



LETTER OF COMMENT NO. 278

March 31, 2009

Mr. Russell Golden
Technical Director
Financial Accounting Standards Board
301 Merritt 7
PO Box 5116
Norwalk, Connecticut 06856-5116

Dear Mr. Golden:

Renasant Corporation (the "Company") appreciates the opportunity to comment on Proposed FSP FAS 157-e, *Determining Whether a Market Is Not Active and a Transaction Is Not Distressed* (Proposed FSP). Certain current accounting guidance and practices are resulting in financial statements for banks that are not necessarily transparent and potentially misleading to users of financial statements, specifically the implementation of fair value or mark-to-market accounting principles in the current economic environment. We, and many other financial institutions, experienced this difficulty firsthand during the recently completed year end reporting cycle. We support transparency in financial reporting, as a preparer of financial statements as well as a user of others' financial statements. As such, we commend the FASB's efforts to better address this key issue, considering that many, if not most, of the markets for securities are currently dysfunctional and/or illiquid. We believe that fair value accounting for banking institutions can provide misleading information to users of the financial statements. Although SFAS 157 provided a framework for using and determining fair value, we acknowledge that it did not require additional use of fair values. However, from a practical matter, management and auditors have had difficulty appropriately implementing the guidance under SFAS 157 and in some cases may have aggressively misinterpreted the guidance. Regardless, we appreciate the FASB's efforts to make improvements to the guidance for estimating market values in illiquid markets under the Proposed FSP. As such, we support the Proposed FSP and believe it will help clarify questions currently present regarding accounting for assets under fair value in the current economic environment.

We believe that the FASB should provide clarification on the use of assumptions in alternative valuation techniques (i.e. cash flow models) to ensure management has the ability to use of assumptions that reflect a normal and functioning market. We also believe the FASB should provide better distinction of the application of the Proposed FSP in markets which are inherently inactive and an active market which is experiencing inactivity. Furthermore, we recommend the FASB should continue to support management's ability to exercise discretion and judgment in ensuring proper application of the final guidance.

Thank you for your attention to these matters and for considering our views. Please feel free to contact me if you would like to discuss our recommendations.

Regards,

Stuart R. Johnson
Executive Vice President and
Chief Financial Officer