entire joint proxy statement/prospectus carefully. Pinnacle has filed with the Securities and Exchange Commission a registration statement on Form S-4, as amended, under the Securities Act of 1933, as amended, and this joint proxy statement/prospectus is the prospectus filed as part of that registration statement. This joint proxy statement/prospectus does not contain all of the information in the registration statement nor does it include the exhibits to the registration statement. Please see **WHERE YOU CAN FIND MORE INFORMATION** on page .

When used in this joint proxy statement/prospectus, the terms **Pinnacle** and **Mid-America** refer to Pinnacle Financial Partners, Inc. and Mid-America Bancshares, Inc., respectively, and, when the context requires, to Pinnacle Financial Partners, Inc. and Mid-America Bancshares, Inc. and their respective predecessors and subsidiaries. We or us refer to both Pinnacle and Mid-America.

This joint proxy statement/prospectus incorporates by reference important business and financial information about Pinnacle and Mid-America that is not included in or delivered with this document. You should refer to **WHERE YOU CAN FIND MORE INFORMATION** on page for a description of the documents incorporated by reference into this joint proxy statement/prospectus. You can obtain documents related to Pinnacle and Mid-America that are incorporated by reference into this document through the SEC's web site at www.sec.gov. You may also obtain copies of these documents, other than exhibits, unless such exhibits are specifically incorporated by reference into the information that this joint proxy statement/prospectus incorporates, without charge by requesting them in writing or by telephone from the appropriate company:

If you are a Pinnacle shareholder:

Pinnacle Financial Partners, Inc.
211 Commerce Street, Suite 300
Nashville, TN 37201
Attention: Investor Relations
(615) 744-3700

If you are a Mid-America shareholder:

Mid-America Bancshares, Inc.
2019 Richard Jones Road
Nashville, Tennessee 37215
Attention: Investor Relations
(615) 690-5800

TO OBTAIN TIMELY DELIVERY OF PINNACLE FINANCIAL PARTNERS, INC. DOCUMENTS, YOU MUST MAKE YOUR REQUEST ON OR BEFORE [], 2007.

TO OBTAIN TIMELY DELIVERY OF MID-AMERICA BANCSHARES, INC. DOCUMENTS, YOU MUST MAKE YOUR REQUEST ON OR BEFORE [], 2007.

Pinnacle maintains a website at www.pnfp.com and Mid-America maintains a website at www.mid-amerocabancsharesinc.com. The information contained on these websites is not incorporated by reference into this joint proxy statement/prospectus, and you should not consider it a part of this joint proxy statement/prospectus.

You should rely only on the information incorporated by reference into or provided in or with this joint proxy statement/prospectus to vote at your special meeting. We have not authorized anyone to give you different information. You should not assume that the information in this joint proxy statement/prospectus, or in any documents

delivered with this joint proxy statement/prospectus, or any supplement, is accurate as of any date other than the date on the front of such documents, and neither the mailing of the joint proxy statement/prospectus to you nor the issuance of Pinnacle common stock in connection with the merger shall create any implication to the contrary.

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any state in which or from any person to whom it is not lawful to make any such offer or solicitation.

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QUESTIONS AND ANSWERS ABOUT VOTING AND THE MERGER

Q: What am I being asked to vote upon and how does my board recommend I vote?

A: Shareholders of both Pinnacle and Mid-America are being asked to (1) approve the merger agreement pursuant to which Pinnacle will acquire Mid-America by merger, with Pinnacle being the surviving corporation, as well as, in the case of Pinnacle shareholders, to approve the issuance of Pinnacle common stock in connection with the merger and (2) to permit adjournment of their respective meetings to permit the solicitation of additional proxies in the event there are insufficient votes to constitute a quorum or to approve the matters presented at such special meetings. Additionally, Pinnacle shareholders are being asked to approve the amendment of Pinnacle's 2004 Equity Incentive Plan to reserve an additional 500,000 shares of Pinnacle common stock for issuance under the plan.

Both the Pinnacle and Mid-America boards of directors have determined unanimously that the proposed merger is advisable and in the best interests of the Pinnacle and Mid-America shareholders, respectively, and each board recommends that its respective shareholders vote For approval of the merger agreement and For the adjournment proposals. In addition, members of Mid-America's board of directors have entered into agreements with Pinnacle in which they agree to vote their shares of Mid-America common stock in favor of the merger agreement.

Pinnacle's board also recommends unanimously that its shareholders approve the issuance of Pinnacle common stock in connection with the merger and vote For the amendment to the 2004 Equity Incentive Plan.

Neither Pinnacle's board of directors nor Mid-America's board of directors is aware of any other business to be considered at their respective special meetings.

Q: What vote is required to approve the merger of Pinnacle with Mid-America or the adjournment of a special meeting?

A: The approval of the merger agreement and, in the case of the Pinnacle shareholders, the approval of the issuance of Pinnacle common stock in connection with the merger requires: (1) the affirmative vote of a majority of the shares of Pinnacle's common stock outstanding on _____, 2007, and (2) the affirmative vote of a majority of the shares of Mid-America's common stock outstanding on _____, 2007.

If a quorum does not exist at the Pinnacle special meeting, adjournment requires the affirmative vote of a majority of the votes cast, in person or by proxy, at the special meeting. If a quorum exists at the Pinnacle special meeting but there are not enough affirmative votes to approve the merger agreement and issuance of Pinnacle common stock in connection with the merger, the special meeting may be adjourned if the votes cast, in person or by proxy, at the Pinnacle special meeting favoring the proposal to adjourn exceed the votes cast, in person or by proxy, opposing the proposal to adjourn.

Similarly, if a quorum does not exist at the Mid-America special meeting, adjournment requires the affirmative vote of a majority of the votes cast, in person or by proxy, at the special meeting. If a quorum exists at the Mid-America special meeting but there are not enough affirmative votes to approve the merger agreement, the special meeting may be adjourned if the votes cast, in person or by proxy, at the Mid-America special meeting favoring the proposal to adjourn exceed the votes cast, in person or by proxy, opposing the proposal to adjourn.

Q: Why is my vote important?

A: Under the Tennessee Business Corporation Act, or TBCA, which governs both Pinnacle and Mid-America, the merger agreement must be approved by the holders of a majority of the outstanding shares of both Pinnacle and Mid-America common stock entitled to vote. In addition, Pinnacle's charter requires that, since the merger was approved by at least a two-thirds vote of Pinnacle's board of directors, it can be approved by a majority of Pinnacle's outstanding common stock entitled to vote. Accordingly, if a Pinnacle or Mid-America shareholder fails to vote, or if a Pinnacle or Mid-America shareholder abstains, that will

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make it more difficult for Pinnacle and Mid-America to obtain the approval of the merger agreement. If you are a Pinnacle shareholder, your failure to vote will have the same effect as a vote against the approval of the merger agreement and the issuance of Pinnacle stock in connection with the merger. If you are a Mid-America shareholder, your failure to vote will have the same effect as a vote against the approval of the merger agreement.

The amendment to Pinnacle's 2004 Equity Incentive Plan will be approved if the number of shares of Pinnacle common stock voted in favor of the proposal exceeds the number of shares of Pinnacle common stock voted against it. Therefore, abstaining from voting on the amendment to the 2004 Equity Incentive Plan will have no effect on whether the proposal is approved so long as a quorum is present.

Q: What do I need to do now?

A: After you carefully read this joint proxy statement/prospectus, please respond as soon as possible by completing, signing and dating your proxy card and returning it in the enclosed postage-paid return envelope so that your shares will be represented and voted at your respective special meeting

The boards of directors of Pinnacle and Mid-America each unanimously recommend that the shareholders of Pinnacle and Mid-America, as the case may be, vote in favor of each of the proposals on which they will be voting at their respective special meeting.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: No. If you do not provide your broker with instructions on how to vote your street name shares, your broker will not be permitted to vote them, in the case of Mid-America shareholders, on the approval of the merger agreement, or, in the case of Pinnacle shareholders, on the approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger or the amendment to Pinnacle's 2004 Equity Incentive Plan. You should, therefore, be sure to provide your broker with instructions on how to vote your shares. Please check the voting form used by your broker to see if it offers telephone or Internet submission of proxies.

Q: What if I fail to instruct my broker?

A: If you fail to instruct your broker to vote your shares and the broker submits an unvoted proxy, the resulting broker non-vote will be counted toward a quorum at the respective special meeting, but it will otherwise have the consequence of a vote Against approval of the merger agreement, and, for Pinnacle shareholders, it also will have the consequence of a vote Against the issuance of Pinnacle common stock in connection with the merger. A failure to instruct your broker to vote your shares on the proposal to amend the 2004 Equity Incentive Plan will have no impact on that proposal so long as a quorum is present.

Q: Can I change my vote after I have delivered my proxy card?

A: Yes. You may change your vote at any time before your proxy is voted at your meeting. You can do this in any of the three following ways:

by sending a written notice to the corporate secretary of Pinnacle or Mid-America, as appropriate, in time to be received before your special meeting stating that you would like to revoke your proxy;

by completing, signing and dating another proxy card bearing a later date and returning it by mail in time to be received before your special meeting, in which case your later-submitted proxy will be recorded and your earlier proxy revoked; or

if you are a holder of record, by attending the special meeting and voting in person.

If your shares are held in an account at a broker or bank, you should contact your broker or bank to change your vote.

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Q: What vote is required to approve the amendment to Pinnacle's 2004 Equity Incentive Plan?

A: The amendment to Pinnacle's 2004 Equity Incentive Plan to increase the number of shares available for issuance thereunder by 500,000 shares will be approved if the number of shares of Pinnacle common stock voted in favor of the amendment exceed the votes cast opposing the action. A properly executed proxy marked ABSTAIN with respect to this proposal will not be voted on the proposal, although it will be counted in determining whether there is a quorum. Therefore, abstaining from voting on the amendment to the Pinnacle's 2004 Equity Incentive Plan will have no effect on whether the proposal is approved so long as a quorum is present.

Approval of the amendment to the 2004 Equity Incentive Plan is not dependent on approval of the merger, nor is approval of the merger dependent on approval of the amendment to the 2004 Equity Incentive Plan.

Q: Why are Pinnacle and Mid-America proposing to merge?

A: The boards of directors of both Pinnacle and Mid-America believe that, among other things, the merger will provide the resulting company with expanded opportunities for profitable growth. In addition, the boards believe that by combining the resources of the two companies, the resulting company will have an improved ability to compete in the changing and competitive financial services industry.

Q: What will Mid-America shareholders receive as a result of the merger?

A: As a shareholder of Mid-America, you will receive shares of Pinnacle common stock based on a formula in which each share of Mid-America common stock you own at the effective time of the merger will be converted into the right to receive 0.4655 shares of Pinnacle common stock and \$1.50 in cash. Fractional shares will be converted into cash based on the average closing price of Pinnacle's common stock for the five trading days preceding the effective date of the merger as reported by the Wall Street Journal. Based on the number of Mid-America shares outstanding as of August 15, 2007 plus 260,000 shares of restricted stock outstanding as of that date, Pinnacle expects to issue approximately 6.6 million shares of Pinnacle common stock to the Mid-America shareholders.

Q: How will the value of the consideration Mid-America shareholders may receive be determined?

A: Because the merger is based upon a fixed exchange ratio, the value Mid-America shareholders receive will fluctuate based upon fluctuations in the market price of Pinnacle's common stock. As of September 1, 2007, the most recent practical date prior to the date of this joint proxy statement/prospectus, Pinnacle's closing stock price was \$12.25. Accordingly, based upon that price, each share of Mid-America would receive Pinnacle stock with a value of \$5.50 (\$12.25 times 0.4655) and \$1.50 in cash. Any resulting fractional shares will be converted into cash. In the period between the announcement of the merger on August 15, 2007 and September 1, 2007, the closing price of Pinnacle's common stock has ranged from \$10.00 to \$12.25 which would equate to a range of \$4.66 to \$5.50 in per share value to Mid-America's shareholders. **You should obtain a current stock price quotation for Pinnacle common stock.** You can get this quotation from a newspaper, on the Internet or by calling your broker. Shares of Mid-America are not listed or traded on a national exchange or over-the-counter. Based on information known to Mid-America senior management, the only price paid for shares of Mid-America common stock during the week ended August 14, 2007 (the day prior to the signing of the merger agreement) was \$12.25 per share on August 8, 2007.

Q: I am a Mid-America shareholder. Should I send in my stock certificates now?

A: No. After the merger is completed, Pinnacle will send Mid-America shareholders written instructions for exchanging their stock certificates for merger consideration. You should not send in your stock certificates until you receive these instructions.

Q: I am a Pinnacle shareholder. Should I send in my common stock certificates?

A: No. Outstanding shares of Pinnacle common stock will remain outstanding following the merger with Mid-America, with no additional action required by Pinnacle shareholders.

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Q: Will shareholders have dissenters' rights?

A: Yes. If you are a Mid-America shareholder and you follow the procedures prescribed by Tennessee law, you may dissent from the merger and have the fair value of your stock paid to you in cash. If you follow those procedures, you won't receive Pinnacle common stock. The fair value of your Mid-America common stock, determined in the manner prescribed by Tennessee law, will be paid to you in cash. That amount could be more or less than the merger consideration or the market value of Pinnacle common stock as of the closing date of the merger. For a more complete description of these dissenters' rights, see page and Appendix B to this joint proxy statement/prospectus where the full text of the Tennessee Dissenters' Rights Statute is set out.

Shareholders of Pinnacle are not entitled to dissenters' or appraisal rights in connection with the merger.

Q: What are the federal income tax consequences to Mid-America shareholders?

A: For federal income tax purposes, Mid-America shareholders who exchange their shares for Pinnacle common stock will generally not recognize gain or loss on the exchange, but will be taxed on the cash portion of the merger consideration to the extent of any gain and any cash paid for fractional shares.

Please see page of this joint proxy statement/prospectus for a description of the material United States federal income tax consequences of the merger.

Q: I am a Mid-America shareholder. May I sell the shares of Pinnacle common stock that I will receive in the merger?

A: Generally, yes. Shares of Pinnacle common stock that you receive in the merger will be freely transferable, unless you are an affiliate of Mid-America under applicable federal securities laws. Affiliates generally include directors, certain executive officers and holders of 10% or more of Mid-America's common stock. Generally, all shares of Pinnacle common stock received by affiliates of Mid-America (including shares they beneficially own for others) may not be sold by them, except in compliance with the Securities Act of 1933, as amended. For more detail regarding this subject, see page .

Q: When do you expect the merger to be completed?

A: We anticipate that the merger will be completed late in the fourth quarter of 2007 or early in the first quarter of 2008. In addition to shareholder approvals, we must also obtain certain regulatory approvals. Any delay in obtaining such approvals may delay the consummation of the merger.

Q: If I've lost my Mid-America stock certificate, can I receive consideration in the merger?

A: Yes. However, you will have to provide an affidavit attesting to the fact that you lost your Mid-America stock certificate. Additionally, you may have to give Pinnacle or the exchange agent a bond of 1-2% of the value of your shares to indemnify Pinnacle against a loss in the event someone finds or has your lost certificate and is able to transfer it. To avoid these measures, you should do everything you can to find your lost certificate before the time comes to send it in.

Q: Where will my shares be listed after the merger?

A:

Shares of Pinnacle's common stock issued in the transaction will be listed on the Nasdaq Global Select Market and will trade under the symbol PNF.P.

Q: Who can help answer my questions?

A: If you want additional copies of this document, or if you want to ask any questions about the merger, you should contact:

Investor Relations
Pinnacle Financial Partners, Inc.
211 Commerce Street, Suite 300
Nashville, TN 37201
(615) 744-3700

or

Investor Relations
Mid-America Bancshares, Inc.
2019 Richard Jones Road
Nashville, TN 37215
(615) 690-5800

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SUMMARY

This brief summary highlights selected information from this joint proxy statement/prospectus. It does not contain all of the information that may be important to you. You should read carefully this entire document and the other documents to which this joint proxy statement/prospectus refers you to fully understand the merger. See **WHERE YOU CAN FIND MORE INFORMATION** beginning on page . Each item in this summary refers to the page where that subject is discussed in more detail.

Information about Pinnacle and Mid-America (Page)

Pinnacle Financial Partners, Inc.
211 Commerce Street
Suite 300
Nashville, TN 37201
(615) 744-3700

Pinnacle is a Tennessee corporation that was incorporated on February 28, 2000 to organize and serve as the holding company for Pinnacle National Bank, a national banking association chartered under the laws of the United States. Pinnacle National Bank commenced its banking operations on October 27, 2000 and operates as a community bank in urban markets emphasizing personalized banking relationships with individuals and businesses located within the Nashville-Davidson-Murfreesboro and Knoxville metropolitan statistical areas, or Nashville MSA and Knoxville MSA, respectively. Pinnacle owns 100% of the capital stock of Pinnacle National Bank.

In March 2006, Pinnacle acquired Cavalry Bancorp, Inc., a one-bank holding company located in Murfreesboro, Tennessee, with nine office locations in Rutherford, Sumner and Bedford counties in Tennessee. In connection with that transaction, Pinnacle National Bank merged with Cavalry's bank subsidiary, with Pinnacle National Bank surviving.

Pinnacle National Bank's primary service area is Davidson, Williamson, Sumner and Rutherford Counties within the Nashville MSA. This area represents a geographic area that covers approximately 4,000 square miles with an estimated population in excess of 1.6 million people based on U.S. Census Bureau estimates for 2006. In April 2007, Pinnacle opened an office in Knoxville, Tennessee. The Knoxville MSA, with an estimated population of approximately 670,000, based on U.S. Census Bureau estimates for 2006, is located in east Tennessee.

Pinnacle offers a full range of lending products, including commercial, real estate and consumer loans to individuals and small-to-medium-sized businesses and professional entities.

Pinnacle also contracts with Raymond James Financial Service, Inc., a registered broker-dealer and investment adviser, to offer and sell various securities and other financial products to the public from Pinnacle's locations through Pinnacle employees that are also Raymond James employees. Pinnacle benefits from the commissions generated through this program.

Pinnacle also maintains a trust department which provides fiduciary and investment management services for individual and institutional clients. Account types include personal trust, endowments, foundations, individual retirement accounts, pensions and custody. Pinnacle has also established Pinnacle Advisory Services, Inc., a registered investment advisor, to provide investment advisory services to its clients. Additionally, Miller and Loughry Insurance Services, Inc., a wholly-owned subsidiary of Pinnacle acquired in connection with the Cavalry acquisition, provides insurance products, particularly in the property and casualty area, to its clients.

Federal Deposit Insurance Corporation information as of June 30, 2006 reflects that there are 175 commercial banks that are currently active and also were chartered in the United States in 2000, excluding those institutions that appear to have transferred an existing charter to a new charter. Based on this information, Pinnacle National Bank was the largest and fastest growing of these banks in terms of total assets. We believe that one of the principal factors contributing to our rapid growth to date has been our ability to

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effectively position ourselves as a locally managed community bank committed to providing outstanding service and trusted financial advice. As of June 30, 2007, Pinnacle had total assets of approximately \$2.32 billion, total deposits of approximately \$1.80 billion and total shareholders' equity of approximately \$265.2 million.

Mid-America Bancshares, Inc.
2019 Richard Jones Road
Nashville, Tennessee 37215
(615) 690-5800

Mid-America is a two-bank holding company headquartered in Nashville, Tennessee. It began operations in September 2006 as a result of the merger of equals and share exchange between PrimeTrust Bank, a state bank chartered under Tennessee law, that began operations on December 17, 2001, and Bank of the South, a state bank chartered under Tennessee law that began operations on April 30, 2001. Both banks offer a wide range of banking services including checking, savings, money market accounts, certificates of deposits and loans for consumer, commercial and real-estate purposes.

Through its bank subsidiaries, Mid-America serves individuals, small to medium-sized businesses, community organizations, and public entities. The area served by Mid-America's bank subsidiaries covers Cheatham, Davidson, Dickson, Rutherford, Williamson, and Wilson counties. Mid-America has fourteen full-service banking offices in six counties and expects to open its 15th office in the Hermitage area of Davidson County in the fourth quarter of 2007. Both banks provide full-service brokerage services (selling products such as stocks, bonds, mutual funds, limited partnerships, annuities and other insurance products) through a network arrangement with Raymond James Financial Services, Inc. a non-affiliated company. Mid-America benefits from the commissions generated through this arrangement.

At June 30, 2007, Mid-America had total assets of \$1.07 billion, total deposits of \$904.7 million and total shareholders' equity of \$104.7 million.

Mid-America Will Merge With and Into Pinnacle (Page)

We propose a merger of Mid-America with and into Pinnacle. Pinnacle will survive the merger. We have attached the merger agreement to this joint proxy statement/prospectus as Appendix A. Please read the merger agreement carefully. It is the legal document that governs the merger. In addition to the merger of Mid-America with and into Pinnacle, Bank of the South and PrimeTrust Bank will merge with Pinnacle National Bank.

What Mid-America Shareholders will Receive in the Merger (Page)

Mid-America shareholders will receive 0.4655 shares of Pinnacle common stock and \$1.50 in cash for each share of Mid-America common stock owned by them at the effective time of the merger. Based on the number of Mid-America shares outstanding as of August 15, 2007 plus 260,000 shares of restricted stock outstanding as of that date, Pinnacle expects to issue approximately 6.6 million shares of Pinnacle common stock to the Mid-America shareholders. Pinnacle will not issue fractional shares in the merger. As a result, the total number of shares of Pinnacle common stock that each Mid-America shareholder will receive in the merger will be rounded down to the nearest whole number, and each Mid-America shareholder will receive a cash payment for the remaining fraction of a share of Pinnacle stock that he or she would otherwise receive, if any, rounded to the nearest thousandth when expressed in decimal form based on the average closing market value of Pinnacle common stock for the five trading days preceding the effective date of the merger.

Example: If you currently own 150 shares of Mid-America common stock, you will be entitled to receive 69 shares of Pinnacle common stock (150 Mid-America shares x 0.4655) and a check for \$225 (150 x \$1.50) plus the market value of 0.8250 fractional shares of Pinnacle common stock (150 x .4655) = 69.8250 shares 69 whole shares = .8250 fractional shares) based on the average closing market value of Pinnacle common stock for the five trading days preceding the effective date of the merger.

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The number of shares of Pinnacle common stock to be issued in connection with the merger for each share of Mid-America common stock is fixed. Shareholders of Mid-America may receive more or less aggregate value depending on fluctuations in the market price of Pinnacle common stock. Because there are other conditions to closing than shareholder approval, a significant period of time may pass between the shareholder meetings and the closing of the merger. At the time of their respective special meetings, Pinnacle and Mid-America shareholders will not know the exact value of the Pinnacle common stock that will be issued in connection with the merger.

You should obtain a current stock price quotation for Pinnacle common stock. You can obtain these quotations from a newspaper, on the Internet or by calling your broker. Shares of Mid-America are not listed or traded on a national exchange or over-the-counter. Based on information known to Mid-America senior management, the only price paid for shares of Mid-America common stock during the week ended August 14, 2007 (the day prior to the signing of the merger agreement) was \$12.25 per share on August 8, 2007.

Dividend Policy of Pinnacle (Page)

Pinnacle has not paid any cash dividends since inception and it does not anticipate that it will consider paying cash dividends at any point in the near future. The declaration and payment of dividends in the future will depend upon business conditions, operating results, capital and reserve requirements, regulatory requirements and consideration by the Pinnacle board of directors of other relevant factors.

Pinnacle's Financial Advisor Has Provided an Opinion to the Pinnacle Board as to the Fairness of the Merger Consideration from a Financial Point of View (Page)

In connection with the merger, Pinnacle retained Sandler O'Neill & Partners, L.P., or Sandler O'Neill, as its financial advisor. In deciding to adopt the merger agreement, the Pinnacle board of directors considered the oral opinion of Sandler O'Neill provided to the Pinnacle board of directors on August 15, 2007, subsequently confirmed in writing as of August 15, 2007, that, as of the date of the opinion and based upon and subject to the considerations described in its opinion and other matters which Sandler O'Neill considered relevant, the aggregate merger consideration to be paid by Pinnacle pursuant to the merger agreement was fair from a financial point of view to Pinnacle.

The full text of the written opinion of Sandler O'Neill, dated August 15, 2007, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations on the review undertaken by Sandler O'Neill in connection with the opinion, is attached to this joint proxy statement/prospectus as Appendix C. Sandler O'Neill provided its opinion for the information and assistance of the Pinnacle board of directors in connection with its consideration of the transaction contemplated by the merger agreement. You should read the opinion carefully, as well as the description of the opinion contained elsewhere in this joint proxy statement/prospectus, to understand the procedures followed, assumptions made, matters considered and qualifications and limitations concerning the review undertaken by, and the opinion of, Sandler O'Neill. **The Sandler O'Neill opinion is addressed to the Pinnacle board of directors and is not a recommendation as to how any shareholder of either Pinnacle or Mid-America should vote with respect to the merger agreement and the issuance of Pinnacle common stock in connection with the merger.**

Pinnacle has paid \$200,000 to Sandler O'Neill and has agreed to pay Sandler O'Neill an additional \$550,000 upon the completion of the merger.

Mid-America's Financial Advisor Has Provided an Opinion to the Mid-America Board as to the Fairness of the Merger Consideration from a Financial Point of View (Page)

In connection with the merger, Mid-America retained Hovde Financial, Inc., or Hovde, as its financial advisor. In deciding to adopt the merger agreement, the Mid-America board of directors considered the oral opinion of Hovde that, as of August 15, 2007, and subsequently confirmed in writing on August 15, 2007, and based upon and subject to the assumptions made, matters considered and limitations described in their opinion, the merger consideration was fair, from a financial point of view, to Mid-America and the holders of Mid-America common stock.

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The full text of the written opinion of Hovde, dated August 15, 2007, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations on the review undertaken by Hovde in connection with the opinion, is attached to this joint proxy statement/prospectus as Appendix D. Hovde provided its opinion for the information and assistance of the Mid-America board of directors in connection with its consideration of the transaction contemplated by the merger agreement. You should read the opinion carefully, as well as the description of the opinion contained elsewhere in this joint proxy statement/prospectus, to understand the procedures followed, assumptions made, matters considered and qualifications and limitations concerning the review undertaken by, and the opinion of, Hovde. **The Hovde opinion is addressed to the Mid-America board of directors and is not a recommendation as to how any shareholder of either Mid-America or Pinnacle should vote with respect to the merger agreement.**

Mid-America has agreed to pay Hovde, upon completion of the merger, a fee of approximately \$2.2 million based on the transaction consideration value as of the date of the merger agreement.

The Merger Generally Will Be Tax-Free to Holders of Mid-America Common Stock to the Extent They Receive Pinnacle Common Stock But Will Be Taxable With Respect to Any Cash Received (Page)

A Mid-America shareholder's receipt of Pinnacle common stock in the merger will be tax-free for United States federal income tax purposes. Taxes will, however, be owed to the extent of any gain on any cash portion of the consideration received by a Mid-America shareholder and any receipt of cash in lieu of fractional shares of Pinnacle common stock.

There will be no United States federal income tax consequences to a holder of Pinnacle common stock as a result of the merger.

The United States federal income tax consequences described above may not apply to some holders of Pinnacle and Mid-America common stock, including some types of holders specifically referred to on page . Accordingly, please consult your tax advisor for a full understanding of the particular tax consequences of the merger to you.

Mid-America Directors and Executive Officers Have Some Financial Interests in the Merger That are Different From or in Addition to Their Interests as Shareholders (Page)

Mid-America directors and executive officers have financial and other interests in the merger in addition to their interests as shareholders of Mid-America. These interests include:

Mid-America has change in control agreements with its four senior executive officers who are directors that provide for lump-sum payments and other benefits (including indemnification for tax liabilities) following a change in control. The merger will constitute a change in control under these agreements and the lump-sum payment will be made to the employees at the closing. On August 15, 2007, these agreements were amended to provide that if the merger is consummated in 2007, the executives will be paid their change in control payments as if the merger occurred on January 1, 2008. These payments and benefits are estimated to total approximately \$5.7 million in the aggregate and will be paid by Mid-America immediately prior to the closing of the merger. See PROPOSAL #1 FOR SHAREHOLDERS OF PINNACLE FINANCIAL PARTNERS, INC. AND MID-AMERICA BANCSHARES, INC.: THE PROPOSED MERGER Interests of Certain Mid-America Executive Officers and Directors in the Merger on page for more information about these payments.

Jason K. West, PrimeTrust's President and Chief Operating Officer, has entered into a new employment agreement with Pinnacle National Bank, which will become effective as of the closing of the merger and have a three-year term. This agreement provides for the payment of compensation and benefits to Mr. West and contains a covenant not to compete. While not parties to any written agreement with Pinnacle, it is expected that Gary Scott, David Major and Sam Short will work for the combined company for at least 12 months.

Pinnacle has agreed to indemnify and hold harmless each present and former director, officer and employee of Mid-America and its subsidiaries following completion of the merger. This indemnification

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covers liability and expenses arising out of matters existing or occurring at or prior to the completion of the merger to the fullest extent such persons would have been indemnified as directors, officers or employees of Mid-America or any of its subsidiaries under existing indemnification agreements and/or applicable law. This indemnification extends to liability arising out of the transactions contemplated by the merger agreement. Pinnacle also has agreed that it will maintain a policy of directors and officers liability insurance coverage for the benefit of all of Mid-America's and its subsidiaries' directors and officers as of immediately prior to the effective time of the merger for six years following completion of the merger.

At the effective time of the merger, Pinnacle's board of directors will be expanded by at least three members, and three members of the existing Mid-America board of directors who are proposed by Mid-America's nominating and corporate governance committee and reasonably acceptable to Pinnacle's nominating and corporate governance committee and board of directors will fill three of these vacancies. As members of the Pinnacle board of directors, the new directors who are not employees of Pinnacle can be expected to receive \$1,100 for each board meeting attended and \$900 for each committee meeting attended. In addition, these non-employee directors also may receive equity awards under Pinnacle's 2004 Equity Incentive Plan similar to those awarded to Pinnacle's non-employee directors in 2007.

Each of Gary Scott, David Major, Jason West and Sam Short has entered into a business protection agreement with Mid-America. Under the terms of these agreements, each of Messrs. Scott, Major, West and Short has agreed that he will not actively participate or engage directly or indirectly in a competing business in the Nashville MSA and the counties contiguous to the Nashville MSA until the earlier of (1) voluntary retirement after reaching age 65; (2) a transaction in which an acquiror of Mid-America is subsequently acquired; (3) August 31, 2011; or (4) the date that Mid-America terminates the agreement. In exchange for this agreement not to compete, each executive is entitled to receive monthly payments equal to the greater of his current or future monthly base salary or \$10,000 until the occurrence of one of these termination events. Mr. West's business protection agreement will be superseded by his employment agreement with Pinnacle National Bank upon the effectiveness of the merger.

All of Mid-America's outstanding options, stock appreciation rights and restricted shares will vest upon consummation of the merger, including those options, stock appreciation rights and restricted shares held by Mid-America's directors and executive officers. These awards, which were granted in 2006, in connection with the completion of Mid-America's share exchange, were scheduled to vest over ten years. Instead, as a result of the merger, these awards to directors and executive officers (with an aggregate value of approximately \$3.6 million (based on the value of the consideration to be paid by Pinnacle on the date the merger was approved)) will vest at the effective time of the merger.

The Mid-America board of directors knew about these additional interests, and considered them, when it adopted the merger agreement.

Pinnacle's Board of Directors Recommends that You Vote FOR Approval of the Merger Agreement and the Stock Issuance in Connection With the Merger (Page)

Pinnacle's board of directors believes that the merger is fair to and in the best interests of the Pinnacle shareholders, and recommends that Pinnacle shareholders vote FOR the approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger.

In determining whether to adopt the merger agreement, Pinnacle's board of directors consulted with its senior management and legal and financial advisors. In arriving at its determination, the Pinnacle board of directors also considered a number of factors, including the following material factors:

stronger presence in the Nashville-Davidson-Murfreesboro MSA, one of the fastest growing MSAs in the United States, including areas within the MSA not presently served by Pinnacle, including Wilson, Dickson and Cheatham Counties;

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potential cost synergies the combined company will operate a common systems platform and three Mid-America branches will be consolidated;

increased size and scale the combined company is expected to have pro forma assets of approximately \$3.5 billion, resulting in increased lending capacity, and 30 offices (net of closures) in some of the fastest growing areas in the Nashville MSA;

enhanced franchise value the increased size and scale of the combined company should increase its attractiveness to larger potential acquirors;

accretive to earnings applying the potential cost savings and other assumptions (described under OPINIONS OF FINANCIAL ADVISORS Opinion of Pinnacle's Financial Advisor beginning on page), the merger is anticipated to result in accretion to Pinnacle's earnings per share beginning in 2008; and

increased float pro forma shares outstanding of the combined company would increase from approximately 15.5 million shares to 22.2 million shares.

Mid-America's Board of Directors Recommends that You Vote FOR the Approval of the Merger Agreement (Page)

Mid-America's board of directors believes that the merger is fair to and in the best interests of the Mid-America shareholders, and recommends that Mid-America shareholders vote FOR the approval of the merger agreement.

In determining whether to adopt the merger agreement, Mid-America's board of directors consulted with its senior management and legal and financial advisors. In arriving at its determination, the Mid-America board of directors also considered a number of factors, including the following material factors in favor of the merger:

Pinnacle's shares are readily marketable and have reflected a strong overall upward trend for most of Pinnacle's time in operation;

Pinnacle is a locally headquartered bank holding company that appears to employ a veteran group of skilled bankers that will be attractive to Mid-America's customers, employees and other stakeholders;

At the present time relatively little market overlap exists between Pinnacle's operations and those of Bank of the South and PrimeTrust Bank;

The Mid-America board believed that an affiliation with Pinnacle would make the combined entity both more competitive in the Middle Tennessee marketplace and a more attractive vehicle for entry into the market by a larger acquirer than either institution would on a standalone basis;

The cost-saving synergies that could be achieved in the merger, estimated at \$7.4 million to \$9 million, can be expected to increase the profitability of the combined institution;

If Mid-America were to remain independent, the company would have to consider the costs and benefits of raising new capital, listing its shares for public trading, and converting to a new data processing platform;

The costs of complying with increasing layers of bank regulation, and with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, were a concern to management and the Mid-America board;

A merger would be expected to be a tax free re-organization for most non-dissenting shareholders except to the extent of the possible taxability of the \$1.50 per share being paid in cash by Pinnacle for each share of Mid-America common stock;

The Mid-America board of directors was impressed with the management depth at Pinnacle and believed that access to the Pinnacle management team would benefit Mid-America's customers and

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employees and would provide significant layers of additional capable management and appropriate management succession; and

The board of directors considered the impact of the transaction on the return on investment of Mid-America's shareholders and believed that the merger consideration of approximately \$13.18 per share on the date the transaction was announced (\$ on the date of this joint proxy statement/prospectus), involving receipt by Mid-America shareholders of a more liquid and potentially more attractive stock of the combined entity, constituted a reasonable or even excellent return to investors who bought shares directly from either Bank of the South or PrimeTrust Bank before the Mid-America share exchange in September 2006.

Treatment of Mid-America Stock Options and Stock Appreciation Rights (Page)

Each outstanding Mid-America stock option and stock appreciation right to be settled in shares of Mid-America common stock will be assumed by Pinnacle as of the completion of the merger and will be converted automatically into an option to purchase common stock of Pinnacle or a stock appreciation right to be settled in shares of Pinnacle common stock, as the case may be. In the case of options, the number of shares of common stock underlying the new option will equal the number of shares of Mid-America common stock for which the corresponding Mid-America option was exercisable, multiplied by 0.4655 and rounded down to the nearest whole share. The exercise price for Mid-America options will be adjusted by reducing the exercise price by \$1.50 and then dividing the resulting reduced exercise price by 0.4655 and rounding the result to the nearest whole cent. All other terms of the Mid-America stock options will remain unchanged after the conversion. Each outstanding stock appreciation right will be adjusted by (1) multiplying the number of stock appreciation rights subject to an award by 0.4655, rounding the result down to the nearest whole share; and (2) reducing the grant price by \$1.50 and dividing the resulting reduced grant price by 0.4655 and rounding the result to the nearest cent. All other terms of the Mid-America stock appreciation rights will remain unchanged.

The Merger is Expected to Occur Late in the Fourth Quarter of 2007 or Early in the First Quarter of 2008 (Page)

The merger will occur after all the conditions to its completion have been satisfied or waived. Currently, we anticipate that the merger will occur in the late fourth quarter of 2007 or early first quarter of 2008. However, we cannot assure you when or if the merger will occur. We must first obtain approval of Pinnacle's shareholders of the merger agreement and the issuance of Pinnacle common stock in connection with the merger and approval by Mid-America's shareholders of the merger agreement at the respective special meetings. We also must obtain necessary regulatory approvals. If the merger has not been completed by March 31, 2008, either Pinnacle or Mid-America may terminate the merger agreement so long as the party electing to terminate has not caused the failure of the merger to occur by failing to comply with the merger agreement.

Completion of the Merger is Subject to Customary Conditions (Page)

The completion of the merger is subject to a number of customary conditions being met, including the approval by Mid-America shareholders of the merger agreement and the approval by Pinnacle shareholders of the merger agreement and the issuance of Pinnacle common stock in connection with the merger, as well as receipt of all required regulatory approvals.

Where the law permits, a party to the merger agreement could elect to waive a condition to its obligation to complete the merger, even if that condition has not been satisfied. We cannot be certain when (or if) the conditions to the merger will be satisfied or waived or that the merger will be completed.

We May Not Complete the Merger Without All Required Regulatory Approvals (Page)

We cannot complete the merger unless we receive the prior approval of the Board of Governors of the Federal Reserve System, or the FRB.

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Termination of the Merger Agreement; Fees Payable (Page)

We may jointly agree to terminate the merger agreement at any time. Either of us also may terminate the merger agreement if:

a governmental authority that must grant a regulatory approval denies approval of the merger (although this termination right is not available to a party whose failure to comply with the merger agreement resulted in those actions by a governmental authority);

a governmental entity of competent jurisdiction issues a final nonappealable order enjoining or otherwise prohibiting the merger;

the merger is not completed on or before March 31, 2008 (although this termination right is not available to a party whose failure to comply with the merger agreement resulted in the failure to complete the merger by that date);

the other party's board of directors adversely changes its recommendation that its shareholders vote FOR approval of the merger agreement (in the case of Mid-America) or the approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger (in the case of Pinnacle), or the other party breaches its obligation to hold its shareholders' meeting to approve the transactions contemplated by the merger agreement;

the other party is in breach of its representations, warranties, covenants or agreements set forth in the merger agreement and the breach rises to a level that would excuse the terminating party's obligation to complete the merger and is either incurable or is not cured within 30 days;

the shareholders of Mid-America do not approve the merger agreement at the Mid-America shareholders meeting; or

the shareholders of Pinnacle do not approve the merger agreement and the issuance of Pinnacle common stock in connection with the merger at the Pinnacle shareholders' meeting.

In addition, Mid-America has the right to terminate the merger agreement if Pinnacle's average closing stock price over a ten-day period prior to and ending on the eighth day before the closing is less than \$18.00 and the quotient resulting from dividing Pinnacle's average closing stock price for that same ten-day period by the average closing price for Pinnacle's common stock for the ten-day period prior to and ending on August 15, 2007 (\$25.095) is less than the difference between (1) the quotient resulting from dividing the Nasdaq Bank Index on the eighth day prior to the closing of the merger by the Nasdaq Bank Index on August 15, 2007 (\$2,874.37) and (2) 0.25.

The merger agreement provides that in limited circumstances, described more fully beginning on page , involving a change in the recommendation of the Mid-America board that Mid-America's shareholders approve the merger agreement, Mid-America's failure to hold a shareholders' meeting to vote on the merger agreement, Mid-America's authorization, recommendation or proposal of a third party acquisition proposal or if the merger agreement is otherwise terminated (other than by Mid-America for Pinnacle's material breach) after Mid-America shall have received a third party acquisition proposal, Mid-America may be required to pay a termination fee to Pinnacle of \$8 million. The purpose of the termination fee is to encourage the commitment of Mid-America to the merger, and to compensate Pinnacle if Mid-America engages in certain conduct which would make the merger less likely to occur. The effect of the termination fee likely will be to discourage other companies from seeking to acquire or merge with

Mid-America prior to completion of the merger and could cause Mid-America to reject any acquisition proposal from a third party which does not take into account the termination fee.

We May Amend the Terms of the Merger and Waive Rights Under the Merger Agreement (Page)

We may jointly amend the terms of the merger agreement, and either party may waive its right to require the other party to adhere to any of those terms, to the extent legally permissible. However, after the approval of the merger agreement by the respective shareholders of Pinnacle or Mid-America, no amendment or waiver

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that reduces or changes the form of the consideration that will be received by Mid-America shareholders may be accomplished without the further approval of such shareholders.

Pinnacle Will Account for the Merger Using the Purchase Method (Page)

Pinnacle will account for the merger as a purchase for financial reporting purposes.

Dissenters Rights (Page)

Tennessee law permits Mid-America shareholders to dissent from the merger and to have the fair value of their stock paid in cash. To do this, a Mid-America shareholders must follow certain procedures, including filing certain notices with Mid-America and refraining from voting the shareholder's shares in favor of the merger. If a Mid-America shareholder properly dissents from the merger, that shareholder's shares of Mid-America common stock will not be exchanged for shares of Pinnacle common stock in the merger, and that shareholder's only right will be to receive the appraised value of the shareholder's shares in cash. For a complete description of these dissenters' rights, see page and [Appendix B](#) to this joint proxy statement/prospectus where the full text of the Tennessee Dissenters' Rights Statute is set out.

Comparison of the Rights of Mid-America Shareholders and Pinnacle Shareholders (Page)

Both Pinnacle and Mid-America are incorporated under Tennessee law. Mid-America shareholders, upon completion of the merger will become Pinnacle shareholders, and their rights as such will be governed by Pinnacle's charter and bylaws. See COMPARISON OF THE RIGHTS OF SHAREHOLDERS beginning on page for the material differences between the rights of Mid-America shareholders and Pinnacle shareholders.

Board of Directors After the Merger (Page)

After the merger, the board of directors of the combined company is expected to have at least 16 members, consisting of 13 current members of Pinnacle's board of directors and three members of the existing Mid-America board of directors who are proposed by the nominating and corporate governance committee of Mid-America's board of directors and are reasonably acceptable to Pinnacle's nominating and corporate governance committee and board of directors.

Pinnacle 2004 Equity Incentive Plan Amendment (Page)

The Pinnacle board of directors is seeking to amend Pinnacle's 2004 Equity Incentive Plan to increase the number of shares of Pinnacle common stock reserved for issuance under the Plan by 500,000. As of the date hereof, there were 1,269,018 shares reserved for issuance under the 2004 Equity Incentive Plan, including outstanding awards. If the amendment is approved, there will be a total of 1,769,018 shares of Pinnacle common stock reserved for issuance under the 2004 Equity Incentive Plan.

Pinnacle's board believes that the increase in the number of shares available for awards under the 2004 Equity Incentive Plan is appropriate to allow for the continued practice of awarding equity incentives to a broad-based group of Pinnacle's associates which will include Mid-America's associates.

Pinnacle Shareholder Meeting to be Held on [], 2007 (Page)

The Pinnacle special meeting will be held at 211 Commerce Street, Suite 300, Nashville, Tennessee 37201 on [], 2007 at [] a.m., local time. At the special meeting, Pinnacle shareholders will be asked:

1. to approve the merger agreement between Pinnacle and Mid-America and the issuance of Pinnacle common stock in connection with the merger;

2. to vote upon an adjournment or postponement of the special meeting, if necessary, to solicit additional proxies;

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3. to approve an amendment to Pinnacle's 2004 Equity Incentive Plan to increase the number of shares of Pinnacle common stock reserved for issuance thereunder by 500,000 shares; and

4. to transact any other business as may properly be brought before the special meeting or any adjournment or postponement of the special meeting.

You can vote at the Pinnacle special meeting if you owned Pinnacle common stock at the close of business on [], 2007. On that date, there were [] shares of Pinnacle common stock outstanding and entitled to vote, approximately []% of which were owned and entitled to be voted by Pinnacle directors and executive officers and their affiliates. You can cast one vote for each share of Pinnacle common stock you owned on that date. The approval of the merger agreement with Mid-America and the issuance of Pinnacle common stock in connection with the merger requires the affirmative vote of the holders of a majority of Pinnacle's outstanding shares. Approval of the proposal to adjourn or postpone the meeting, if necessary, requires that the number of votes cast in favor of the proposal exceed the number of votes cast opposing the proposal. The amendment to Pinnacle's 2004 Equity Incentive Plan will be approved if the number of shares of Pinnacle common stock voted in favor of the amendment exceed the votes cast opposing the action.

Mid-America Shareholder Meeting to be Held on [], 2007 (Page)

The Mid-America special meeting will be held at Bank of the South's office at 551 North Mt. Juliet Road, Mt. Juliet, Tennessee 37122, at [] a.m., on [], 2007, local time. At the special meeting, Mid-America shareholders will be asked:

1. to approve the merger agreement between Pinnacle and Mid-America; and
2. to vote upon an adjournment or postponement of the special meeting, if necessary, to solicit additional proxies; and
3. to transact any other business as may properly be brought before the special meeting or any adjournment or postponement of the special meeting.

You can vote at the Mid-America special meeting if you owned Mid-America common stock at the close of business on [], 2007. On that date, there were [] shares of Mid-America common stock outstanding and entitled to vote, approximately []% of which were owned and entitled to be voted by Mid-America directors and executive officers and their affiliates. You can cast one vote for each share of Mid-America common stock you owned on that date. In order to approve the merger agreement, the holders of a majority of the outstanding shares of Mid-America common stock entitled to vote must vote in favor of the merger. Approval of the proposal to adjourn or postpone the meeting, if necessary, requires that the number of votes cast in favor of the proposal exceed the number of votes cast opposing the proposal.

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RISK FACTORS RELATING TO THE MERGER

In addition to the other information contained in or incorporated by reference into this joint proxy statement/prospectus, including without limitation, Pinnacle's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, Pinnacle's Quarterly Report on Form 10-Q for the three and six months ended March 31, 2007 and June 30, 2007, respectively. Mid-America's Annual Report on Form 10-K for the fiscal year ended December 31, 2006 and Mid-America's Quarterly Report on Form 10-Q for the three and six months ended March 31, 2007 and June 30, 2007, respectively, you should carefully consider the following risk factors in deciding whether to vote to approve the merger agreement and, in the case of the Pinnacle shareholders, the stock issuance in connection with the merger.

The Value of Pinnacle Shares Received Will Fluctuate; Shareholders of Mid-America May Receive More or Less Value Depending on Fluctuations In the Price of Pinnacle Common Stock

The number of shares of Pinnacle common stock issued to Mid-America shareholders in exchange for each share of Mid-America common stock is fixed. The market prices of Pinnacle common stock and Mid-America common stock when the merger is completed may vary from their market prices at the date of this document and at the date of the special meetings of Pinnacle and Mid-America. Because the exchange ratio will not be adjusted to reflect any changes in the market value of Pinnacle common stock, the market value of Pinnacle common stock issued in the merger may be higher or lower than the value of such shares on earlier dates. If the price of Pinnacle common stock declines prior to completion of the merger, the value of the merger consideration to be received by Mid-America's shareholders will decrease. Mid-America has the right to terminate the merger agreement if Pinnacle's average closing stock price over a ten-day period prior to and ending on the eighth day before the closing is less than \$18.00 and the quotient resulting from dividing Pinnacle's average closing stock price for that same ten-day period by the average closing price for Pinnacle's common stock for the ten-day period prior to and ending on August 15, 2007 (\$25.095) is less than the difference between (1) the quotient resulting from dividing the Nasdaq Bank Index on the eighth day prior to the closing of the merger by the Nasdaq Bank Index on August 15, 2007 (\$2,874.37) and (2) 0.25. During the 12-month period ending on [], 2007, the most recent practical date prior to the date of this joint proxy statement/prospectus, Pinnacle common stock traded in a range from a low of \$[] to a high of \$[] and ended that period at \$[], and Mid-America common stock traded in a range from a low of \$[] to a high of \$[] and ended that period at \$[]. See COMPARATIVE MARKET PRICES beginning on page [] for more detailed share price information.

These variations may be the result of various factors, many of which are beyond the control of Pinnacle and Mid-America, including:

- changes in the business, operations or prospects of Pinnacle, Mid-America or the combined company;
- governmental and/or litigation developments and/or regulatory considerations;
- market assessments as to whether and when the merger will be consummated and the anticipated benefits of the merger;
- governmental action affecting the banking and financial industry generally;
- market assessments of the potential integration or other costs; and
- general market and economic conditions.

The merger may not be completed until a significant period of time has passed after the Pinnacle and Mid-America special shareholder meetings. At the time of their respective special meetings, Pinnacle and Mid-America shareholders will not know the exact value of the Pinnacle common stock that will be issued in connection with the merger.

Shareholders of Pinnacle and Mid-America are urged to obtain current market quotations for Pinnacle common stock, and they may obtain such a quotation from a newspaper, the Internet or by calling their broker. Shares of Mid-America are not listed or traded on a national exchange or over-the-counter. Based on

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information known to Mid-America senior management, the only price paid for shares of Mid-America common stock during the week ended August 14, 2007 (the day prior to the signing of the merger agreement) was \$12.25 per share on August 8, 2007. The price of Pinnacle common stock and Mid-America common stock at the effective time of the merger may vary from their prices on the date of this joint proxy statement/prospectus. The historical prices of Pinnacle common stock and Mid-America common stock included in this joint proxy statement/prospectus may not be indicative of their prices on the date the merger becomes effective. The future market prices of Pinnacle common stock and Mid-America common stock cannot be guaranteed or predicted.

Pinnacle May Not Be Able To Successfully Integrate Mid-America or To Realize the Anticipated Benefits of the Merger

The merger involves the combination of two bank holding companies that previously have operated independently and in the case of Mid-America, two separate bank subsidiaries that operate separate from one another. A successful combination of the operations of the three bank subsidiaries will depend substantially on Pinnacle's ability to consolidate operations, systems and procedures and to eliminate redundancies and costs. Pinnacle may not be able to combine the operations of Pinnacle and Mid-America without encountering difficulties, such as:

the loss of key employees and customers;

the disruption of operations and business;

inability to maintain and increase competitive presence;

loan and deposit attrition, customer loss and revenue loss;

possible inconsistencies in standards, control procedures and policies;

unexpected problems with costs, operations, personnel, technology and credit; and/or

problems with the assimilation of new operations, sites or personnel, which could divert resources from regular banking operations.

Additionally, general market and economic conditions or governmental actions affecting the financial industry generally may inhibit the successful integration of Pinnacle and Mid-America and their respective bank subsidiaries.

Further, Pinnacle and Mid-America entered into the merger agreement with the expectation that the merger will result in various benefits including, among other things, benefits relating to enhanced revenues, a strengthened market position for the combined company, cross selling opportunities, technology, cost savings and operating efficiencies. Achieving the anticipated benefits of the merger is subject to a number of uncertainties, including whether Pinnacle integrates Mid-America and its bank subsidiaries in an efficient and effective manner, and general competitive factors in the marketplace. Failure to achieve these anticipated benefits could result in a reduction in the price of Pinnacle's shares as well as in increased costs, decreases in the amount of expected revenues and diversion of management's time and energy and could materially impact Pinnacle's business, financial condition and operating results. Finally, any cost savings that are realized may be offset by losses in revenues or other charges to earnings.

Mid-America Shareholders Will Have a Reduced Ownership and Voting Interest After the Merger and Will Exercise Less Influence Over Management

After the merger's completion, Mid-America shareholders will own a significantly smaller percentage of Pinnacle than they currently own of Mid-America. Following completion of the merger, Mid-America shareholders will own approximately 30% of the combined company on a fully-diluted basis. Additionally, former Mid-America directors initially will hold only three of the sixteen expected seats on Pinnacle's board. Consequently, Mid-America shareholders likely will be able to exercise less influence over the management and policies of Pinnacle than they currently exercise over the management and policies of Mid-America.

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The Combined Company Will Incur Significant Transaction and Merger-Related Costs in Connection With the Merger

Pinnacle and Mid-America expect to incur significant costs associated with combining the operations of the two companies. Pinnacle and Mid-America have just recently begun collecting information in order to formulate detailed integration plans to deliver anticipated cost savings. Additional unanticipated costs may be incurred in the integration of the businesses of Pinnacle and Mid-America. Although Pinnacle and Mid-America expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, may offset incremental transaction and merger-related costs over time, this net benefit may not be achieved in the near term, or at all.

Whether or not the merger is consummated, Pinnacle and Mid-America will incur substantial expenses, such as legal, accounting and financial advisory fees, in pursuing the merger. Completion of the merger is conditioned upon the receipt of all material governmental authorizations, consents, orders and approvals, including approval by federal banking regulators. Pinnacle and Mid-America intend to pursue all required approvals in accordance with the merger agreement. See THE MERGER AGREEMENT Conditions to the Completion of the Merger beginning on page for a discussion of the conditions to the completion of the merger and PROPOSAL #1 FOR SHAREHOLDERS OF PINNACLE FINANCIAL PARTNERS, INC. AND MID-AMERICA BANCSHARES, INC.: THE PROPOSED MERGER Regulatory Approval beginning on page for a description of the regulatory approvals that must be received in connection with the merger.

Directors and Officers of Mid-America Have Potential Conflicts of Interest in the Merger

Certain of Mid-America's existing directors and officers have interests in the merger that are different from, or in addition to, the interests of Mid-America shareholders generally. For example, certain Mid-America executive officers have agreements that provide for significant payments following consummation of the merger. The merger will be considered a change in control for purposes of these agreements. These agreements were amended on August 15, 2007, to provide that if the merger is consummated in 2007, the executives will be paid their change in control payments under these agreements and as if the merger occurred on January 1, 2008. In addition, all outstanding options, stock appreciation rights and restricted shares of Mid-America, including these held by directors and executive officers, will vest upon consummation of the merger. See PROPOSAL #1 FOR SHAREHOLDERS OF PINNACLE FINANCIAL PARTNERS, INC. AND MID-AMERICA BANCSHARES, INC.: THE PROPOSED MERGER Interests of Certain Mid-America Executive Officers and Directors in the Merger beginning on page .

In addition, Jason K. West, PrimeTrust's President and Chief Operating Officer, has executed an employment agreement with Pinnacle National Bank that provides Mr. West with payment for services provided to Pinnacle National Bank as well as, in some instances, payments upon a change in control of Pinnacle or Pinnacle National Bank. This agreement may create a potential conflict of interest for Mr. West. In addition, Pinnacle agreed in the merger agreement to indemnify and provide liability insurance to Mid-America's officers and directors. These and certain other additional interests of Mid-America's directors and officers may cause some of these persons to view the proposed transaction differently than you view it. For more information about these interests, please see PROPOSAL #1 FOR SHAREHOLDERS OF PINNACLE FINANCIAL PARTNERS, INC. AND MID-AMERICA BANCSHARES, INC.: THE PROPOSED MERGER Interests of Certain Mid-America Executive Officers and Directors in the Merger beginning on page .

Also, each of Gary Scott, David Major, Jason West and Sam Short has entered into a business protection agreement with Mid-America. Under the terms of these agreements, each of Messrs. Scott, Major, West and Short has agreed that he will not actively participate or engage directly or indirectly in a competing business in the Nashville MSA and the

counties contiguous to the Nashville MSA until the earlier of (1) voluntary retirement after reaching age 65; (2) a transaction in which an acquiror of Mid-America is subsequently acquired; (3) August 31, 2011; or (4) the date that Mid-America terminates the agreement. In exchange for this agreement not to compete, each executive is entitled to receive monthly payments equal to the greater of his current or future monthly base salary or \$10,000 until the occurrence of one of these termination events.

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Mr. West's business protection agreement will be superseded by his employment agreement with Pinnacle National Bank upon the effectiveness of the merger.

The Opinion Obtained by Mid-America From its Financial Advisor Will Not Reflect Changes in Circumstances Prior to the Merger

On August 15, 2007, Hovde delivered to the Mid-America board its oral opinion (which was confirmed in writing on August 15, 2007) as to the fairness from a financial point of view to Mid-America and the shareholders of Mid-America, as of that date, of the aggregate merger consideration to be received by them under the merger agreement. A copy of this opinion is attached hereto as Appendix D. The opinion does not reflect changes that may occur or may have occurred after the date of such opinion, to the operations and prospects of Pinnacle or Mid-America, general market and economic conditions and other factors. As a result of the foregoing, Mid-America shareholders should be aware that the opinion of Hovde attached hereto does not address the fairness of the aggregate merger consideration at any time other than as of August 15, 2007.

Failure To Complete the Merger Could Cause Pinnacle's or Mid-America's Stock Price To Decline

If the merger is not completed for any reason, Pinnacle's or Mid-America's stock price may decline because costs related to the merger, such as legal, accounting and financial advisory fees, must be paid even if the merger is not completed. In addition, if the merger is not completed, Pinnacle's or Mid-America's stock price may decline to the extent that the current market price reflects a market assumption that the merger will be completed.

Risks Related to Pinnacle's Business

For risks related to Pinnacle's business, please see Pinnacle's Annual Report on Form 10-K for the fiscal year ended December 31, 2006 and its Quarterly Report on Form 10-Q for the quarters ended March 31, 2007 and June 30, 2007, each of which is incorporated by reference into this joint proxy statement/prospectus.

Risks Related to Mid-America's Business

For risks related to Mid-America's business, please see Mid-America's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and its Quarterly Report on Form 10-Q for the quarters ended March 31, 2007 and June 30, 2007, each of which is incorporated by reference into this joint proxy statement/ prospectus.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus including the Appendices hereto contains forward-looking statements about Pinnacle and Mid-America and the combined company following the merger. Forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act), are statements that represent our judgment concerning the future and are subject to risks and uncertainties that could cause our actual operating results and financial position to differ materially from the forward-looking statements. Such forward-looking statements can generally be identified by the use of forward-looking terminology such as may, project, will, expect, anticipate, estimate, believe, or continue, or the negative thereof or other variations thereof or comparable terminology. You should note that the discussion of Pinnacle's and Mid-America's reasons for the merger and the description of the opinion of Mid-America's financial advisor contain many forward-looking statements that describe beliefs, assumptions and estimates of the management of each of Mid-America and Pinnacle and public sources as of the indicated dates and those forward-looking expectations may have changed as of the date of this joint proxy statement/prospectus. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Those statements are not guarantees and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results could differ materially and adversely from these forward-looking statements.

The ability of Pinnacle and Mid-America to predict results or the actual effects of the combined company's plans and strategies is inherently uncertain. Accordingly, actual results may differ materially from anticipated results. Some of the factors that may cause actual results to differ materially from those contemplated by the forward-looking statements include, but are not limited to, the RISK FACTORS RELATING TO THE MERGER discussed immediately above as well as the following:

- difficulties in obtaining required shareholder and regulatory approvals for the merger and related transactions;
- the level and timeliness of realization, if any, of expected cost savings from the merger;
- difficulties related to the consummation of the merger and the integration of the businesses of Pinnacle and Mid-America;
- a materially adverse change in the financial condition of Pinnacle or Mid-America;
- greater than expected deposit attrition, customer loss, or revenue loss following the merger;
- loan losses that exceed the level of allowance for loan losses of the combined company;
- lower than expected revenue following the merger;
- management of the combined company's growth;
- the risks inherent or associated with possible or completed acquisitions;
- increases in competitive pressure in the banking industry;
- changes in the interest rate environment that reduce margins;

changes in deposit flows, loan demand or real estate values;

changes in accounting principles, policies or guidelines;

legislative or regulatory changes;

general economic conditions, either nationally, in Tennessee or in the Nashville MSA, that are less favorable than expected resulting in, among other things, a deterioration of the quality of the combined company's loan portfolio and the demand for its products and services;

dependence on key personnel;

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changes in business conditions and inflation; and

changes in the securities markets.

Additional factors are discussed in the reports filed with the Securities and Exchange Commission, or SEC, by Pinnacle and Mid-America. See **WHERE YOU CAN FIND MORE INFORMATION** on page .

The above list is not intended to be exhaustive and there may be other factors that would preclude us from realizing the predictions made in the forward-looking statements. Because forward-looking statements are subject to assumptions and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Pinnacle shareholders and Mid-America shareholders are cautioned not to place undue reliance on such statements, which speak only as of the date of this joint proxy statement/prospectus or the date of any document incorporated by reference.

All subsequent written and oral forward-looking statements concerning the merger or other matters addressed in this joint proxy statement/prospectus and attributable to Pinnacle or Mid-America or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable law or regulation, Pinnacle and Mid-America undertake no obligation to update such forward-looking statements to reflect events or circumstances after the date of this joint proxy statement/prospectus or to reflect the occurrence of unanticipated events.

SELECTED FINANCIAL DATA

Selected Historical Financial Data

The following tables present selected historical financial data for Pinnacle as of and for each of the years ended December 31, 2006, 2005, 2004, 2003 and 2002 and as of and for the six-month periods ended June 30, 2007 and 2006. In addition, the tables present selected historical financial data for Mid-America, or its predecessors, as of and for each of the years in the five-year period ended December 31, 2006 and as of and for the six-month periods ended June 30, 2007 and 2006.

Pinnacle Financial Partners, Inc. Selected Historical Financial Data

Set forth below is selected consolidated financial data for Pinnacle as of December 31, 2006, 2005, 2004, 2003 and 2002 and for the years then ended, and Pinnacle's unaudited consolidated financial data as of and for the six months ended June 30, 2007 and 2006. Except for the data under **Performance Ratios and Other Data** and **Asset Quality Ratios**, the summary historical consolidated financial data as of December 31, 2006, 2005, 2004, 2003 and 2002 and for the years then ended is derived from Pinnacle's audited consolidated financial statements, which were audited by KPMG LLP, an independent registered public accounting firm. The summary historical consolidated financial data as of and for the six months ended June 30, 2007 and June 30, 2006, is derived from unaudited consolidated financial statements for those periods. The results of operations for the six months ended June 30, 2007 are not necessarily indicative of the results of operations for the full year or any other interim period. Pinnacle prepared the unaudited information on the same basis as it prepared its audited consolidated financial statements. In the opinion of Pinnacle, this information reflects all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of this data for those dates. This information should be read together with Pinnacle's consolidated financial statements and related notes and Management's Discussions and Analysis of Financial Condition and Results of Operations included in Pinnacle's Annual Report on Form 10-K for the year ended December 31, 2006 and Pinnacle's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, which are incorporated by reference

into this joint proxy statement/prospectus.

Table of Contents**Selected Historical Condensed Financial Data of Pinnacle Financial Partners, Inc.**

	As of and for the Six Months Ended June 30,		As of and for the Years Ended December 31,				
	2007	2006	2006(1)	2005	2004	2003	2002
	(Unaudited)						
	(In thousands, except per share data, ratios and percentages)						
Statement of Financial Condition							
Assets	\$ 2,315,327	\$ 1,985,625	\$ 2,142,187	\$ 1,016,772	\$ 727,139	\$ 498,421	\$ 305,2
Liabilities, net of							
Provision for loan	1,645,655	1,358,273	1,497,735	648,024	472,362	297,004	209,7
Allowance for loan	(17,375)	(14,686)	(16,118)	(7,858)	(5,650)	(3,719)	(2,6
Securities	339,781	305,643	346,494	279,089	208,170	139,944	73,9
Goodwill and core							
Identifiable intangibles	124,641	115,835	125,673				
Other assets and							
Properties sold under							
Agreements to							
Acquire	1,937,979	1,664,265	1,763,427	875,985	602,655	405,619	249,0
Receivables from							
Other	26,699	33,749	53,726	41,500	53,500	44,500	21,5
Subordinated debt	51,548	30,929	51,548	30,929	10,310	10,310	
Other holders' equity	265,194	238,739	256,017	63,436	57,880	34,336	32,4
Income Statement							
Net income	69,247	45,115	109,696	46,308	27,679	18,262	12,5
Net expense	34,504	18,713	48,743	17,270	7,415	5,363	4,3
Interest income	34,743	26,402	60,953	29,038	20,264	12,899	8,1
Provision for loan							
Interest income	1,688	2,094	3,732	2,152	2,948	1,157	9
Provision for							
Losses	33,056	24,308	57,221	26,886	17,316	11,742	7,2
Interest income	10,577	6,428	15,786	5,394	4,978	3,035	1,7
Interest expense	27,608	20,434	46,624	21,032	14,803	10,796	7,9
Income before							
Income taxes	16,025	10,302	26,383	11,248	7,491	3,981	1,0
Income tax expense	4,997	3,368	8,456	3,193	2,172	1,426	3
Income	\$ 11,028	\$ 6,934	\$ 17,927	\$ 8,055	\$ 5,319	\$ 2,555	\$ 6
Per Share Data:							
Earnings per share	\$ 0.71	\$ 0.56	\$ 1.28	\$ 0.96	\$ 0.69	\$ 0.35	\$ 0
	15,464,151	12,473,187	13,954,077	8,408,663	7,750,943	7,384,106	6,108,9

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Weighted average shares outstanding									
Dividends per share declared	\$ 0.66	\$ 0.51	\$ 1.18	\$ 0.85	\$ 0.61	\$ 0.32	\$ 0.00		
Weighted average shares outstanding at end of period:	16,640,977	13,640,565	15,156,837	9,464,500	8,698,139	7,876,006	6,236,800		
Non shares standing at end of period:	15,545,581	15,370,916	15,446,074	8,426,551	8,389,232	7,384,106	7,384,106		
Performance Ratios									
Other Data:									
Return on average assets(2)	1.02%	0.92%	1.01%	0.93%	0.89%	0.66%	0.00%		
Return on average equity holders(2)	8.50%	8.48%	8.66%	13.23%	12.31%	7.70%	2.00%		
Interest coverage ratio(3)	3.61%	3.97%	3.90%	3.60%	3.62%	3.53%	3.00%		
Interest coverage ratio(4)	2.91%	3.32%	3.20%	3.16%	3.34%	3.23%	3.00%		
Interest income to average assets(2)	0.97%	0.85%	0.89%	0.62%	0.83%	0.78%	0.00%		
Interest expense to average assets(2)	2.54%	2.72%	2.61%	2.42%	2.48%	2.78%	3.00%		
Liquidity ratio(5)	60.9%	62.2%	60.8%	61.1%	58.6%	67.8%	80.0%		
Loan to deposit ratio	94.48%	87.12%	88.73%	81.3%	79.0%	85.5%	90.0%		
Investment to average asset-bearing assets	119.75%	125.30%	122.10%	120.0%	120.0%	118.9%	110.0%		
Book value per share	\$ 17.06	\$ 15.53	\$ 16.57	\$ 7.53	\$ 6.90	\$ 4.65	\$ 4.00		
Quality Ratios:									
Provision for loan losses to non performing assets	564.3%	512.1%	199.9%	1,708.3%	1,006.9%	981.3%	140.0%		
Provision for loan losses to total loans performing	1.04%	1.08%	1.08%	1.21%	1.20%	1.25%	1.00%		
Provision for loan losses to total assets	0.13%	0.14%	0.37%	0.05%	0.08%	0.08%	0.00%		
Accrual loans to total loans	0.14%	0.21%	0.47%	0.07%	0.12%	0.13%	0.00%		
Loan charge-offs (net of recoveries) to total loans(2)	0.05%	0.07%	0.05%	0.01%	0.27%	0.05%	0.00%		
Capital Ratios:									
Return on equity(6)	9.5%	8.6%	9.5%	9.9%	9.7%	9.7%	10.0%		

risk-based 1	10.4%	9.5%	10.9%	11.7%	11.7%	11.8%	11
risk-based 1	11.3%	10.4%	11.8%	12.6%	12.7%	12.8%	11

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- (1) Information for 2006 fiscal year includes the operations of Calvary Bancorp, Inc., which Pinnacle merged with on March 15, 2006 and reflects approximately 6.9 million shares of Pinnacle common stock issued in connection with that merger.
- (2) Ratios and data for the six months ended June 30, 2007 and June 30, 2006, are annualized.
- (3) Net interest margin is the result of net interest income on a tax equivalent basis for the period divided by average interest earning assets.
- (4) Net interest spread is the result of the difference between the interest yield earned on interest earning assets on a tax equivalent basis less the interest paid on interest bearing liabilities.
- (5) Efficiency ratio is the result of noninterest expense divided by the sum of net interest income and noninterest income.
- (6) Leverage ratio is defined as Tier 1 capital divided by average total assets for the fourth quarter of each year in the case of the full year data and for the second quarter in the case of the June 30 data.

Mid-America Bancshares, Inc. Selected Historical Financial Data

Set forth below is selected consolidated financial data for Mid-America (or its predecessors) as of December 31, 2006, 2005, 2004, 2003 and 2002 and for the years ended December 31, 2006, 2005, 2004, 2003 and 2002, and Mid-America's (or, prior to September 1, 2006, PrimeTrust) unaudited consolidated financial data as of and for the six months ended June 30, 2007 and 2006. Except for the data under Ratios, the summary historical consolidated financial data as of December 31, 2006, 2005, 2004, 2003 and 2002 and for the years ended December 31, 2006, 2005, 2004, 2003 and 2002 is derived from our audited consolidated financial statements, which were audited by Maggart and Associates, P.C., an independent registered public accounting firm. The summary historical consolidated financial data as of and for the six months ended June 30, 2007 and June 30, 2006, is derived from unaudited consolidated financial statements for those periods. The results of operations for the six months ended June 30, 2007 are not necessarily indicative of the results of operations for the full year or any other interim period. Mid-America prepared the unaudited information on the same basis as it prepared its audited consolidated financial statements. In the opinion of Mid-America, this information reflects all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of this data for those dates. This information should be read together with Mid-America's consolidated financial statements and related notes and Management's Discussions and Analysis of Financial Condition and Results of Operations included in Mid-America's Annual Report on Form 10-K for the year ended December 31, 2006 and Mid-America's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, which are incorporated by reference into this joint proxy statement/prospectus.

Table of Contents**Selected Historical Condensed Financial Data of Mid-America Bancshares, Inc**

	As of and for the Six Months Ended June 30,		As of and for the Years Ended December 31,				
	2007	2006	2006(1)	2005	2004	2003	2002
	(Unaudited)						
	(In thousands, except per share data, ratios and percentages)						
Consolidated Balance Sheets:							
End of year:							
Total assets	\$ 1,069,363	\$ 472,814	\$ 967,971	\$ 419,302	\$ 295,290	\$ 203,227	\$ 109,426
Loans, net	764,690	328,586	686,690	301,878	226,486	154,102	76,023
Securities available-for-sale	176,101	92,406	168,395	64,035	44,134	35,125	25,073
Securities held-to-maturity	9,740		9,740				
Deposits	904,665	410,402	823,755	359,037	262,567	178,921	97,378
Series A Preferred Stock					4,125		
Stockholders' equity	104,676	39,320	102,940	38,412	20,158	16,980	10,307
Consolidated Statements of Earnings:							
Interest income	35,046	15,092	42,330	21,809	13,229	7,986	3,942
Interest expense	19,339	7,635	22,033	9,345	4,878	3,640	1,936
Net interest income	15,707	7,457	20,297	12,464	8,351	4,346	2,006
Provision for loan losses	600	164	1,273	1,121	962	1,138	928
Net interest income after provision for loan losses	15,107	7,293	19,024	11,343	7,389	3,208	1,078
Non-interest income	3,961	2,181	5,355	3,981	2,959	1,922	773
Non-interest expense	14,502	7,999	21,304	12,653	9,337	6,585	3,352
Earnings (loss) before income taxes	4,566	1,475	3,075	2,671	1,011	(1,455)	(1,501)
Income taxes	1,509	338	771	65			
Earnings (loss)	\$ 3,057	\$ 1,137	\$ 2,304	\$ 2,606	\$ 1,011	\$ (1,455)	\$ (1,501)
Per Share Data:							
Basic earnings (loss) per common share	\$ 0.22	\$ 0.17	\$ 0.25	\$ 0.43	\$ 0.21	\$ (0.37)	\$ (0.68)
Diluted earnings (loss) per common share	\$ 0.21	\$ 0.17	\$ 0.25	\$ 0.43	\$ 0.21	\$ (0.37)	\$ (0.68)
Book value per common share, end of period	\$ 7.51	\$ 5.79	\$ 7.39	\$ 5.67	\$ 4.43	\$ 4.15	\$ 4.21
Ratios:							
Return on average stockholders' equity(2)	6.06%	5.82%	4.28%	8.39%	5.70%	(8.51)%	(15.95)%
Return on average assets(2)	0.62%	0.51%	0.37%	0.73%	0.40%	(0.91)%	(1.97)%
Return on average assets(2)	9.96%	8.32%	8.75%	8.73%	7.10%	10.74%	12.35%
Net interest margin(3)	3.37%	3.72%	3.59%	3.70%	3.55%	2.93%	2.84%
Net interest spread(4)	3.04%	3.00%	3.03%	3.24%	3.26%	2.57%	2.30%
Efficiency ratio(5)	70.8%	81.5%	79.9%	76.9%	82.1%	106.8%	132.6%

verage ratio(6)	10.21%	12.02%	8.91%	9.81%	8.69%	8.93%	9.47%
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- (1) Information for 2006 includes the operations of Bank of the South for the period from September 1, 2006 to December 31, 2006. All periods prior to September 1, 2006 relate solely to PrimeTrust Bank and do not reflect the results of Bank of the South prior to that time.
- (2) Ratios for the six months ended June 30, 2007 and June 30, 2006 are annualized.
- (3) Net interest margin is the result of net interest income for the period divided by average interest earning assets.

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- (4) Net interest spread is the result of the difference between the interest yield earned on interest earning assets less the interest paid on interest bearing liabilities.
- (5) Efficiency ratio is the result of noninterest expense divided by the sum of net interest income and noninterest income.
- (6) Leverage ratio is defined as Tier 1 capital divided by average total assets for the fourth quarter of each year in the case of the full year data and for the second quarter in the case of June 30 data.

Selected Unaudited Pro Forma Consolidated Financial Data

The following unaudited pro forma condensed consolidated balance sheet as of June 30, 2007, and the unaudited pro forma condensed consolidated statements of operations for the six-months ended June 30, 2007 and for the year ended December 31, 2006, have been prepared to reflect the proposed merger of Pinnacle and Mid-America. The unaudited pro forma condensed consolidated balance sheet is presented as if the merger occurred on June 30, 2007, while the unaudited pro forma condensed consolidated statements of operations are presented as if the merger occurred on January 1, 2006. The unaudited pro forma acquisition adjustments, including those to adjust Mid-America's net assets to fair value, are preliminary and subject to change as additional analyses are performed and as additional information becomes available.

The unaudited pro forma financial data set forth below is not necessarily indicative of results that would have actually been achieved if the merger transaction had been consummated as of the date indicated, or that may be achieved in the future. This information should be read in conjunction with the historical consolidated financial statements of each of Pinnacle and Mid-America (and the related notes to these statements), which are incorporated by reference into this joint proxy statement/prospectus. See **WHERE YOU CAN FIND MORE INFORMATION** beginning on page .

Pinnacle anticipates that the merger will provide the combined company with some future financial benefits that include reduced operating expenses. However, Pinnacle does not reflect any of the anticipated cost savings in the following pro forma financial information. Therefore, the pro forma financial information, while helpful in illustrating the financial characteristics of the combined company under the assumptions set forth below, does not attempt to predict or suggest future results. The pro forma financial information does not attempt to show how the combined company would have actually performed had the companies been combined throughout the periods presented.

Table of Contents**Unaudited Pro Forma Condensed Consolidated Balance Sheet as of June 30, 2007**

	Pinnacle Financial Partners, Inc.	Mid-America Bancshares, Inc.		Pro Forma Acquisition Adjustments	Pro Forma Combined
	(Dollars in thousands, except per share amount data)				
Assets					
Cash and cash equivalents	\$ 106,002	\$ 42,741	A	\$ (9,905)	\$ 149,048
			B	(21,290)	
			G	31,500	
Investment securities:					
Held to maturity	27,068	9,740	E	(212)	27,068
			H	(9,528)	
Available for sale	312,713	176,101	H	9,528	498,342
Loans held for sale	4,973	8,994			13,967
Loans	1,663,030	772,927	D	(514)	2,431,912
			E	(3,531)	
Allowance for loan losses	(17,375)	(8,237)	D	514	(25,098)
Loans, net	1,645,655	764,690			2,406,814
Goodwill	114,288	19,147	B	131,356	243,201
			B	(19,147)	
			C	200	
			E	3,432	
			F	(6,075)	
Core deposit intangible	10,353	4,142	B	(4,142)	20,349
			F	9,996	
Premises and equipment	37,855	31,732	A	(284)	68,102
			E	(1,201)	
Other assets	56,420	12,076	A	(242)	69,119
			B	1,625	
			E	2,214	
			F	(3,921)	
			G	1,085	
			H	(138)	
Total assets	\$ 2,315,327	\$ 1,069,363		\$ 111,321	\$ 3,496,011
Liabilities and Stockholders Equity					
Deposits	\$ 1,797,536	\$ 904,665	E	\$ 1,719	\$ 2,703,920
Advances from Federal Home Loan Bank	46,699	32,325	E	(1,017)	78,007
Securities sold under agreements to repurchase	140,443	18,295			158,738
Subordinated debentures and other borrowings	51,548	3,500	G	32,585	87,633

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Accrued expenses and other liabilities	13,906	5,902	A	(4,335)	19,478
			A	2,918	
			B	825	
			C	400	
			H	(138)	
Total liabilities	\$ 2,050,132	\$ 964,687		\$ 32,958	\$ 3,047,777
Stockholders' equity:					
Preferred stock					
Common Stock	15,546	13,933	B	(13,933)	22,153
			B	6,607	
Additional paid in capital	212,923	87,919	B	(87,919)	389,355
			B	176,632	
			C	(200)	
Retained earnings	42,137	5,023	A	(9,014)	42,137
			B	3,991	
Accumulated other comprehensive (loss)	(5,411)	(2,199)	B	2,199	(5,411)
Total stockholders' equity	265,195	104,676		78,363	448,234
Total liabilities and stockholders' equity	\$ 2,315,327	\$ 1,069,363		\$ 111,321	\$ 3,496,011

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- (A) To reflect the impact to Mid-America's consolidated statement of financial condition for the impact of merger related charges to be recognized by Mid-America prior to consummation of the merger. It is estimated that \$2.3 million of the cash payments made to certain Mid-America employees will not be tax deductible.

Retained earnings	\$ 9,104	
Taxes payable	4,335	
Cash		\$ 9,905
Premises and equipment		284
Other assets		242
Accrued expenses		2,918

- (B) To reflect the impact of the issuance of Pinnacle common stock for outstanding common stock of Mid-America at the 0.4655 exchange ratio. As the exchange ratio is fixed pursuant to the merger agreement, the value of the shares to be issued by Pinnacle to Mid-America shareholders upon consummation of the merger are valued in accordance with EITF 99-12, *Determination of the Measurement Date for the Market Price of Acquiror Securities Issued in a Purchase Business Combination*. Other components of the purchase price consideration are estimated costs directly attributable to the merger to be incurred by Pinnacle of \$825,000 and the estimated fair value of options to acquire Pinnacle common stock to be issued to holders of options to acquire Mid-America common stock and the estimated fair value of stock appreciation rights to acquire Pinnacle common stock to be issued to holders of similar rights to acquire Mid-America common stock pursuant to the merger agreement. The fair value of the exchange options and stock appreciation rights was estimated using the Black-Scholes method.

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Number of Mid-America shares outstanding		13,933,006	
Number of Mid-America restricted shares that automatically vest on the merger date		260,000	
Total Mid-America shares exchanged		14,193,006	
Exchange ratio to Pinnacle shares		x 46.55%	
Number of Pinnacle shares to exchange		6,606,844	
Average price of Pinnacle shares used for merger	x\$	26.26	
Value of Pinnacle common stock exchanged for Mid-America common stock	\$	173,496	
Total Mid-America shares exchanged		14,193,006	
Cash consideration price per Mid-America common share	x \$	1.50	
Value of cash consideration for Mid-America common stock	\$	21,290	
Total stock and cash consideration	\$	194,786	
Plus: Mid-America goodwill and core deposit intangible		23,289	
Less: Mid-America stockholders' equity		(104,676)	
Merger related expenses in (A) above		9,104	
Subtotal	\$	122,413	
Number of Mid-America options outstanding		1,170,229	
Exchange ratio to Pinnacle shares		x 46.55%	
Number of Pinnacle options to exchange		544,742	
Fair value of each Pinnacle option	x \$	14.50	
Total fair value of Pinnacle options	\$	7,899	
Number of Mid-America stock appreciation rights outstanding		35,600	
Exchange ratio to Pinnacle shares		x 46.55%	
Number of Pinnacle stock appreciation rights to exchange		16,572	
Fair value of each Pinnacle stock appreciation right	x \$	13.20	
Total fair value of Pinnacle stock appreciation rights	\$	219	
Investment banking fees incurred by Pinnacle	\$	825	
Goodwill before fair value adjustments	\$	131,356	
Goodwill	\$	131,356	
Other assets (deferred tax assets associated with Mid-America core deposit intangible)		1,625	
Common stock of Mid-America		13,933	
Additional paid-in capital of Mid-America		87,919	
Retained earnings of Mid-America			\$ 3,991

Other comprehensive loss of Mid-America	2,199
Goodwill of Mid-America	19,147
Core deposit intangible of Mid-America	4,142
Accrued liabilities (investment banking fees)	825
Cash	21,290
Common stock of Pinnacle	6,607
Additional paid-in capital of Pinnacle	176,632

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- (C) To reflect the estimated costs associated with the joint proxy statement/prospectus which are to be shared equally between Pinnacle and Mid-America.

Paid in capital	\$ 200	
Goodwill	200	
Accrued liabilities		\$ 400

- (D) To adjust Mid-America's loan portfolio and allowance for loan losses for those loans which Pinnacle does not expect to collect all contractually required payments on the loan, in accordance with AICPA Statement of Position 03-3, Accounting for Certain Loans or Debt Securities Acquired in a Transfer.

Allowance for loan losses	\$ 514	
Loans		\$ 514

- (E) Purchase accounting entry to adjust Mid-America net assets to their estimated fair value

Goodwill	\$ 3,432	
Other assets (deferred income taxes)	2,214	
Advances from Federal home Loan Bank	1,017	
Held-to-maturity investment securities		\$ 212
Loans		3,531
Bank premises and equipment		1,201
Deposits		1,719

- (F) To reflect the estimated value of core deposit intangible asset associated with the core deposits of Mid-America. For purposes of the pro forma condensed consolidated financial statements, such intangible asset will be amortized using the sum-of-the-years digit method over a 10-year life.

Core deposit intangible	\$ 9,996	
Other assets (deferred income taxes)		\$ 3,921
Goodwill		6,075

- (G) To reflect the settlement of \$3,500,000 in holding company indebtedness and the subsequent issuance of \$35,000,000 in trust preferred securities issued by Pinnacle which would include an investment in an unconsolidated subsidiary of \$1,085,000.

Cash	\$ 31,500	
Other assets (investment in unconsolidated subsidiaries)	1,085	
Subordinated indebtedness		\$ 32,585

- (H) To reflect certain Mid-America balance sheet reclassifications to be consistent with Pinnacle's presentation including the reclassification of Mid-America net deferred tax liabilities to net deferred tax assets and reclassification of Mid-America's held-to-maturity investment securities as available-for-sale.

Other liabilities (deferred tax liabilities)	\$ 138	
Investment securities available-for-sale	9,528	
Other assets (deferred tax assets)		\$ 138
Investment securities held to maturity		9,528

Table of Contents**Unaudited Pro Forma Condensed Consolidated Statement of Operations for the Six Months Ended June 30, 2007**

	Pinnacle Financial Partners, Inc.	Mid- America Bancshares, Inc.		Pro Forma Acquisition Adjustments	Pro Forma Combined
	(Dollars in thousands, except per share data)				
Interest income	\$ 69,247	\$ 35,046	A	\$ 467	\$ 104,760
Interest expense	34,504	19,339	A	(124)	55,145
			A	92	
			D	1,334	
	34,743	15,707		(835)	49,615
Provision for loan losses	1,688	600			2,288
Net interest income after provision for loan losses	33,055	15,107		(835)	47,327
Noninterest income	10,577	3,961			14,538
Noninterest expense	26,576	14,098	A	24	40,698
Amortization of intangible assets	1,032	404	B	178	1,614
Income before income taxes	16,024	4,566		(1,037)	19,553
Income taxes	4,997	1,509	C	117	6,100
			E	(523)	
Net income	\$ 11,027	\$ 3,057		\$ (631)	\$ 13,453
Per share information:					
Basic earnings per share	\$ 0.71	\$ 0.22		NM	\$ 0.61
Fully diluted earnings per share	\$ 0.66	\$ 0.21		NM	\$ 0.57
Weighted average shares (in thousands):					
Basic	15,464	13,930		NM	22,071
Fully diluted	16,641	14,639		NM	23,512

Increase in noninterest expense Depreciation related to premises and equipment write-up	(24)	(12)
(B) Increase in amortization of intangible assets Amortization of core deposit intangible over ten year life using the sum of the year's digit method	(178)	(974)
(C) Increase in tax expense due to tax impact of A. and B. above	(117)	(671)
(D) Increase in interest expense due to issuance of \$35 million in trust preferred securities at LIBOR plus 300 basis points less the impact of the payoff of Mid-America's line of credit at prime minus 100 basis points.	(1,334)	(2,669)
(E) Decrease in tax expense due to tax impact of interest expense in D. above.	523	1,047

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Unaudited Historical and Pro Forma Comparative Share Data

The following table shows comparative per share data about Pinnacle's and Mid-America's historical and pro forma net income, cash dividends and book value. The comparative per share data below provides Pinnacle and Mid-America shareholders with information about the value of their shares prior to the merger as opposed to the value of their shares after the merger and once the two companies are combined.

You should not rely on the pro forma information as necessarily indicative of historical results we would have experienced had we been combined or of future results we will have after the merger. In addition, you should not rely on the six-month information as indicative of results for the entire year.

This information should be read in conjunction with the unaudited pro forma financial data (and the notes thereto) included elsewhere in this joint proxy statement/prospectus, and the historical consolidated financial statements (and the related notes to these statements), of Pinnacle and Mid-America, which are incorporated by reference into this joint proxy statement/prospectus. See "Selected Unaudited Pro Forma Consolidated Financial Data" above, and "WHERE YOU CAN FIND MORE INFORMATION" beginning on page .

The pro forma data in the tables assume that the merger is accounted for using the purchase method of accounting and represents a current estimate based on available information of the combined company's results of operations. The pro forma financial adjustments record the assets and liabilities of Mid-America at their estimated fair values and are subject to adjustment as additional information becomes available and as additional analyses are performed. The significant pro forma assumptions include (1) that the exchange ratio of Pinnacle common stock for Mid-America common stock is 0.4655, (2) the issuance of 6.6 million shares of Pinnacle common stock valued at \$26.26 per share, (3) the payment of \$21.3 million in cash consideration to the Mid-America shareholders, and (4) a core deposit intangible amortized pursuant to an accelerated method of approximately \$112.9 million to be recorded in accordance with the purchase method of accounting. Goodwill resulting from the transaction is approximately \$111.3 million, the above assumptions include no amortization or impairment of this amount.

The pro forma information, while helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect the impact of possible cost savings, revenue enhancements, expense efficiencies, asset dispositions and share repurchases, among other factors that may result as a consequence of the merger and, accordingly, does not attempt to predict or suggest future results. It also does not necessarily reflect what the historical results of the combined company would have been had the companies been combined during these periods. Upon completion of the merger, the operating results of Mid-America will be reflected in the consolidated financial statements of Pinnacle on a prospective basis.

Table of Contents**Unaudited Historical and Pro Forma Per Share Data(1)**

	Pinnacle Financial Partners, Inc. Common Stock	Mid-America Bancshares, Inc. Common Stock	Combined Pro Forma per Share Data	Mid-America Equivalent Pro Forma per Share Data(2)
Six months ended June 30, 2007				
Net income per share, basic	\$ 0.71	\$ 0.22	\$ 0.61	\$ 0.28
Net income per share, diluted	0.66	0.21	0.57	0.27
Dividends				
Book value(3)	17.06	7.51	19.46	9.06
Year ended December 31, 2006				
Net income per share, basic	\$ 1.28	\$ 0.25	\$ 0.96	\$ 0.45
Net income per share, diluted	1.18	0.25	0.89	0.41
Dividends				
Book value(4)	16.59	7.39	NM	NM

- (1) Combined pro forma per share data and equivalent pro forma per share data does not reflect anticipated cost savings of \$7.0 million in 2008 and \$8.4 million in 2009.
- (2) Equivalent pro forma per share data represent the pro forma per share amounts attributed to one share of Mid-America common stock that has been exchanged for stock consideration. Equivalent pro forma per share amounts are calculated by multiplying the pro forma combined amounts by the exchange ratio of 0.4655.
- (3) The pro forma combined book value per share as of June 30, 2007 is calculated as the pro forma combined stockholders' equity at June 30, 2007 divided by the sum of the number of shares of Pinnacle common stock outstanding at the period ended June 30, 2007 and the number of shares of Pinnacle common stock to be issued in conjunction with the acquisition of Mid-America. A detail of shares issued and price per share related to the acquisition of Mid-America is included in the section entitled "Unaudited Pro Forma Condensed Combined Financial Information" above.
- (4) Book value as of December 31, 2006 is not meaningful (NM) as purchase accounting adjustments were calculated as of June 30, 2007.

Table of Contents**COMPARATIVE MARKET PRICES**

Pinnacle's common stock is traded on the Nasdaq Global Select Market under the symbol PNFPA and has traded on that market since July 3, 2006. Prior to that date, Pinnacle common stock traded on the Nasdaq National Market for the periods presented. There is no established public trading market for Mid-America's common stock. Mid-America's management believes that Middle Tennessee is the principal market area for the Mid-America common stock.

The following table shows, for the periods indicated, the reported closing sale prices per share for Mid-America common stock and Pinnacle common stock on (i) August 14, 2007, the last trading day before the public announcement of the execution of the merger agreement, and (ii) September 11, 2007, the latest practicable date prior to the date of this joint proxy statement/prospectus. This table also shows in the column entitled "Equivalent Price Per Mid-America Share" the closing price of a share of Pinnacle common stock on that date, multiplied by an exchange ratio of 0.4655.

We make no assurance as to what the market price of the Pinnacle common stock will be when the merger is completed or anytime thereafter. Because the market value of Pinnacle common stock will fluctuate after the date of this joint proxy statement/prospectus, we cannot assure you what value a share of Pinnacle common stock will have when received by a Mid-America shareholder. Mid-America shareholders should obtain current stock price quotations for Pinnacle and Mid-America common stock. Such quotations in the case of Pinnacle may be obtained from a newspaper, the Internet or a broker. In the case of Mid-America, these quotations may be obtained on Mid-America's website (www.mid-americanbancsharesinc.com)

Date	Pinnacle Common Stock	Mid-America Common Stock	Equivalent Price per Mid-America Share
August 14, 2007	\$ 25.49	\$ 12.25*	\$ 11.87
September 11, 2007	\$ []	\$ []	\$ []

* For Mid-America, August 8, 2007 was the last day, of which Mid-America is aware, that a trade was made prior to the announcement of the merger.

Pinnacle Shares

The following table shows, for the periods indicated, the high and low sales prices for Pinnacle common stock as reported by the Nasdaq Global Select Market, or its predecessor the Nasdaq National Market. Pinnacle has not paid any cash dividends since inception, and it does not anticipate that it will consider paying dividends in the near future.

	High	Low
2007:		
First Quarter	\$ 33.85	\$ 29.40
Second Quarter	31.48	28.27
Third Quarter (through September 14, 2007)	30.21	21.62

2006:

First Quarter	\$ 28.84	\$ 24.75
Second Quarter	30.92	27.09
Third Quarter	37.41	28.93
Fourth Quarter	36.17	31.23

2005:

First Quarter	\$ 24.05	\$ 20.72
Second Quarter	25.14	20.50
Third Quarter	26.65	22.67
Fourth Quarter	25.96	21.70

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As of [], 2007, Pinnacle had approximately [] shareholders of record and, additionally, approximately [] beneficial owners.

Mid-America Shares

The following table shows, for the periods indicated, the high and low sales prices per share of Mid-America common stock. The prices indicated for PrimeTrust Bank and Bank of the South are before the application of the exchange ratios in the share exchange that resulted in the formation of Mid-America of 2-for-1 for PrimeTrust Bank shares and 2.1814-for-1 for Bank of the South shares. (For periods prior to the September 1, 2006, the effective date of the share exchange, the information provided is solely that of the two banks. Prior to that date, Mid-America had only 1,000 shares of organizational stock outstanding and no trades in its shares had occurred.) Certain of the information included below has been reported to Mid-America by certain selling or purchasing shareholders in privately negotiated transactions during the periods indicated. Although management believes that the information supplied by purchasers and sellers concerning their respective transactions is generally reliable, it has not been verified. This information may not include all transactions in Mid-America's common stock for the respective periods shown, and it is possible that transactions occurred during the periods reflected or discussed at prices higher or lower than the prices set forth below. Bid price information for Mid-America's common stock is not available. Certain of the transactions involved, or may have involved, Mid-America or its principals.

The trades in the following table indicate reported sales and purchases since September 1, 2006, when the share exchange became effective.

	High	Low
2007:		
First Quarter	\$ 12.50	\$ 11.00
Second Quarter	15.00	11.00
Third Quarter (through September 14, 2007)	13.00	11.00
2006:		
Third Quarter (From September 1, 2006)	\$ 8.76	\$ 8.76
Fourth Quarter	14.00	11.00

The trades in the following table indicate reported sales and purchases prior to September 1, 2006, for each of Bank of the South and PrimeTrust Bank.

	Bank of the South		PrimeTrust Bank	
	High Price	Low Price	High Price	Low Price
2006:				
First Quarter	\$ 25.00	\$ 24.00	\$	\$
Second Quarter	27.00	21.50		
Third Quarter (Through September 1, 2006)				
Fourth Quarter	N/A	N/A	N/A	N/A
2005:				
First Quarter	\$ 25.00	\$ 21.50	\$ 15.00	\$ 15.00
Second Quarter	25.00	23.00	15.00	15.00

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Third Quarter	27.00	23.00	15.00	15.00
Fourth Quarter	26.00	23.00	15.00	15.00

The last known trade price of Mid-America's common stock prior to the date of this joint proxy statement/prospectus was \$ per share. As of , 2007, Mid-America had approximately [] shareholders of record and, additionally, approximately [] beneficial owners.

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PINNACLE SHAREHOLDER MEETING

General

This joint proxy statement/prospectus is being furnished to Pinnacle shareholders in connection with the solicitation of proxies by the Pinnacle board of directors to be used at the special meeting of Pinnacle shareholders to be held on [], 2007, at [] a.m., local time, at 211 Commerce Street, Suite 100, Nashville, Tennessee 37201, and at any adjournment or postponement of that meeting. This joint proxy statement/prospectus and the enclosed form of proxy are being sent to Pinnacle shareholders on or about [], 2007.

Purpose, Record Date, and Voting

At this special meeting, holders of Pinnacle common stock will be asked to:

approve the merger agreement, pursuant to which Mid-America will be merged with and into Pinnacle, and the issuance of Pinnacle common stock in connection with the merger;

approve the adjournment of the Pinnacle special meeting, if necessary, to permit Pinnacle to solicit additional proxies if there are insufficient votes at the special meeting to constitute a quorum or to approve the merger agreement and the issuance of Pinnacle common stock in connection with the merger;

approve an amendment to Pinnacle's 2004 Equity Incentive Plan to increase the number of shares of Pinnacle common stock reserved for issuance thereunder by 500,000 shares; and

transact any other business that may properly come before the meeting.

The Pinnacle board of directors has fixed the close of business on [], 2007 as the record date for determining the holders of shares of Pinnacle common stock entitled to receive notice of and to vote at the special meeting. Only holders of record of shares of Pinnacle common stock at the close of business on that date will be entitled to vote at the special meeting and at any adjournment or postponement of that meeting. At the close of business on the record date, there were [] shares of Pinnacle common stock outstanding, held by approximately [] holders of record and [] beneficial owners.

Each holder of shares of Pinnacle common stock outstanding on the record date will be entitled to one vote for each share held of record upon each matter properly submitted at the special meeting and at any adjournment or postponement of that meeting. In order for Pinnacle to satisfy its quorum requirements, the holders of at least a majority of the total number of outstanding shares of Pinnacle common stock entitled to vote at the meeting must be present. You will be deemed to be present if you attend the meeting or if you submit a properly executed proxy card that is received at or prior to the meeting (and not revoked).

If your proxy card is properly executed and received by Pinnacle in time to be voted at the special meeting, the shares represented by your proxy card will be voted in accordance with the instructions that you mark on your proxy card. If you execute your proxy but do not provide Pinnacle with any instructions, your shares will be voted FOR the approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger, FOR approval of the amendment to Pinnacle's 2004 Equity Incentive Plan, FOR the adjournment of the special meeting if necessary and FOR all other matters described in the notice of the special meeting delivered to Pinnacle shareholders.

If your shares are held in street name by your broker or bank and you do not provide your broker or bank with instructions on how to vote your shares, your broker or bank will not be permitted to vote your shares, which will have the same effect as a vote against approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger.

Vote Required

Approval of the merger agreement and related share issuance requires the affirmative vote of the holders of a majority of the outstanding shares of Pinnacle common stock. Shares as to which the abstain box is

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selected on a proxy card will be counted as present for purposes of determining whether a quorum is present. **The required vote of Pinnacle shareholders on the merger agreement and issuance of Pinnacle common stock in connection with the merger is based upon the number of outstanding shares of Pinnacle common stock, and not the number of shares that are actually voted. Accordingly, the failure to submit a proxy card or to vote in person at the special meeting or the abstention from voting by Pinnacle shareholders will have the same effect as an Against vote with respect to this matter.**

The amendment to Pinnacle's 2004 Equity Incentive Plan will be approved if the number of shares of Pinnacle common stock voted in favor of the proposal exceeds the number of shares of Pinnacle common stock voted against it. Therefore, abstaining from voting on the amendment to the 2004 Equity Incentive Plan will have no effect on whether the proposal is approved so long as a quorum is present.

As of the record date, Pinnacle directors, executive officers and their affiliates owned and were entitled to vote approximately [] shares of Pinnacle common stock, representing approximately []% of the outstanding shares of Pinnacle common stock.

We currently expect that Pinnacle's directors and executive officers will vote their shares (1) For approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger, although none of them has entered into any agreement obligating them to do so; and (2) For approval of the amendment to Pinnacle's 2004 Equity Incentive Plan.

Revocability of Proxies

The presence of a shareholder at the special meeting will not automatically revoke that shareholder's proxy. However, a shareholder may revoke a proxy at any time prior to its exercise by:

submitting a written revocation prior to the meeting to Hugh M. Queener, Corporate Secretary, Pinnacle Financial Partners, Inc., 211 Commerce Street, Suite 300, Nashville, Tennessee 37201;

submitting another proxy by mail that is dated later than the original proxy; or

attending the special meeting and voting in person.

If your shares are held by a broker or bank, you must follow the instructions on the form you receive from your broker or bank with respect to changing or revoking your proxy.

Solicitation of Proxies

In addition to solicitation by mail, directors, officers and employees of Pinnacle may solicit proxies for the special meeting from Pinnacle shareholders personally or by telephone and other electronic means without additional remuneration for soliciting such proxies. We also will provide persons, firms, banks and corporations holding shares in their names or in the names of nominees, which in either case are beneficially owned by others, proxy materials for transmittal to such beneficial owners and will reimburse such record owners for their expenses in taking such actions.

The merger agreement provides that each of Pinnacle and Mid-America will pay its own expenses in connection with the transactions contemplated by the merger agreement, except that Pinnacle and Mid-America will share equally the costs and expenses of printing and mailing this joint proxy statement/prospectus to the shareholders of Pinnacle and Mid-America, and all filing and other fees paid to the SEC and other regulatory authorities in connection with the merger and the other transactions contemplated by the merger agreement.

Dissenters Rights

Pinnacle shareholders will not have dissenters rights in connection with any matters being submitted for their consideration at the Pinnacle special meeting, including approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger.

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Recommendation by Pinnacle's Board of Directors

The Pinnacle board of directors has approved unanimously the merger agreement and approved the issuance of Pinnacle common stock to the shareholders of Mid-America in connection with the merger. The Pinnacle board believes that the proposed merger agreement and the related issuance of shares of Pinnacle common stock each is fair to Pinnacle shareholders and each is in their best interests. The Pinnacle board recommends that Pinnacle shareholders vote For approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger, as well as for the adjournment of the special meeting, if necessary, to permit Pinnacle to solicit additional proxies.

In addition, Pinnacle's human resources and compensation committee has recommended and its board of directors has approved unanimously the amendment to the 2004 Equity Incentive Plan. The Pinnacle board believes the proposed amendment is in the best interests of Pinnacle's shareholders and, therefore, recommends Pinnacle shareholders vote For approval of the amendment to Pinnacle's 2004 Equity Incentive Plan.

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MID-AMERICA SHAREHOLDER MEETING

General

This joint proxy statement/prospectus is being furnished to Mid-America shareholders in connection with the solicitation of proxies by the Mid-America board of directors to be used at the special meeting of shareholders to be held on, [] , 2007 at, [] a.m., local time, at Bank of the South's office at 551 North Mt. Juliet Road, Mt. Juliet, Tennessee 37122, and at any adjournment or postponement of that meeting. This joint proxy statement/prospectus and the enclosed form of proxy are being sent to Mid-America shareholders on or about [] , 2007.

Purpose, Record Date and Voting

At this special meeting, holders of Mid-America common stock will be asked to:

approve the merger agreement pursuant to which Mid-America will be merged with and into Pinnacle;

approve the adjournment of the Mid-America special meeting, if necessary, to permit Mid-America to solicit additional proxies if there are insufficient votes at the special meeting to constitute a quorum or to approve the merger agreement; and

transact any other business that may properly come before the meeting.

The Mid-America board of directors has fixed the close of business on [] , 2007 as the record date for determining the holders of shares of Mid-America common stock entitled to receive notice of and to vote at the special meeting. Only holders of record of shares of Mid-America common stock at the close of business on that date will be entitled to vote at the special meeting and at any adjournment or postponement of that meeting. At the close of business on the record date, there were [] shares of Mid-America common stock outstanding, held by approximately [] holders of record and [] beneficial owners.

Each holder of shares of Mid-America common stock outstanding on the record date will be entitled to one vote for each share held of record upon each matter properly submitted at the special meeting and at any adjournment or postponement of that meeting. In order for Mid-America to satisfy its quorum requirements, the holders of at least a majority of the total number of outstanding shares of Mid-America common stock entitled to vote at the meeting must be present. You will be deemed to be present if you attend the meeting or if you submit a properly executed proxy card that is received at or prior to the meeting that is not subsequently revoked.

If your proxy card is properly executed and received by Mid-America in time to be voted at the special meeting, the shares represented by your proxy card will be voted in accordance with the instructions that you mark on your proxy card. If you execute your proxy but do not provide Mid-America with any instructions, your shares will be voted [] For the approval of the merger agreement and the other matters described in the notice of special meeting delivered to Mid-America shareholders.

If your shares are held in [] street name [] by your broker or bank and you do not provide your broker or bank with instructions on how to vote your shares, your broker or bank will not be permitted to vote your shares, which will have the same effect as a vote against approval of the merger agreement.

Vote Required

Approval of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Mid-America common stock. Shares as to which the `abstain` box is selected on a proxy card will be counted as present for purposes of determining whether a quorum is present. **The required vote of Mid-America shareholders on the merger agreement is based upon the number of outstanding shares of Mid-America common stock, and not the number of shares that are actually voted. Accordingly, the failure to submit a proxy card or to vote in person at the special meeting or the abstention from voting by Mid-America shareholders will have the same effect as an `Against` vote with respect to this matter.**

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As of the record date, Mid-America directors, executive officers and their affiliates owned and were entitled to vote approximately [] shares of Mid-America common stock, representing approximately []% of the outstanding shares of Mid-America common stock.

We currently expect that Mid-America's directors and executive officers will vote their shares For approval of the merger agreement. Mid-America's executive officers and directors have entered into voting agreements with Pinnacle pursuant to which they have agreed to vote (1) in favor of the merger agreement; (2) against any action or agreement that is reasonably likely to result in a breach in any material respect of any covenant, representation or warranty or any other obligation of Mid-America under the merger agreement; and (3) against (i) any extraordinary corporate transaction, such as a merger, rights offering, reorganization, recapitalization or liquidation involving Mid-America or any of its subsidiaries, (ii) a sale or transfer (other than to a subsidiary of Mid-America) of assets of Mid-America or any of its subsidiaries comprising all or a substantial portion of the assets of Mid-America or any of its subsidiaries, or a sale or transfer of any right to all or a substantial portion of the revenues or income of Mid-America or any of its subsidiaries, by way of a negotiated purchase, lease, license, exchange, joint venture or other means, (iii) any change in a majority of the board of directors of Mid-America, or (iv) any action that is reasonably likely to materially impede, interfere with, delay, postpone or adversely affect in any material respect the merger and the transactions contemplated by the merger agreement.

Revocability of Proxies

The presence of a shareholder at the special meeting will not automatically revoke that shareholder's proxy. However, a shareholder may revoke a proxy at any time prior to its exercise by:

submitting a written revocation prior to the meeting to James S. Short, corporate secretary, Mid-America Bancshares, Inc., 2019 Richard Jones Road, Nashville, Tennessee 37215;

submitting another proxy by mail that is dated later than the original proxy; or

attending the special meeting and voting in person.

If your shares are held by a broker or bank, you must follow the instructions on the form you receive from your broker or bank with respect to changing or revoking your proxy.

Solicitation of Proxies

In addition to solicitation by mail, directors, officers and employees of Mid-America may solicit proxies for the special meeting from Mid-America shareholders personally or by telephone and other electronic means without additional remuneration for soliciting such proxies. We also will provide persons, firms, banks and corporations holding shares in their names or in the names of nominees, which in either case are beneficially owned by others, proxy material for transmittal to such beneficial owners and will reimburse such record owners for their expenses in taking such actions.

The merger agreement provides that each of Pinnacle and Mid-America will pay its own expenses in connection with the transactions contemplated by the merger agreement, except that Pinnacle and Mid-America will share equally the costs and expenses of printing and mailing this joint proxy statement/prospectus to the shareholders of Mid-America and Pinnacle, and all filing and other fees paid to the SEC or other regulatory authorities in connection with the merger and the other transactions contemplated by the merger agreement.

Dissenters' Rights

Dissenting shareholders of Mid-America who comply with the provisions of Chapter 23 of the Tennessee Business Corporation Act, are entitled to dissent from the merger and receive payment of the fair value of their shares of Mid-America common stock if the merger is consummated. A copy of Chapter 23 of the Tennessee Business Corporation Act is attached as Appendix B to the proxy statement/prospectus. Please see the section entitled PROPOSAL #1 FOR SHAREHOLDERS OF PINNACLE FINANCIAL PARTNERS, INC. AND MID-AMERICA BANCSHARES, INC.: THE PROPOSED MERGER Dissenters Rights in the proxy

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statement/prospectus for a summary of the procedures to be followed in asserting these dissenters' rights. A dissenting shareholder will be entitled to payment only if written notice of intent to demand payment is delivered to Mid-America before the vote is taken and the shareholder does not vote in favor of the merger agreement.

Recommendation by Mid-America's Board of Directors

The Mid-America board of directors has approved unanimously the merger agreement. The Mid-America board believes that the proposed merger agreement is fair to Mid-America shareholders and is in their best interests. The Mid-America board recommends that Mid-America shareholders vote For approval of the merger agreement as well as for the adjournment of the special meeting, if necessary, to permit Mid-America to solicit additional proxies. In addition, members of Mid-America's board of directors, together with their affiliates, owning approximately % of the outstanding shares of Mid-America common stock entitled to vote at the special meeting have entered into agreements with Pinnacle in which they have agreed to vote their shares of Mid-America common stock in favor of the merger agreement. This means that additional holders of approximately % of all Mid-America shares entitled to vote at the special meeting would need to vote For the proposal to adopt the merger agreement for it to be adopted.

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**PROPOSAL #1 FOR SHAREHOLDERS OF PINNACLE FINANCIAL PARTNERS, INC.
AND MID-AMERICA BANCSHARES, INC.: THE PROPOSED MERGER**

General

Pinnacle's board of directors is using this joint proxy statement/prospectus to solicit proxies from the holders of Pinnacle common stock for use at the Pinnacle special meeting. Mid-America's board of directors is also using this document to solicit proxies from the holders of Mid-America common stock for use at the Mid-America special meeting. At the Pinnacle special meeting, holders of Pinnacle common stock will be asked to vote upon, among other things, the approval of the merger agreement and the issuance of Pinnacle common stock in connection with the merger. At the Mid-America special meeting, holders of Mid-America common stock will be asked to vote upon, among other things, the approval of the merger agreement.

The merger will not be completed unless Pinnacle's shareholders approve the merger agreement and the issuance of Pinnacle common stock in connection with the merger and Mid-America's shareholders approve the merger agreement.

This section of this joint proxy statement/prospectus describes certain aspects of the merger, including the background of the merger and the parties' reasons for the merger.

Transaction Structure

The Pinnacle board of directors and the Mid-America board of directors each has approved the merger agreement, which provides for the merger of Mid-America with and into Pinnacle, and the Pinnacle board also has approved the issuance by Pinnacle of shares of Pinnacle common stock to Mid-America shareholders in connection with the merger. Pinnacle will be the surviving corporation subsequent to the merger. We expect to complete the merger in the fourth quarter of 2007 or first quarter of 2008. Each share of Pinnacle common stock issued and outstanding at the effective time of the merger will remain issued and outstanding as one share of common stock of Pinnacle, and each share of Mid-America common stock issued and outstanding at the effective time of the merger will be converted into Pinnacle common stock (with each share of Mid-America common stock being converted into 0.4655 shares of Pinnacle common stock) and \$1.50 in cash, with fractional shares being paid in cash as described below. See THE MERGER AGREEMENT Merger Consideration on page .

The Pinnacle charter and bylaws will be the charter and bylaws of the combined company after the completion of the merger. At the effective time of the merger, the Pinnacle board of directors will be expanded by three members. These board vacancies will be filled by three members of the existing Mid-America board of directors who are proposed by Mid-America, and reasonably acceptable to Pinnacle. These additional directors will be apportioned among the Pinnacle board classes so that the classes continue to have a number of directors as equal as possible.

The merger agreement provides that the parties can amend the merger agreement, to the extent legally permissible. However, after any approval of the merger agreement by Mid-America's and Pinnacle's shareholders, no amendment can alter the kind or amount of consideration to be provided to Mid-America shareholders without subsequent approval by Mid-America and Pinnacle shareholders.

Background of the Transaction from the Perspective of Pinnacle's Board

Each June, Pinnacle's board of directors conducts a strategic planning retreat at which it considers various strategic matters, including potential acquisition possibilities, particularly opportunities to expand Pinnacle's Middle Tennessee

franchise via acquisition. At these sessions in June of 2005 and June of 2006, at the request of Pinnacle's senior management, representatives of Hovde presented to Pinnacle's board of directors information concerning several Middle Tennessee banks and bank holding companies, including PrimeTrust Bank and Bank of the South. These presentations focused on the Tennessee merger and acquisition landscape and various strategic options available to Pinnacle, including continued growth-focused independence, as well as potential target acquisitions of other financial institutions. No specific determinations were made to pursue

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PrimeTrust Bank, Bank of the South, or Mid-America as a result of these strategic planning discussions; however, Pinnacle's board of directors did instruct management to continue to develop and maintain relationships with bankers in Pinnacle's market area and bankers that may be interested in entering Pinnacle's market area such that Pinnacle might be in a position to capitalize on potential future strategic partnerships with these entities should opportunities that would significantly enhance shareholder value be available.

In late October 2006, representatives of Hovde contacted M. Terry Turner, Pinnacle's president and chief executive officer, and suggested that Pinnacle's senior management meet with Mid-America's senior management regarding a potential transaction between Pinnacle and Mid-America. Confidentiality agreements were subsequently executed by both Pinnacle and Mid-America.

On November 14, 2006, members of Pinnacle's and Mid-America's senior management met in person to discuss the prospects of a transaction between Pinnacle and Mid-America. From November 16, 2006 to or near December 6, 2006, members of Pinnacle's and Mid-America's senior management, along with their financial and legal advisors, met to conduct additional due diligence and to discuss the compatibility of the companies' systems and other potential synergies as well as employment-related matters and held preliminary discussions about the potential terms of a transaction between the two companies, including terms related to price, type and mix of consideration that would be paid to the Mid-America shareholders, tax matters and employment matters. During this time period, Pinnacle's legal advisor prepared an initial draft of an agreement and plan of merger and related ancillary agreements and distributed these documents to Mid-America and its legal and financial advisors. Sandler O'Neill consulted with Pinnacle on transaction structuring and pricing.

On or about December 6, 2006, Pinnacle was advised by senior management of Mid-America that Mid-America was terminating discussions regarding a potential transaction. Subsequently, Mr. Turner met with Mr. Scott and Mr. Major in person to better understand Mid-America's rationale for discontinuing negotiations at this time and to assess the likelihood that negotiations might be re-initiated at some point in the future. On December 15, 2006, Mid-America's legal advisor notified Pinnacle's legal advisor in writing that Mid-America was terminating discussions regarding a potential transaction and that Mid-America would not be providing comments to the draft agreements previously circulated. Following receipt of this notice, Pinnacle's senior management, legal and financial advisors terminated their negotiations with respect to a potential transaction with Mid-America.

Subsequently, and during the normal course of business, Pinnacle and Mid-America representatives engaged in various discussions, including several contractual business relationships (primarily loan participations between Pinnacle and PrimeTrust Bank) and other matters. During the spring of 2007, Mr. Turner and Mr. Scott conducted an informal meeting to exchange ideas concerning a future strategic partnership, but both determined not to formally resume transaction negotiations at that time. Also during this interim period, Pinnacle and Hovde met on several occasions and engaged in discussions regarding Mid-America and other local bank holding companies that might be interested in a future strategic partnership.

In early June of 2007, representatives of Hovde contacted Mr. Turner to inquire as to whether Pinnacle would be interested in formally resuming negotiations concerning a potential merger with Mid-America. Mr. Turner responded that he believed resuming negotiations would be received favorably by Pinnacle's board of directors and, given that the board would be conducting its annual strategic planning retreat during the month, he would present the matter for the board's formal consideration at that time. As had been the previous practice, Mr. Turner also requested and subsequently received information from Hovde and other investment banking firms concerning strategic options for Pinnacle, including strategic merger and acquisition alternatives for review by Pinnacle's board of directors at their regularly scheduled annual strategic planning retreat.

In June of 2007, Pinnacle's board of directors again conducted its annual strategic planning retreat and again considered various strategic matters, including potential acquisition possibilities. At the June 2007 session, representatives of Sandler O'Neill presented Pinnacle's board of directors with information concerning a potential transaction with Mid-America. After much discussion, Pinnacle's board determined it was in the best interest of Pinnacle's shareholders to resume negotiations concerning a potential transaction with Mid-America. Subsequently, Pinnacle notified Hovde of Pinnacle's decision. In late June of 2007, the senior managements of Pinnacle and Mid-America began to plan the due diligence process.

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From July 11, 2007 to August 15, 2007, members of Pinnacle's and Mid-America's senior managements, along with their financial and legal advisors, met to conduct due diligence and to again discuss the compatibility of the companies' systems and other potential synergies as well as employment-related matters and held preliminary discussions about the potential terms of a transaction between the parties, including terms related to price, type and mix of consideration that would be paid to the Mid-America shareholders, tax matters and employment matters. Sandler O'Neill also consulted Pinnacle on transaction structuring and pricing.

On July 11, 2007, Pinnacle's legal advisor distributed an updated draft of the agreement and plan of merger to Mid-America's legal advisor. On July 25, 2007, Mid-America's legal advisor sent a list of comments and questions on the draft merger agreement to Pinnacle's legal advisor. From July 25, 2007 to August 15, 2007, Pinnacle and Mid-America and their respective financial and legal advisors finalized the terms of the merger agreement and the related ancillary agreements.

During this time, on August 3, 2007, Mr. Turner met with representatives of Hovde following Hovde's meeting with Mid-America's board, senior management and legal advisors to discuss Mid-America's preferences concerning certain selected transaction terms subject to the completion of due diligence and the approval of both Pinnacle's and Mid-America's boards of directors. These negotiating points included the exchange ratio, the inclusion of a pricing floor in the definitive merger agreement and the timing of the transaction announcements. Negotiations continued through August 10, 2007 at which time the legal advisors of Pinnacle and Mid-America, working with their clients, finalized the terms of the definitive merger agreement and related ancillary agreements for presentation to the respective boards of directors.

On August 13, 2007, Mr. Turner met with Jason West to discuss the proposed terms of Mr. West's employment agreement.

On the afternoon of August 15, 2007, the Pinnacle board of directors, except for one director who was absent, met with members of Pinnacle's senior management and Pinnacle's legal and financial advisors. Mr. Turner and other members of Pinnacle's senior management reviewed with the Pinnacle board of directors information regarding Pinnacle, Mid-America and the terms of the proposed transaction. Sandler O'Neill then reviewed with the Pinnacle board of directors a range of matters, including the structure of the merger, business and financial information regarding the two companies, historical stock price performance, valuation methodologies and analyses and the other matters set forth in Opinion of Pinnacle's Financial Advisor. Sandler O'Neill's presentation assumed that the aggregate merger consideration consisted of the equivalent of 0.4655 shares of Pinnacle common stock and \$1.50 in cash for each share of Mid-America common stock. After the discussion, Sandler O'Neill rendered to the Pinnacle board of directors its oral opinion that, as of that date and based upon and subject to the considerations described to the board, the proposed merger consideration was fair, from a financial point of view, to Pinnacle. Members of Pinnacle's senior management also apprised the Pinnacle board of directors of the results of its due diligence investigations of Mid-America and its subsidiary banks. Pinnacle's legal advisor discussed with the Pinnacle board of directors the legal standards applicable to its decisions and actions with respect to the proposed transaction and reviewed the terms of the proposed merger.

Following these presentations, the Pinnacle board meeting continued with discussions and questions among the members of the Pinnacle board of directors, management and Pinnacle's legal and financial advisors. Following these discussions and after taking into consideration the factors described under Pinnacle's Reasons for the Merger; Recommendation of the Stock Issuance in the Merger by the Pinnacle board of directors, the Pinnacle board of directors voted to approve the merger with Mid-America and the definitive merger agreement and related ancillary agreements.

After the close of trading on the Nasdaq Global Select Market on August 15, 2007, Pinnacle and Mid-America executed the merger agreement and publicly announced the execution of the merger agreement.

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Background of the Transaction from the Perspective of Mid-America's Board

Mid-America was formed effective September 1, 2006, through the merger of PrimeTrust Bank and Bank of the South. PrimeTrust Bank and Bank of the South agreed to affiliate under common ownership without, immediately, merging the two banks. The management of the two banks believed that the proposed share exchange would enable them to achieve certain synergies and cost savings without sacrificing their individual identities and without having to reduce their staffs. The banks believed that this affiliation under the ownership of Mid-America would also allow them to offer a broader range of services. The increase in the number of offices available to the two banks' customers was also intended to facilitate product distribution and to enhance customer service. In general, these goals have been realistic. The Mid-America board of directors has been generally satisfied with the company's progress towards its goals.

However, significant developments in the banking and financial services industries, including increased emphasis and dependence on technology, and specialization of products and services, continue. More and more banks have entered into the Middle Tennessee market resulting in ever increasing competition. Competition from new types of financial institutions, and from less regulated financial service institutions, has also grown. In addition, regulatory burdens and costs have also increased. Among other things, the costs of compliance with Section 404 of the Sarbanes-Oxley Act of 2002 are seen by the board as significant and unlikely to decrease. In view of its rapidly increasing size, the management and board of Mid-America had determined that Mid-America needed to sign a multi-year data processing agreement for state of the art data processing services that would require not only the investment of substantial amounts of money over several years but also a termination fee, in the event of a future merger with another institution, that could also be substantial.

Soon after Mid-America was formed in 2006, its management was contacted by Hovde regarding a possible combination with Pinnacle, the holding company for Pinnacle National Bank. Hovde had served as PrimeTrust Bank's financial advisor in the formation of Mid-America and had provided a fairness opinion to PrimeTrust Bank's shareholders in connection with the share exchange. Hovde had also served as financial advisor to Cavalry in Pinnacle's acquisition of Cavalry in early 2006. Pinnacle is headquartered in Nashville and has experienced rapid growth since it opened for business in October of 2000. Mid-America's board was interested in exploring the opportunities that it perceived in a possible combination with Pinnacle and authorized management to explore this possible affiliation. With Hovde's assistance, management began a dialogue with Pinnacle's management in November of 2006 and, subject to a confidentiality agreement, exchanged information and conducted mutual due diligence. The Mid-America board of directors met twice to consider issues related to the proposal and received the advice of Hovde with respect to the pros and cons of both a transaction with Pinnacle and any type of merger transaction at that time. A draft of a proposed merger agreement was discussed by Mid-America's management and the parties identified significant potential cost savings that might be achieved in the transaction.

Notwithstanding the perceived attractiveness of an affiliation with Pinnacle, three primary factors led the Mid-America board of directors to terminate the discussions with Pinnacle in December 2006. First, Mid-America had not begun realizing the planned synergies and cost savings from the share exchange transaction. Second, the Mid-America board believed that more time should be allowed to evaluate Pinnacle's success in retaining the customers, and in integrating, retaining and assimilating the staff of Cavalry. The Mid-America board believed that if more than a year lapsed from the effective time of Pinnacle's merger with Calvary the board would have a better perspective on Pinnacle's ability to effectively realize upon an in-market acquisition. It was believed that the Cavalry merger had been a significant component of the rapid price increase in Pinnacle's shares and in its above-peer price-to-earnings ratio. Mid-America believed that pricing a transaction with Pinnacle at a time when Pinnacle's price-to-earnings ratio was very high, compared to more traditional financial institution price-to-earnings ratios could be complicated or risky. This difficulty was increased by the fact that Mid-America had not yet demonstrated that it

could achieve synergies, realize cost savings, and continue profitable growth since it had only just begun operations less than three months before. Thus, any premium paid for Mid-America shares would have been subject to market skepticism and paid for with Pinnacle shares that had a very high price-to earnings ratio in the opinion of the Mid-America board and a possibly unsustainable stock price. Third, Mid-America only recently had entered into change of control agreements with Chairman Gary L. Scott and Executive Vice President Jason K. West, to replace their

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change of control agreements with PrimeTrust Bank, and had also entered into change of control agreements with President David Major and Executive Vice President James S. Short. The consummation of a merger in early or mid 2007 would have resulted in significant tax liability (so-called excess parachute payments) under Section 280G of the Internal Revenue Code of 1986, as amended, or the Code, for these executive officers. For these and other reasons, the Mid-America board in December of 2006 directed management to terminate discussions with Pinnacle. Negotiations were terminated on December 15, 2006.

Once it became apparent to Mid-America's management, early in the second quarter of 2007, that Mid-America's rapid growth was continuing and cost savings and synergies were being achieved, management of Mid-America deemed it appropriate to request that Hovde make a presentation to its board of directors to revisit strategic alternatives. First, the rapid growth made it likely that Mid-America would have to consider raising capital in the near future. In addition, management was aware that, by mid-2008, Mid-America would have to begin converting to a new data processing platform for its two banks at considerable expense. Finally, the recent announcement of two Nashville bank acquisitions (Civitas BankGroup by Green Bankshares, headquartered in Greenville, Tennessee and Capital Bancorp by Renasant Corporation, headquartered in Tupelo, Mississippi), as well as the announcement of two new entrants into the Davidson County market, each with plans to raise more than \$75 million in new capital, were also considerations that needed to be addressed.

At Mid-America management's request, on May 30, 2007, Hovde made a presentation to the Mid-America board of directors of its strategic assessment of Mid-America's alternatives for growth. Among the matters discussed, Hovde presented data on market demographics, the increased number of new, or de novo, banks being formed in the Nashville MSA, recent merger activity, the opportunity for internal, or organic, growth, and existing market dynamics that Hovde saw as favoring strong community banks.

Hovde reported to the board numerous factors that made Mid-America both a quality standalone company and an attractive merger partner. These included growth in loans, deposits, and total assets at an annual compounded rate of at least 30%, solid consolidated earnings, strong management, an attractive and suitably located branch network, acceptable consolidated capital, an attractively diversified loan portfolio, and a low percentage of non-performing assets (0.30% at March 31, 2007). Hovde also noted that competition for deposits and loans from competing banks, including de novo banks, was heightening, while at the same time there was strong demand from acquirers seeking a franchise in the Nashville MSA. In the opinion of management, acquirers that would be interested in Mid-America would want to obtain as large a market presence from an acquisition as possible. Mid-America was, as of March 31, 2007, approximately the third largest independent financial institution headquartered in the Nashville MSA in terms of asset size and held the tenth ranked share of the entire Nashville MSA (the fifth largest share among Tennessee-based institutions) in terms of deposit market share.

Hovde also discussed with the board of directors of Mid-America the pros and cons of a new public offering of its stock in order to raise capital to support the company's rapidly growing bank subsidiaries. Factors favoring a new offering included listing Mid-America's shares on a recognized stock exchange, such as the Nasdaq Stock Market, creating a more liquid market for its shares, and the possibility of enhancing its reputation by having a recognized, publicly traded stock. However, raising new capital would dilute existing ownership, divert management time, entail significant expense, and involve additional layers of securities law compliance. In addition, according to Hovde, the price per share to be obtained in an offering of Mid-America securities could be expected to be less than what could be obtained in the sale of the company. The board believed that a new capital offering was likely and necessary should the company continue to rapidly grow as an independent company.

Hovde next discussed with the board of directors the concept of de-registering its shares under the Securities Exchange Act of 1934, as amended, or the Exchange Act in a so-called going private transaction. Although this alternative would involve some expense at the outset (counsel and accounting fees, financial advisor fees, SEC filing

fees, and printing and related costs), management believes that it would save the company significant sums over time that could be reinvested into the subsidiary banks' operations. However, at that point Mid-America's shares would not be eligible for listing on a public exchange, such as the OTC Bulletin Board system, even if it could be listed in the pink sheet quotation system. In addition, with more

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than 3,000 shareholders of record, Mid-America would have to force a significant number of smaller shareholders to sell their shares back to the company in a reverse stock split or cash out merger, an alternative that the board of directors did not find attractive in a community bank context.

Finally, Hovde discussed with the Mid-America board of directors the pros and cons of a merger transaction in the near future. It was Hovde's opinion that the company's anticipated capital needs, data processing needs, and other challenges led to the conclusion that Mid-America should at least consider the sale of the company before incurring the long-term expenses associated with raising new capital, converting to a new data-processing platform, and continuing to deal with increasing regulatory burdens (like Section 404 of the Sarbanes-Oxley Act) on a standalone basis. Hovde reviewed various comparable transactions, pricing and valuation methodologies and pro forma analyses, and other insights into a possible merger transaction with another financial institution in the near term. Hovde discussed with the board the relative merits of particular acquirers, including Pinnacle.

Among the advantages offered by Pinnacle that were identified by Hovde included the following:

Mid-America's impact on Pinnacle's asset size would be dramatic: the combined company would be around \$3.2 billion rather than the \$1.0 billion for Mid-America and \$2.2 billion for Pinnacle as of March 31, 2007;

Both Mid-America and Pinnacle have had compatible and successful strategies for rapid growth;

Apparently complementary cultures at the two institutions based on forward-thinking, entrepreneurial strategies, that could be expected to be more attractive to Mid-America's customers and staff;

There exists substantial mutual respect between the management of Pinnacle and the management of Mid-America;

The companies have a complementary branch structure that will have little overlap over existing and planned branches;

By virtue of the decrease in price-to-earnings multiple related to Pinnacle's shares, Pinnacle has a lesser downside risk than it had in December of 2006 and, in the opinion of Hovde, greater upside potential; and

If Pinnacle were to be ultimately acquired, Mid-America shareholders would have the ability to participate in any premium paid for Pinnacle. This would be in addition to the premium expected to be offered by Pinnacle for Mid-America's shares.

In addition, according to Hovde, in the event that a transaction with Pinnacle is structured so that it is accretive to Pinnacle's earnings per share, the impact of a Pinnacle-Mid-America transaction should have a positive impact on the combined company's share price that will further benefit Mid-America shareholders who receive Pinnacle shares in a merger.

After a lengthy question-and-answer session, the Mid-America board of directors voted to direct management to re-engage in discussions with Pinnacle, with the assistance of Hovde and with the company's accounting and legal advisors. Given Hovde's advice that no other attractive acquirer could afford to offer as much as Pinnacle in an accretive transaction, the board did not think it was appropriate to shop Mid-America. (Hovde advised the Mid-America board of directors that it believed that the timing of a transaction, shortly following the soon-to-be closed acquisition of Capital Bancorp by Renasant Corporation, would be a favorable development for both Mid-America and Pinnacle. It was the consensus of the members of the Mid-America board of directors that the company was not for sale but that a strategic alliance with Pinnacle was an attractive alternative to continued

independence. This conclusion was further supported by reference to the age of senior management at the subsidiary banks and the fact that a combination with Pinnacle would provide a greater depth of management and management succession for the long term. The purpose of the discussions was to determine whether Pinnacle might continue to have an interest in making a merger offer for Mid-America's shares.

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After internal analysis of potential synergies and the costs of a transaction with Pinnacle during the month of June of 2007, management met with Mid-America's external legal counsel and its independent registered public accounting firm in early July of 2007 to discuss the proposed merger with Pinnacle in detail. Several meetings took place between management and the legal and accounting firms during the course of July, combined with various conference calls with Hovde. During July, management also directed an in-depth study of possible synergies and cost savings and began preparation for due diligence by Mid-America of Pinnacle and by Pinnacle of Mid-America. Mid-America also began a study of the merits and costs of retention bonus arrangements for its employees and determined that all employees should be afforded the protection of a retention bonus if they served for at least one year after the transaction, until December 31, 2008 or until their position was eliminated, whichever came first. This would also have the effect of lessening the opportunities for competitors to hire away Mid-America's employees. Also during July of 2007, both companies continued to perform their due diligence. Management of the two companies discussed on multiple occasions potential operational issues, cost savings that each believed to be attainable, and retention bonuses. Pinnacle's management was very supportive of the retention bonus concept for all Mid-America employees.

On July 11, 2007, the parties began negotiations of a definitive merger agreement. Management, counsel, accountants and Hovde identified various issues for scrutiny and for further discussion. The parties negotiated over the merger consideration, the amount to be paid in Pinnacle stock and the amount to be paid in cash, whether there should be a floor for the Pinnacle stock price that would allow Mid-America to opt out of the transaction, whether there would be a termination fee for Pinnacle, and whether there should be an option for shareholders who desired to receive more cash or more stock to make such an election (subject to the overall limitations of the amount of stock and cash consideration to be available in the transaction). These negotiations continued during July and early August. Ultimately, after negotiations, it was agreed that the transaction would be structured based on an exchange ratio of 0.4655 shares of Pinnacle stock plus \$1.50 in cash for each share of Mid-America stock. Based on Hovde's recommendation, Mid-America agreed that the floor for the merger consideration would be a two-pronged floor tied to both Pinnacle's stock price and the Nasdaq Bank Index. Mid-America ultimately concluded that the proposed option for allowing shareholders to elect more cash, or more stock, as part of the merger consideration was unnecessarily confusing and might frustrate shareholders who did not timely make an election, or whose election was not timely received.

In July of 2007, a special meeting of the board of directors of Mid-America to discuss the anticipated merger agreement was scheduled for August 2, 2007. However, during July of 2007 the stock market suffered several downward corrections and the stock prices of many publicly traded financial institutions, including Pinnacle, fell significantly. A meeting was still held on August 2, 2007 during which Hovde discussed recent systemic market developments, implications on valuations of the stock of publicly traded financial institutions, specific recent price performance of Pinnacle, and recommendations as to current and potential nominal value impacts for Mid-America shareholders. As a result management, in consultation with the financial advisor and legal counsel, agreed to proceed with discussions but to delay the proposed meeting to further evaluate the Pinnacle stock price over the next 10 trading days. During that period, the Pinnacle stock price showed overall improvement.

A draft definitive agreement in substantially final form, and copies of proposed voting and affiliate agreements to be signed by members of the Mid-America board, were distributed to Mid-America board members on August 10, 2007, in anticipation of a special meeting of the Mid-America board of directors set for August 13, 2007 to discuss the proposed definitive agreement. The board of directors of Mid-America met on August 13, 2007, and received presentations from management about the financial and business details of the proposed transaction. Legal counsel then led the members of the board in a section by section, paragraph by paragraph, discussion of the proposed definitive agreement and the voting and affiliate agreements. The board asked numerous questions of counsel, the representatives of the independent registered public accounting firm, and management. In general, the board seemed in favor of the proposed merger but no vote was taken at this meeting. Legal counsel proposed that board members review their copies of the merger, voting and affiliate agreements, review their notes of this meeting, and review the

presentation made by Hovde at the May 30, 2007, board meeting. In addition, management and counsel advised the board that they would be

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available to respond to questions that members of the board might have before the next scheduled board meeting on August 15, 2007.

On August 15, 2007, the Mid-America board of directors met again to consider the proposed merger. All of the members of both bank boards were also present. The special meeting was also attended by management, representatives of Hovde and representatives of the legal counsel's firm. Hovde made a lengthy and detailed presentation to the Mid-America board and answered many questions about the impact of the transaction on the shareholders and on Mid-America. Management described for the board the likelihood that all but 30 to 40 of the employees of Mid-America would likely be offered positions by Pinnacle. Legal counsel reviewed for the board the editorial changes that had been made in the definitive agreement and presented to the board a set of proposed resolutions that he recommended for adoption. Legal counsel also noted that Pinnacle had requested the right to close the merger in 2007, rather than 2008. The principal impact on Mid-America was that the change of control agreements and related payments, and the vesting of equity incentives issued by Mid-America, would be triggered in 2007 rather than in 2008. This would decrease the amount of such payments in the aggregate by approximately \$400,000. However, Pinnacle had not asked that the merger consideration be changed. To protect the employees who hold change of control agreements (including Messrs. Scott, Major, Short and West), the board agreed that their agreements should be amended to reflect that payments to them under these agreements would be the same whether the merger was closed in 2007 or 2008.

The merger agreement between Mid-America and Pinnacle was executed by both Mid-America and Pinnacle on August 15, 2007 and the agreement became effective on that same date. The transaction was announced on Wednesday, August 15, 2007 by a press release jointly issued by Pinnacle and Mid-America.

Pinnacle's Reasons for the Merger; Recommendation of the Merger and the Stock Issuance in the Merger by the Pinnacle Board of Directors

The Pinnacle board of directors has determined that the merger is advisable, fair to and in the best interests of Pinnacle and its shareholders. In adopting the merger agreement, the Pinnacle board consulted with its financial advisor with respect to the financial aspects of the merger and fairness to Pinnacle, from a financial point of view, of the consideration to be paid to Mid-America's shareholders in the merger and with its independent legal counsel as to its legal duties and the terms of the merger agreement. In arriving at its determination, the Pinnacle board of directors also considered a number of factors, including the following material factors:

the merger consideration is fair to Pinnacle from a financial point of view;

the Merger would give Pinnacle a stronger presence in Nashville-Davidson-Murfreesboro MSA, one of the fastest growing MSAs in the United States, particularly in Wilson, Dickson and Cheatham Counties in the MSA;

the two institutions have potential cost synergies. Pinnacle will be utilizing Mid-America's current work force to help with Pinnacle's growth, Mid-America's two bank subsidiaries will migrate to a common processing platform with Pinnacle National Bank and three Mid-America locations will be consolidated into existing Pinnacle locations;

the merger will result in increased size and scale; the combined company is expected to have pro forma assets of approximately \$3.5 billion, resulting in increased lending capacity, and 30 offices (net of closures) in some of the fastest growing areas in the Nashville MSA;

the merger is anticipated to enhance the franchise value of Pinnacle, both in the short-run and in the long-run and the increased size and scale of the combined company should increase its attractiveness to larger potential acquirors;

the merger is expected to enhance Pinnacle's geographic market coverage by increasing its deposit market share in the Nashville MSA and expanding its branch system into three new counties in the Nashville MSA;

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the merger is expected to be accretive to Pinnacle's earnings beginning in 2008;

the merger increases the float in Pinnacle common stock by approximately 45%;

the merger brings to Pinnacle's team a number of outstanding bankers;

the merger will generally be a tax-free transaction for Pinnacle and its new shareholders to the extent of the stock portion of the merger consideration; and

although the merger will result in Pinnacle's tangible equity to tangible assets ratio being below 6%, its historical strategic target, Pinnacle and its bank subsidiary will remain well-capitalized institutions after the merger and the related issuance of trust preferred securities under all applicable regulatory capital requirements.

The foregoing discussion of the information and factors considered by the Pinnacle board of directors is not exhaustive, but includes the material factors considered by the Pinnacle board of directors. In view of the wide variety of factors considered by the Pinnacle board of directors in connection with its evaluation of the merger and the complexity of such matters, the Pinnacle board of directors did not consider it practical to, nor did it attempt to, quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision. The Pinnacle board of directors discussed the factors described above, asked questions of Pinnacle's management and Pinnacle's legal and financial advisors, and reached general consensus that the merger was in the best interests of Pinnacle and Pinnacle shareholders.

In considering the factors described above, individual members of the Pinnacle board of directors may have given different weights to different factors. It should be noted that this explanation of the Pinnacle board's reasoning and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading "CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS" above.

The Pinnacle board of directors determined that the merger, the merger agreement and the issuance of Pinnacle common stock in connection with the merger are in the best interests of Pinnacle and its shareholders.

For the reasons set forth above, the Pinnacle board of directors has approved unanimously the merger agreement and approved the issuance of Pinnacle common stock in connection with the merger and believes that it is in the best interests of Pinnacle and its shareholders and recommends that its shareholders vote For this proposal.

Mid-America's Reasons for the Merger; Recommendation of the Merger by the Mid-America Board of Directors

Mid-America's board of directors considered a variety of factors in deciding to approve the merger agreement and to recommend it to its shareholders. The Mid-America board was cognizant of the facts that Mid-America is relatively newly formed, that it has not entirely achieved the synergies that it sought when it was formed by PrimeTrust Bank and Bank of the South, that it has (in the opinion of its board and management) an outstanding franchise and the potential for rapid, profitable growth. However, after considering the opportunities offered by an affiliation with Pinnacle and careful consideration of the recommendations of Hovde, Mid-America's financial advisor, the board determined to approve the merger and recommend it to Mid-America's shareholders.

Factors Favoring the Merger

Although the board of Mid-America considered a wide range of factors in approving the merger, and no one factor necessarily predominated in the analysis of any one or more members of the board, the following factors strongly favored a current affiliation with Pinnacle:

First, Pinnacle's shares are readily marketable and have reflected a strong overall upward trend for most of Pinnacle's time in operation. Because the price-to-earnings ratio of Pinnacle's common stock has

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been generally higher than that shown by regional bank stocks, Pinnacle had the capacity to pay a relatively higher price for Mid-America shares than other potential acquirers appear to possess based on the analysis of Mid-America's financial advisor.

Second, Pinnacle is headquartered in the Nashville MSA and appears to employ a veteran group of skilled bankers that will be attractive to Mid-America's customers, employees and other stakeholders, and that will be well positioned to serve the communities that PrimeTrust Bank and Bank of the South serve. Based on Mid-America's research, following the 2005 merger between Pinnacle and Cavalry, then an independent community bank holding company headquartered in Rutherford County, Tennessee, the companies have apparently been successful in retaining customers and key personnel.

Third, at the present time relatively little market overlap exists between Pinnacle's operations and those of Bank of the South and PrimeTrust Bank. However, in the Mid-America board's view, this would change as both of Mid-America's banks (Bank of the South and PrimeTrust Bank) and Pinnacle National Bank increased their branching efforts in Wilson, Williamson, Rutherford and Davidson Counties. As a result of probable future branch-system overlap, the negative impact on a possible future merger and on the employees who might staff overlapping branches were believed to be significant.

Fourth, the board believed that an affiliation with Pinnacle would make the combined entity both more competitive in the Middle Tennessee marketplace and a more attractive vehicle for entry into the market by a larger acquirer than would either institution on a standalone basis. The combination eliminates a significant possibility for an out-of-state acquirer seeking a substantial presence in the Nashville area to offer to acquire one or the other of Pinnacle or Mid-America, possibly at a lesser price than the combined entity may be expected to bring in an acquisition. Both Hovde and the board believed that this merger can have the result of allowing the shareholders of Mid-America, who become shareholders of Pinnacle, to receive another premium on their shares in the event of such an acquisition.

Further, the cost-saving synergies that could be achieved in the merger, estimated at \$7.4 million to \$9 million, can be expected to increase the profitability of the combined institution. The combined company can expect to achieve cost savings that neither company could attain independently of the other. These cost savings should ultimately flow through to the shareholders as additional earnings per share. Among other significant savings, Mid-America subsidiary banks will not have to convert to a planned new data processing system on a standalone basis, which they were scheduled to do in mid 2008. Rather, they will convert to the data processing system used by Pinnacle. Had Mid-America elected to remain independent for the present, but then later determined to be acquired, it is likely that the shareholders of Mid-America would have had to bear all or part of the costs of terminating the contract with the new data processing service provider potentially at a significant cost.

In addition, if Mid-America were to remain independent, the company would have to consider the costs and benefits of raising new capital, listing its shares for public trading, and, as noted above, converting to a new data processing platform. The board believed that these costs would materially impact Mid-America's standalone profitability.

Further, the costs of complying with increasing layers of bank regulation, and with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 were a concern to management and the Mid-America board. The merger offered the opportunity to spread the costs of compliance over a greater dollar volume of assets (reducing the cost of compliance allocable to each dollar of assets) and to eliminate an entire level of reporting (as a result of the merger, only Pinnacle as the combined entity will bear the costs of reporting, rather than two separate entities, Pinnacle and Mid-America, as is true today).

Also, a merger would be expected to be a tax free re-organization for most nondissenting shareholders except to the extent of the possible taxability of the \$1.50 per share being paid in cash for each share of Mid-America common stock. Moreover, the federal 15% income tax on long-term capital gains and dividends is set to expire in 2010, potentially resulting in higher taxes on dividends and capital gains unless Congress affirmatively acts to extend the current tax level. There can be no assurance that Congress will vote to extend the current tax level and, therefore, the combination with Pinnacle, given

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the liquidity in Pinnacle's shares, provides a mechanism for Mid-America shareholders to elect to sell all or part of their shares before the expiration of the current tax level. Even if Mid-America listed its shares in 2008, as the board had considered, there could have been no assurance that a sufficient market would have developed to allow a significant number of shares to be sold to accommodate Mid-America shareholders who chose to sell before the tax laws changed. The Mid-America board believes that the market for Pinnacle, having been established for several years, would be more likely to be able to handle the trading that may be required by Mid-America shareholders.

Next, the factors and considerations explained to the board of directors by Mid-America's financial advisor, Hovde, were extremely favorable to engaging in the merger transaction with Pinnacle at this time. Hovde strongly recommended this transaction as a unique and attractive opportunity for Mid-America and its shareholders. In addition, Hovde issued its opinion to the board of directors that the transaction was, as of the date of the opinion, fair to Mid-America and to the shareholders of Mid-America from a financial point of view.

In addition, the board of directors was impressed with the management depth at Pinnacle and believed that access to the Pinnacle management team would benefit Mid-America customers and employees and would provide significant capable management and appropriate management succession. The strength of Pinnacle's management team and its apparent commitment to and competitiveness in the Middle Tennessee market were attractive to the Mid-America board. They believed that these factors would enhance the value of the shareholders' investment in Mid-America, as well as providing additional liquidity for its shares.

Finally, the board of directors considered the impact of the timing of the transaction on the return on investment of Mid-America's shareholders. The initial investors in PrimeTrust Bank and Bank of the South paid, on a split adjusted basis, \$5.00 per share and \$4.58 per share, respectively. Investors who bought PrimeTrust Bank and Bank of the South stock in the banks' last capital offering paid, on a split adjusted basis, \$7.50 per share and \$9.86 per share, respectively. Mid-America's board believed that the merger consideration of approximately \$13.18 per share on the date the transaction was announced (\$ on the date of this joint proxy statement/prospectus), involving receipt by Mid-America shareholders of a more liquid and potentially more attractive stock of the combined entity, constituted a reasonable or even excellent return to investors who bought shares directly from the two banks before the Mid-America share exchange in September 2006.

All of the foregoing factors, as well as others, were considered by the Mid-America board of directors and were believed by the board to favor a merger with Pinnacle at this time.

Factors Possibly Contrary to the Merger

On the other hand, other factors were seen as negatives. These included:

When Mid-America was formed by a share exchange in September of 2006, the board believed, and so informed shareholders of PrimeTrust Bank and Bank of the South, that it was anticipated that the combined institution would take some time to achieve the synergies that were anticipated but that these synergies were expected to have a positive impact on long-term profitability. These synergies have not been fully achieved. It is possible that, by remaining independent, realization of these synergies could make Mid-America an even more attractive acquisition target, to the financial benefit of the Mid-America shareholders. However, the synergies expected to be achieved in the proposed merger with Pinnacle exceed those that Mid-America expected to obtain in the combination of Bank of the South and PrimeTrust Bank.

Mid-America has achieved significant growth since September 2006. At the time of the share exchange, it had combined assets of \$875 million. As of June 30, 2007, Mid-America has consolidated assets of \$1.07 billion, representing a growth of nearly \$195 million (22.25%). However, recent developments in the financial markets have made continued profitable growth more difficult, at least in the short term.

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These factors include an inverted yield curve and a nearly industry-wide compressed net interest margin.

At the time of the share exchange, the Mid-America board, through its subsidiary banks, envisioned an ongoing branching plan that would further penetrate the Middle Tennessee market South of I-40, especially along the I-840 corridor. This branching plan was well conceived and might have further enhanced the value of Mid-America's shares. Nonetheless, the combination with Pinnacle will result in a combined entity with 30 branches (after three anticipated branch closures), a number of branches that far exceeds the level that Mid-America's subsidiary banks expected to open in the next five years.

When Mid-America was formed, it offered change of control agreements to Messrs. Scott and West, to replace their agreements with PrimeTrust Bank, and to Messrs. Major and Short, who did not then have such agreements. It was expected that such contracts, which will become fully payable at the effective time of the merger, at a cost to the combined company of an estimated \$5.7 million (approximately \$4.4 million after tax), as will a contract due to Mr. Charles Lanier, an executive vice president of PrimeTrust Bank. Originally, it was intended that such contracts would not be payable for several years, at least.

When the share exchange was completed in September 2006, Mid-America granted restricted shares and non-qualified stock options to executive management and to members of the board of directors, as well as non-qualified stock options and stock appreciation rights to officers and employees. It was anticipated that most of these equity incentives would vest only after a number of years. The vesting schedule was ultimately set generally at 10% per year. Instead, as a result of the merger, these equity incentives granted to directors and executive officers (with an aggregate value of approximately \$3.6 million (based upon the value of the consideration paid by Pinnacle on the date the merger was approved)) will vest at the effective time of the merger.

Another company might have offered more for Mid-America's shares than Pinnacle. However, Hovde provided the Mid-America board with analyses that demonstrated that no other attractive acquirer could afford to pay as much as Pinnacle for the Mid-America shares and have the transaction remain accretive to the acquirer's earnings per share. In addition, the Mid-America board believes that Mid-America should not enter into an auction process. Rather, it appeared to the board based on discussion with Hovde's representatives that the Pinnacle transaction was unique and warranted the board's decision to recommend to the shareholders that they approve a merger with Pinnacle even though, in the opinion of the board, Mid-America had a viable long-term strategic plan to continue to operate as an independent company and was not for sale.

Anticipated cost and revenue synergies expected for the combined company might not be obtained on a timely basis or they might not be obtained at all. Integrating the operations of the two companies and the subsidiary banks could be more costly and might not be as profitable as currently anticipated.

The merger could result in the loss of key employees and customers, disruptions and negative experiences by customers, deposit attrition and revenue loss, possible inconsistencies in standards, control procedures and policies, unexpected problems with costs, operations, personnel, technology and credit; and/or problems with the assimilation of new operations, sites or personnel, which could divert resources from regular banking operations.

If Mid-America's board of directors determined, in the exercise of the directors' fiduciary duty, to cancel the merger, Mid-America could be expected to be required to pay a termination fee of \$8 million to Pinnacle. In addition, Mid-America would have incurred significant financial costs in pursuing the Pinnacle merger.

Mid-America shareholders will own only about a third of the outstanding Pinnacle shares after the merger, thus having a lesser ability to influence the outcome of shareholder votes in the combined company. As a result, they will have a diminished ability to directly influence management decisions.

The market price of Pinnacle shares, while more liquid than Mid-America shares, will be more obviously subject to market fluctuations in the stock markets in general and those related to financial institutions and other financial companies in particular. This may make the stock price rise or fall in ways that are not predictable or correlated to Pinnacle's financial performance.

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The merger will trigger payments of \$5.7 million in total to Gary Scott, Jason West, David Major and Sam Short at closing. The payment of these amounts will not have an impact on the consideration to be received by Mid-America shareholders in the merger, although they will have an impact on Pinnacle's future operations that, in the view of the Mid-America board, is not material.

There may be different interests between some officers and directors in the merger and those of directors or non-director shareholders. As noted above, outstanding stock options and restricted stock awards granted to directors and executive officers will be accelerated. Mid-America's executive management team holds change of control agreements that will be triggered by completion of the merger. Mr. West has entered into an employment agreement with Pinnacle National Bank that will become effective upon the closing of the merger and three Mid-America directors are expected to be offered seats on the Pinnacle board of directors after the merger is completed. In addition, the officers and employees of PrimeTrust Bank and Bank of the South have been offered retention bonuses if they remain employed by Pinnacle after the effective time of the merger (or if they are discharged other than for cause) until the earlier of December 31, 2008 or their position is eliminated. Furthermore, the merger will result in accelerated vesting of stock options, restricted shares and stock appreciation rights granted to Mid-America directors, executive officers and employees.

If the merger is not completed, there could be reputational damage to Mid-America as well as to Pinnacle. However, the board is not aware of any circumstance that indicates that the transaction will not receive shareholder approval.

There will be significant expenses in pursuing this proposed transaction, including substantial fees to Hovde.

There can be no guarantees that Pinnacle's financial or stock price performance will remain as attractive as they have been, in the opinion of the Mid-America board or that of Hovde, in the past.

There were other potential negative factors that could be envisioned by the Mid-America board of directors, but the foregoing factors were the major concerns reviewed by the board. Nonetheless, on balance, the Mid-America board of directors believed that the potential positives outweighed the possible negative considerations surrounding the proposed merger.

Material United States Federal Income Tax Consequences

The following discussion summarizes the material United States federal income tax consequences of the merger to holders of Pinnacle common stock and Mid-America common stock.

United States Federal Income Tax Consequences to Pinnacle Shareholders. There will be no United States federal income tax consequences to a holder of Pinnacle common stock as a result of the merger.

United States Federal Income Tax Consequences to Mid-America Shareholders. Subject to the qualifications and limitations set forth above in the immediately preceding paragraph, the material United States federal income tax consequences of the merger to Mid-America shareholders will be as follows:

a holder of Mid-America common stock will not recognize any gain or loss upon the exchange of that shareholder's shares of Mid-America common stock for shares of Pinnacle common stock in the merger; however, a holder of Mid-America common stock will recognize gain on the receipt of any cash consideration in the merger equal to the lesser of (i) the amount by which the total merger consideration received by the holder of Mid-America common stock exceeds the holder's basis in the Mid-America common stock or (ii) the

amount of the cash consideration received in the merger. This gain generally will be a capital gain and will be a long-term capital gain if the holding period for the shares of Mid-America common stock exchanged for cash is more than one year at the completion of the merger;

to the extent that a holder of Mid-America common stock receives cash instead of a fractional share of Pinnacle common stock, such holder will be required to recognize gain or loss, measured by the difference between the amount of cash received and the portion of the tax basis of that holder's shares of Mid-America common stock allocable to that fractional share of Pinnacle common stock. This gain

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or loss will be a capital gain or loss and will be a long-term capital gain or loss if the holding period for the share of Mid-America common stock exchanged for cash instead of the fractional share of Pinnacle common stock is more than one year at the completion of the merger;

a holder of Mid-America common stock will have a tax basis in the Pinnacle common stock received in the merger equal to the tax basis of the Mid-America common stock surrendered by that holder in the merger, less the amount of cash consideration received and increased by the amount of any gain recognized; and

the holding period for shares of Pinnacle common stock received in exchange for shares of Mid-America common stock in the merger will include the holding period for the shares of Mid-America common stock surrendered in the merger.

In the case of a holder of Mid-America common stock who holds shares of Mid-America common stock with differing tax bases and/or holding periods, the preceding rules must be applied to each identifiable block of Mid-America common stock.

This discussion addresses only those Mid-America shareholders that hold their Mid-America common stock as a capital asset and does not address all aspects of federal income taxation that may be relevant to a holder of Mid-America common stock in light of that shareholder's particular circumstances or to a shareholder subject to special rules, such as:

a shareholder that is not a citizen or resident of the United States;

a financial institution or insurance company;

a mutual fund;

a tax-exempt organization;

a dealer or broker in securities or foreign currencies;

a trader in securities that elects to apply a mark-to-market method of accounting;

a shareholder that holds its Mid-America common stock as part of a hedge, appreciated financial position, straddle, conversion, or other risk reduction transaction; or

a shareholder that acquired its Mid-America common stock pursuant to the exercise of options or similar derivative securities or otherwise as compensation.

If a partnership holds Mid-America common stock, the tax treatment of a partner in such partnership will generally depend on the status of the partners and the activities of the partnership. A partner in a partnership holding Mid-America common stock should consult its tax advisor.

The following discussion is not binding on the Internal Revenue Service. It is based on the Code, applicable Treasury regulations, administrative interpretations and court decisions, each as in effect as of the date of this joint proxy statement/prospectus and all of which are subject to change, possibly with retroactive effect. The tax consequences under state, local and foreign laws and United States federal laws other than United States federal income tax laws are not addressed in this section.

Holders of Mid-America common stock are strongly urged to consult their tax advisors as to the specific tax consequences to them of the merger, including the applicability and effect of United States federal, state and local and foreign income and other tax laws in light of their particular circumstances.

General. Pinnacle and Mid-America have structured the merger to qualify as a reorganization for United States federal income tax purposes. Prior to the closing, each of Pinnacle and Mid-America will have received a written opinion from Bass, Berry & Sims PLC to the effect that for United States federal income tax purposes, the merger will constitute a reorganization within the meaning of section 368(a) of the Code; and that no gain or loss will be recognized by Pinnacle or Mid-America as a result of the merger; and that no gain or loss will be recognized by Mid-America's shareholders with respect to the stock portion of the merger consideration. Neither Pinnacle nor Mid-America intends to waive this condition. If the tax opinion to be

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delivered as of the closing is materially different from the opinions respecting the United States federal income tax considerations expressed herein under the heading **Material United States Federal Income Tax Consequences of the Merger**, Pinnacle and Mid-America would not effect the merger without recirculating this document after revising this discussion appropriately and resoliciting the approvals of their shareholders. This opinion relies on assumptions, including assumptions regarding the absence of changes in existing facts and law and the completion of the merger in the manner contemplated by the merger agreement, and representations and covenants made by Pinnacle and Mid-America, including those contained in certificates of officers of Pinnacle and Mid-America. The accuracy of those representations, covenants or assumptions may affect the conclusions set forth in this opinion, in which case the tax consequences of the merger could differ from those discussed here. Opinions of counsel neither bind the IRS nor preclude the IRS from adopting a contrary position. No ruling has been or will be sought from the IRS on the tax consequences of the merger.

This discussion is intended to provide only a general summary of the material United States federal income tax consequences of the merger, and is not a complete analysis or description of all potential United States federal income tax consequences of the merger. This discussion does not address tax consequences that may vary with, or are contingent on, individual circumstances. In addition, it does not address any non-income tax or any foreign, state or local tax consequences of the merger. **Accordingly, Pinnacle and Mid-America strongly urge each holder of Pinnacle common stock and Mid-America common stock to consult his or her tax advisor to determine the particular United States federal, state or local or foreign income or other tax consequences to that shareholder of the merger.**

Backup Withholding. Unless you comply with certain reporting or certification procedures or are an exempt recipient (in general, corporations and certain other entities), you may be subject to a backup withholding tax of 28% with respect to any cash payments received in the merger. Foreign shareholders should consult their tax advisors with respect to the application of withholding rules to any cash payments received in the merger.

Reporting Requirements. If you receive Pinnacle common stock as a result of the merger, you will be required to retain records pertaining to the merger and will be required to file with your United States federal income tax return for the year in which the merger takes place a statement setting forth certain facts relating to the merger.

Tax matters are very complicated, and the tax consequences of the merger to you will depend on the facts of your particular situation. You are encouraged to consult your own tax advisor regarding the specific tax consequences of the merger, including the applicability and effect of any federal, state, local and foreign income and other tax laws.

Dissenters' Rights

Under Tennessee law, shareholders of Mid-America who deliver written notice of their intent to dissent and do not vote in favor of the merger have the right to dissent and receive the fair value of their Mid-America common stock in cash. Mid-America shareholders electing to exercise dissenters' rights must comply with the provisions of Chapter 23 of the TBCA in order to perfect their rights. A copy of Chapter 23 of the TBCA is attached as [Appendix B](#) to this proxy statement.

The following is intended as a brief summary of the material provisions of the Tennessee statutory procedures required to be followed by a Mid-America shareholder in order to dissent from the merger and perfect the shareholder's dissenters' rights. This summary, however, is not a complete statement of all applicable requirements and is qualified in its entirety by reference to Chapter 23 of the TBCA, the full text of which appears as [Appendix B](#) of this proxy statement.

Holders of Mid-America common stock who do not want to accept the merger consideration, who do not vote in favor of (or who abstain from voting on) the merger agreement, and who perfect their dissenters' rights by complying with the provisions of Chapter 23 of the TBCA, will have the right to receive cash payment for the fair value of their Mid-America common stock.

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In order to perfect dissenters' rights with respect to the merger, a Mid-America shareholder must (1) deliver to Mid-America, before the vote is taken, written notice of his or her intent to demand payment for his or her shares of Mid-America common stock if the merger is consummated; and (2) not vote his or her shares of Mid-America common stock in favor of the merger agreement. Subsequent to shareholder approval of the merger agreement, Pinnacle would be required under Tennessee law to send to each of the Mid-America shareholders who has perfected dissenters' rights in accordance with the steps disclosed above, written notice setting forth instructions for receipt of payment for their shares. Upon receipt of such notice, dissenting Mid-America shareholders would become entitled to receive payment of their shares of Mid-America common stock when they: (1) demand payment; (2) certify that they had received their shares prior to the date of the first public announcement of Pinnacle's and Mid-America's intention to merge; and (3) deposit with Pinnacle certificates representing their shares of Mid-America common stock in accordance with the instructions set forth in the notice.

Any Mid-America shareholder contemplating the exercise of dissenters' rights should carefully review Chapter 23 of the TBCA, a copy of which is attached to this proxy statement as Appendix B. A Mid-America shareholder who fails to comply with all requirements of such Chapter 23 will forfeit his or her dissenters' rights and, upon consummation of the merger, that holder's shares of common stock will be converted into the right to receive the merger consideration to which the shareholder is entitled under the merger agreement.

In general, any dissenting shareholder who perfects his or her right to be paid the fair value of the holder's Mid-America common stock in cash will recognize taxable gain or loss for federal income tax purposes upon receipt of any cash.

Shareholders of Pinnacle are not entitled to dissenters' rights in connection with the merger.

Accounting Treatment

The merger will be accounted for as a purchase, as that term is used under U.S. generally accepted accounting principles for accounting and financial reporting purposes. Mid-America will be treated as the acquired corporation for accounting and financial reporting purposes. Mid-America's assets and liabilities will be adjusted to their estimated fair value on the closing date of the merger and combined with the historical book values of the assets and liabilities of Pinnacle. Applicable income tax effects of these adjustments will be included as a component of the combined company's deferred tax assets or liabilities. The difference between the estimated fair value of the assets (including separately identifiable intangible assets, such as core deposit intangibles) and liabilities and the purchase price will be recorded as goodwill.

Interests of Certain Mid-America Executive Officers and Directors in the Merger

Some of the members of Mid-America's management and the Mid-America board of directors have financial and other interests in the merger that are in addition to, or different from, their interests as Mid-America shareholders generally. Mid-America's board of directors was aware of these interests and considered them, among other matters, in approving and adopting the merger agreement.

Employment Relationships. It is expected that immediately after completion of the merger, the current executives of Mid-America, PrimeTrust and Bank of the South will be employed by Pinnacle National Bank. Except as covered by the employment agreement between Pinnacle National Bank and Jason West, which will become effective at the closing of the merger and is described below, the Mid-America, PrimeTrust and Bank of the South employees who continue to be employed by Pinnacle National Bank after the merger will be employed on an at-will basis, and Pinnacle National Bank will not be obligated to employ or retain the service of any such person for any specific period of time or in any specific position. Although they will not have employment agreements with Pinnacle, it is expected

that Gary Scott, David Major and Sam Short will work for the combined company for at least 12 months.

Jason K. West Employment Agreement. Mr. West has entered into an employment agreement with Pinnacle National Bank, which will be effective upon the completion of the merger. Mr. West's employment agreement provides that he will serve as the area executive of Pinnacle National Bank for Cheatham, Dickson

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and portions of Williamson Counties for a three-year term. Mr. West's agreement will automatically renew for an additional day each day after the beginning of the term, so that it will always have a three-year term, unless any of the parties to the agreement gives notice of his or its intent not to renew the agreement. Under the terms of the employment agreement, Mr. West will receive a salary of \$205,000 per year, plus benefits, and annual bonus compensation as determined by the board of directors. The employment agreement also contains a change of control provision. If a change of control (as defined in the employment agreement) occurs with respect to Pinnacle National Bank or Pinnacle, Pinnacle National Bank will be obligated to pay Mr. West 2.99 times his base salary plus targeted annual incentive payments as well as three years of health insurance benefits. In the event any payments or benefits paid by Pinnacle National Bank to Mr. West would subject him to an excise tax under Section 4999 of the Code, then he will be entitled to such additional payments from Pinnacle National Bank as required to put him in the same after-tax position as he would be were he not subject to such excise tax.

If Pinnacle National Bank terminates Mr. West's employment without cause, he shall continue to receive all compensation and health care benefits due to him as if he were still employed from three years from such termination date. If Mr. West terminates his employment for cause (as defined in the employment agreement), he shall continue to receive all compensation due to him as if he were still employed for the lesser of the remaining term or twelve months from termination.

Mr. West's employment agreement also provides that he shall not engage in any activity or business in competition with Pinnacle National Bank located within the geographic region in which Mr. West rendered services for Pinnacle National Bank for two years following the termination of his employment. Such non-competition restriction will not apply in the event of a change of control (subsequent to the merger) or if he is terminated without cause.

Security Ownership of Mid-America Directors and Executive Officers. As of [], 2007, the record date for determining those Mid-America shareholders entitled to vote their shares at the special meeting, there were [] shares of Mid-America common stock outstanding and entitled to vote, approximately []% of which were owned and entitled to be voted by Mid-America directors and executive officers and their affiliates.

Acceleration of Vesting of Equity Incentives. All of Mid-America's outstanding options, stock appreciation rights and restricted shares will vest upon consummation of the merger, including those options, stock appreciation rights and restricted shares held by Mid-America's directors and executive officers. These awards, which were granted in 2006, in connection with the completion of Mid-America's share exchange, were scheduled to vest generally over 10 years. Instead, as a result of the merger, these awards to directors and executive officers (with an aggregate value of approximately \$3.6 million (based upon the value of the consideration paid by Pinnacle on the date the merger was announced)) will vest at the effective time of the merger.

Indemnification; Directors and Officers Insurance. Pinnacle has agreed to indemnify and hold harmless each present and former director, officer and employee of Mid-America and its subsidiaries following completion of the merger. This indemnification covers liability and expenses arising out of matters existing or occurring at or prior to the completion of the merger to the fullest extent such persons would have been indemnified as directors, officers or employees of Mid-America or any of its subsidiaries under existing indemnification agreements and/or applicable law. This indemnification extends to liability arising out of the transactions contemplated by the merger agreement. Pinnacle also has agreed that it will maintain a policy of directors and officers liability insurance coverage for the benefit of Mid-America's directors and officers for six years following completion of the merger.

Directors of Mid-America and Pinnacle Following the Merger. At the effective time of the merger, Pinnacle's board of directors will be expanded by at least three members, and three members of the existing Mid-America board of directors who are proposed by Mid-America's nominating and corporate governance committee and reasonably acceptable to Pinnacle's nominating and corporate governance committee and board of directors will fill three of the

expanded director positions. As members of the Pinnacle board of directors, the new directors who are not employees of Pinnacle can be expected to receive \$1,100 for each board

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meeting attended and \$900 for each committee meeting attended. In addition, these non-employee directors also may receive equity awards under Pinnacle's 2004 Equity Incentive Plan similar to those awarded to Pinnacle's non-employee directors in 2007.

Additional Benefits. Other benefits which may be paid to current employees, officers or directors of Mid-America that might not otherwise be paid if the merger does not occur are as follows:

Mid-America, PrimeTrust and Bank of the South have entered into change of control agreements with each of Gary Scott, David Major, Jason West and Sam Short, pursuant to which each of these executives is entitled to receive a cash payment following a change of control, in an amount equal to (1) \$1.00 less than three times the executive's base amount of compensation as defined in Section 280G of the Code; and (2) an amount necessary to indemnify the executive for any excise tax payable by the executive as a result of this payment. On August 15, 2007, Mid-America, PrimeTrust, Bank of the South and these four executives entered into amendments to these agreements that provide that if the merger is consummated in 2007, the executives will be paid their change of control payment as if the merger was consummated January 1, 2008. This would allow each executive to include his 2007 compensation in his base amount calculation instead of 2001, which will increase the amount each executive is entitled to under these change of control agreements. Payments under these agreements will total approximately \$5.7 million in the aggregate, or approximately \$4.4 million, after tax, as a result of the fact that approximately \$2.3 million of the payments are estimated to be nondeductible for tax purposes.

PrimeTrust and Bank of the South will establish retention bonus pools totaling approximately \$5 million in the aggregate that will be available for payment to the associates of each bank that are employed both at the closing of the merger and on December 31, 2008 or at such time as their position is eliminated, if earlier.

PrimeTrust and Bank of the South have each entered into agreements with certain of the bank's associates in the past. Outstanding balances owed PrimeTrust and Bank of the South under these agreements totaling approximately \$450,000 as of the date of this joint proxy statement/prospectus will be forgiven immediately prior to the closing of the merger.

Each of Gary Scott, David Major, Jason West and Sam Short has entered into a business protection agreement with Mid-America. Under the terms of these agreements, each of Messrs. Scott, Major, West and Short has agreed that he will not actively participate or engage directly or indirectly in a competing business in the Nashville MSA and the counties contiguous to the Nashville MSA until the earlier of (1) voluntary retirement after reaching age 65; (2) a transaction in which an acquiror of Mid-America is subsequently acquired; (3) August 31, 2011; or (4) the date that Mid-America terminates the agreement. In exchange for this agreement not to compete, each executive is entitled to receive monthly payments equal to the greater of his current or future monthly base salary or \$10,000 until the occurrence of one of these termination events.

Mr. West's business protection agreement will be superseded by his employment agreement with Pinnacle National Bank upon the effectiveness of the merger.

Restrictions on Resales by Affiliates

Shares of Pinnacle common stock to be issued to Mid-America shareholders in the merger have been registered under the Securities Act and may be traded freely and without restriction by those shareholders not deemed to be affiliates (as that term is defined under the Securities Act) of Mid-America. Any subsequent transfer of shares, however, by any person who is an affiliate of Mid-America at the time the merger is submitted for a vote of the Mid-America shareholders will, under existing law, require either:

the further registration under the Securities Act of the Pinnacle common stock to be transferred;

compliance with Rule 145 promulgated under the Securities Act, which permits limited sales under certain circumstances; or

the availability of another exemption from registration.

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An affiliate of Mid-America is a person who directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, Mid-America. These restrictions are expected to apply to the directors and executive officers of Mid-America and the holders of 10% or more of the outstanding Mid-America common stock. The same restrictions apply to the spouses and certain relatives of those persons and any trusts, estates, corporations or other entities in which those persons have a 10% or greater beneficial or equity interest. Pinnacle will give stop transfer instructions to the transfer agent with respect to the shares of Pinnacle common stock to be received by persons subject to these restrictions, and the certificates for their shares will be appropriately legended.

Each person who is an affiliate of Mid-America for purposes of Rule 145 under the Securities Act has delivered to Pinnacle a written agreement intended to ensure compliance with the Securities Act. The agreement also contains a restriction limiting sales of Mid-America common stock only to transfers with affiliates or gifts without consideration.

Regulatory Approval

Each of Pinnacle and Mid-America is registered as a bank holding company under the Bank Holding Company Act of 1956, as amended, and supervised and regulated by the FRB. Both Pinnacle's and Mid-America's banking subsidiaries are supervised and regulated by various federal and state banking authorities. Set forth below is a brief summary of certain regulatory approvals needed to merge Pinnacle and Mid-America and the three bank subsidiaries. Additional information relating to the supervision and regulation of Pinnacle is included in Pinnacle's Annual Report on Form 10-K for the year ended December 31, 2006, which is incorporated by reference into this joint proxy statement/prospectus. Additional information relating to the supervision and regulation of Mid-America is included in Mid-America's Annual Report on Form 10-K for the year ended December 31, 2006, which is incorporated by reference into this joint proxy statement/prospectus. See WHERE YOU CAN FIND MORE INFORMATION beginning on page .

Federal Reserve Regulatory Approval. The merger is subject to prior approval by the FRB pursuant to Section 3 of the Bank Holding Company Act. Pinnacle is expected to file the required applications and notification with the FRB for approval of the merger shortly after the filing of this joint proxy statement/prospectus. Assuming FRB approval, the parties may not consummate the merger until after the termination of a waiting period. The waiting period starts the day the FRB approves the merger and notifies the United States Department of Justice and ends 30 days later, except the waiting period may be reduced to 15 days upon consent of the United States Attorney General. During that time, the United States Department of Justice may challenge the merger on antitrust grounds. The FRB is prohibited from approving any transaction under the applicable statutes that:

would result in a monopoly;

would be in furtherance of any combination or conspiracy to monopolize or attempt to monopolize the business of banking in any part of the United States; or

may have the effect in any part of the United States of substantially lessening competition, tending to create a monopoly or otherwise resulting in a restraint of trade, unless the FRB finds that the public interest created by the probable effect of the transaction in meeting the convenience and needs of the communities to be served clearly outweighs the anticompetitive effects of the proposed merger.

In addition, the FRB will consider the financial and managerial resources of the companies and their subsidiary banks and the convenience and needs of the communities to be served. Consideration of financial resources generally focuses on capital adequacy, which is discussed below, and consideration of managerial resources includes consideration of the competence, experience and integrity of the officers, directors and principal shareholders of the

companies and their subsidiary banks.

The analysis of convenience and needs issues includes the parties' performance under the Community Reinvestment Act of 1977, as amended. Under the Community Reinvestment Act, the FRB must take into account the record of performance of each of Pinnacle and Mid-America and their respective subsidiaries in meeting the credit needs of the entire community, including the low- and moderate-income neighborhoods in which they operate. Furthermore, applicable federal law provides for the publication of notice and public comment on applications filed with the FRB. The FRB frequently receives comments and protests from

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community groups and others and may, in its discretion, choose to hold public hearings on the application. Any comments and hearings could delay the regulatory approvals required for consummation of the merger. Pinnacle's subsidiary bank has a satisfactory rating under the Community Reinvestment Act. Each of Mid-America's subsidiary banks has a satisfactory rating under the Community Reinvestment Act.

State Regulatory Approval. The Tennessee Banking Act requires submission of an application to and approval from the Tennessee Department of Financial Institutions, or the TDFI, for certain acquisitions of state banks by Tennessee bank holding companies. The TDFI also must take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned. In the event Bank of the South and PrimeTrust Bank are merged into Pinnacle National Bank simultaneously with the merger of Mid-America into Pinnacle, approval of the TDFI is not required since the only remaining bank subsidiary of the combined holding company is a national bank.

We cannot guarantee you that the regulatory approvals described above will be given without undue delay or the imposition by a regulatory authority of a condition that would materially and adversely impact the financial or economic benefits of the merger on Pinnacle, Mid-America or any of their banking or nonbanking subsidiaries.

OPINIONS OF FINANCIAL ADVISORS

Opinion of Pinnacle's Financial Advisor

By letter dated July 10, 2007, Pinnacle retained Sandler O'Neill to act as its financial advisor in connection with a possible business combination with Mid-America. Sandler O'Neill is a nationally recognized investment banking firm whose principal business specialty is financial institutions. In the ordinary course of its investment banking business, Sandler O'Neill is regularly engaged in the valuation of financial institutions and their securities in connection with mergers and acquisitions and other corporate transactions.

Sandler O'Neill acted as financial advisor to Pinnacle in connection with the proposed transaction and participated in certain of the negotiations leading to the execution of a definitive merger agreement on August 15, 2007. At the August 15, 2007 meeting at which Pinnacle's board considered and approved the merger agreement, Sandler O'Neill delivered to the board its oral opinion, that, as of such date, the merger consideration was fair to Pinnacle from a financial point of view. The full text of Sandler O'Neill's opinion is attached as Appendix C to this joint proxy statement/prospectus. The opinion outlines the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Sandler O'Neill in rendering its opinion. The description of the opinion set forth below is qualified in its entirety by reference to the opinion. Sandler O'Neill urges Pinnacle's shareholders to read the entire opinion carefully in connection with their consideration of the proposed merger.

Sandler O'Neill's opinion speaks only as of the date of the opinion. The opinion was directed to the Pinnacle board and is directed only to the fairness of the merger consideration to Pinnacle from a financial point of view. It does not address the underlying business decision of Pinnacle to engage in the merger or any other aspect of the merger and is not a recommendation to any Pinnacle shareholder as to how such shareholder should vote at the special meeting with respect to the merger or any other matter.

In connection with rendering its August 15, 2007 opinion, Sandler O'Neill reviewed and considered, among other things:

- (1) the merger agreement;

(2) certain publicly available financial statements and other historical financial information of Pinnacle that Sandler O Neill deemed relevant;

(3) certain publicly available financial statements and other historical financial information of Mid-America that Sandler O Neill deemed relevant;

(4) internal financial projections for Pinnacle for the years ending December 31, 2007 through December 31, 2011;

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(5) estimated financial projections for Mid-America for the years ending December 31, 2007 through December 31, 2011 as provided by and reviewed with senior management of Pinnacle;

(6) the pro forma financial impact of the merger on Pinnacle, based on assumptions relating to transaction expenses, purchase accounting adjustments and cost savings determined by the senior management of Pinnacle;

(7) the publicly reported historical price and trading activity for Pinnacle's common stock;

(8) a comparison of certain selected financial and stock market information for Pinnacle and Mid-America and similar publicly available information for certain other companies the securities of which are publicly traded;

(9) the financial terms of certain recent business combinations in the commercial banking industry, to the extent publicly available;

(10) the current market environment generally and the banking environment in particular; and

(11) such other information, financial studies, analyses and investigations and financial, economic and market criteria as Sandler O'Neill considered relevant.

Sandler O'Neill also discussed with certain members of the senior management of Pinnacle, the business, financial condition, results of operations and prospects of both Pinnacle and Mid-America.

In performing its review, Sandler O'Neill relied upon the accuracy and completeness of all the financial and other information that was available to them from public sources or that was provided to Sandler O'Neill by Pinnacle and Mid-America or their respective representatives and have assumed the accuracy and completeness of this information for purposes of rendering this opinion. Sandler O'Neill further relied on the assurances of the management of Pinnacle that management was not aware of any facts or circumstances that would make any of this information inaccurate or misleading. Sandler O'Neill has not been asked to undertake, and has not undertaken, an independent verification of any of such information and Sandler O'Neill does not assume any responsibility or liability for the accuracy or completeness thereof. Sandler O'Neill did not make an independent evaluation or appraisal of the specific assets, the collateral securing the assets or the liabilities (contingent or otherwise) of Pinnacle or Mid-America or any of their subsidiaries, or the collectibility of any such assets, nor has Sandler O'Neill been furnished with any evaluations or appraisals. Sandler O'Neill did not make an independent evaluation of the adequacy of the allowance for loan losses of Pinnacle or Mid-America nor has Sandler O'Neill reviewed any individual credit files relating to Pinnacle or Mid-America. Sandler O'Neill assumed, with Pinnacle's consent, that the respective allowances for loan losses for both Pinnacle and Mid-America were adequate to cover any losses.

With respect to the internal financial projections for Pinnacle as provided by and discussed with the senior management of Pinnacle and the financial projections for Mid-America as provided by and discussed with the senior management of Pinnacle and used by Sandler O'Neill in its analyses, Pinnacle's management confirmed to Sandler O'Neill that these projections reflected the best currently available estimates and judgments of Pinnacle's management of the respective future financial performances of both Pinnacle and Mid-America and Sandler O'Neill assumed that such performances would be achieved. With respect to the projections of transaction expenses, purchase accounting adjustments and cost savings that were determined by and reviewed with the senior management of Pinnacle, management confirmed to Sandler O'Neill that they reflected the best currently available estimates and judgments of such management and Sandler O'Neill assumed that such performances would be achieved. Sandler O'Neill expressed no opinion as to these financial projections or the assumptions on which they are based. Sandler O'Neill also assumed that there has been no material change in Pinnacle's or Mid-America's assets, financial condition, results of operations, business or prospects since the date of the most recent financial statements made available to them. Sandler O'Neill has

assumed in all respects material to its analysis that Pinnacle and Mid-America will remain as going concerns for all periods relevant to its analyses, that all of the representations and warranties contained in the merger agreement and all related agreements are true and correct, that each party to the agreements will perform all of the covenants required to be performed by that party under the agreements and, that the conditions

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precedent in the agreements are not waived. Finally, with Pinnacle's consent, Sandler O'Neill has relied upon the advice Pinnacle has received from its legal, accounting and tax advisors as to all legal, accounting and tax matters relating to the merger and the other transactions contemplated by the merger agreement.

Sandler O'Neill's opinion was necessarily based upon financial, economic, market and other conditions as in effect on, and the information made available to Sandler O'Neill as of the date of its opinion. Events occurring after August 15, 2007 could materially affect this opinion. Sandler O'Neill has not undertaken to update, revise, reaffirm or withdraw its opinion or otherwise comment upon events occurring after the date of its opinion. Sandler O'Neill expressed no opinion as to what the value of Pinnacle's common stock will be when issued to Mid-America's shareholders pursuant to the merger agreement or the prices at which the common stock of Pinnacle may trade at any time.

In rendering its August 15, 2007 opinion, Sandler O'Neill performed a variety of financial analyses. The following is a summary of the material analyses performed by Sandler O'Neill, but is not a complete description of all the analyses underlying Sandler O'Neill's opinion. The summary includes information presented in tabular format. In order to fully understand the financial analyses, these tables must be read together with the accompanying text. The tables alone do not constitute a complete description of the financial analyses. The preparation of a fairness opinion is a complex process involving subjective judgments as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. The process, therefore, is not necessarily susceptible to a partial analysis or summary description. Sandler O'Neill believes that its analyses must be considered as a whole and that selecting portions of the factors and analyses to be considered without considering all factors and analyses, or attempting to ascribe relative weights to some or all of these factors and analyses, could create an incomplete view of the evaluation process underlying its opinion. Also, no company included in Sandler O'Neill's comparative analyses described below is identical to Pinnacle or Mid-America and no transaction is identical to the merger. Accordingly, an analysis of comparable companies or transactions involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies and other factors that could affect the public trading values or merger transaction values, as the case may be, of Pinnacle and Mid-America and the companies to which they are being compared.

In performing its analyses, Sandler O'Neill also made numerous assumptions with respect to industry performance, business and economic conditions and various other matters, many of which cannot be predicted and are beyond the control of Pinnacle, Mid-America and Sandler O'Neill. The analyses performed by Sandler O'Neill are not necessarily indicative of actual values or future results, both of which may be significantly more or less favorable than suggested by such analyses. Sandler O'Neill prepared its analyses solely for the purposes of rendering its opinion and provided its analyses to the Pinnacle board at the board's August 15, 2007 meeting. Estimates on the values of companies do not purport to be appraisals or necessarily reflect the prices at which companies or their securities may actually be sold. These estimates are inherently subject to uncertainty and actual values may be materially different. Accordingly, Sandler O'Neill's analyses do not necessarily reflect the value of Pinnacle's common stock or the prices at which Pinnacle's common stock may be sold at any time. The analyses of Sandler O'Neill and its opinion were among a number of factors taken into consideration by Pinnacle's board in making its determination to approve the merger agreement and the analyses described below should not be viewed as determinative of the decision of Pinnacle's board or management with respect to the fairness of the merger.

At the August 15, 2007 meeting of Pinnacle's board of directors, Sandler O'Neill presented certain financial analyses of the merger. The summary below is not a complete description of the analyses underlying the opinions of Sandler O'Neill or the presentation made by Sandler O'Neill to Pinnacle's board, but is instead a summary of the material analyses performed and presented in connection with the opinion.

In arriving at its opinion, Sandler O'Neill did not attribute any particular weight to any analysis or factor that it considered. Rather Sandler O'Neill made qualitative judgments as to the significance and relevance of each analysis

and factor. The financial analyses summarized below include information presented in tabular format. Sandler O'Neill did not form an opinion as to whether any individual analysis or factor (positive or negative) considered in isolation supported or failed to support its respective opinions; rather Sandler O'Neill

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made its determination as to the fairness of the per share consideration on the basis of its experience and professional judgment after considering the results of all its analyses taken as a whole. Accordingly, Sandler O'Neill believes that the analysis and the summary of the analysis must be considered as a whole and that selecting portions of the analysis and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying Sandler O'Neill's analyses and opinions. The tables alone do not constitute complete descriptions of the financial analyses presented in the tables.

Summary of Proposal. Sandler O'Neill reviewed the financial terms of the proposed transaction. Based on the terms of the proposed transaction, each share of Mid-America common stock will be exchanged for 0.4655 shares of Pinnacle common stock and \$1.50 in cash, equating to a transaction value of \$212.6 million. The aggregate transaction value was based upon 13,933,066 common shares outstanding, 260,000 restricted awards which vest upon a change-of-control transaction and 1,205,829 options and stock appreciation rights outstanding with a weighted-average strike price of \$7.98 for Mid-America as provided to Sandler O'Neill. Based upon financial information for Mid-America as of June 30, 2007, Sandler O'Neill calculated the following transaction ratios:

Transaction Ratios

Transaction Price/Last Twelve Months Earnings per Share(1)	34.4x
Transaction Price/Book Value(2)	195.5%
Transaction Price/Tangible Book Value(2)	252.3%
Core Deposit Premium(2)(3)	21.2%

- (1) Due to the September, 2006 closing of the merger of equals creating Mid-America, last twelve months earnings per share is calculated based on year-to-date June 30, 2007 results annualized.
- (2) The calculation of Mid-America's per share value includes the 260,000 restricted stock awards which immediately vest upon a change-of-control transaction.
- (3) Assumes time deposits > \$100,000 are non-core deposits. As of June 30, 2007, Mid-America reported \$322.4 million in non-core deposits.

Comparable Company Analysis. Sandler O'Neill used publicly available information to perform a comparison of selected financial and market trading information for Pinnacle and Mid-America.

Sandler O'Neill compared selected financial information for Mid-America to a peer group of selected Southeast financial institutions, which is referred to as the Mid-America Southeast Peer Group. The Mid-America Southeast Peer Group consisted of the following publicly traded commercial banks headquartered in Alabama, Arkansas, Florida, Georgia, North Carolina, South Carolina or Tennessee with total assets between \$800 million and \$2.0 billion:

Appalachian Bancshares, Inc.	First South Bancorp, Inc.
BancTrust Financial Group, Inc.	FNB United Corp.
Bank of Granite Corporation	GB&T Bancshares, Inc.
BNC Bancorp	Omni Financial Services, Inc.
Capital Bank Corporation	PAB Bankshares, Inc.

CenterState Banks of Florida, Inc.
Colony Bankcorp, Inc.
Cooperative Bankshares, Inc.
Crescent Banking Company
Fidelity Southern Corporation
First Security Group, Inc.

Peoples Bancorp of North Carolina, Inc.
Savannah Bancorp, Inc.
Southern Community Financial Corporation
TIB Financial Corp.
Yadkin Valley Financial Corporation

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The analysis compared certain selected financial information for Mid-America and the high, low, mean and median publicly available financial and market trading data for the Mid-America Southeast Peer Group. The table below sets forth the data for Mid-America as of and for the six months ended June 30, 2007 and the median data for the Mid-America Southeast Peer Group as of and for the twelve months ended June 30, 2007, with pricing data as of August 10, 2007.

Comparable Group Analysis

	Mid-America	Mid-America Southeast Peer Group Median
Total Assets (<i>In millions</i>)	\$ 1,069.4	\$ 1,170.0
Tangible Equity/Tangible Assets	7.77%	7.60%
Return on Average Assets	0.60%	0.86%
Return on Average Equity	5.82%	9.48%
Efficiency Ratio	73.73%	61.33%
Price/Tangible Book Value	NA	173.42%
Price/Last Twelve Months Earnings per Share	NA	14.3x
Price/Estimated 2007 Earnings per Share	NA	13.4x
Price/52-Week High	NA	77.43%
Market Capitalization (<i>in millions</i>)	NA	\$ 140.4

Sandler O'Neill also used publicly available information to compare selected financial information for Pinnacle to a peer group of financial institutions selected by Pinnacle's management, which is referred to as the Company Designated Peer Group.

The Company Designated Peer Group consisted of the following publicly traded commercial banks:

Bancorp, Inc.	PrivateBancorp, Inc.
Cardinal Financial Corporation	Renasant Corporation
Cascade Bancorp	Seacoast Banking Corporation of Florida
City Bank	Sterling Bancshares, Inc.
Enterprise Financial Services Corp	Texas Capital Bancshares, Inc.
Fidelity Southern Corporation	Vineyard National Bancorp
Frontier Financial Corporation	Virginia Commerce Bancorp, Inc.
Integrity Bancshares, Inc.(1)	West Coast Bancorp
Preferred Bank	Western Alliance Bancorporation

(1) Financial data as of or for the twelve months ended March 31, 2007.

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The analysis compared financial information for Pinnacle and the high, low, mean and median publicly available financial and market trading data for the Company Designated Peer Group. The table below sets forth the data for Pinnacle and the median data for the Company Designated Peer Group as of and for the twelve months ended June 30, 2007, with pricing data as of August 10, 2007.

Comparable Group Analysis

	Pinnacle	Company Designated Peer Group Median
Total Assets (<i>in millions</i>)	\$ 2,315.3	\$ 2,290.6
Tangible Equity/Tangible Assets	6.42%	7.24%
Return on Average Assets	1.04%	1.06%
Return on Average Equity	8.62%	12.97%
Price/Tangible Book Value	307.26%	223.44%
Price/Last Twelve Months Earnings per Share	20.9x	15.5x
Price/Estimated 2007 Earnings per Share	19.8x	15.1x
Price/52-Week High	74.26%	72.98%
Market Capitalization (<i>in millions</i>)	\$ 431.9	\$ 385.4

Stock Trading History. Sandler O'Neill reviewed the history of the publicly reported trading prices of Pinnacle's common stock for the one-year period ended August 10, 2007 and the three-year period ended August 10, 2007. Sandler O'Neill also reviewed the relationship between the movements in the price of Pinnacle's common stock and the movements in the prices of the NASDAQ Bank Index, the Standard & Poor's 500 Index and the indexed performance of the Company Designated Peer Group. The composition of the respective Company Designated Peer Group is discussed under the Comparable Group Analysis section above.

During the one-year period ended August 10, 2007, Pinnacle's common stock outperformed the Company Designated Peer Group and underperformed the other two indices to which it was compared.

Pinnacle's One-Year Stock Performance

	Beginning Index Value August 10, 2006	Ending Index Value August 10, 2007
Pinnacle	100.00%	83.32%
NASDAQ Bank Index	100.00	92.86
S&P 500 Index	100.00	114.30
Company Designated Peer Group(1)	100.00	80.14

(1) Refers to the Company Designated Peer Group outlined in the Comparable Group Analysis section above.

During the three-year period ended August 10, 2007, Pinnacle's common stock outperformed the NASDAQ Bank Index and underperformed the Standard & Poor's 500 Index and the Company Designated Peer Group, /LS.

Pinnacle's Three-Year Stock Performance

	Beginning Index Value August 10, 2004	Ending Index Value August 10, 2007
Pinnacle	100.00%	122.19%
NASDAQ Bank Index	100.00	107.37
S&P 500 Index	100.00	138.78
Company Designated Peer Group(1)	100.00	127.98

(1) Refers to the Company Designated Peer Group outlined in the "Comparable Group Analysis" section above.

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Analysis of Selected Merger Transactions. Sandler O Neill reviewed 25 merger transactions announced from January 1, 2007 through August 10, 2007 involving Nationwide commercial banks as the selling institution with announced transaction values between \$100.0 and \$500.0 million. Sandler O Neill also reviewed 9 merger transactions announced from January 1, 2007 through August 10, 2007 involving Southeast commercial banks as the selling institution with announced transaction values between \$100.0 and \$500.0 million. Sandler O Neill also reviewed 3 merger transactions announced from January 1, 2006 through August 10, 2007 involving Tennessee commercial banks as the selling institution with announced transaction values greater than \$100.0 million. Sandler O Neill reviewed the following multiples: transaction price to last twelve months earnings per share, transaction price to stated book value, transaction price to stated tangible book value, and the core deposit premium. As illustrated in the following table, Sandler O Neill compared the proposed merger multiples to the median multiples of the aforementioned groups of comparable transactions.

Comparable Transaction Multiples

	Pinnacle/Mid- America	Median Nationwide Group Multiple	Median Southeast Group Multiple	Median Tennessee Group Multiple
Transaction Price/Last Twelve Months Earnings per Share(1)	34.4x	21.5x	23.5x	23.8x
Transaction Price/Book Value(2)	195.5%	270.0%	331.5%	340.6%
Transaction Price/Tangible Book Value(2)	252.3%	295.3%	358.4%	344.7%
Core Deposit Premium(2)(3)	21.2%	26.0%	36.2%	27.0%

- (1) Due to the September, 2006 closing of the merger of equals creating Mid-America, last twelve months earnings per share is calculated based on year-to-date June 30, 2007 results annualized.
- (2) The calculation of Mid-America's per share value includes the 260,000 restricted stock awards which immediately vest upon a change-of-control transaction.
- (3) Assumes time deposits > \$100,000 are non-core deposits. As of June 30, 2007, Mid-America reported \$322.4 million in non-core deposits.

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Present Value Analysis. Sandler O'Neill performed an analysis that estimated the net present value per share through December 31, 2011, of Mid-America common stock under various circumstances, assuming Mid-America performed in accordance with the financial projections for 2007 through 2011 provided by the senior management of Pinnacle. To approximate the terminal value of Mid-America's common stock at December 31, 2011, Sandler O'Neill applied price to last twelve months earnings multiples of 10.0x to 20.0x and multiples of tangible book value ranging from 125% to 225%. The terminal values were then discounted to present values using different discount rates ranging from 12.0% to 16.0% chosen to reflect different assumptions regarding required rates of return of holders or prospective buyers of Mid-America common stock. In addition, the terminal value of Mid-America's common stock at December 31, 2011, was calculated using the same range of price to last twelve months earnings multiples (10.0x to 20.0x) applied to a range of discounts and premiums to management's budget projections. The range applied to the budgeted net income was 25% under budget to 25% over budget, using a discount rate of 13.9% for the tabular analysis. As illustrated in the following tables, this analysis indicated an imputed range of values per share for Mid-America's common stock of \$5.50 to \$12.89 when applying the price/earnings multiples to the matched budget, \$6.36 to \$13.42 when applying multiples of tangible book value to the matched budget, and \$4.49 to \$14.97 when applying the price/earnings multiples to the -25% / +25% budget range.

Net Present Value Earnings Per Share Multiples

Discount Rate	10.0x	12.0x	14.0x	16.0x	18.0x	20.0x
12.00%	\$ 6.45	\$ 7.74	\$ 9.03	\$ 10.31	\$ 11.60	\$ 12.89
13.00%	6.19	7.43	8.67	9.91	11.15	12.39
14.00%	5.95	7.14	8.33	9.52	10.72	11.91
15.00%	5.72	6.87	8.01	9.16	10.30	11.45
16.00%	5.50	6.61	7.71	8.81	9.91	11.01

Net Present Value Tangible Book Value Per Share Multiples

Discount Rate	125%	145%	165%	185%	205%	225%
12.00%	\$ 7.45	\$ 8.65	\$ 9.84	\$ 11.03	\$ 12.22	\$ 13.42
13.00%	7.16	8.31	9.45	10.60	11.74	12.89
14.00%	6.88	7.98	9.09	10.19	11.29	12.39
15.00%	6.62	7.68	8.74	9.79	10.85	11.91
16.00%	6.36	7.38	8.40	9.42	10.44	11.46

Net Present Value Earnings Per Share Multiples

Budget Variance	10.0x	12.0x	14.0x	16.0x	18.0x	20.0x
-25.0%	\$ 4.49	\$ 5.39	\$ 6.29	\$ 7.19	\$ 8.09	\$ 8.98
-20.0%	4.79	5.75	6.71	7.67	8.62	9.58
-15.0%	5.09	6.11	7.13	8.15	9.16	10.18
-10.0%	5.39	6.47	7.55	8.62	9.70	10.78
-5.0%	5.69	6.83	7.97	9.10	10.24	11.38

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0.0%	5.99	7.19	8.39	9.58	10.78	11.98
5.0%	6.29	7.55	8.80	10.06	11.32	12.58
10.0%	6.59	7.91	9.22	10.54	11.86	13.18
15.0%	6.89	8.27	9.64	11.02	12.40	13.78
20.0%	7.19	8.62	10.06	11.50	12.94	14.37
25.0%	7.49	8.98	10.48	11.98	13.48	14.97

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Sandler O'Neill also performed an analysis that estimated the net present value per share through December 31, 2011 of Pinnacle common stock under various circumstances, assuming Pinnacle performed in accordance with the financial projections for 2007 through 2011 provided by the senior management of Pinnacle. To approximate the terminal value of Pinnacle's common stock at December 31, 2011, Sandler O'Neill applied price to last twelve months earnings multiples of 10.0x to 20.0x and multiples of tangible book value ranging from 150% to 300%. The terminal values were then discounted to present values using different discount rates ranging from 11.0% to 16.0% chosen to reflect different assumptions regarding required rates of return of holders or prospective buyers of Pinnacle common stock. In addition, the terminal value of Pinnacle's common stock at December 31, 2011 was calculated using the same range of price to last twelve months earnings multiples (10.0x - 20.0x) applied to a range of discounts and premiums to management's budget projections. The range applied to the budgeted net income wa