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# SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

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## FORM 10-Q

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(Mark One)

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934**

For the quarterly period ended September 30, 2005

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 000-12154

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# RENASANT CORPORATION

(Exact name of the registrant as specified in its charter)

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

**64-0676974**  
(I.R.S. Employer  
Identification Number)

**209 Troy Street, P. O. Box 709, Tupelo, Mississippi 38802-0709**  
(Address of principal executive offices) (Zip code)

**Registrant's telephone number, including area code: 662-680-1001**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). YES ☒ NO ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES ☐ NO ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common stock, \$5.00 Par Value, 10,331,431 shares outstanding as of October 31, 2005.

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[Table of Contents](#)

**RENASANT CORPORATION**  
**INDEX**

**PART 1. FINANCIAL INFORMATION**

Item 1

Condensed Consolidated Financial Statements (Unaudited)

[Condensed Consolidated Balance Sheets – September 30, 2005 and December 31, 2004](#)

[Condensed Consolidated Statements of Income - Three and Nine Months Ended September 30, 2005 and 2004](#)

[Condensed Consolidated Statements of Cash Flows – Nine Months Ended September 30, 2005 and 2004](#)

[Notes to Condensed Consolidated Financial Statements](#)

Item 2

[Management’s Discussion and Analysis of Financial Condition and Results of Operations](#)

Item 3

[Quantitative and Qualitative Disclosures About Market Risk](#)

Item 4

[Controls and Procedures](#)

[PART II. OTHER INFORMATION](#)

Item 2

[Unregistered Sales of Equity Securities and Use of Proceeds](#)

Item 6

[Exhibits](#)

[SIGNATURES](#)

[EXHIBIT INDEX](#)

[Table of Contents](#)

**RENASANT CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in thousands, except share data)

	September 30, 2005	December 31, 2004
<b>Assets</b>		
Cash and due from banks	\$ 84,568	\$ 52,096
Interest-bearing balances with banks	21,330	3,929
Cash and cash equivalents	105,898	56,025
Securities available for sale	400,786	371,581
Mortgage loans held for sale	42,865	2,714
Loans, net of unearned income	1,608,697	1,141,480
Allowance for loan losses	(18,448)	(14,403)
Net loans	1,590,249	1,127,077
Premises and equipment, net	43,574	33,998
Intangible assets	100,766	50,424
Other assets	95,655	65,726
Total assets	\$ 2,379,793	\$1,707,545
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Deposits		
Noninterest-bearing	\$ 244,086	\$ 200,922
Interest-bearing	1,574,232	1,117,755
Total deposits	1,818,318	1,318,677
Federal funds purchased	24,216	51,500
Federal Home Loan Bank advances	202,797	109,756
Junior subordinated debentures	64,405	20,619
Other borrowed funds	7,658	9,672
Other liabilities	25,188	18,279
Total liabilities	2,142,582	1,528,503
<b>Shareholders' equity</b>		
Preferred stock, \$.01 par value – 5,000,000 and 0 shares authorized at September 30, 2005 and December 31, 2004, respectively; no shares issued and outstanding	—	—
Common stock, \$.50 par value – 75,000,000 and 15,000,000 shares authorized at September 30, 2005 and December 31, 2004, respectively; 11,489,549 shares issued; 10,380,372 and 9,046,997 shares outstanding at September 30, 2005, and December 31, 2004, respectively	57,448	50,600
Treasury stock, at cost	(24,127)	(21,621)
Additional paid-in capital	111,630	67,545
Retained earnings	92,949	81,720
Accumulated other comprehensive income (loss)	(689)	798
Total shareholders' equity	237,211	179,042
<b>Total liabilities and shareholders' equity</b>	\$ 2,379,793	\$1,707,545

See Notes to Condensed Consolidated Financial Statements

**RENASANT CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(in thousands, except share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
<b>Interest income</b>				
Loans	\$27,963	\$16,667	\$79,800	\$43,323
Securities:				
Taxable	3,184	2,974	9,985	9,105
Tax-exempt	1,148	1,098	3,445	3,344
Other	122	66	382	176
<b>Total interest income</b>	<b>32,417</b>	<b>20,805</b>	<b>93,612</b>	<b>55,948</b>
<b>Interest expense</b>				
Deposits	9,476	4,613	24,522	12,827
Borrowings	3,202	1,189	9,578	3,121
<b>Total interest expense</b>	<b>12,678</b>	<b>5,802</b>	<b>34,100</b>	<b>15,948</b>
<b>Net interest income</b>	<b>19,739</b>	<b>15,003</b>	<b>59,512</b>	<b>40,000</b>
Provision for loan losses	833	636	2,278	1,629
<b>Net interest income after provision for loan losses</b>	<b>18,906</b>	<b>14,367</b>	<b>57,234</b>	<b>38,371</b>
<b>Noninterest income</b>				
Service charges on deposit accounts	4,358	4,067	12,399	11,499
Fees and commissions	2,853	1,975	8,323	5,604
Insurance commissions	955	993	2,692	2,703
Trust revenue	613	658	1,849	1,728
Securities gains	—	51	70	109
BOLI income	389	302	1,195	870
Merchant discounts	2	7	6	633
Gains on sales of mortgage loans	766	138	2,132	417
Gain on sale of merchant business	—	—	—	1,000
Other	308	187	1,432	1,105
<b>Total noninterest income</b>	<b>10,244</b>	<b>8,378</b>	<b>30,098</b>	<b>25,668</b>
<b>Noninterest expense</b>				
Salaries and employee benefits	11,696	9,067	34,675	24,612
Data processing	966	1,020	2,972	3,324
Net occupancy	1,457	1,006	4,253	2,727
Equipment	763	1,089	2,794	2,661
Professional fees	467	340	1,774	1,027
Advertising	889	532	2,587	1,448
Intangible amortization	557	403	1,714	626
Other	3,769	2,753	11,614	7,653
<b>Total noninterest expense</b>	<b>20,564</b>	<b>16,210</b>	<b>62,383</b>	<b>44,078</b>
Income before income taxes	8,586	6,535	24,949	19,961
Income taxes	2,261	1,844	6,958	5,566
<b>Net income</b>	<b>\$ 6,325</b>	<b>\$ 4,691</b>	<b>\$17,991</b>	<b>\$ 14,395</b>
<b>Basic earnings per share</b>	<b>\$ 0.61</b>	<b>\$ 0.52</b>	<b>\$ 1.73</b>	<b>\$ 1.70</b>
<b>Diluted earnings per share</b>	<b>\$ 0.60</b>	<b>\$ 0.52</b>	<b>\$ 1.71</b>	<b>\$ 1.70</b>

See Notes to Condensed Consolidated Financial Statements

**RENASANT CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)

	Nine Months Ended September 30	
	2005	2004
<b>Operating activities</b>		
Net cash provided by operating activities	\$ 37,300	\$ 20,400
<b>Investing activities</b>		
Purchases of securities available for sale	(21,532)	(87,585)
Proceeds from sales of securities available for sale	31,225	62,246
Proceeds from call/maturities of securities available for sale	51,788	79,715
Net increase in loans	(105,735)	(87,040)
Proceeds from sales of premises and equipment	697	162
Purchases of premises and equipment	(7,264)	(2,413)
Net cash paid in business combination	(19,328)	(23,674)
<b>Net cash used in investing activities</b>	<b>(70,149)</b>	<b>(58,589)</b>
<b>Financing activities</b>		
Net increase in noninterest-bearing deposits	17,472	25,555
Net increase (decrease) in interest-bearing deposits	101,206	(7,810)
Net increase (decrease) in short-term borrowings	(81,978)	38,772
Proceeds from long-term debt	163,445	2,614
Repayment of long-term debt	(107,161)	(9,994)
Purchase of treasury stock	(5,982)	(1,423)
Cash paid for dividends	(6,763)	(5,168)
Cash received on exercise of options	2,483	769
<b>Net cash provided by financing activities</b>	<b>82,722</b>	<b>43,315</b>
<b>Net increase in cash and cash equivalents</b>	<b>49,873</b>	<b>5,126</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>56,025</b>	<b>53,479</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 105,898</b>	<b>\$ 58,605</b>
<b>Supplemental disclosures</b>		
Transfers of loans to other real estate	\$ 5,826	\$ 971

See Notes to Condensed Consolidated Financial Statements

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[Table of Contents](#)

**RENASANT CORPORATION AND SUBSIDIARIES**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**SEPTEMBER 30, 2005**

(in thousands, except share data)

Note 1 Summary of Significant Accounting Policies

Business: Renasant Corporation (formerly known as The Peoples Holding Company and referred to herein as the “Company”), a Mississippi corporation, owns and operates Renasant Bank (formerly known as The Peoples Bank & Trust Company), a Mississippi-chartered bank with operations in Mississippi, Tennessee and Alabama, and Renasant Insurance, Inc. (formerly known as The Peoples Insurance Agency, Inc.), a wholly-owned subsidiary of Renasant Bank with operations in Mississippi. On March 31, 2005, Renasant Bank of Tennessee, a Tennessee-chartered bank and wholly-owned subsidiary of the Company, was merged into Renasant Bank, and Renasant Bank survived the merger. The Company has full service offices located throughout north Mississippi, southwest Tennessee and north Alabama.

On December 16, 2004, the board of directors of the Company approved a plan to change the name of the Company from “The Peoples Holding Company” to “Renasant Corporation”. The change of the Company’s name was approved by the shareholders at the annual meeting held on April 19, 2005 and was effective on the same date.

On July 1, 2004, the Company completed its acquisition of Renasant Bancshares, Inc. (“Renasant Bancshares”). On January 1, 2005, the Company completed its acquisition of Heritage Financial Holding Corporation (“Heritage”). The financial condition and results of operations for Renasant and Heritage are included in the Company’s financial statements since the respective dates of each acquisition.

At the Company’s 2005 Annual Meeting of Shareholders held on April 19, 2005, the Company’s shareholders approved an amendment to the Company’s Articles of Incorporation to increase the number of authorized shares of the Company’s common stock, par value \$5.00 per share, from 15,000,000 shares to 75,000,000 shares. At the meeting, the Company’s shareholders also approved an amendment to the Company’s Articles of Incorporation to authorize 5,000,000 shares of preferred stock, par value \$.01 per share. The Company’s board of directors will determine, in its sole discretion, the rights, preferences and other terms of the shares of preferred stock at the time of the issuance of such shares. As a result of these actions, the Company now has a total of 80,000,000 shares of stock authorized, of which 75,000,000 shares are common stock and 5,000,000 shares are preferred stock.

Basis of Presentation: The accompanying unaudited condensed consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with generally accepted accounting principles for interim financial information and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. For further information regarding the Company’s accounting policies, refer to the consolidated financial statements and footnotes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2004.

Certain amounts in prior periods have been reclassified to conform to the current presentation, and all dollar amounts are in thousands, except share data.

## [Table of Contents](#)

**New accounting pronouncements:** In January 2005, the Company adopted and applied the provisions of the American Institute of Certified Public Accounts' Statement of Position 03-3, "Accounting for Certain Loans or Debt Securities Acquired in a Transfer," ("SOP 03-3") on certain loans acquired in connection with the acquisition of Heritage. There was evidence of deterioration of the credit quality of these loans since origination, and it was probable, at the acquisition date, that all contractually required payments would not be collected. The amount of such loans included in the balance sheet heading "Loans, net of unearned income" at September 30, 2005 is as follows:

Commercial	\$ 12,159
Consumer	119
Mortgage	794
	<hr/>
Total outstanding balance	\$ 13,072
	<hr/>
Total carrying amount	\$ 9,617
	<hr/>
	Accrutable Yield
	<hr/>
Balance at January 1, 2005	\$ —
Additions	20
Reclassifications from nonaccrutable difference	1,147
Accretion	(1,150)
	<hr/>
Balance at September 30, 2005	\$ 17
	<hr/>

The Company did not increase the allowance for loan losses through a charge to the income statement for these loans during the nine months ended September 30, 2005. During 2005, the Company recorded \$1,147 in interest income when it transferred \$1,147 of nonaccrutable difference to accrutable yield as the Company realized improved cash flow on certain loans. The majority of the transfer was the result of a negotiated settlement with a guarantor on a single loan.

In December 2004, the Financial Accounting Standards Board issued a revision to Statement of Financial Accounting Standards No. 123, "Share-Based Payment" ("Statement 123R"). Statement 123R requires companies to recognize in their financial statements the cost resulting from all share-based payment transactions using a fair value-based measurement model. Companies are required to estimate the fair value of share-based payments to employees using a mathematical model that reflects the most accurate valuation given the information available and incorporates various factors, including exercise price of the option, expected volatility of the entity's stock, expected term of the award, performance/service/market conditions, expected dividends, the risk-free rate, and grant date share price. Statement 123R replaces Statement 123 and supersedes Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees". Statement 123R became effective in annual reporting periods beginning after June 15, 2005, requiring all share-based payments granted or modified subsequent to the implementation date to be accounted for under Statement 123R. In 2002, the Company adopted the provisions of Statement 123 and began recognizing compensation expense in the income statement, based on the estimated fair value of all awards granted to employees. As such, the adoption of Statement 123R is not expected to have a material effect on the Company's financial condition or results of operations.

### Note 2 Shareholders' Equity

In September 2002, the Company's board of directors adopted a share buy-back plan which, as amended through September 30, 2005, allows the Company to purchase up to 1,396,687 shares of our outstanding common stock, subject to a monthly purchase limit of \$2,000 of our common stock. This plan will remain in effect until all authorized shares are repurchased or until otherwise instructed by the board of directors. As of September 30, 2005, 1,124,087 shares of our common stock had been purchased and 272,600 shares remained authorized under this plan. The reacquired common shares are held as treasury shares and may be reissued for various corporate purposes. During the third quarter of 2005, the Company reissued 28,776 shares from treasury for the exercise of stock options assumed in the Renasant Bancshares and Heritage acquisitions.

[Table of Contents](#)

	Treasury Share Transactions for 2005			
	Total shares repurchased	Average repurchase price per share	Total shares reissued upon exercise of options	Average reissue price per share
January	11,700	\$ 31.96	—	\$ —
February	7,200	31.42	3,627	24.38
March	12,138	31.57	23,600	24.38
April	64,700	31.19	37,000	20.17
May	36,410	30.45	59,762	22.28
June	13,700	30.90	3,170	23.00
July	18,900	31.83	14,376	23.00
August	10,700	30.63	14,400	23.00
September	16,700	31.00	—	—

The Company declared a cash dividend for the third quarter of 2005 of \$0.22 per share as compared to \$0.21 per share for the third quarter of 2004. Total cash dividends paid to shareholders by the Company were \$6,763 and \$5,168 for the nine month periods ended September 30, 2005 and 2004, respectively.

### Note 3 Comprehensive Income

For the three month periods ended September 30, 2005 and 2004, total comprehensive income was \$4,932 and \$8,568, respectively. For the nine month periods ended September 30, 2005 and 2004, total comprehensive income was \$16,504 and \$12,484, respectively. Total comprehensive income consists of net income and the change in the unrealized gain (loss) on securities available for sale.

### Note 4 Employee Benefit Plans

The following tables provide the components of net pension cost and other benefit cost recognized for the three and nine month periods ended September 30, 2005 and 2004:

	Three Months Ended September 30,			
	Pension Benefits		Other Benefits	
	2005	2004	2005	2004
Service cost	\$ —	\$ —	\$ 18	\$ 18
Interest cost	242	241	17	20
Expected return on plan assets	(327)	(311)	—	—
Prior service cost recognized	8	7	1	2
Recognized loss	92	98	13	13
Net periodic benefit cost	\$ 15	\$ 35	\$ 49	\$ 53

	Nine Months Ended September 30,			
	Pension Benefits		Other Benefits	
	2005	2004	2005	2004
Service cost	\$ —	\$ —	\$ 54	\$ 50
Interest cost	726	721	51	52
Expected return on plan assets	(981)	(935)	—	—
Prior service cost recognized	24	23	3	4
Recognized loss	276	280	39	23
Net periodic benefit cost	\$ 45	\$ 89	\$ 147	\$ 129



## [Table of Contents](#)

### [Note 5 Net Income Per Common Share](#)

Basic and diluted net income per common share calculations are as follows:

	Three Months Ended September 30,		Nine months Ended September 30,	
	2005	2004	2005	2004
<b>Basic:</b>				
Net income applicable to common stock	\$ 6,325	\$ 4,691	\$ 17,991	\$ 14,395
Average common shares outstanding	10,396,579	8,977,549	10,399,915	8,453,886
Net income per common share-basic	\$ 0.61	\$ 0.52	\$ 1.73	\$ 1.70
<b>Diluted:</b>				
Net income	\$ 6,325	\$ 4,691	\$ 17,991	\$ 14,395
Average common shares outstanding	10,396,579	8,977,549	10,399,915	8,453,886
Stock awards	114,633	65,146	112,376	27,483
Average common shares outstanding-diluted	10,511,212	9,042,695	10,512,291	8,481,369
Net income per common share-diluted	\$ 0.60	\$ 0.52	\$ 1.71	\$ 1.70

Basic net income per common share is calculated by dividing net income by the weighted-average number of common shares outstanding for the period. Diluted net income per common share reflects the pro forma dilution assuming outstanding unexercised stock options and warrants were exercised into common shares.

### [Note 6 Segment Reporting](#)

Financial Accounting Standards Board Statement No. 131, "Disclosures About Segments of an Enterprise and Related Information," requires public companies to report certain financial and descriptive information about their reportable operating segments (as defined by management) and certain enterprise-wide financial information about products and services, geographic areas, and major customers.

The Company's internal reporting process is organized into four segments that account for the Company's principal activities: the delivery of financial services through its community banks in Mississippi (Mississippi Region), Tennessee (Tennessee Region) and Alabama (Alabama Region), and the delivery of insurance services through its insurance agency (Renasant Insurance). In order to more closely match expenses with revenues at the community bank level, direct and indirect expenses and revenues are allocated to the segments based on various factors, including percentage of loans, percentage of deposits, full-time employees, number of accounts serviced and actual sales. All of the Company's products are offered to similar classes of customers and markets, are distributed using the same methods and operate in similar regulatory environments.

The following table provides financial information for our operating segments. The "Other" column in the following table represents financial information of the holding company and eliminations which are necessary for purposes of reconciling to the consolidated amounts.

[Table of Contents](#)

	Community Bank					
	Mississippi Region	Tennessee Region	Alabama Region	Renasant Insurance	Other	Consolidated
At or for the three month period ended September 30, 2005:						
Net interest income	\$ 13,027	\$ 2,535	\$ 5,145	\$ 1	\$ (969)	\$ 19,739
Provision for loan losses	496	190	147	—	—	833
Noninterest income	7,445	171	1,640	981	7	10,244
Noninterest expense	13,731	1,960	4,261	668	(56)	20,564
Income before income taxes	6,245	556	2,377	314	(906)	8,586
Income tax expense	1,916	161	689	47	(552)	2,261
Net income (loss)	4,329	395	1,688	267	(354)	6,325
Total assets	1,568,034	300,274	500,999	5,499	4,987	2,379,793
Goodwill	2,265	39,347	47,253	2,783	—	91,648
At or for the three month period ended September 30, 2004:						
Net interest income	\$ 12,932	\$ 2,266	\$ —	\$ 1	\$ (196)	\$ 15,003
Provision for loan losses	594	42	—	—	—	636
Noninterest income	5,054	217	—	991	2,116	8,378
Noninterest expense	12,192	1,759	—	807	1,452	16,210
Income before income taxes	5,200	682	—	185	468	6,535
Income tax expense	1,664	259	—	70	(149)	1,844
Net income (loss)	3,536	423	—	115	617	4,691
Total assets	1,426,162	271,026	—	5,276	3,998	1,706,462
Goodwill	2,265	39,668	—	2,783	—	44,716
At or for the nine month period ended September 30, 2005:						
Net interest income	\$ 39,082	\$ 7,097	\$ 16,073	\$ 2	\$(2,742)	\$ 59,512
Provision for loan losses	1,199	490	589	—	—	2,278
Noninterest income	21,717	511	4,755	3,115	—	30,098
Noninterest expense	40,817	5,919	13,125	2,070	452	62,383
Income before income taxes	18,783	1,199	7,114	1,047	(3,194)	24,949
Income tax expense	5,549	347	2,063	235	(1,236)	6,958
Net income (loss)	13,234	852	5,051	812	(1,958)	17,991
Total assets	1,568,034	300,274	500,999	5,499	4,987	2,379,793
Goodwill	2,265	39,347	47,253	2,783	—	91,648
At or for the nine month period ended September 30, 2004:						
Net interest income	\$ 38,012	\$ 2,266	\$ —	\$ 2	\$ (280)	\$ 40,000
Provision for loan losses	1,587	42	—	—	—	1,629
Noninterest income	22,652	217	—	3,088	(289)	25,668
Noninterest expense	39,741	1,759	—	2,400	178	44,078
Income before income taxes	19,336	682	—	690	(747)	19,961
Income tax expense	5,738	259	—	249	(680)	5,566
Net income (loss)	13,598	423	—	441	(67)	14,395
Total assets	1,426,162	271,026	—	5,276	3,998	1,706,462
Goodwill	2,265	39,668	—	2,783	—	44,716

## [Table of Contents](#)

### [Note 7 Mergers and Acquisitions](#)

On January 1, 2005, the Company completed its acquisition of Heritage, a bank holding company headquartered in Decatur, Alabama. Heritage was the parent of Heritage Bank and operated eight banking offices in Alabama. The acquisition allowed the Company to expand its geographical footprint into the key markets of Birmingham, Decatur and Huntsville, Alabama.

The Company issued 1,369,589 shares of its common stock and paid approximately \$23,055 in cash for 100% of the voting equity interests in Heritage. The common stock issued by the Company was registered under the Securities Act of 1933, as amended. The aggregate transaction value, including the value of Heritage's options assumed by the Company, was \$75,658. At January 1, 2005, Heritage had total assets of approximately \$540,296, total loans of approximately \$389,740, total deposits of approximately \$380,998 and total stockholders' equity of approximately \$28,842. In connection with the acquisition, the Company recorded approximately \$52,477 in intangible assets. The intangible assets are not deductible for income tax purposes.

SOP 03-3, which became effective for loans acquired in fiscal years subsequent to December 31, 2004, prohibits the carryover of an allowance for loan losses on certain loans acquired in a business combination accounted for as a purchase. Increases in expected cash flows to be collected from the contractual cash flows are to be recognized as an adjustment of the loan's yield over its remaining life, while decreases in expected cash flows are to be recognized as an impairment. Certain of the loans acquired in connection with the acquisition of Heritage had experienced credit deterioration since date of origination to the date of acquisition and are required to be accounted for under SOP 03-3. These loans, which had an outstanding balance of \$18,839 at the date of acquisition, are now carried at a balance which management believes, based on the facts and circumstances surrounding each respective loan at the date of acquisition, represents their future cash flows. Management continually monitors these loans individually as part of its normal credit review and monitoring procedures for changes in the estimated future cash flows. At September 30, 2005, none of the allowance for loan losses was allocated to these loans.

The following table summarizes the allocation of purchase price to assets and liabilities acquired in connection with the Company's acquisition of Heritage based on their fair values on January 1, 2005. The Company is finalizing the value of certain assets and liabilities. As such, the adjustments included in the following table are preliminary and may change.

#### **Allocation of Purchase Price for Heritage Financial Holding Corporation**

<b>Purchase price:</b>	
Shares issued to Heritage common shareholders	1,369,589
Purchase price per share	\$ 33.10
<hr/>	
Value of stock paid	\$45,333
Cash paid	23,055
Fair value of Heritage options assumed	6,081
Transaction costs	1,189
<hr/>	
<b>Total purchase price</b>	<b>\$75,658</b>

[Table of Contents](#)

<b>Net assets acquired:</b>	
Heritage's stockholders' equity	\$28,842
Increase (decrease) to net assets as a result of fair value adjustments to assets acquired and liabilities assumed:	
Investments	(885)
Loans, net of unearned income	(485)
Fixed assets	(1,049)
Core deposits intangible	4,590
Non-compete agreements	634
Other assets	(269)
Deposits	35
FHLB advances	(1,363)
Trust preferred securities	(1,638)
Other liabilities	(63)
Deferred income taxes	56
Increase (decrease) to net assets as a result of implementation of SOP 03-3	
Loans	(5,742)
Allowance for loan losses	5,742
	<hr/>
<b>Total net assets acquired</b>	<b>28,405</b>
	<hr/>
<b>Goodwill resulting from merger</b>	<b>\$47,253</b>
	<hr/>

Since the acquisition of Heritage was completed on January 1, 2005, the actual results of the combined companies through the nine-month period ended September 30, 2005 are indicative of the pro forma results. As such, no pro forma information is included herein.

**Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (dollar amounts in thousands, except per share data)**

This Form 10-Q may contain, or incorporate by reference, statements which may constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward looking statements usually include words such as “expects,” “projects,” “anticipates,” “believes,” “intends,” “estimates,” “strategy,” “plan,” “potential,” “possible” and other similar expressions. Prospective investors are cautioned that any such forward-looking statements are not guarantees for future performance and involve risks and uncertainties and that actual results may differ materially from those contemplated by such forward-looking statements. Important factors currently known to management that could cause actual results to differ materially from those in forward-looking statements include significant fluctuations in interest rates, inflation, economic recession, significant changes in the federal and state legal and regulatory environment, significant underperformance in our portfolio of outstanding loans, and competition in our markets. Management undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time.

Overview

Renasant Corporation (formerly known as The Peoples Holding Company and referred to herein as the “Company”, “we,” “our,” or “us”), a Mississippi corporation, owns and operates Renasant Bank (formerly known as The Peoples Bank & Trust Company), a Mississippi-chartered bank with operations in Mississippi, Tennessee and Alabama, and Renasant Insurance, Inc. (formerly known as The Peoples Insurance Agency, Inc.), a Mississippi corporation with operations in Mississippi. Renasant Insurance, Inc. is a wholly owned subsidiary of Renasant Bank. The Company has full service offices located throughout north Mississippi, southwest Tennessee and north Alabama. It is important to note that our operations were not materially affected by Hurricane Katrina.

On July 1, 2004, we completed our acquisition of Renasant Bancshares, Inc. (“Renasant Bancshares”), the parent company of Renasant Bank of Tennessee, and expanded our footprint into Tennessee. Renasant Bank of Tennessee became one of our subsidiaries as a result of our acquisition of Renasant Bancshares. In order to simplify our operations and reduce costs, on March 31, 2005, Renasant Bank of Tennessee merged into Renasant Bank, with Renasant Bank surviving the merger. On January 1, 2005, we completed our acquisition of Heritage Financial Holding Corporation (“Heritage”), the parent company of Heritage Bank, and expanded our footprint into Alabama. On that date, Heritage merged into the Company, and Heritage Bank merged into Renasant Bank. The Company and Renasant Bank, respectively, survived the mergers. The financial condition and results of operations for both acquisitions are included in the Company’s financial statements since the date of relevant acquisition.

Financial Condition

Total assets for the Company increased to \$2,379,793 on September 30, 2005 from \$1,707,545 on December 31, 2004, representing an increase of 39.37%. The acquisition of Heritage contributed total assets of \$540,296. The information contained in the ensuing paragraphs further discusses the increase in assets.

Cash and cash equivalents increased \$49,873 from \$56,025 at December 31, 2004 to \$105,898 at September 30, 2005 and represented 4.45% of total assets at September 30, 2005 compared to 3.28% of total assets at December 31, 2004.

Our investment portfolio increased from \$371,581 at December 31, 2004 to \$400,786 at September 30, 2005. The acquisition of Heritage contributed investment securities with a balance of \$94,866. The decline in the investment portfolio, excluding the contribution from the Heritage acquisition, was a result of the Company utilizing the cash flow from its investment portfolio to partially fund loan growth generated during the first nine months of 2005.

Mortgage loans held for sale were \$42,865 at September 30, 2005 compared to \$2,714 at December 31, 2004. The increase in mortgage loans held for sale since the beginning of the year is directly attributable to the mortgage loan operations acquired in connection with our acquisition of Heritage on January 1, 2005. Originations of mortgage loans to be sold totaled \$327,305 for the first nine months of 2005 as compared to \$45,331 for the full year of 2004.

## [Table of Contents](#)

The balance of our mortgage loans held for sale portfolio typically ranges from \$30,000 to \$35,000 at any given reporting period. Due to the widespread impact of Hurricane Katrina, certain potential purchasers of our mortgage loans have required us to reappraise the collateral securing certain mortgage loans before agreeing to purchase such loans. This process has delayed the consummation of certain sales of our mortgage loans, which in turn has result in a higher than normal balance in mortgage loans held for sale at September 30, 2005. Management believes this delay is temporary and will not prevent our sale of these mortgage loans in the secondary market. Mortgage loans to be sold are locked in at a contractual rate with third party private investors, and the Company is obligated to sell the mortgages to such investors only if the mortgages are closed and funded. Gains and losses are realized at the time consideration is received and all other criteria for sales treatment have been met. These loans are typically sold within thirty days after the loan is funded. Although some interest income is derived from mortgage loans held for sale, the main source of income is gains from the sale of mortgage loans in the secondary market.

The loan balance, net of unearned income, at September 30, 2005 was \$1,608,697, representing an increase of \$467,217, or 40.93%, from \$1,141,480 at December 31, 2004. The acquisition of Heritage contributed total loans of \$389,740. Excluding Heritage's loans, loans increased \$77,477, or 6.78%, from December 31, 2004.

Excluding the impact on the loan portfolio from the Heritage acquisition, the growth in loans during the first nine months of 2005 is primarily attributable to loan production from our Tennessee region. Loans in the Tennessee region grew \$66,683 during the first nine months of 2005. The table below sets forth loans outstanding, according to loan type, net of unearned income.

	September 30, 2005	December 31, 2004
Commercial, financial, agricultural	\$ 224,673	\$ 175,571
Lease financing	8,143	10,809
Real estate – construction	162,694	96,404
Real estate – 1-4 family mortgages	558,616	375,698
Real estate – commercial mortgages	570,849	395,048
Installment loans to individuals	83,722	87,950
Total loans, net of unearned income	\$ 1,608,697	\$1,141,480

Loan concentrations are considered to exist when there are amounts loaned to a large number of borrowers engaged in similar activities who would be similarly impacted by economic or other conditions. At September 30, 2005, we had no significant concentrations of loans other than those presented in the categories in the table above.

Intangible assets increased \$50,342 to \$100,766 at September 30, 2005 from \$50,424 at December 31, 2004. The increase reflects \$47,253, \$4,590 and \$634 of goodwill, core deposits intangible, and noncompete agreements, respectively, recorded on January 1, 2005 in connection with the acquisition of Heritage. The core deposits intangible and noncompete agreements are being amortized over their estimated useful lives of ten and five years, respectively.

Other assets increased \$29,929 from \$65,726 at December 31, 2004 to \$95,655 at September 30, 2005. This increase is primarily attributable to the Heritage acquisition. The increase also includes increases in Bank Owned Life Insurance, deferred tax assets and accrued interest receivable.

Total deposits increased \$499,641 to \$1,818,318 at September 30, 2005 from \$1,318,677 on December 31, 2004. The acquisition of Heritage contributed total deposits of \$380,998. Excluding Heritage's deposits, deposits increased \$118,643, or 9.00%, from December 31, 2004. Excluding the contribution to the deposit balances from the Heritage acquisition, the growth in deposits is primarily attributable to deposit generation in the Tennessee and Mississippi regions. Deposits in the Mississippi and Tennessee regions grew \$72,072 and \$35,690, respectively, from the amounts at December 31, 2004. Deposits in Alabama grew \$10,880 since December 31, 2004, which includes the intentional runoff of approximately \$20 million in brokered deposits.

We continue to utilize advances from the Federal Home Loan Bank ("FHLB") to fund our loan portfolio. In order to mitigate interest rate risk, long term fixed rate loans have been match-funded with FHLB borrowings. Advances

## [Table of Contents](#)

from the FHLB increased \$93,041 to \$202,797 at September 30, 2005 compared to \$109,756 at December 31, 2004. The acquisition of Heritage increased our FHLB advances by \$91,135. At September 30, 2005, the weighted average maturity of the long-term portion of our FHLB advances was 2 years and 10 months while the weighted average interest rate was 3.76%.

During January 2005, we formed PHC Statutory Trust II for the purpose of issuing corporation-obligated mandatory redeemable capital securities to third-party investors and investing the proceeds from the sale of such capital securities solely in floating rate junior debentures of the Company. The \$31,959 issue provided us funds for the cash portion of the Heritage acquisition. The 30-year junior subordinated debentures pay interest quarterly equal to the three month LIBOR plus 187 basis points. In connection with the Heritage acquisition, we assumed \$10,310 in fixed-rate junior subordinated debentures issued by Heritage. These junior subordinated debentures have similar characteristics to our debentures and, as such, qualify as Tier 1 capital for regulatory purposes.

Shareholders' equity increased \$58,169, or 32.49%, to \$237,211 at September 30, 2005 compared to \$179,042 at December 31, 2004. The Heritage acquisition increased shareholders' equity by \$51,415. Other factors contributing to the change in capital include current year earnings offset by treasury stock purchases and dividends.

### Results of Operations – Third Quarter of 2005 as Compared to the Third Quarter of 2004

#### Summary

Net income for the three month period ended September 30, 2005 was \$6,325, an increase of \$1,634, or 34.83%, from net income of \$4,691 for the same period in 2004. Basic earnings per share were \$.61 and diluted earnings per share were \$.60 for the three month period ended September 30, 2005, as compared to basic and diluted earnings per share of \$.52 for the comparable period a year ago.

The annualized return on average assets and the annualized return on average equity are presented in the table below:

	Three Months Ended September 30,	
	2005	2004
Return on average assets	<b>1.07%</b>	1.12%
Return on average tangible assets	<b>1.17</b>	1.21
Return on average equity	<b>10.57</b>	10.49
Return on average tangible equity	<b>19.44</b>	15.51

The annualized returns on average tangible assets and average tangible equity exclude the effects of intangible assets and related amortization expenses.

#### Net Interest Income

Net interest income is the difference between interest earned on earning assets and the cost of interest-bearing liabilities, which are two of the largest components contributing to our net income. The primary concerns in managing net interest income are the mix and the repricing of rate-sensitive assets and liabilities. While the current interest rate environment has been unfavorable for net interest income, several factors have lessened the impact on the Company of the interest rate environment, including growth in variable-rate loans, risk-based loan pricing, and a shift from time deposits to less costly transaction deposits.

Net interest income for the three month periods ended September 30, 2005 and 2004 was \$19,739 and \$15,003, respectively. On a tax equivalent basis, net interest margin for the three month period ended September 30, 2005 decreased 22 basis points to 3.94% from 4.16% for the comparable period in 2004. Net interest income for the third quarter of 2005 includes \$99 in interest income as cash flows from certain Heritage loans accounted for under American Institute of Certified Public Accountants Statement of Position 03-3 ("SOP 03-03") exceeded initial estimates. This additional interest income increased net interest margin for the quarter by 2 basis points. Factors

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## [Table of Contents](#)

negatively impacting our net interest margin for the quarter include the acquisition of Heritage, which had a lower net margin than ours prior to the acquisition, the issuance of subordinated debentures to fund that acquisition and the rising costs of deposits.

Interest income grew 55.81% to \$32,417 for the third quarter of 2005 from \$20,805 for the same period in 2004. The growth in interest income was driven by volume, as the average balance of interest earning assets at September 30, 2005 increased \$567,572 as compared to the same period in 2004. The acquisition of Heritage contributed interest income of \$8,545 for the third quarter of 2005. During this same period, the tax equivalent yield on earning assets increased 67 basis points to 6.36%.

Interest expense increased \$6,876 to \$12,678 for the three months ended September 30, 2005 as compared to \$5,802 for the same period in 2004. Interest expense increased as a result of several factors. The acquisition of Heritage increased the average balance of interest bearing deposits by \$353,967. In connection with the acquisition, the Company issued junior subordinated debentures and assumed Heritage's outstanding junior subordinated debentures. Interest expense for the three month period ending September 30, 2005 includes \$994 in interest expense on the subordinated debentures issued and assumed in connection with the Renasant Bancshares and Heritage acquisitions compared to \$232 for the same period last year. The cost of interest bearing deposits increased 80 basis points to 2.39% for the third quarter of 2005 compared to 1.59% for the same period in 2004. Overall, the cost of interest-bearing liabilities increased to 2.70% for the third quarter of 2005 from 1.77% for the same period in 2004.

See Note 2, "Significant Accounting Policies," to the Condensed Consolidated Financial Statements for discussion and analysis of the Company's mortgage loans held for sale portfolio and recognition of related income.

### Noninterest Income

Noninterest income was \$10,244 for the three month period ended September 30, 2005 compared to \$8,378 for the same period in 2004, an increase of 22.27%. For the three month period ended September 30, 2005, Heritage contributed \$1,640 to noninterest income.

Service charges on deposits were \$4,358 for the third quarter of 2005, an increase of \$291, or 7.16%, over \$4,067 for the same period in 2004. Service charges represent the largest component of noninterest income. Overdraft fees were \$3,714 for the three month period ended September 30, 2005, an increase of \$1,529, or 69.98%, compared to the same period in 2004. This increase is primarily attributed to non-public transaction deposit growth. The fee charged to customers for insufficient funds remained the same throughout 2004 and 2005.

Fees and commissions were \$2,853 and \$1,975 for the three month periods ended September 30, 2005 and 2004, respectively. For the three month period ended September 30, 2005, mortgage loan fees (application and origination fees) were \$1,101 compared to \$326 for the same period of 2004. This increase primarily resulted from the mortgage loan business acquired in connection with the Heritage transaction.

The Financial Services division of the Company focuses on providing specialized products and services to our customers. Specialized products include fixed and variable annuities, mutual funds, and stocks offered through a third party provider. Fixed annuities consist of a line of twelve products. We use six insurance carriers, all of which have an A. M. Best rating of an "A" or better. Mutual funds offered by the Company originate primarily from five fund families. Revenues generated from the sale of these products totaled \$223 for the third quarter of 2005 compared to \$195 for the same period in 2004. Revenues from these products are reported in the Condensed Consolidated Statements of Income in the account line "Fees and commissions."

Our emphasis on specialized products and services is designed to better serve the needs of our clients. The trust department within the Financial Services division operates on a custodial basis which includes administration of benefit plans, accounting and money management for trust accounts. The trust department manages a number of trust accounts inclusive of personal and corporate benefit accounts, self-directed IRA's, and custodial accounts. Fees for managing these accounts are generated based on the contractual terms of the accounts. Trust revenue for the third quarter of 2005 was \$613 as compared to \$658 for the same period of 2004. The market value of assets under management as of September 30, 2005 was \$440,814 an increase of approximately 27.76% from the prior year.



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## Table of Contents

Gains from sales of mortgage loans increased to \$766 for the three months ended September 30, 2005 compared to \$138 for the same period in 2004. The increase in gains from sales of mortgage loans is due to the increase in mortgage loan volumes attributable to Heritage's mortgage loan business.

### Noninterest Expense

Noninterest expense was \$20,564 for the three month period ended September 30, 2005 compared to \$16,210 for the same period in 2004, an increase of \$4,354. The operations of Heritage increased noninterest expenses by \$4,261.

Salaries and employee benefits for the three month period ended September 30, 2005 were \$11,696, which is \$2,941 greater than the same period last year. The acquisition of Heritage increased salaries and employee benefits by \$1,869 for the three month period ended September 30, 2005. The balance of the increase in salaries and employee benefits is due to normal salary increases which were effective March 2005.

Data processing costs for the three month period ended September 30, 2005 were \$966, a decrease of \$54 compared to the same period last year. The decrease resulted from continued efficiencies in our back office processing and lower costs as a result of renegotiating our contract with our primary vendor. Net occupancy expense and equipment expense for the three month period ended September 30, 2005 increased \$125 to \$2,220 over the comparable period for the prior year primarily due to additional depreciation and expenses related to assets obtained in connection with our acquisitions of Heritage and our de novo branches.

Amortization of intangible assets increased to \$557 for the three months ended September 30, 2005 compared to \$403 for the same period in 2004. The increase is due to the amortization of the finite-lived intangible assets recorded as a result of the Heritage acquisition. These intangible assets are being amortized over their estimated useful lives, which range between five and ten years.

Noninterest expense as a percentage of average assets was 3.47% for the three month period ended September 30, 2005 and 3.86% for the comparable period in 2004. We anticipate a continued positive impact on future noninterest expense through our investments in personnel, technology, and programs such as High Performance Checking. The net overhead ratio was 1.74% and 1.88% for the third quarter of 2005 and 2004, respectively. The net overhead ratio is defined as noninterest expense less noninterest income, expressed as a percent of average assets. Our efficiency ratio decreased to 66.73% for the three month period ended September 30, 2005 compared to 67.22% for the same period of 2004. The improvements in the net overhead and efficiency ratios were due to operating efficiencies and income opportunities provided in our new markets of Tennessee and Alabama.

Income tax expense was \$2,261 for the three month period ended September 30, 2005 (with an effective tax rate of 26.33%), compared to \$1,844 (with an effective tax rate of 28.21%) for the same period in 2004. We continue to seek investing opportunities in assets whose earnings are given favorable tax treatment.

## Results of Operations – Nine Months Ended September 30, 2005 as Compared to the Nine Months Ended September 30, 2004

### Summary

Net income for the nine month period ended September 30, 2005 was \$17,991, an increase of \$3,596, or 24.98%, from net income of \$14,395 for the same period in 2004. Basic earnings per share were \$1.73 and diluted earnings per share were \$1.71 for the nine month period ended September 30, 2005 as compared to basic and diluted earnings per share of \$1.70 for the comparable period a year ago.

Net income in the nine months ended September 30, 2005 was increased by \$708, or \$.07 per diluted share, in after-tax interest income as the cash flows from certain loans acquired in connection with the Company's acquisition of Heritage accounted for under SOP 03-3 exceeded initial estimates. This was offset by \$699, or \$.06 per diluted share, in after-tax merger expenses related to the Heritage acquisition and expenses associated with the change of the Company's name. Net income in the nine months ended September 30, 2004 was increased by an after-tax gain of \$617, or \$.08 per diluted share, recognized in connection with the sale of the Company's merchant card business.

## [Table of Contents](#)

The annualized return on average assets and the annualized return on average equity are presented in the table below:

	Nine Months Ended September 30,	
	2005	2004
Return on average assets	<b>1.03%</b>	1.26%
Return on average tangible assets	<b>1.14</b>	1.32
Return on average equity	<b>10.25</b>	12.55
Return on average tangible equity	<b>19.12</b>	14.94

The annualized returns on average tangible assets and average tangible equity exclude the effects of intangible assets and related amortization expenses.

### Net Interest Income

Net interest income for the nine month periods ended September 30, 2005 and 2004 was \$59,512 and \$40,000, respectively. On a tax equivalent basis, net interest margin for the nine month period ended September 30, 2005 declined to 4.02% from 4.12% for the comparable period in 2004. The decline in our margin is primarily due to the acquisitions of Renasant Bancshares and Heritage, both of which had lower net margins than the Company.

Interest income grew 67.32% to \$93,612 for the nine month period ended September 30, 2005 from \$55,948 for the same period in 2004. The growth in interest income was driven by volume, as the average balance in interest earning assets for September 30, 2005 increased \$684,913 as compared to the same period in 2004, while the tax equivalent yield on earning assets increased 57 basis points to 6.24%. The increase in the average balance of earning assets was primarily due to the acquisitions of Renasant Bancshares and Heritage. These acquisitions contributed interest income of \$10,991 and \$23,117, respectively, for the first nine months of 2005.

Interest expense increased \$18,152 to \$34,100 for the nine months ended September 30, 2005 as compared to \$15,948 for the same period in 2004. Interest expense increased as a result of several factors. The acquisitions of Renasant Bancshares and Heritage increased the average balance of interest bearing deposits by \$182,034 and \$345,641, respectively. Interest expense for the nine month period ending September 30, 2005 also includes \$2,772 in interest expense on the subordinated debentures issued and assumed in connection with the acquisitions compared to \$689 for the same period last year. The cost of interest bearing deposits increased 52 basis points to 2.15% for the nine months ended September 30, 2005 compared to 1.63% for the same period in 2004. Overall, the cost of interest-bearing liabilities increased to 2.46% for the first nine months of 2005 from 1.80% for the same period in 2004.

### Noninterest Income

Noninterest income was \$30,098 for the nine month period ended September 30, 2005 compared to \$25,668 for the same period in 2004, an increase of 17.26%. For the nine month period ended September 30, 2005, Renasant Bancshares and Heritage contributed \$511 and \$4,755, respectively, to noninterest income.

Service charges on deposits were \$12,399 for the first nine months of 2005, an increase of \$900, or 7.83%, over \$11,499 for the nine month period ended September 30, 2004. Overdraft fees were \$10,431 for the nine month period ended September 30, 2005, an increase of \$1,016, or 10.79%, compared to the same period in 2004. This increase is attributed to non-public transaction deposit growth. The fee charged for insufficient funds remained the same throughout 2004 and 2005.

Fees and commissions were \$8,323 and \$5,604 for the nine month periods ended September 30, 2005 and 2004, respectively. For the nine month period ended September 30, 2005, mortgage loan fees (application and origination fees) were \$3,147 compared to \$967, for the same period of 2004. This increase primarily resulted from the acquisition of the mortgage loan business in connection with our acquisition of Heritage.

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## [Table of Contents](#)

Revenues generated from the sale of specialized products by the Financial Services division, such as fixed and variable annuities, mutual funds, and stocks offered through a third party provider, totaled \$683 for the first nine months of 2005 compared to \$543 for the same period in 2004. Trust revenue for the first nine months of 2005 was \$1,849 as compared to \$1,728 for the same period of 2004.

Gains from sales of mortgage loans increased to \$2,132 for the nine months ended September 30, 2005 compared to \$417 for the same period in 2004. The increase in gains from sales of mortgage loans is due to the increase in mortgage loan volumes attributable to Heritage's mortgage loan business.

Revenues from merchant discounts decreased \$627 for the nine months ended September 30, 2005 from \$633 for the same period in 2005. During 2004, we recognized a \$1,000 gain when we sold our interest in and rights to future revenue on credit card merchant agreements involving point of sale based credit card, debit card and other card-based transaction processing services, electronic payment and settlement services to Nova Information Systems, Inc. ("Nova"). As such, we will no longer continue to receive merchant discount revenue. We will receive referral fees from Nova, although such fees will be significantly less than our merchant discount revenue.

Other noninterest income includes contingency income related to our insurance subsidiary, which was \$370 for the nine month period ended September 30, 2005 as compared to \$362 for the same period of 2004. Contingency income is based on both the premium volume with each individual insurance company and the amount of claims paid from each of those companies. Income fluctuates if the claims experience changes from year to year. Also included in other noninterest income is \$264, representing our share of proceeds from the sale of the Pulse network to Discover during the first quarter of 2005.

### Noninterest Expense

Noninterest expense was \$62,383 for the nine month period ended September 30, 2005 compared to \$44,078 for the same period in 2004, an increase of \$18,305. The operations of Renasant Bancshares and Heritage increased noninterest expenses by \$19,044, including \$803 of merger related expenses related to our acquisition of Heritage.

Salaries and employee benefits for the nine month period ended September 30, 2005 were \$34,675, which is \$10,023 greater than the same period last year. The acquisitions of Renasant Bancshares and Heritage increased salaries and employee benefits by \$9,634 for the nine month period ended September 30, 2005. The balance of the increase in salaries and employee benefits over the nine month period is due to duplicate staff at our headquarters and in our Alabama operations needed to facilitate the consolidation of back office functions related to the Heritage merger, strategic hiring of commercial lending and wealth management personnel in our new markets, normal salary increases which went into effect March 2005 and increases in health care and pension costs. The duplicate positions to facilitate the back office consolidation were eliminated early in the second quarter of 2005.

Data processing costs for the nine month period ended September 30, 2005 were \$2,972, a decrease of \$352 compared to the same period last year. The decrease resulted from continued efficiencies in our back office processing. Net occupancy expense and equipment expense for the nine month period ended September 30, 2005 increased \$1,526 and \$133, respectively, to \$4,253 and \$2,794, respectively, over the comparable period for the prior year, primarily due to additional depreciation and expenses related to Renasant Bancshares and Heritage and our de novo branches.

Amortization of intangible assets increased to \$1,714 for the nine months ended September 30, 2005 compared to \$626 for the same period in 2004. The increase is due to the amortization of the finite-lived intangible assets recorded as a result of the Renasant Bancshares and Heritage acquisitions. These intangible assets are being amortized over their estimated useful lives, which range between 5-10 years.

During 2005, we changed the name of our subsidiary bank, The Peoples Bank & Trust Company, to Renasant Bank, and our insurance agency, The Peoples Insurance Agency, to Renasant Insurance, Inc. In addition, we changed our name to Renasant Corporation. As a result of the name change, we incurred approximately \$334 in marketing, legal and printing costs during the first nine months of 2005.

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## [Table of Contents](#)

Noninterest expense as a percentage of average assets was 3.56% for the nine month period ended September 30, 2005 and 3.87% for the comparable period in 2004. The net overhead ratio was 1.85% and 1.63% for the first nine months of 2005 and 2004, respectively. Our efficiency ratio increased to 67.73% for the nine month period ended September 30, 2005 compared to 64.71% for the same period of 2004. The net overhead and efficiency ratios for 2005 were negatively impacted by the merger costs and costs associated with the name change.

Income tax expense was \$6,958 for the nine month period ended September 30, 2005 (with an effective tax rate of 27.89%) compared to \$5,566 (with an effective tax rate of 27.88%) for the same period in 2004.

### Allowance and Provision for Loan Losses

The provision for loan losses charged to operating expense is an amount which, in the judgment of management, is necessary to maintain the allowance for loan losses at a level that is adequate to meet the inherent risks of losses on our current portfolio of loans. The appropriate level of the allowance is based on a quarterly analysis of the loan portfolio which includes consideration of such factors as the risk rating of individual credits, the size and diversity of the portfolio, economic conditions, prior loss experience, and the results of periodic credit reviews by internal loan review and regulators.

We maintained our credit quality in the third quarter of 2005. Nonperforming assets as a percentage of total assets at September 30, 2005 decreased to .58% as compared to .60% at September 30, 2004. Nonperforming loans (accruing loans past due 90 days or more and nonaccrual loans) as a percentage of total loans were .45% and .68% at September 30, 2005 and 2004, respectively. Nonaccrual loans at September 30, 2005, were \$3,803, down \$1,823 as compared to the balance at September 30, 2004. As disclosed in previous filings with the Securities and Exchange Commission, one large credit relationship had previously represented over one-half of our nonaccrual loans. In the first quarter of 2005, we foreclosed on the collateral securing this relationship. As a result, the nonaccrual balance was reduced \$4,129 as we brought to final resolution this one problem credit relationship. The \$4,130 increase in other real estate owned and repossessions was primarily a result of the foreclosure. The acquisition of Heritage increased the September 30, 2005 nonaccrual loan and other real estate owned balances by \$820 and \$1,240, respectively. However, the majority of the loans accounted for in accordance with SOP 03-3 are not included in nonperforming loans at September 30, 2005.

The provision for loan losses was \$833 and \$636 for the three months ended September 30, 2005 and 2004, respectively. For the third quarter of 2005, net charge-offs were \$465, or .11% annualized as a percentage of average loans. Net charge-offs for the same period in 2004 were \$324, or .12% annualized. The provision for loan losses for the nine month period ended September 30, 2005 and 2004 was \$2,278 and \$1,629, respectfully. Net charge-offs for the first nine months of 2005 were \$2,431, or .20% annualized as a percentage of loans. Net charge-offs for the same period in 2004 were \$1,397, or .19% annualized. The foreclosure on the collateral securing the one credit relationship, as discussed in more detail in the preceding paragraph, resulted in charge-offs of \$906 for the nine months ended September 30, 2005. Excluding the charge-offs related to this one credit, net charge-offs as a percentage of average loans were .13% for the nine months ended September 30, 2005. All amounts charged-off related to this one credit relationship had been fully reserved in the allowance for loan losses.

In determining the amount of provision to charge to operations, management considers the risk rating of individual credits, the size and diversity of the loan portfolio, current trends in net charge-offs, trends in non-performing loans, trends in past due loans and current economic conditions in the markets in which we operate.

The allowance for loan losses as a percentage of loans was 1.15% at the September 30, 2005 as compared to 1.26% at December 31, 2004. The reduction of the allowance for loan losses as a percentage of loans was caused by our improved credit quality and growth in the loan portfolio. SOP 03-3 prohibits the carryover of an allowance for loan loss for loans acquired in which the acquirer concludes that the acquirer will not collect the contractual payments. Certain loans acquired as a part of our acquisition of Heritage experienced credit deterioration since date of origination to the date of acquisition. These loans, which had an outstanding balance of \$18,839 at the date of acquisition, are now carried at a balance which management believes, based on the facts and circumstances surrounding each respective loan at the date of acquisition, represents their future cash flows. We continually monitor these loans as part of our normal credit review and monitoring procedures for changes in the estimated

[Table of Contents](#)

future cash flows. At September 30, 2005, the carrying balance of these loans was \$9,617, down \$987 from the carrying balance at June 30, 2005, primarily related to principal reductions.

The table below presents information and ratios regarding loans, net charge-offs, the allowance for loan losses and nonperforming loans.

	2005			2004			
	3 <sup>rd</sup> Quarter	2 <sup>nd</sup> Quarter	1 <sup>st</sup> Quarter	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	2 <sup>nd</sup> Quarter	1 <sup>st</sup> Quarter
Balance at beginning of period	\$18,080	\$18,012	\$14,403	\$16,309	\$13,152	\$13,274	\$13,232
Addition from acquisitions	—	—	4,198	—	2,845	—	—
Loans charged-off	655	921	1,413	1,982	470	681	484
Recoveries of loans previously charged-off	(190)	(141)	(227)	(158)	(146)	(71)	(21)
Net charge-offs	465	780	1,186	1,824	324	610	463
Provision for loan losses	833	848	597	(82)	636	488	505
Balance at end of period	\$18,448	\$18,080	\$18,012	\$14,403	\$16,309	\$13,152	\$13,274
Nonaccruing loans	\$ 3,803	\$ 4,157	\$ 3,807	\$ 6,443	\$ 5,626	\$ 5,566	\$ 5,413
Accruing loans 90 days past due or more	3,398	2,292	3,002	2,228	2,054	1,848	3,891
Total nonperforming loans	7,201	6,449	6,809	8,671	7,680	7,414	9,304
Other real estate owned and repossessions	6,646	7,114	7,232	2,324	2,516	1,901	1,661
Total nonperforming assets	\$13,847	\$13,563	\$14,041	\$10,995	\$10,196	\$ 9,315	\$10,965
Allowance for loan losses to total loans	1.15%	1.14%	1.14%	1.26%	1.45%	1.45%	1.50%
Reserve coverage ratio	256.19	280.35	264.53	166.30	212.36	177.39	142.67
Net charge-offs to average loans	0.03	0.05	0.08	0.17	0.03	0.07	0.05
Annualized net charge-offs to average loans	0.11	0.19	0.31	0.64	0.12	0.28	0.21
Nonperforming loans to total loans	0.45	0.40	0.43	0.76	0.68	0.82	1.05
Nonperforming assets to total assets	0.58	0.58	0.60	0.64	0.60	0.65	0.75

## [Table of Contents](#)

The table below presents net charge-offs by loan type for the three and nine month periods ending September 30, 2005 and 2004:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Commercial, financial, agricultural	\$ 127	\$ 46	\$ 397	\$ 734
Lease financing	—	—	—	—
Real estate – construction	(2)	—	113	—
Real estate – 1-4 family mortgages	269	141	1,422	402
Real estate – commercial mortgages	37	32	141	63
Installment loans to individuals	34	105	358	198
<b>Total loans, net of unearned income</b>	<b>\$ 465</b>	<b>\$ 324</b>	<b>\$2,431</b>	<b>\$1,397</b>

The following table quantifies the amount of the specific reserves component of the allowance for loan losses and the amount of the allowance determined by applying allowance factors to graded loans as of September 30, 2005, and December 31, 2004:

	September 30, 2005	December 31, 2004
Specific reserves	\$ 5,056	\$ 2,786
Allocated reserves based on loan grades	13,392	11,617
Unallocated reserves	—	—
<b>Total reserves</b>	<b>\$ 18,448</b>	<b>\$ 14,403</b>

## [Liquidity and Capital Resources](#)

Liquidity management is the ability to meet the cash flow requirements of customers who may be either depositors wishing to withdraw funds or borrowers needing assurance that sufficient funds will be available to meet their credit needs. Our strategy in choosing funds is focused on attempting to mitigate interest rate risk, and thus we utilize funding sources that are commensurate with the interest rate risk associated with the assets. We constantly monitor our funds position and evaluate the effect various funding sources have on our financial position.

Deposits are our primary source of funds used to meet cash flow needs. While we do not control the types of deposit instruments our clients choose, we do influence those choices with the rates we offer and with the deposit products we offer. Understanding the competitive pressures on deposits is key to maintaining the ability to acquire and retain these funds in a variety of markets. When evaluating the movement of these funds, even during large interest rate changes, it is essential that we continue to attract deposits that can be used to meet cash flow needs. Management continues to monitor the liquidity and volatility liabilities ratios to ensure compliance with Asset-Liability Committee targets.

For the nine months ended September 30, 2005, our total cost of funds, including noninterest bearing demand deposit accounts, was 2.19%, up from 1.58% for the same period in 2004. Noninterest bearing demand deposit accounts made up approximately 11.18% of our average total deposits and borrowed funds at September 30, 2005 as compared to 12.62% at September 30, 2004. Interest bearing transaction accounts, money market accounts and savings accounts made up approximately 32.29% of our funds and had an average cost of 1.16%, compared to 38.07% of the total with an average cost of .87% for the same period in 2004. Another significant source of funds was time deposits, making up 40.78% of the average total deposits and borrowed funds with an average cost of 2.93% for the nine months ended September 30, 2005, compared to 39.78% of the total with an average cost of 2.35% for the same period in 2004. FHLB advances, typically used for clients who prefer longer-term fixed rate loans, made up approximately 6.67% of our average total deposits and borrowed funds with an average cost of 3.42%, compared to 11.41% of the total with an average cost of 3.25% for the same period in 2004.

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## [Table of Contents](#)

Our security portfolio is another alternative for meeting liquidity needs. These assets have readily available markets that offer conversions to cash as needed. Within the next twelve months the securities available for sale portfolio is forecasted to generate cash flow equal to approximately 13.90% of the carrying value of the total securities portfolio. Other sources available for meeting liquidity needs include federal funds purchased and advances from the FHLB. Interest is charged at the market federal funds rate on federal funds purchased and FHLB advances. Federal funds purchased at September 30, 2005 totaled \$24,216, a decrease of \$27,284 from December 31, 2004. We reduced the amount of federal funds purchased by utilizing lower cost short-term FHLB advances. Funds obtained from the FHLB are used primarily to match-fund real estate loans in order to minimize interest rate risk and may be used to meet day to day liquidity needs. The total amount of remaining credit available to us from the FHLB was \$477,696. As of September 30, 2005, our outstanding balance with the FHLB was \$202,797 compared to \$109,756 at December 31, 2004. We also maintain lines of credits with other commercial banks totaling \$35,000. These are unsecured lines of credit maturing at various times within the next twelve months. At September 30, 2005, there were no amounts outstanding under these lines of credits.

Cash and cash equivalents were \$105,898 at September 30, 2005 compared to \$56,025 at December 31, 2004. Cash used in investing activities for the nine months ended September 30, 2005 was \$70,149 compared to \$58,589 for the same period of 2004. The primary contribution to this increase was due to a net increase in loans of \$105,735 funded primarily by the proceeds from the sale and maturity of our investment portfolio of \$83,013.

Cash provided by financing activities for the nine months ended September 30, 2005 was \$82,722 compared to \$43,315 for the same period of 2004. Cash flows from the generation of deposits were \$118,678 for the nine months ended September 30, 2005 compared to \$17,745 for the same period in 2004. In January 2005, the Company issued \$31,959 in junior subordinated debentures for the primary purpose of funding the cash portion of the Heritage acquisition. Deposit growth and the issuance of the subordinated debentures primarily generated the cash provided by the financing activities.

The Company completed the acquisition of Renasant Bancshares on July 1, 2004. The aggregate transaction value, including transaction expenses and the dilutive impact of Renasant Bancshares' options and warrants assumed by the Company, was approximately \$60,290. In accordance with the merger agreement, the Company delivered to Renasant Bancshares shareholders either cash, Company common stock, or a combination of cash and Company common stock in exchange for the shares of Renasant Bancshares common stock owned by a shareholder. The cash portion of the merger consideration was \$26,128 and was funded with proceeds from the issuance of the junior subordinated debentures by the Company to PHC Statutory Trust I and a special dividend from Renasant Bank. The Company issued 802,094 shares of its common stock in the transaction, totaling approximately \$27,720. These shares were registered under the Securities Act of 1933, as amended.

The Company completed the acquisition of Heritage on January 1, 2005. The aggregate transaction value, including transaction expenses and the dilutive impact of Heritage's options assumed by the Company, was approximately \$75,658. In accordance with the merger agreement, the Company delivered to Heritage shareholders either cash, Company common stock, or a combination of cash and Company common stock in exchange for the shares of Heritage common stock owned by a shareholder. The cash portion of the merger consideration was \$23,055 and was funded with proceeds from the issuance of \$31,959 in junior subordinated debentures by the Company to PHC Statutory Trust II. The Company issued 1,369,589 shares of its common stock in the transaction, totaling approximately \$45,333. These shares were registered under the Securities Act of 1933, as amended.

We are subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary, actions by regulators that, if undertaken, could have a direct material effect on our financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, we must meet specific capital guidelines that involve quantitative measures of our assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. Our capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require us to maintain minimum balances and ratios. All banks are required to have core capital (Tier I) of at least 4% of risk-weighted assets, Tier I

## [Table of Contents](#)

leverage of 4% of average assets, and total capital of 8% of risk-weighted assets (as such ratios are defined in Federal regulations). As of September 30, 2005, we met all capital adequacy requirements to which we are subject. As of September 30, 2005, the most recent notification from the Federal Deposit Insurance Corporation categorized us as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, we must maintain minimum total risk-based, Tier I risk-based, and Tier I leverage ratios of 10%, 6%, and 5%, respectively. In the opinion of management, there are no conditions or events since the last notification that have changed our rating as well capitalized.

The following table includes our capital ratios and the capital ratios of our banking subsidiary as of September 30, 2005:

	<u>Consolidated</u>	<u>Bank</u>
Tier I Leverage (to average assets)	8.79%	8.47%
Tier I Capital (to risk-weighted assets)	11.68%	11.26%
Total Capital (to risk-weighted assets)	12.77%	12.35%

Management recognizes the importance of maintaining a strong capital base. As the above ratios indicate, we exceed the requirements for a well capitalized bank. The Company's liquidity and capital resources are substantially dependent on the ability of Renasant Bank to transfer funds to the Company in the form of dividends, loans and advances. Please refer to the information under Part II Item 2, "Unregistered Sales of Securities and Use of Proceeds," of this Quarterly Report on Form 10-Q for a discussion of the restrictions on Renasant Bank's ability to transfer funds to the Company in the form of dividends, loans and advances.

Book value per share was \$22.85 and \$19.79 at September 30, 2005 and December 31, 2004, respectively.

### Off Balance Sheet Arrangements

Loan commitments are made to accommodate the financial needs of the Company's customers. Standby letters of credit commit the Company to make payments on behalf of customers when certain specified future events occur.

Both arrangements have credit risk essentially the same as that involved in extending loans to customers and are subject to the Company's normal credit policies. Collateral (e.g., securities, receivables, inventory, and equipment) is obtained based on management's credit assessment of the customer.

The Company's unfunded loan commitments (unfunded loans and unused lines of credit) and standby letters of credit outstanding at September 30, 2005 were approximately \$395,370 and \$23,641, respectively, compared to \$219,087 and \$15,468, respectively, at December 31, 2004.

Market risk resulting from interest rate changes on particular off-balance sheet financial instruments may be offset by other on- or off-balance sheet transactions. Interest rate sensitivity is monitored by the Company for determining the net effect of potential changes in interest rates on the market value of both on- or off-balance sheet financial instruments.



**Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

There have been no material changes to our disclosures about market risk since December 31, 2004. For additional information, see our Form 10-K for the year ended December 31, 2004.

**Item 4. CONTROLS AND PROCEDURES**

Based on their evaluation as of the end of the period covered by this quarterly report on Form 10-Q, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) are effective for timely alerting them to material information required to be included in our periodic SEC reports. There were no changes in the Company's internal control over financial reporting during the fiscal quarter covered by this quarterly report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

[Table of Contents](#)

**Part II. OTHER INFORMATION**

**Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

**Issuer Purchases of Equity Securities**

The following table summarizes the Company's purchases of its own securities for the three month period ended September 30, 2005:

Period	(a) Total Number of Shares Purchased <sup>(1)</sup>	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(1)(2)</sup>	(d) Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(2)</sup>
July 1 to July 31, 2005	18,900	\$ 31.83	18,900	300,000
August 1 to August 31, 2005	10,700	30.63	10,700	289,300
September 1 to September 30, 2005	16,700	31.00	16,700	272,600
<b>Total</b>	<b>46,300</b>	<b>\$ 31.25</b>	<b>46,300</b>	

(1) All shares were purchased through the Company's publicly announced share buy-back plan.

(2) On September 17, 2002, the Company's board of directors adopted a share buy-back plan which, as amended through September 30, 2005, allows the Company to purchase up to 1,396,687 shares of the Company's outstanding common stock, subject to a monthly purchase limit of \$2,000 of its common stock. The plan will remain in effect until all authorized shares are repurchased or until otherwise instructed by the board of directors. The reacquired common shares are held as treasury shares and may be reissued for various corporate purposes. As of September 30, 2005, 1,124,087 shares of the Company's common stock had been purchased and 272,600 shares remained authorized under the plan. All share purchases during 2005 were made pursuant to open market transactions.

The Company's ability to pay dividends to its shareholders is substantially dependent on the transfer from its subsidiary bank of sufficient funds to pay such dividends. Certain restrictions exist regarding the ability of Renasant Bank to transfer funds to the Company in the form of cash dividends, loans, or advances. The approval of the Mississippi Department of Banking and Consumer Finance is required prior to Renasant Bank paying dividends, which are limited to earned surplus in excess of three times capital stock. At September 30, 2005, the unrestricted surplus for Renasant Bank was approximately \$275,667. Federal Reserve regulations also limit the amount Renasant Bank may loan to the Company unless such loans are collateralized by specific obligations. At September 30, 2005, the maximum amount available for transfer from Renasant Bank to the Company in the form of loans was \$20,881. There were no loans outstanding from Renasant Bank to the Company at September 30, 2005.

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[Table of Contents](#)

**Item 6. EXHIBITS**

<b>Exhibit Number</b>	<b>Description</b>
3.1	Articles of Incorporation of Renasant Corporation, as amended <sup>(1)</sup>
3.2	Restated Bylaws of Renasant Corporation, as amended
4.1	Articles of Incorporation of Renasant Corporation, as amended <sup>(1)</sup>
4.2	Restated Bylaws of Renasant Corporation, as amended <sup>(2)</sup>
31.1	Certification of the Chief Executive Officer, as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer, as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer, as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the Chief Financial Officer, as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(1) Filed as Exhibit 3.1 to the Form 10-Q filed with the Securities and Exchange Commission on May 9, 2005 and incorporated herein by reference.

(2) Filed as Exhibit 3.2 hereto.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

November 8, 2005

RENASANT CORPORATION

/s/ E. Robinson McGraw

E. Robinson McGraw  
Chairman, President &  
Chief Executive Officer

/s/ Stuart R. Johnson

Senior Executive Vice President and  
Chief Financial Officer

**EXHIBIT INDEX**

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32.2	Certification of the Chief Financial Officer, as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(1) Filed as Exhibit 3.2 hereto

**BYLAWS  
OF  
THE PEOPLES HOLDING COMPANY**

**ARTICLE I  
OFFICES**

Section 1. The principal office of the corporation shall be located at 209 Troy Street, City of Tupelo, County of Lee, State of Mississippi.

Section 2. The Board of Directors shall have the power and authority to establish and maintain branch offices at the locations as the business of the corporation may require.

**ARTICLE II  
STOCKHOLDERS**

Section 1. The annual meeting of the stockholders of the corporation shall be held on the third Tuesday of April in each year for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

Section 2. Special meetings of the stockholders, for any purpose, may be called by written request of persons owning as much as fifty percent of the outstanding capital stock of the corporation, or by authority of the board of directors in regular session or by a request in writing of a majority of the board of directors. All such communications must be addressed to the president of the corporation.

Section 3. The annual meetings of the stockholders of the corporation shall be held at the principal office of the corporation in Tupelo, Mississippi, or at such other place in the area served by the corporation as may be fixed by the board of directors. All special meetings of the stockholders shall be held at the principal office of the corporation in Tupelo, Mississippi.

Section 4. At least ten days written notice shall be given of any annual or special meeting of stockholders, either personally or by mail, to each stockholder of record entitled to vote at such meeting. Such notice shall be issued by the president or secretary of the corporation, which notice shall state the place, day and hour of the meeting and, in case of a special meeting, the purposes for which the meeting is called.

Section 5. A majority of the outstanding shares of the corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders. In the event of no quorum at the annual meeting, the holders of a majority of the stock present and represented at the meeting shall have power to adjourn the meeting from day to day without further notice. At such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally notified.

In special meetings, if a quorum is not present, there shall be no adjournment but the call of the meeting will be voided and a new call must be issued for any special meeting.

Section 6. At all meetings of stockholders, a stockholder may vote by proxy executed in writing by the stockholder or by his duly authorized attorney in fact. Such proxy shall be filed with the secretary of the corporation before or at the time of the meeting and shall not be valid after the date of the meeting at which it was filed.

Section 7. No stockholder will be allowed to vote at any meeting, either in person or by proxy, unless he is a stockholder of record. Every share of stock is entitled to one vote which may be voted as provided by the laws of the State of Mississippi.

Section 8. The chairman of the board of directors shall act as chairman, and the secretary of the corporation shall act as secretary of all meetings of the stockholders of the corporation.

### **ARTICLE III BOARD OF DIRECTORS**

Section 1. The business and affairs of the corporation shall be managed and controlled by its board of directors.

Section 2. The board of directors of the corporation shall consist of not less than seven (7) nor more than twenty (20) stockholders, the number of each ensuing year to be determined by a majority of the entire board of directors of the corporation prior to the regular annual meeting. Each director shall be the owner in his own right of encumbered stock in the corporation to the amount of at least Two Hundred Dollars (\$200.00) par value, and shall have such other qualifications as may be prescribed for directors under the laws of the State of Mississippi. No stockholders shall be eligible for election as a member of the board of directors after attaining the age of seventy-two (72) years; provided, however, that any director who attains the age of seventy-two (72) years during his elected term can serve only until the next regular meeting of stockholders.

Section 3. The term of the office of the directors elected at the regular annual meeting of the stockholders shall be until the next annual meeting of the stockholders, and/or until their successors shall have been elected and qualified.

Section 4. If during the year a vacancy should occur in the offices of the directors elected for that year, the remaining board of directors shall have the right, by majority vote, to fill such vacancies as exist by electing to said vacancies qualified stockholders who shall serve as directors until the next annual meeting of stockholders, or until a meeting of the stockholders held for the purpose of electing their successors.

Section 5. The board of directors shall hold regular monthly meetings on the third Tuesday of each month. All meetings of the board of directors shall be held in the board of directors room at the principal office of the corporation in Tupelo, Mississippi, unless a different place is fixed by the board of directors.

Immediately following the annual stockholders' meeting, on the same date and at the same place, the members of the board of directors, who shall have been elected at said meeting, shall meet and elect from among themselves a chairman, a vice chairman and a secretary, who shall serve until the meeting of the board of directors following the next annual meeting of stockholders, and until their successors have been elected and qualified.

Section 6. Special meetings of the board of directors shall be held whenever called by the chairman or upon written request of a majority of the members of the board of directors.

Section 7. A majority of the members of the board of directors shall constitute a quorum of any meeting of said board of directors. Whenever there shall not be a quorum at a regular or special meeting, the members present may adjourn the meeting from time to time until a quorum shall be obtained, and any meeting may be adjourned from time to time by vote of a majority of the members present.

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## **ARTICLE IV OFFICERS**

Section 1. The officers of the corporation shall be president, vice president or vice presidents (the number thereof to be determined by the board of directors), secretary and treasurer, each of whom shall be elected by the board of directors. The office of secretary and treasurer may be held by the same person. The board of directors may also elect such assistant officers as may be deemed necessary.

Section 2. The officers of the corporation to be elected by the board of directors shall be elected annually at the first meeting of the board of directors held after each annual meeting of stockholders. Such officers so elected shall serve until the next meeting of the board of directors following the next annual meeting of stockholders, and until their successors have been elected and qualified.

A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the board of directors for the unexpired portion of the term.

The powers and duties of the several officers shall be as provided from time to time by resolution or other directive of the board of directors. In the absence of such provisions the respective officers shall have the powers and shall discharge the duties customarily and usually held and performed by like officers of like or similar corporations.

Section 3. The compensation of such officers shall be fixed from time to time by the board of directors.

## **ARTICLE V COMMITTEES**

Section 1. There shall be an executive committee and such other committees as the board of directors may from time to time constitute. All of said committees shall be selected by the board of directors from their number, and their duties shall be as set forth hereinafter and as prescribed by the board of directors.

Section 2. The executive committee shall consist of the chairman of the board of directors, the president of the corporation and four other members to be selected by the board of directors. The executive committee shall have charge over all matters under the direction and control of the board of directors which may require attention at any time between regular meetings of said board of directors.

Section 3. Each committee shall select a chairman and a secretary from among itself who shall keep a record of the proceedings of each committee and the action of said committee. In case a secretary be not elected, the chairman of the committee shall keep such record. Each committee shall meet on the call of the chairman. The majority of the members of any of said committees shall constitute a quorum for the transaction of business by such committee, and in the event of the executive committee at least one of the members present at such meeting shall be a member of the committee who has been elected to said committee by the board of directors and is not serving ex officio.

Section 4. The board of directors may at any meeting adopt such resolutions restricting the power of committees as the board of directors may deem wise and prudent.



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## **ARTICLE VI CAPITAL STOCK**

Section 1. Certificates representing shares of stock of the corporation shall be in such form as shall be determined by the board of directors. Such certificates shall be signed by the president or a vice president and by the secretary or an assistant secretary. All certificates of shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the corporation. All certificates surrendered to the corporation for transfer shall be cancelled, and no new certificates shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in case of a lost, destroyed or mutilated certificate a new certificate may be issued therefor on such terms and indemnity to the corporation as the board of directors may prescribe.

Section 2. Transfers of shares of stock of the corporation shall be made in the manner specified in the laws of the State of Mississippi. The corporation shall maintain stock transfer books, and any transfer shall be registered thereon only on request and surrender of the stock certificate representing the transferred shares, properly endorsed. The corporation shall have the absolute right to recognize as the owner of any shares of stock issued by it, the person or persons in whose name the certificate representing such shares stand according to the books of the corporation for all proper corporate purposes, including the voting of the shares represented by the certificate at a regular or special meeting of the stockholders, and the issuance and payment of dividends on such shares.

## **ARTICLE VII DIVIDENDS**

Section 1. The board of directors may from time to time declare, and the corporation may pay, dividends on its outstanding shares in the manner and on the terms and conditions provided by law and by its articles of incorporation.

## **ARTICLE VIII SEAL**

The Board of Directors shall provide a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and the words "CORPORATE SEAL". The impression of said seal is made a part of these bylaws.

## **ARTICLE IX INDEMNIFICATION**

Any person, his heirs, executors, or administrators may be indemnified by the corporation for reasonable expenses (including judgments and compromise settlements, except where as in a derivative suit situation any judgment in the matter would run in favor of the corporation) actually incurred in connection with any action, suit or proceedings, civil or criminal, to which he was made a party by reason of service as a director, officer or employee of the corporation, provided, however, that no person shall be indemnified or reimbursed as to any matter to which he shall finally be adjudged to have been guilty of gross negligence, willful misconduct or criminal acts in the performance of his duty to the corporation; and provided further, that no person shall be so indemnified or reimbursed as to any matter in such action or suit which has been the subject of a compromise settlement except with the approval

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- (1) of a court of competent jurisdiction, or
  - (2) the holders of record of a majority of the outstanding shares of the corporation, or
  - (3) a majority of the corporation's board of directors, excluding members who are parties to the same or substantially the same suit or proceeding.

The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person may be entitled as a matter of law. The board of directors of the corporation may, in its discretion, purchase directors' and officers' liability insurance coverage to provide, in whole or in part, for such indemnification or reimbursement.

## **ARTICLE X AMENDMENTS**

Section 1. The bylaws may be altered, amended, or repealed by majority vote of the board of directors of the corporation.

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**ARTICLES OF AMENDMENT TO**

**THE BYLAWS OF**

**THE PEOPLES HOLDING COMPANY**

Pursuant to the provisions of Section 79-4-10.20 of the Mississippi Business Corporation Act and in accordance with the Bylaws of The Peoples Holding Company, the Board of Directors hereby adopts the following Articles of Amendment to the Bylaws of The Peoples Holding Company:

ONE: All references in the Bylaws to “The Peoples Holding Company” shall be amended to read “Renasant Corporation.”

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## ARTICLES OF AMENDMENT TO

### THE BYLAWS OF

### RENASANT CORPORATION

Pursuant to the provisions of Section 79-4-10.20 of the Mississippi Business Corporation Act and in accordance with the Bylaws of Renasant Corporation, the Board of Directors hereby adopts the following Articles of Amendment to the Bylaws of Renasant Corporation:

- ONE: The second paragraph of Section 5 of Article III of the Bylaws is hereby deleted and replaced in its entirety with the following:
- “Immediately following the annual stockholders’ meeting, on the same date and at the same place, all of the members of the board of directors, including those who shall have been elected at said meeting, shall meet and elect from among themselves a chairman, a vice chairman and a secretary, and the members of the board of directors who are “independent directors,” as defined in Rule 4200(a)(15) of the Nasdaq Marketplace Rules, as amended from time to time (the “Nasdaq Rules”), shall meet and elect from among such independent directors a lead director (the “lead director”) with the powers and duties set forth in Section 8 of this Article III, provided that if the chairman of the board of directors is not an officer or employee of the corporation and is also an independent director as defined in the Nasdaq Rules, no lead director shall be elected and the chairman of the board, so long as he is an independent director as defined in the Nasdaq Rules, shall assume all of the powers and responsibilities of the lead director set forth in Section 8 below. The chairman, the vice chairman, the secretary and the lead director shall serve at the pleasure of the board of directors, and until their successors have been elected and qualified.”
- TWO: The Bylaws are hereby amended by adding a Section 8 at the end of Article III of the Bylaws, to read as follows:
- “The lead director shall generally familiarize himself or herself with the corporation, its business and the competitive factors within its industry, as well as with the elements of effective corporate governance. In addition, the lead director shall have the following specific powers and responsibilities: the lead director shall (i) in consultation with the chairman, approve the schedule of meetings of the board of directors and approve the agenda and the materials to be provided to each director prior to such meetings of the board of directors; (ii) set the schedule for and the agenda of all executive sessions of the “independent directors” of the board of directors (as defined in the Nasdaq Rules), approve and distribute the materials, if any, to be provided to each independent director prior to such executive sessions, and act as the chair of all such executive sessions; (iii) act as a liaison between the chairman and the other members of the board of directors as well as between management of the corporation and the other members of the board of directors; (iv) in coordination with the members of the corporation’s compensation committee, undertake a performance evaluation of the chief executive officer of the corporation; (v) in coordination with the members of the corporation’s governance and nominating committee, assess annually the overall committee structure of the board of directors and the organization and performance of each committee; and (vi) oversee the board of director’s stockholder communication policies and procedures, including, under appropriate circumstances, meeting with stockholders wishing to communicate with the board of directors other than through the chairman. The lead director shall have such other powers and responsibilities as determined from time to time by the board of directors.”

THREE:

Section 2 of Article V of the Bylaws is hereby deleted and replaced in its entirety with the following:

“The executive committee shall consist of the chairman of the board of directors, the lead director, the chief executive officer of the corporation and three other members to be selected by the board of directors each of whom shall be an independent director as defined in the Nasdaq Rules. In the event that the chairman of the board of directors and the chief executive officer of the corporation are the same person, or if there is no lead director because the chairman of the board of directors has assumed the powers and responsibilities of the lead director as provided in Section 5 of Article III hereof, then one additional director who is an independent director as defined in the Nasdaq Rules shall serve on the executive committee. The executive committee shall have charge over all matters under the direction and control of the board of directors which may require attention at any time between regular meetings of said board of directors.”

**ARTICLES OF AMENDMENT TO  
THE BYLAWS OF  
RENASANT CORPORATION**

Pursuant to the provisions of Section 79-4-10.20 of the Mississippi Business Corporation Act and in accordance with the Bylaws of Renasant Corporation, the Board of Directors hereby adopts the following Articles of Amendment to the Bylaws of Renasant Corporation:

**ONE: Article IX of the Bylaws is hereby deleted and replaced in its entirety with the following:**

SECTION 1. Right of Indemnity. Whenever any director or officer of the corporation is made a party to any proceeding, including any derivative action in the right of the corporation, the Indemnatee shall be indemnified against liability and reasonable expenses, including attorney's fees, incurred by the Indemnatee in connection with such proceeding, if the Indemnatee meets the requisite Standard of Conduct and such indemnification is not otherwise prohibited by the laws of the State of Mississippi or these Bylaws. For avoidance of doubt, an Indemnatee shall not be entitled to indemnification from the corporation under this Section 1 against any liability in a proceeding by the corporation (for purposes of this Section 1, a proceeding by the corporation shall not include derivative actions in the right of the corporation) against such Indemnatee.

SECTION 2. Standard of Conduct. An Indemnatee meets the Standard of Conduct if the Indemnatee conducted himself or herself in good faith and reasonably believed that (i) any conduct in the Indemnatee's official capacity was in the best interests of the corporation, (ii) in all other cases, the Indemnatee's conduct was at least not opposed to the best interests of the corporation, or (iii) in any criminal proceeding, the Indemnatee had no reasonable cause to believe the Indemnatee's conduct was unlawful. An Indemnatee's conduct with respect to an employee benefit plan for a purpose the Indemnatee reasonably believes to be in the best interest of the participants in and beneficiaries of the plan is conduct that satisfies the Standard of Conduct.

The determination as to whether an Indemnatee has met the Standard of Conduct set forth herein shall be made as follows but is subject to court review as provided in Section 4:

- A. if there are two or more disinterested directors, by the Board of Directors by a majority vote of all the disinterested directors (a majority of whom shall for such purpose constitute a quorum), or by a majority of the members of a committee of two (2) or more disinterested directors appointed by such a vote; or
- B. by special legal counsel selected in the manner prescribed in Subsection A of this Section 2, or, if there are fewer than two (2) disinterested directors, selected by the Board of Directors (in which selection directors who do not qualify as disinterested directors may participate); or

- C. by the shareholders, but shares owned by or voted under the control of a director who at the time does not qualify as a disinterested director may not be voted on the determination.

SECTION 3. Prohibited Indemnification. Unless ordered by a court pursuant to Section 79-4-8.54(a)(3) of the Code, no indemnification shall be made in respect to any liability in connection with: (i) a proceeding in the right of the corporation, except for reasonable expenses incurred in connection with the proceeding if it is determined that the Indemnatee has met the relevant Standard of Conduct set out above; or (ii) any proceeding with respect to conduct for which the Indemnatee was adjudged liable on the basis that the Indemnatee received a financial benefit to which the Indemnatee was not entitled, whether or not involving action in the Indemnatee's official capacity.

SECTION 4. Court Ordered Advance of Expenses and Indemnification. An Indemnatee who is a party to a proceeding may apply to the court conducting the proceeding, or to another court of competent jurisdiction, for indemnification or an advance for expenses. After receipt of such an application, and after giving any notice it considers necessary, the court shall:

- A. order indemnification if the court determines that the Indemnatee is entitled to mandatory indemnification under Section 79-4-8.52 of the Code;
- B. order indemnification or advance for expenses if the court determines that the Indemnatee is entitled to indemnification or advance for expenses pursuant to Section 1 of this Article IX;
- C. order indemnification or advance for expenses, if the court determines that, in view of all the relevant circumstances, it is fair and reasonable to indemnify such Indemnatee or to advance expenses to such Indemnatee, even if such Indemnatee has not met the Standard of Conduct, failed to comply with Section 79-4-8.53 of the Code or was adjudged liable in a proceeding referred to in Subsection 79-4-8.51(d)(1) or (d)(2) of the Code, but if such Indemnatee was adjudged so liable his indemnification shall be limited to reasonable expenses incurred in connection with the proceeding.

If the court determines that the Indemnatee is entitled to indemnification under Subsection A of this Section 4, or to indemnification or advance for expenses under Subsection B of this Section 4, the court shall also order the corporation to pay the Indemnatee's reasonable expenses incurred in connection with obtaining court-ordered indemnification or advance for expenses. If the court determines that the Indemnatee is entitled to indemnification or advance for expenses under Subsection C of this Section 4, the court may also order the corporation to pay the Indemnatee's reasonable expenses to obtain court-ordered indemnification or advance for expenses.

SECTION 5. Mandatory Indemnification. Notwithstanding anything to the contrary in this Article IX, the corporation shall indemnify an Indemnatee who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the Indemnatee was a party because the Indemnatee was a director or officer of the corporation against reasonable expenses incurred by the Indemnatee in connection with the proceeding.

SECTION 6. Advance for Expenses. The corporation shall, before final disposition of a proceeding, advance funds to pay for or reimburse the reasonable expenses incurred by an Indemnitee who is a party to a proceeding (excluding a proceeding by the corporation. The exclusion shall not include derivative actions in the right of the corporation against an Indemnitee) if (i) the Indemnitee furnishes the corporation a written affirmation of the Indemnitee's good faith belief that the Indemnitee has met the relevant Standard of Conduct for indemnification and (ii) the Indemnitee furnishes the corporation a written undertaking to repay any funds advanced if the Indemnitee is not entitled to indemnification under Section 5 above and it is ultimately determined that the Indemnitee has not met the relevant Standard of Conduct. The written undertaking must be an unlimited general obligation of the Indemnitee but need not be secured and may be accepted without reference to the financial ability of the Indemnitee to make repayment.

Authorization of an advance for expenses under this Section 6 shall be made as follows but is subject to court review as provided in Section 4:

- A. if there are two or more disinterested directors, by the Board of Directors by a majority vote of all the disinterested directors (a majority of whom shall for such purpose constitute a quorum), or by a majority of the members of a committee of two (2) or more disinterested directors appointed by such a vote; or
- B. if there are fewer than two (2) disinterested directors, by the vote necessary for action by the board in accordance with Section 79-4-8.24(c) of the Code, in which authorization directors who do not qualify as disinterested directors may participate; or
- C. by the shareholders, but shares owned by or voted under the control of a director who at the time does not qualify as a disinterested director may not be voted on the authorization.

For avoidance of doubt, an Indemnitee shall not be entitled to an advance of funds to pay for the reasonable expenses incurred by a Indemnitee in a proceeding brought by the corporation against such Indemnitee.

SECTION 7. Right of Corporation to Insure. The corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, or who, while a director or officer of the corporation, serves or served at the corporation's request as a director, officer, partner, trustee, employee or agent of another domestic or foreign corporation, partnership, joint venture, trust, employee benefit plan or other entity, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify or advance expenses to such person under the provisions of this Article or under the provisions of Mississippi law.

SECTION 8. Limitations. All indemnification and insurance provisions contained in this Article IX are subject to the limitations and prohibitions imposed by federal law including, without limitation, the Securities Act of 1933, as amended, and the Federal Deposit Insurance Act, as amended, and any implementing regulations concerning indemnification.



SECTION 9. Provision for Payment. The corporation may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to insure the payment of such amounts as may be necessary to effect indemnification as provided in this Article IX.

SECTION 10. Changes. No revocation of, change in, or adoption of any resolution or provision in the Articles of Incorporation or bylaws of the corporation inconsistent with this Article IX shall adversely affect the rights of any director or officer with respect to (i) any proceeding commenced or threatened prior to such revocation, change or adoption or (ii) any proceeding arising out of any act or omission occurring prior to such revocation, change or adoption, in either case, without the written consent of such director or officer.

SECTION 11. Severability. If any provision or provisions of this Article IX shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provisions of this Article IX (including, without limitation, each portion of any paragraph of this Article IX containing such provision held to be invalid, illegal or unenforceable, that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this Article IX (including, without limitation, each such portion of any paragraph of this Article IX containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

SECTION 12. Employees and Agents. The corporation may grant rights to indemnification, and rights to be paid by the corporation the expenses incurred in defending any proceeding in advance of its final disposition, to any present or former employee or agent of the corporation to the fullest extent of the provisions of this Article IX with respect to indemnification and advancement of expenses of directors and officers of the corporation.

SECTION 13. Enforcement. The rights to indemnification and to the advancement or reimbursement of expenses conferred in this Article IX, as limited by Section 8 hereof, shall be contract rights. If a claim for indemnification or advancement or reimbursement of expenses pursuant to this Article IX is not paid in full by the corporation within 60 days after written demand has been received by the corporation, except in the case of a claim for advancement or reimbursement of expenses, in which the applicable period shall be 20 days, the Indemnitee may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Indemnitee shall be entitled to be paid also the expenses of prosecuting and defending such suit. In (i) any suit brought by the Indemnitee to enforce the right to indemnification hereunder (or a suit brought by the Indemnitee to enforce a right to an advancement or reimbursement of expenses) it shall be a defense that, and (ii) any suit by the corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the corporation shall be entitled to recover such expenses upon a final adjudication that, the Indemnitee has not met the relevant Standard of Conduct. Neither the failure of the corporation (including its board of directors or independent legal counsel) to have made determination prior to the commencement of such suit that indemnification of the Indemnitee is proper in the circumstances because the Indemnitee has met the relevant Standard of Conduct set forth herein, nor an actual determination by the corporation (including its board of directors or independent legal counsel) that the Indemnitee has not met such Standard of Conduct, shall create a presumption that the Indemnitee has not met the relevant Standard of Conduct or, in case of a suit brought by the Indemnitee, be a defense to such suit. In any suit brought by the Indemnitee to enforce a right to indemnification or to an advancement or reimbursement of

expenses hereunder, or by the corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnatee is not entitled to be indemnified, or to such advancement or reimbursement of expenses, under this Article IX or otherwise shall be on the corporation.

SECTION 14. Non-exclusive Remedy. The rights to indemnification and to advancement or reimbursement of expenses conferred in this Article IX shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the corporation's Articles of Incorporation, bylaws, agreement, vote of shareholders or disinterested directors or otherwise.

SECTION 15. Definition of Terms. Unless otherwise specifically provided:

"Code" means the Mississippi Code of 1972, as amended.

"Director" or "officer" means an individual who is or was a director or officer, respectively, of the corporation or who, while a director or officer of the corporation, is or was serving at the corporation's request as a director, officer, partner, trustee, employee or agent of another domestic or foreign corporation, non-profit corporation, partnership, joint venture, trust, limited liability company, employee benefit plan or other entity. A director or officer is also considered to be serving an employee benefit plan at the corporation's request if his duties to the corporation also impose duties on, or otherwise involve services by, him to the plan or to participants in or beneficiaries of the plan. The term "director" shall also include emeritus directors and advisory directors of the corporation, any person serving as a director, emeritus director or advisory director of Renasant Bank and any person serving as a member of a State board of Renasant Bank, including, without limitation, the Alabama State Board of Renasant Bank and the Tennessee State Board of Renasant Bank. "Director" or "officer" includes, unless the context requires otherwise, the estate, heirs, legatees, devisees, executors, administrators and personal representatives of a director or officer. "Directors" and "officers" are sometimes referred to herein individually as an "Indemnatee".

"Disinterested director" means a director who, at the time of a vote referred to in this Article IX or a vote or selection referred to in this Article IX is not (i) a party to the proceeding or (ii) an individual having a familial, financial, professional or employment relationship with the director or officer whose indemnification or advance for expenses is the subject of the decision being made, which relationship would, in the circumstances, reasonably be expected to exert an influence on the director's judgment when voting on the decision being made.

"Expenses" shall mean attorneys fees, court costs and investigative expenses.

"Liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), interest, other monetary obligations or reasonable expenses (as defined herein) incurred with respect to a proceeding.

"Official capacity" means: (i) when used with respect to a director, the office of director in the corporation and (ii) when used with respect to an officer, the office in the corporation held by an officer. "Official capacity" does not include service for any other domestic or foreign corporation or any partnership, joint venture, trust, employee benefit plan or other entity.

"Party" means an individual who was, is, or is threatened to be made a defendant or responded in a proceeding.

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“Proceeding” means any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, arbitratve or investigative and whether formal or informal.

## CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, E. Robinson McGraw, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Renasant Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's internal controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2005

/s/ E. Robinson McGraw

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E. Robinson McGraw  
Chairman, President and  
Chief Executive Officer

## CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Stuart R. Johnson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Renasant Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's internal controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2005

/s/ Stuart R. Johnson

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Stuart R. Johnson  
Senior Executive Vice President and  
Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Renasant Corporation (the “Company”) for the period ended September 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, E. Robinson McGraw, Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: November 8, 2005

/s/ E. Robinson McGraw

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E. Robinson McGraw  
Chairman, President and  
Chief Executive Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Renasant Corporation (the “Company”) for the period ended September 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Stuart R. Johnson, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: November 8, 2005

/s/ Stuart R. Johnson

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Stuart R. Johnson  
Senior Executive Vice President and  
Chief Financial Officer