RENASANT CORP
Form 11-K
June 30, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K
(Mark One)

[ü]	Annual Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934 For the fiscal year ended December 31, 2013
	Or
[X]	Transition Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934 For the transition period from ____ to ____

Commission file number 000-09424

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
Merchants and Farmers Bank Profit and Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:
RENASANT CORPORATION
209 Troy Street
Tupelo, MS 38804-4827

MERCHANTS & FARMERS BANK
PROFIT AND SAVINGS PLAN

EIN 64-0202960 PN 002

Explanatory Note

Pursuant to that certain Agreement and Plan of Merger, as amended (the “Merger Agreement”), by and among the Renasant Corporation (the “Company”), Renasant Bank, First M&F Corporation (“First M&F”) and Merchants and Farmers Bank (“M&F Bank”), effective as of September 1, 2013, First M&F and M&F Bank merged with and into the Company and Renasant Bank, respectively, and the separate existence of First M&F and M&F Bank ceased (the “Merger”). In connection with the Merger, the Company assumed the Merchants and Farmers Bank Profit and Savings Plan (the “Plan”), which Plan permitted voluntary investment and reinvestment in $5.00 par value per share common stock issued by First M&F Corporation (“M&F Stock”).

Under the terms of the Merger Agreement, M&F Stock was converted into the Company’s $5.00 par value per share common stock (“Common Stock”), in accordance with the exchange ratio specified therein. An aggregate of 223,997 shares of Common Stock was registered on Post-Effective Amendment No. 1 on Form S-8 to Registration Statement on Form S-4 filed on September 5, 2013 to effect such conversion. An additional 60,000 shares of Common Stock, available for investment and reinvestment under the Plan during periods after the Merger, was registered on Form S-8 filed on September 5, 2013.

The Plan was amended on September 1, 2013, to provide for its assumption and the conversion of share. The Plan was terminated, effective immediately before the Merger, and the distribution of all benefits and accounts thereunder substantially completed on or about June 30, 2014.

Merchants and Farmers Bank Profit Savings Plan
Form 11-K
For the Year Ended December 31, 2013
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All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Audit Committee
Merchants and Farmers Bank Profit and Savings Plan
Tupelo, Mississippi

We have audited the accompanying statements of net assets available for benefits of the Merchants and Farmers Bank Profit and Savings Plan as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing auditing procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan’s internal control over financial reporting. Accordingly, we express no such opinion. Our audits also included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Merchants and Farmers Bank Profit and Savings Plan as of December 31, 2013 and 2012, and the changes in its net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the financial statements, the Plan was terminated effective September 1, 2013. In accordance with accounting principles generally accepted in the United States of America, the Plan has changed its basis of accounting, from the accrual basis used in presenting the 2012 financial statements to the liquidation basis using in presenting the 2013 financial statements.

BKD, LLP

Jackson, Mississippi
June 30, 2014

Federal Employer Identification Number: 44-0160260

Merchants and Farmers Bank
Profit and Savings Plan
Statements of Net Assets Available for Benefits
December 31, 2013 and 2012

	2013	2012
Assets		
Investments, at Fair Value		
First M&F Corporation common stock, 382,943 shares	$—	$2,672,905
Renasant Corporation common stock, 178,009 shares	5,600,160	—
Mutual Funds	15,469,296	13,124,288
Investment contract with insurance company	4,046,033	2,097,179
	25,115,489	17,894,372
Receivables		
Employer's contributions	—	75,120
Participants' contributions	—	200
Notes receivable from participants	289,162	292,993
	289,162	368,313
Net Assets Available for Benefit, at Fair Value	25,404,651	18,262,685
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	—	110,378
	$25,404,651	$18,373,063

See Notes to Financial Statements.

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Merchants and Farmers Bank
Profit and Savings Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2013 and 2012

	2013	2012
Investment Income		
Net appreciation in fair value of investments	$7,006,290	$2,689,783
Interest	64,300	43,472
Dividends	229,381	222,191
Net investment income	7,299,971	2,955,446
Interest Income on Notes Receivable from Participants	9,976	7,567
Contributions		
Employer	671,090	734,598
Participants	820,033	1,189,143
Rollovers	273,346	575,579
Total Contributions	1,764,469	2,499,320
Other Income	15,369	—
Total additions	9,089,785	5,462,333
Deductions		
Benefits paid directly to participants	2,049,778	1,197,676
Administrative expenses	8,419	5,600
Total deductions	2,058,197	1,203,276
Net Increase	7,031,588	4,259,057
Net Assets Available for Benefits, Beginning of Year	18,373,063	14,114,006
Net Assets Available for Benefits, End of Year	$25,404,651	$18,373,063

See Notes to Financial Statements.

Merchants and Farmers Bank
Profit and Savings Plan
Notes to Financial Statements
December 31, 2013 and 2012

Note 1: Description of the Plan

The following description of Merchants and Farmers Bank Profit and Savings Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions. The Plan document is available from the Plan Administrator.

General

The Plan is a defined contribution plan that covered all full-time employees of Merchants and Farmers Bank and its affiliates. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Bank was the administrator and trustee of the Plan. See Plan Termination below for a discussion of the determination of Plan termination during 2013. The Plan's record keeping and custodial functions are performed by Principal Financial Group.

Plan Termination

On September 1, 2013, First M&F Corporation and Merchants and Farmers Bank were merged with and into Renasant Corporation (the Company) and Renasant Bank, respectively, with the Company becoming the Sponsor of the Plan. Immediately prior to the merger, the Plan was terminated and the Plan accounts of all participants and beneficiaries were vested. The Internal Revenue Service has issued a favorable determination letter with respect to the Plan's termination and, as of June 30, 2014, substantially all Plan benefits were distributed.

Contributions

Contributions to the Plan ceased as of September 1, 2013, on account of the Plan's termination. For periods prior to that date, participants could voluntarily defer compensation, subject to Internal Revenue Service limits, and Merchants and Farmers Bank made discretionary contributions. For any plan year in which the Merchants and Farmers Bank made matching contributions, such contributions were made at a rate of 60% of participant contributions (for participants with less than three years of service) and 75% of participant contributions (for participants with more than three years of service), subject to a 6% contribution limit per participant. Discretionary employer contributions, including matching contributions, amounted to $75,000 for 2013 and 2012. Forfeitures of $22,157 and $25,049 were used to reduce 2013 and 2012 employer contributions, respectively. Forfeited nonvested accounts at December 31, 2013 and 2012 totaled $65,590 and $20,819 respectively.

Participant Investment Account Options

Investment account options available included various funds. Each participant had the option of directing salary deferral contributions and employer matching into any of the separate investment accounts and could change the allocation daily.

Discretionary employer contributions were invested at the election of the Plan.

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Discretionary employer contributions were invested at the election of the Plan.

Merchants and Farmers Bank
Profit and Savings Plan
Notes to Financial Statements
December 31, 2013 and 2012

Participant Accounts
Each participant's account was credited with the participant's contributions and matching contributions. Other amounts contributed by Merchants and Farmers Bank were allocated as a percentage of each participant's annual earnings. Investment earnings on participant directed accounts were allocated based on each participant's account earnings. The benefit to which a participant is entitled is the benefit that can be provided from the participants vested account.

Vesting
Participants were immediately vested in their voluntary contributions plus earnings thereon. For matching and discretionary employer contributions a participant was fully vested after three years of credited service, upon normal retirement, total disability or death. The nonvested balance was forfeited upon termination of service. Forfeitures were used to reduce Bank contributions. All accounts were fully vested as of December 31, 2013. Participants became fully vested on September 1, 2013, upon the determination of Plan termination.

Payment of Benefits
Upon termination of service, an employee may elect to receive a lump-sum amount equal to the value of his account, periodic installments for a period not to exceed ten years or a combination thereof. At December 31, 2013 and 2012, plan assets include $25,404,651 and $2,878,639, respectively, allocated to accounts of terminated or retired participants who have elected to withdraw from the Plan but have not yet been paid. All net assets available for benefit at December 31, 2013, are considered to be allocated to accounts of terminated or retired participants due to the determination of Plan termination as described above. Total vested benefits related to these participants amounted to $25,339,061 and $2,868,357 at December 31, 2013 and 2012, respectively.

Participant Loans
Loans were made to any eligible participant demonstrating a qualifying need. The minimum amount of a loan was $500. The maximum amount of a participant's loan was determined by the available loan balance restricted to the lesser of $50,000, or 50% of the participant's vested account balance. All loans were covered by demand notes and were repayable over a period not to exceed five years (except for loans for certain allowable purposes) through payroll withholdings unless the participant is paying the loans in full. Interest on the loans was based on local prevailing rates as determined by the Plan Administrator.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

Due to the decision to terminate the Plan during 2013, the financial statements for 2013 have been prepared using the liquidation basis of accounting. The 2012 financial statements were prepared on the accrual basis of accounting.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts, because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statement of net assets available for benefits presents the fair value of the investment contracts, as well as the adjustment of the investment contract from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

Merchants and Farmers Bank
Profit and Savings Plan
Notes to Financial Statements
December 31, 2013 and 2012

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets and changes in net assets and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.
Valuation of Investments and Income Recognition
Quoted market prices, if available, are used to value investments. Common stocks are valued at the closing price reported on the active market on which the individual securities are traded. Mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year end. The fair value of the Plan's guaranteed investment contract with Principal Life Insurance Company (Principal) is determined by estimating the value of costs to be incurred for early termination of the contract.
Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.
Investment Contract with Insurance Company
In 2004, the Plan entered into a fully benefit-responsive investment contract with Principal. Principal maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate guaranteed to the Plan.
As described in the basis of accounting disclosure, because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by Principal, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.
There are no reserves against the contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on a quarterly basis for resetting.
Certain events can limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan Sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan Administrator does not believe the occurrence of any such value event will result in the inability of the Plan to transact at contract value with participants.
The guaranteed investment contract does not permit Principal to terminate the agreement prior to the scheduled maturity date.

	2013		2012	
Average yield	2.05	%	2.36	%
Crediting interest rate at December 31	2.25	%	2.35	%
Fair value	$4,046,033		$2,097,179	
Contract value	4,046,033		2,207,557	

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Merchants and Farmers Bank
Profit and Savings Plan
Notes to Financial Statements
December 31, 2013 and 2012

Notes Receivable from Participants

Notes receivable from participants are reported at unpaid principal balance plus accrued but unpaid interest. The accrual of interest on loans is discontinued at the time the loan is 90 days past due unless the credit is well-secured and in process of collection. Past-due status is based on contractual terms of the loan. In all cases, loans are placed on nonaccrual or charged off at an earlier date if collection of principal or interest is considered doubtful.

All interest accrued but not collected for loans placed on nonaccrual or charged off is reversed against interest income. The interest on these loans is accounted for on the cash-basis or cost-recovery method, until qualifying for return to accrual. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

Plan Tax Status

The Plan obtained its latest determination letter on August 6, 2003, in which the Internal Revenue Service stated that the Plan and related trust, as then designed, were in compliance with the applicable requirements of the Internal Revenue Code and, therefore, not subject to tax. The Plan received a favorable determination letter in connection with its termination dated April 14, 2014, including a favorable determination for Plan amendments made since the August 2, 2003, letter.

With few exceptions, the Plan is no longer subject to U.S. federal or state income tax examinations by tax authorities for years before 2010.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Administrative expenses may be paid by the Bank or the Plan, at the Bank’s discretion.

Note 3: Investments

Except for its investment contract with an insurance company, the Plan's investments are held by a third-party administrator and custodian. The Plan's investments, including investments bought, sold and held during the years ended December 31, 2013 and 2012, appreciated in fair value as follows:

	2013 Net Appreciation in Fair Value During Year	Fair Value at End of Year
First M&F Corporation common stock	$3,469,381	$—
Renasant Corporation common stock	1,210,075	5,600,160
Mutual funds	2,326,834	15,469,296
Investment contract with insurance company	—	4,046,033
	$7,006,290	$25,115,489