

PEOPLES HOLDING CO
Form S-4
April 08, 2004
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As filed with the Securities and Exchange Commission on April 8, 2004

Registration No. 33-_____

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-4
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

THE PEOPLES HOLDING COMPANY

(Exact name of registrant as specified in its charter)

Mississippi
(State or other jurisdiction of
incorporation or organization)

6022
(Primary Standard Industrial
Classification Code Number)

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

209 Troy Street
Tupelo, Mississippi 38802-0709
(662) 680-1001

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

Stephen M. Corban

Executive Vice President

209 Troy Street

Tupelo, Mississippi 38802-0709

(662) 680-1001

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

Copies to:

**Mark A. Fullmer
Phelps Dunbar LLP
Suite 2000
365 Canal Street
New Orleans, LA 70130
(504) 566-1311**

**Robert Walker
Baker, Donelson, Bearman, Caldwell &
Berkowitz, P.C.
165 Madison Avenue
Memphis, TN 38103
(901) 577-0785**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

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

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

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

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
Common Stock, \$5.00 par value	1,478,000(1)	Not applicable	\$12,307,212.27(2)	\$1,560.00(2)

- (1) This amount is based upon the number of shares of common stock anticipated to be issued upon completion of the transactions contemplated in the Agreement and Plan of Merger dated as of February 17, 2004 (the Merger Agreement), by and among The Peoples Holding Company (Peoples), Peoples Merger Corporation and Renasant Bancshares, Inc. (Renasant).
- (2) Determined pursuant to Rule 457(f)(2) under the Securities Act of 1933, as amended, solely for the purpose of calculating the registration fee, based on the book value of common stock, \$1.00 par value, of Renasant as of the latest practicable date prior to the filing date (February 29, 2004). Pursuant to Rule 457(f)(3), the cash portion of the consideration to be paid by Peoples pursuant to the Merger Agreement has been deducted from the book value of the securities to be received by Peoples or cancelled in the transaction.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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Information contained in this proxy statement/prospectus is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This proxy statement/prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such State.

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved the shares of common stock to be issued by Peoples in the merger, as described in this proxy statement/prospectus, or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

The shares of Peoples common stock to be issued in the merger are not savings or deposit accounts or other obligations of any bank or savings association or non-bank subsidiary of Peoples and are not insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund, the Bank Insurance Fund or any other governmental agency.

[GRAPHIC]

The Peoples Holding Company

Renasant Bancshares, Inc.
Proxy Statement

The Peoples Holding Company
Prospectus

Dear Renasant Stockholders:

You are cordially invited to attend the special meeting of stockholders of Renasant Bancshares, Inc. (Renasant) which will be held at Renasant s main office, 2177 Germantown Road South, Germantown, Tennessee 38138, on _____, _____, 2004, at 5:30 p.m. local time. The accompanying notice of the special meeting, proxy statement/prospectus and proxy card set forth the formal business to be transacted at the special meeting. Please review these materials carefully and attend the special meeting.

At the special meeting, you will be asked to vote upon a proposal to adopt and approve a merger agreement, a related plan of merger and a merger of Renasant into a wholly owned subsidiary of The Peoples Holding Company (Peoples). If the merger is completed, each share of Renasant common stock you hold will be exchanged for either (1) \$36.37 in cash, (2) 1.117015 shares of Peoples common stock, \$5.00 per share par value, or (3) a combination consisting of cash for 45% of your common stock and shares of Peoples common stock for 55% of your common stock. You will be asked to elect your form of payment. Regardless of your election, however, elections will be limited by the requirements that not less than 50% or more than 55% of the aggregate shares of Renasant common stock owned by Renasant stockholders be exchanged for Peoples common stock and that not less than 45% or more than 50% of the aggregate shares of Renasant common stock owned by Renasant stockholders be exchanged for cash. Your election is also subject to further adjustment by Peoples in order for the merger to qualify as a tax-free reorganization for federal income tax purposes with respect to the shares of Peoples common stock that you receive in exchange for your shares of Renasant common stock.

If you wish, you may dissent from the merger agreement and obtain a cash payment for the fair value of your shares. To exercise dissenters rights, you must not vote in favor of the adoption and approval of the merger agreement, and you must strictly comply with all of the applicable requirements of Tennessee law summarized in the accompanying proxy statement/prospectus under the heading The Merger Dissenters Rights.

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Peoples common stock is listed on the American Stock Exchange under the symbol PHC . On April 5, 2004, the closing price of a share of Peoples common stock was \$35.40.

Your vote is very important. The Renasant board of directors has unanimously determined that the merger agreement, the related plan of merger and the merger are in the best interests of Renasant and its stockholders and unanimously recommends that you vote FOR the adoption and approval of the merger agreement, the related plan of merger and the merger. The merger cannot be completed unless the holders of a majority of the outstanding shares of Renasant common stock vote in favor of the adoption and approval of the merger agreement, the related plan of merger and the merger.

Whether or not you plan to attend the special meeting, please take the time to vote by promptly submitting the enclosed form of proxy. If you sign, date and mail your proxy card without indicating how you want to vote, your Renasant shares will be counted as a vote in favor of adoption and approval of the merger agreement, the related plan of merger and the merger. If you do not submit your proxy, the effect will be a vote against the merger agreement, the related plan of merger and the merger. If you are the record owner of your shares of Renasant common stock, returning your proxy does not deprive you of your right to attend the meeting and to vote your shares in person if you should decide to do so. Granting your proxy will impact your dissenters' rights as discussed in the accompanying proxy statement/prospectus.

The proposed merger is discussed in detail in the accompanying proxy statement/prospectus. We encourage you to read this entire document carefully. You can also obtain more information about Peoples in documents that it has filed with the Securities and Exchange Commission.

On behalf of your board of directors, we encourage you to vote FOR the adoption and approval of the merger agreement, the related plan of merger and the merger.

/s/ JACK C. JOHNSON

Chairman

/s/ FRANK J. CIANCIOLA

Vice Chairman and Chief Executive Officer

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This proxy statement/prospectus is dated _____, 2004, and it is first being mailed to Renasant stockholders, along with the enclosed form of proxy card, on or about _____, 2004.

YOU SHOULD READ RISK FACTORS BEGINNING ON PAGE 17 FOR A DESCRIPTION OF THE FACTORS THAT MAY AFFECT THE VALUE OF THE PEOPLES COMMON STOCK TO BE ISSUED IN THE MERGER AND OTHER RISK FACTORS THAT SHOULD BE CONSIDERED WITH RESPECT TO THE MERGER.

REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about Peoples from documents that Peoples has filed with the Securities and Exchange Commission and that have not been included in or delivered with this proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain documents incorporated by reference in this proxy statement/prospectus, other than exhibits to those documents, by requesting them in writing or by telephone from Peoples at the following address:

The Peoples Holding Company

209 Troy Street

Tupelo, Mississippi 38802

Attention: James W. Gray

Telephone: (662) 680-1001

IF YOU WOULD LIKE TO REQUEST DOCUMENTS, PLEASE DO SO PRIOR TO _____, 2004, IN ORDER TO RECEIVE THEM BEFORE THE SPECIAL MEETING.

See **Where You Can Find More Information** for more information about the documents referred to in this proxy statement/prospectus.

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[Renasant Bancshares, Inc. letterhead]

Renasant Bancshares, Inc.

Notice of Special Meeting

_____, 2004

To the Stockholders of Renasant Bancshares, Inc.:

A special meeting of stockholders of Renasant Bancshares, Inc. ("Renasant") will be held at Renasant's main office, 2177 Germantown Road South, Germantown, Tennessee 38138, on _____, _____, 2004 at 5:30 p.m., local time, and at any adjournments or postponements thereof, to consider and act upon the following matters:

To consider and vote upon a proposal to approve and adopt (a) the Agreement and Plan of Merger dated as of February 17, 2004, by and among Renasant Bancshares, Inc., The Peoples Holding Company ("Peoples") and Peoples Merger Corporation, a wholly owned subsidiary of Peoples, pursuant to which Renasant will, upon satisfaction of certain conditions, merge with and into Peoples Merger Corporation, with Peoples Merger Corporation surviving the merger as a wholly owned subsidiary of Peoples, (b) the related plan of merger contemplated by the Plan of Merger and (c) the merger. As a result of the merger, you, as a holder of Renasant common stock, will have the right to receive for each share of your Renasant common stock either (i) \$36.37 in cash, (ii) 1.117015 shares of Peoples common stock or (iii) a combination consisting of cash and shares of Peoples common stock.

Any other business properly brought before the special meeting or any adjournment or postponement thereof.

Regardless of your election, however, elections will be limited by the requirements that not less than 50% or more than 55% of the aggregate shares of Renasant common stock owned by Renasant stockholders be exchanged for Peoples common stock and not less than 45% or more than 50% of the aggregate shares of Renasant common stock owned by Renasant stockholders be exchanged for cash. Your election is also subject to further adjustment by Peoples in order for the merger to qualify as a tax-free reorganization for federal income tax purposes with respect to the shares of Peoples common stock that you receive in exchange for your Renasant common stock.

If you wish, you may dissent from the merger agreement and obtain a cash payment for the fair value of your shares. To exercise dissenters rights, you must not vote in favor of the adoption and approval of the merger agreement, and you must strictly comply with all of the applicable requirements of Tennessee law summarized under the heading "The Merger Dissenters Rights". The fair value of your shares, as determined by a court, may be more or less than the consideration to be paid in the merger.

The Renasant board of directors has fixed the close of business on _____, 2004 as the record date for the determination of stockholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting. Therefore, only stockholders of record on _____, 2004 are entitled to notice of, and to vote at, the special meeting. A list of stockholders entitled to vote will be available at Renasant's offices through the date of the special meeting as well as at the special meeting for examination by any stockholder, his agent or his attorney.

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The accompanying proxy statement/prospectus describes the terms and conditions of the merger agreement and includes a complete text of the merger agreement and the related plan of merger as Annex A-1 and Annex A-2, respectively. We urge you to read the enclosed materials carefully for a complete description of the merger agreement, the plan of merger, and the merger. The accompanying proxy statement/prospectus forms a part of this notice.

Your vote is very important. The merger agreement, the related plan of merger and the merger must be adopted and approved by the holders of a majority of the outstanding shares of Renasant common stock. Even if you plan to attend the special meeting, we urge you to submit a valid proxy promptly so that your shares will be voted.

Your board of directors unanimously recommends that you vote **FOR** the adoption and approval of the merger agreement, the related plan of merger and the merger.

By Order of the Board of Directors

/s/ MICHAEL J. MCCARVER

Its Secretary

Memphis, Tennessee

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Annex A-1	Agreement and Plan of Merger by and among The Peoples Holding Company, Peoples Merger Corporation and Renasant Bancshares, Inc. dated as of February 17, 2004
Annex A-2	Plan of Merger by and among The Peoples Holding Company, Peoples Merger Corporation, and Renasant Bancshares, Inc.
Annex B-1	Form of Lock-Up and Non-Competition Agreement
Annex B-2	Form of Lock-Up Agreement
Annex C	Opinion of Alex Sheshunoff & Co. Investment Banking, LP
Annex D	Chapter 23 of the Tennessee Business Corporation Act

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the documents that are made part of this proxy statement/prospectus by reference to other documents filed with the Securities and Exchange Commission include various forward-looking statements about The Peoples Holding Company (Peoples) and Renasant Bancshares, Inc. (Renasant) that are subject to risks and uncertainties. Forward-looking statements include information concerning future financial performance, business strategy, projected plans and objectives of Peoples and Renasant.

Statements preceded by, followed by or that otherwise include the words believes, expects, anticipates, intends, estimates, plans, may increase, may fluctuate, will likely result, and similar expressions, or future or conditional verbs such as will, should, would, and could are general forward-looking in nature and not historical facts. You should understand that the following important factors, in addition to those discussed elsewhere in this proxy statement/prospectus and in the documents which are incorporated by reference into this proxy statement/prospectus, could affect the future results of the combined company following the merger, and could cause results to differ materially from those expressed in such forward-looking statements:

the effect of economic conditions and interest rates on a national, regional or international basis;

the performance of Peoples businesses following the merger;

the timing of the implementation of changes in operations to achieve enhanced earnings or effect cost savings;

the ability of Peoples and Renasant to successfully integrate their operations, the compatibility of the operating systems of the combining companies, and the degree to which existing administrative and back-office functions and costs of Peoples and Renasant are complementary or redundant;

the ability to satisfy all conditions precedent to the merger (including stockholder and various regulatory approvals);

competitive pressures in the consumer finance, commercial finance, insurance, financial services, asset management, retail banking, mortgage lending and auto lending industries;

the financial resources of, and products available to, competitors;

changes in laws and regulations, including changes in accounting standards;

changes in policy by regulatory agencies;

changes in the securities and foreign exchange markets; and

opportunities that may be presented to and pursued by the combined company following the merger.

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Management of each of Peoples and Renasant believes the forward-looking statements about its company are reasonable. However, you should not place undue reliance on them. Any forward-looking

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statements in the proxy statement/prospectus are not guarantees of future performance. They involve risks, uncertainties and assumptions, and actual results, developments and business decisions may differ from those contemplated by those forward-looking statements. Many of the factors that will determine these results are beyond Peoples and Renasant's ability to control or predict. Peoples and Renasant disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section.

QUESTIONS AND ANSWERS ABOUT THE MERGER

Q: What is the proposed transaction for which I am being asked to vote?

A: You are being asked to vote to adopt and approve an agreement and plan of merger among Peoples, Peoples Merger Corporation and Renasant, a related plan of merger and the merger contemplated thereby. In this proxy statement/prospectus, we refer to the agreement and plan of merger and the related plan of merger as the merger agreement. In the merger, Renasant will be merged with and into Peoples Merger Corporation, a wholly owned subsidiary of Peoples. After the merger, Peoples Merger Corporation will be the surviving corporation and will remain a wholly owned subsidiary of Peoples.

Q: Who is Peoples?

A: The Peoples Holding Company is a Mississippi corporation incorporated in 1982 that is the owner of the fourth largest bank headquartered in Mississippi, The Peoples Bank & Trust Company (Peoples Bank), a Mississippi-chartered bank incorporated in 1904. Peoples and Peoples Bank are headquartered in Tupelo, Mississippi. Through Peoples Bank, Peoples also owns of The Peoples Insurance Agency. As of December 31, 2003, Peoples had total assets of approximately \$1.4 billion, deposits of approximately \$1.1 billion and total shareholders' equity of approximately \$138 million. Peoples operates 44 community bank, insurance and financial services offices in 27 cities throughout north and north central Mississippi. Peoples Bank's deposits are insured by the Federal Deposit Insurance Corporation.

Q: What will I receive in exchange for my Renasant common stock in the merger?

A: In the merger, each share of Renasant common stock, par value \$1.00 per share, will be converted into the right to receive either (i) \$36.37 in cash, (ii) 1.117015 shares of Peoples common stock, \$5.00 par value per share, or (iii) a combination of cash for 45% of your shares of Renasant common stock and Peoples common stock for 55% of your shares of Renasant common stock.

Q: Can I elect the type of consideration I will receive in the merger?

A: Yes. Subject to the redesignation and adjustment procedures described in this proxy statement/prospectus, you may elect to receive all cash, all shares of Peoples common stock or a combination of cash and Peoples common stock in exchange for your shares of Renasant common stock.

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Under the merger agreement, the aggregate number of shares of Renasant common stock to be converted into the right to receive cash shall not be less than 45% or more than 50% of the total number of shares of Renasant common stock outstanding immediately prior to the closing date of the merger (excluding shares owned by Renasant, Peoples or any subsidiary of Renasant or Peoples (other than in a fiduciary capacity)). The aggregate number of shares of Renasant common stock to be converted into the right to receive shares of Peoples common stock shall not be less than 50% or more than 55% of the total number of shares of Renasant common stock outstanding immediately prior to the closing date of the merger (excluding shares owned by Renasant, Peoples or any subsidiary of Renasant or Peoples (other than in a fiduciary capacity)).

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Regardless of your election, however, elections will be limited by two requirements:

not less than 50% or more than 55% of the aggregate shares of Renasant common stock owned by Renasant stockholders must be exchanged for Peoples common stock; and

not less than 45% or more than 50% of the aggregate shares of Renasant common stock owned by Renasant stockholders must be exchanged for cash.

Your election is also subject to further adjustment by Peoples in order for the merger to qualify as a tax-free reorganization for federal income tax purposes with respect to the shares of Peoples common stock that you receive in exchange for your Renasant common stock.

Q: If I elect to receive Peoples common stock in the merger, how many shares will I receive?

A: Subject to the redesignation and adjustment procedures described in this proxy statement/prospectus, if you elect to receive Peoples common stock for all or a portion of your Renasant common stock, you will receive 1.117015 shares of Peoples common stock for each share of Renasant common stock that you own.

You will not receive a fractional share of Peoples common stock. Instead, you will be paid cash in an amount equal to the fraction of a share of Peoples common stock otherwise issuable multiplied by the average closing price as reported by the American Stock Exchange of one share of Peoples common stock for the ten trading days immediately preceding the last trading day immediately prior to the closing date of the merger (the closing date is described in more detail in this proxy/prospectus).

For instance, if you own 100 shares of Renasant common stock and the ten-day average closing price of Peoples common stock is \$32.00 per share, a Renasant stockholder who elects to receive Peoples common stock in exchange for all 100 shares of Renasant common stock would receive 111 shares of Peoples common stock, plus \$22.45 in cash instead of a fractional share.

Q: How do I elect the form of consideration I prefer to receive?

A: A form of election is being mailed to you concurrently with the mailing of this proxy statement/prospectus. If your shares of Renasant common stock are registered in your own name, complete and sign the form of election and send it to Registrar and Transfer Company, 10 Commerce Drive, Cranford, New Jersey 07016-3572, the exchange agent for the merger. If your shares of Renasant common stock are held in the name of your nominee or other representative, such as the trustee of a trust of which you are the beneficiary, you must have such nominee or other representative submit the form of election on your behalf.

Q: Is there a deadline for making an election?

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A: Yes. Your completed election form must be received by the exchange agent not later than 5:00 p.m. eastern time on the third business day immediately prior to the closing date of the merger.

Q: What if I do not send an election form, it is not received before the deadline or I improperly complete or sign my election form?

A: If the exchange agent does not receive from you a properly completed and signed election form before the deadline, then it will be assumed that you have elected to receive a combination of cash for 45% of your shares of Renasant common stock and Peoples common stock for the remaining 55% of your shares of Renasant common stock.

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Q: When should I send in my stock certificate?

A: After the closing date of the merger, the exchange agent will deliver the necessary stock certificate transmittal materials to you. You should complete and sign the transmittal letter and deliver it, together with your stock certificate or certificates (and any other documents required by the exchange agent or Peoples), to the exchange agent at the address listed in the transmittal materials.

The exchange agent, upon receipt of your stock certificates and other documents, will deliver to you the cash, stock or combination thereof which you have elected to receive, as modified by any redesignation or adjustment procedures described in this proxy statement/prospectus. This delivery is subject to the payment of any transfer taxes that may arise in connection with the transfer of your shares of Renasant common stock.

Q: What happens if the number of shares elected to be converted into cash exceeds 50% of the outstanding shares of Renasant common stock or if the number of shares elected to be converted into shares of Peoples common stock exceeds 55% of the outstanding shares of Renasant common stock?

A: If the aggregate number of shares elected to be converted into cash exceeds 50% of the outstanding shares of Renasant common stock, then shares of Renasant common stock to be converted into cash will be redesignated on a pro rata basis into shares to be converted into shares of Peoples common stock so that the total number of Renasant shares to be converted into cash does not exceed 50% of the outstanding shares of Renasant common stock.

If the aggregate number of shares elected to be converted into shares of Peoples common stock exceeds 55% of the outstanding shares of Renasant common stock, then shares of Renasant common stock to be converted into shares of Peoples common stock will be redesignated on a pro rata basis into shares to be converted into cash so that the total number of Renasant shares to be converted into shares of Peoples common stock does not exceed 55% of the outstanding shares of Renasant common stock.

Holders of shares of Renasant common stock who elect to receive a combination of cash for 45% of their Renasant common stock and shares of Peoples common stock for 55% of their Renasant common stock will not be subject to these redesignation procedures. Also, a holder who has elected to receive cash for all of his or her shares of Renasant common stock and would receive less than 10 shares of Peoples common stock if his or her shares were redesignated is not subject to the redesignation procedures. Both of these types of holders, however, are subject to the adjustment procedures described immediately below.

Q: Can my election be affected in any other way?

A: Yes. Renasant and Peoples intend for the merger to qualify as a tax-free reorganization for federal income tax purposes with respect to shares of Peoples common stock received in exchange for shares of Renasant common stock. In order to satisfy the continuity of interest requirement for tax-free reorganizations, the merger agreement requires that the aggregate value of the Peoples common stock delivered to holders of Renasant common stock equal at least 40% of the total value of Renasant.

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If Peoples determines that the value of its common stock to be delivered to holders of Renasant common stock does not satisfy this 40% requirement, then Peoples will take two actions. Peoples will reduce the amount of cash into which each share of Renasant common stock is converted and Peoples will

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increase the number of shares of Peoples common stock into which each share of Renasant common stock is converted. The reduction in the cash payable to shareholders of Renasant will equal the increase in the value of the Peoples common stock that will be delivered to the shareholders of Renasant. This adjustment is mandatory unless the adjustment would cause Peoples to issue more than 85,000 additional shares of its common stock. If the adjustment would cause Peoples to issue more than 85,000 additional shares of its common stock and Peoples decides not to issue the additional shares, then either Peoples or Renasant may terminate the merger.

Q: What are the United States federal income tax consequences of the merger to Renasant stockholders?

A: The tax consequences of the transaction to you will depend on your particular facts and circumstances and the form of merger consideration you receive. You should consult your tax advisor for a full understanding of the tax consequences of the merger.

Assuming that the merger is completed as currently contemplated, you will not recognize any gain or loss for United States federal income tax purposes on any of your Renasant shares exchanged for Peoples shares in the merger, except with respect to cash received in lieu of a fractional Peoples share. You may recognize gain or loss if you exchange your Renasant shares solely for cash in the merger. You may recognize gain, but not loss, if you exchange your Renasant shares for a combination of Peoples shares and cash, but not in excess of the cash you receive in the merger.

Q: Am I entitled to dissenters' rights?

A: Yes. If you wish, you may dissent from the merger agreement and obtain a cash payment for the fair value of your shares. To exercise dissenters' rights, you must not vote in favor of the adoption and approval of the merger agreement, and you must strictly comply with all of the applicable requirements of Tennessee law summarized under the heading "The Merger - Dissenters' Rights." The fair value of your shares may be more or less than the consideration to be paid in the merger.

We have included a copy of Chapter 23 of the Tennessee Business Corporation Act (the "TBCA") as Annex D to this proxy statement/prospectus.

Q: When and where is the special meeting?

A: The Renasant special meeting is scheduled to take place at Renasant's main office, 2177 Germantown Road South, Germantown, Tennessee 38138 on _____, 2004 at 5:30 p.m. local time.

Q: Who can vote on the merger?

A: Holders of record of Renasant common stock at the close of business on _____, 2004 can vote at the special meeting. On that date, 1,429,697 shares were outstanding and entitled to vote.

Q: What vote is required for approval?

A: The merger agreement must be adopted and approved by a majority of the outstanding shares of Renasant common stock. Therefore, if you abstain or fail to vote, it will be the same as voting against the merger agreement.

If you hold your shares of Renasant in a broker's name (sometimes called "street name" or "nominee name"), then you must provide voting instructions to your broker. If you do not provide instructions to the broker, your shares will not be voted on any matter on which the broker does not have

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discretionary authority to vote, which includes the vote on the merger. A vote that is not cast for this reason is called a broker non-vote. Broker non-votes will be treated as shares present for the purpose of determining whether a quorum is present at the meeting. For purposes of the vote on the merger agreement, a broker non-vote has the same effect as a vote AGAINST the merger agreement. For purposes of the vote on other matters properly brought at the special meeting, broker non-votes will not be counted as a vote FOR or AGAINST such matters or as an abstention on such matters.

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

A: We are working to complete the merger as promptly as possible. We expect to complete the merger promptly after we receive both Renasant stockholder approval at the special meeting and all necessary regulatory approvals. We currently expect this to occur during the third quarter of 2004. Fulfilling some of the conditions to closing the merger, such as receiving certain governmental clearances or regulatory approvals is not entirely within our control.

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this proxy statement/prospectus, please complete and mail your proxy card as soon as possible so that your shares may be voted at the special meeting. Your proxy card will instruct the persons named on the proxy card to vote your shares at the special meeting as you direct. If you sign and send in your proxy card and do not indicate how you want to vote, your proxy will be voted FOR the adoption and approval of the merger agreement and the merger. If you do not vote or if you abstain, the effect will be a vote against the merger agreement and the merger. Your vote is very important.

You should also complete the form of election accompanying this proxy statement/prospectus and submit it to Registrar and Transfer Company, 10 Commerce Drive, Cranford, New Jersey 07016-3572, the exchange agent for the merger.

Q: May I change my vote after I have mailed my signed proxy card?

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

first, you can send a written notice stating that you want to revoke your proxy;

second, you can complete and submit a new proxy card; or

third, if you are the record owner of your shares of Renasant common stock, you can attend the Renasant special meeting and vote in person. Simply attending the meeting, however, will not revoke your proxy; you must vote at the meeting.

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If you choose either of the first two methods, you must submit your notice of revocation or your new proxy card to:

Renasant Bancshares, Inc.

Attention: Michael J. McCarver, Secretary

2177 Germantown Road South

Germantown, Tennessee 38138

Q: If I plan to attend the Renasant special meeting in person, should I still grant my proxy?

A: Yes. Whether or not you plan to attend the special meeting, you should grant your proxy as described above. The failure of a Renasant stockholder to vote in person or by proxy will have the same effect as a vote against the adoption and approval of the merger agreement. The failure to give voting instructions to your broker will have the same effect as a vote against the adoption and approval of the merger agreement.

Q: What does Renasant's board of directors recommend?

A: Renasant's board of directors has unanimously determined that the proposed merger is advisable and in the best interests of Renasant and its stockholders and unanimously recommends that you vote FOR the proposal to adopt and approve the merger agreement.

Q: Who can help answer my questions?

A: If you have any questions about the merger or if you need additional copies of this proxy statement/prospectus or the enclosed proxy card or form of election, you should contact:

Francis J. Cianciola

Vice Chairman

2177 Germantown Road South

Germantown, Tennessee 38138

(901) 312-4000

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SUMMARY

This summary highlights selected information from this proxy statement/prospectus and may not contain all the information that is important to you. For a more complete understanding of the merger and for a more complete description of the legal terms of the merger and the merger agreement, you should read this entire document carefully, as well as the additional documents to which we refer you. See [Where You Can Find More Information](#).

The Companies

The Peoples Holding Company

209 Troy Street

Tupelo, Mississippi 38802

(662) 680-1001

Peoples is a Mississippi corporation incorporated in 1982 that is the owner of the fourth largest bank headquartered in Mississippi, The Peoples Bank & Trust Company (Peoples Bank), a Mississippi-chartered bank incorporated in 1904. Peoples Bank is headquartered in Tupelo, Mississippi. Through Peoples Bank, Peoples is also the owner of The Peoples Insurance Agency. As of December 31, 2003, Peoples had total assets of approximately \$1.4 billion, deposits of approximately \$1.1 billion and total shareholders' equity of approximately \$138 million. Peoples operates 44 community bank, insurance and financial services offices in 27 cities throughout north and north central Mississippi. Peoples Bank's deposits are insured by the Federal Deposit Insurance Corporation.

For financial statements and a discussion of Peoples' recent results of operations, see Peoples' Annual Report on Form 10-K for the year ended December 31, 2003, which is incorporated by reference in this proxy statement/prospectus.

Peoples Merger Corporation is a Tennessee corporation and a wholly owned subsidiary of Peoples. It was incorporated in 2004 for the purpose of effecting the merger between Peoples and Renasant.

Renasant Bancshares, Inc.

2177 Germantown Road South

Germantown, Tennessee 38138

(901) 312-4000

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Renasant Bancshares (Renasant) is a Tennessee corporation incorporated in 1998 that is the owner of Renasant Bank. Renasant's activities are conducted primarily through Renasant Bank. Renasant Bank conducts a full-service banking business in its service area, emphasizing the banking needs of individuals and small to medium-sized businesses. As of December 31, 2003, Renasant had total assets of approximately \$225 million, deposits of approximately \$186 million and total shareholders' equity of approximately \$17 million. Renasant Bank draws most of its customer deposits and conducts most of its lending transactions from and within a primary service area in the eastern area of Shelby County and western area of Fayette County, Tennessee, as well as the northern area of DeSoto County, Mississippi. Renasant Bank's deposits are insured by the Federal Deposit Insurance Corporation.

The Merger (pages 26 through 29)

Under the terms of the merger agreement, Renasant will be merged into Peoples Merger Corporation. After the merger, Peoples Merger Corporation will be the surviving corporation and will

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continue its corporate existence under Tennessee law as a wholly owned subsidiary of Peoples. The merger agreement and the plan of merger are attached to this document as Annex A-1 and Annex A-2, respectively, and are incorporated in this proxy statement/prospectus by reference. We encourage you to read the merger agreement carefully, as it is the legal document that governs the merger.

What You Will Receive in the Merger (pages 45 through 50)

The merger agreement provides that each share of Renasant common stock, other than treasury shares, shares owned by Peoples or any of the subsidiaries of Peoples or Renasant (other than in a fiduciary capacity) or by any person who has perfected dissenters' rights with respect to shares of Renasant common stock, will be converted on the closing date of the merger into the right to receive the merger consideration. The merger consideration is either:

for each share of Renasant common stock, cash in an amount equal to \$36.37, without interest;

for each share of Renasant common stock, 1.117015 shares of Peoples common stock; or

cash consideration for 45% of such holder's shares of Renasant common stock and stock consideration for 55% of such holder's shares of Renasant common stock.

Subject to the redesignation and adjustment procedures described below, as a holder of record of shares of Renasant common stock, you may elect to receive all cash, all shares of Peoples common stock or the combination of cash and Peoples common stock described above as consideration in exchange for your shares of Renasant common stock. You will not receive any fractional shares of Peoples common stock if you elect to receive all or a portion of the merger consideration as shares of Peoples common stock. Instead, you will be paid cash in an amount equal to the fraction of a share of Peoples common stock otherwise issuable upon conversion multiplied by the average closing price of one share of Peoples common stock as reported by the American Stock Exchange for the ten trading days immediately preceding the last trading day immediately prior to the closing date of the merger.

A form of election is being mailed to you concurrently with the mailing of this proxy statement/prospectus. If your shares of Renasant common stock are registered in your own name, you must complete and sign the form of election and send it to Registrar and Transfer Company, 10 Commerce Drive, Cranford, New Jersey 07016-3572, the exchange agent for the merger. If your shares of Renasant common stock are held in the name of your nominee or other representative, such as the trustee of a trust of which you are the beneficiary, you must have such nominee or other representative submit the form of election on your behalf. The form of election must be received by the exchange agent not later than 5:00 p.m. eastern time on the third business day immediately prior to the closing date of the merger.

The merger agreement contains redesignation procedures which may affect your election. Under the merger agreement, the number of shares of Renasant common stock to be converted into the right to receive cash must not be less than 45% or more than 50% of the total number of shares of Renasant common stock outstanding immediately prior to the closing date of the merger. Also, the number of shares of Renasant common stock to be converted into the right to receive shares of Peoples common stock must not be less than 50% or more than 55% of the total number of shares of Renasant common stock outstanding immediately prior to the closing date of the merger.

If the number of shares to be converted into the right to receive cash exceeds 50% of the outstanding shares of Renasant common stock, then all shares of Renasant common stock to be converted

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into the right to receive cash will be redesignated on a pro rata basis into a combination of shares to be converted into cash and shares to be converted into shares of Peoples common stock. Shares will be redesignated such that the total number of Renasant shares converted into cash does not exceed 50% of the outstanding shares of Renasant common stock. If the number of shares to be converted into shares of Peoples common stock exceeds 55% of the outstanding shares of Renasant common stock, then all shares of Renasant common stock to be converted into shares of Peoples common stock will be redesignated on a pro rata basis for a combination of shares to be converted into cash and shares to be converted into shares of Peoples common stock. Shares will be redesignated such that the total number of Renasant shares exchanged for stock does not exceed 55% of the outstanding shares of Renasant common stock. Holders who chose to receive a combination of cash for 45% of their Renasant common stock and shares of Peoples common stock for 55% of their Renasant common stock are not subject to the redesignation procedures. Also, any holder who elected to receive cash but after the redesignation procedures would receive less than ten shares of Peoples common stock for his or her shares of Renasant common stock is not subject to the redesignation procedures.

The merger agreement also contains certain readjustment procedures which may affect your election. Under the merger agreement, the value of the shares of Peoples common stock to be delivered to the holders of Renasant common stock pursuant to their elections to receive the merger consideration must have an aggregate value of at least 40% of the value of Renasant as a whole. This is required so that the merger qualifies as a tax-free reorganization for federal income tax purposes with respect to the shares of Peoples common stock received in exchange for shares of Renasant common stock. If, after the redesignation procedures described immediately above are completed, Peoples determines that the total value of its common stock included as part of the merger consideration does not satisfy the 40% threshold described above, then Peoples will take two actions. Peoples will reduce the amount of cash into which shares of Renasant common stock will be converted, and Peoples will increase the number of shares of Peoples common stock into which each share of Renasant common stock will be converted. The reduction in the cash payable to shareholders of Renasant will equal the increase in the value of the Peoples common stock that will be delivered to the shareholders of Renasant. This adjustment is mandatory unless the adjustment would cause Peoples to issue more than 85,000 additional shares of its common stock. If the adjustment would cause Peoples to issue more than 85,000 additional shares of its common stock and Peoples decides not to issue the additional shares, then either Peoples or Renasant may terminate the merger. All holders of Renasant common stock are subject to these adjustment procedures, except for holders who perfected their dissenters' rights under Chapter 23 of the Tennessee Business Corporations Act (the "TBCA").

If the exchange agent does not receive from you a properly completed election form before the third business day immediately prior to the closing date of the merger, then it will be assumed that you have elected to receive a combination of cash for 45% of your shares of Renasant common stock and Peoples common stock for the remaining 55% of your shares of Renasant common stock.

After the closing date of the merger, the exchange agent will deliver to the former holders of Renasant common stock the necessary stock certificate transmittal materials and instructions for use so that the certificates representing shares of Renasant common stock may be properly surrendered. After receipt of such materials, each former holder of Renasant common stock shall surrender for cancellation the certificate or certificates representing such stock, together with a properly executed and completed letter of transmittal (and any other documents required by the exchange agent or Peoples). Upon receipt of such certificate(s) and other materials, and subject to the payment of any transfer taxes that may arise in connection with the transfer of your shares of Renasant common stock, the exchange agent will deliver to the former holder of Renasant common stock the merger c