

TRUSTMARK CORP  
Form 11-K  
June 25, 2008

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 11-K

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2007

OR

- TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 000-03683

Full title of the plan and the address of the plan, if different from that of the issuer named below:

Trustmark 401(k) Plan

Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Trustmark Corporation  
248 E. Capitol Street  
Jackson, Mississippi 39201

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TRUSTMARK 401(k) PLAN

Jackson, Mississippi

Audited Financial Statements

December 31, 2007 and 2006

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Note: Supplemental schedules required by the Employee Retirement Income Security Act of 1974 not included herein are deemed not applicable to Trustmark 401(k) Plan.

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REPORT OF INDEPENDENT REGISTERED  
PUBLIC ACCOUNTING FIRM

The Plan Administrator  
Trustmark 401(k) Plan

We have audited the accompanying statement of net assets available for benefits of the Trustmark 401(k) Plan (the "Plan") as of December 31, 2007, and the related statement of changes in net assets available for benefits for the year 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 audit. The statement of net assets available for benefits of the Plan as of December 31, 2006 and the related statement of changes in net assets available for benefits for the year then ended, was audited by other auditors whose report, dated June 18, 2007, expressed an unqualified opinion on that statement.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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 Plan as of December 31, 2007, and the changes in net assets available for benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held at end of year as of December 31, 2007, is presented for the purpose of additional analysis, and is not a required part of the basic financial statements, but is supplementary information required by the United States Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Jackson, Mississippi  
June 23, 2008

TRUSTMARK 401(k) PLAN  
 Statements of Net Assets Available for Benefits  
 December 31, 2007 and 2006

|  | 2007                  | 2006                  |
|--|-----------------------|-----------------------|
| <b>Investments, at fair value:</b>       |                       |                       |
| Money market accounts                    | \$ 22,062,331         | \$ 19,628,174         |
| Fixed income mutual funds                | 6,360,746             | 5,169,842             |
| Common stock of Trustmark Corporation    | 36,405,629            | 47,138,446            |
| Equity mutual funds                      | 86,226,280            | 78,094,495            |
| Total investments                        | 151,054,986           | 150,030,957           |
| <b>Receivables:</b>                      |                       |                       |
| Employer contributions                   | 290,563               | 224,638               |
| Participant contributions                | 236,676               | 242,567               |
| Total receivables                        | 527,239               | 467,205               |
| <b>Net assets available for benefits</b> | <b>\$ 151,582,225</b> | <b>\$ 150,498,162</b> |

See accompanying notes to financial statements.

TRUSTMARK 401(k) PLAN  
 Statements of Changes in Net Assets Available for Benefits  
 Years Ended December 31, 2007 and 2006

|  | 2007              | 2006              |
|--|-------------------|-------------------|
| <b>Contributions:</b>  |                   |                   |
| Employer   | \$ 5,287,076      | \$ 3,769,358      |
| Participant  | 7,591,075         | 6,881,933         |
| Rollover   | 396,373           | 405,404           |
| <b>Total contributions</b>                                   | <b>13,274,524</b> | <b>11,056,695</b> |
| <b>Net investment income:</b>                                |                   |                   |
| Net (depreciation) appreciation in fair value of investments | (12,134,644)      | 7,703,962         |
| Interest and dividends                                       | 10,330,476        | 10,173,119        |
| Net investment (loss) income                                 | (1,804,168)       | 17,877,081        |
| Benefits paid to participants                                | (10,356,527)      | (11,668,218)      |
| Administrative fees  | (29,766)          | (299,459)         |
| <b>Net increase in net assets available for benefits</b>     | <b>1,084,063</b>  | <b>16,966,099</b> |
| <b>Net assets available for benefits:</b>                    |                   |                   |
| Beginning of year  | 150,498,162       | 133,532,063       |
| End of year  | \$ 151,582,225    | \$ 150,498,162    |

See accompanying notes to financial statements.

TRUSTMARK 401(k) PLAN  
December 31, 2007 and 2006

NOTES TO FINANCIAL STATEMENTS

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Note 1. Plan Description

The following description of the Trustmark 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan established for the associates of Trustmark Corporation (the "Company") and certain other associated companies. The Plan is subject to the provisions of the Employee Retirement Income Security Act ("ERISA") of 1974.

Eligibility

Effective January 1, 2004, the Plan was amended to provide eligibility for participation in elective deferrals by employees on the first day of the month after thirty days of employment. Prior to 2004, the Plan provided eligibility for participation on the first day of the month following the completion of at least 1,000 hours of service during the twelve-month period ending on the anniversary of a person's employment commencement date.

Plan Administration

Nationwide Life Insurance Company and Nationwide Trust Company served as custodian of the Plan's assets through January 31, 2007. Effective February 1, 2007, the Company named Federated Retirement Plan Services as custodian of the Plan's assets. The Plan administrator and sponsor is Trustmark Corporation, parent company of Trustmark National Bank. The Plan's trustee functions are handled by Trustmark National Bank.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participant Contributions

The Plan allows participants to make voluntary before-tax salary deferral contributions, through payroll deductions, to separately invested funds in accordance with Section 401(k) of the Internal Revenue Code. If certain requirements of Internal Revenue Code Section 401(k) are not met in Plan operation, the salary deferral agreements of participants may, on a nondiscriminatory and uniform basis, be amended or revoked to preserve the qualified status of the Plan. Voluntary after-tax contributions by participants are not allowed.





TRUSTMARK 401(k) PLAN  
December 31, 2007 and 2006

NOTES TO FINANCIAL STATEMENTS

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Note 1. Continued

Participants may elect to contribute up to 75 percent of eligible compensation each period, subject to regulatory limitations. Any excess contributions must be returned to the applicable participant by April 15 of the calendar year following the year of excess contributions. The Plan allows for rollover contributions from individual retirement accounts, Internal Revenue Code ("IRC") Section 457(b) plans or other qualified plans.

Provisions of the Plan allow participants who were age 50 years or older by the end of the calendar year to make catch-up contributions to the Plan. Catch-up contributions represent associate compensation deferrals in excess of certain plan limits and statutory limits, including Internal Revenue Service ("IRS") annual deferral limits.

Employer Contributions

During 2006, eligible participant contributions were matched by the employer at a rate of 100 percent of the first 3 percent and 50 percent of the next 3 percent of covered compensation. Effective January 1, 2007, the Company increased its employer matching contributions to 100 percent of the first 6 percent of covered compensation. The employer may also make discretionary contributions. No such contributions were made for the years ended December 31, 2007 or 2006.

Investment Options

Participants may direct the investment of their account balance among several investment options.

Vesting

Participants are immediately vested in their voluntary contributions, employer contributions made on their behalf and the investment earnings and losses thereon.

Payment of Benefits

On retirement, death, disability or termination of service, a participant may elect to receive a lump-sum distribution equal to his or her account balance or in installments. In addition, hardship distributions are permitted if certain criteria are met.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. However, no such action may deprive any participant or beneficiary under the Plan of any vested benefit.



TRUSTMARK 401(k) PLAN  
December 31, 2007 and 2006

NOTES TO FINANCIAL STATEMENTS

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Note 2. Significant Accounting Policies

Basis of Presentation

The Plan's financial statements are prepared using the accrual basis of accounting, with the exception of the payment of benefits, which are recognized as a reduction in the net assets available for benefits of the Plan as they are disbursed to participants.

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 therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Valuation of Investments and Income Recognition

Investments are stated at fair value. The fair value of mutual funds and other securities traded on a national securities exchange are valued at the closing quoted market price on the last business day of the year.

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) in Fair Value of Investments

Net appreciation (depreciation) in fair value of investments, as recorded in the accompanying statements of changes in net assets available for benefits, includes changes in the fair value of investments acquired, sold or held during the year.

Administrative Fees

Administrative fees are paid by the Plan. All other fees, including professional fees, are paid by the Company.

Risks and Uncertainties

The Plan's investments include funds which invest in various types of investment securities and in various companies within various markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participant's account balances and the amounts reported in the statements of net assets available for benefits.



TRUSTMARK 401(k) PLAN  
December 31, 2007 and 2006

NOTES TO FINANCIAL STATEMENTS

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Note 3. Investments

The fair value of individual investments that represent 5 percent or more of the Plan's net assets as of December 31, 2007 and 2006, are as follows:

|   | 2007          | 2006          |
|---|---------------|---------------|
| Investments at fair value as determined by quoted market price: |               |               |
| Common stock of Trustmark Corporation                           | \$ 36,405,629 | \$ 47,138,446 |
| Performance Funds Trust Mutual Funds                            |               |               |
| Large-Cap Equity Fund   | 8,517,797     | 9,188,892     |
| Mid-Cap Equity Fund   | 11,003,027    | 10,046,878    |
| Van Kampen Equity and Income Fund                               | -             | 8,471,983     |
| Franklin Mutual Discovery Fund                                  | 8,801,766     | 8,747,983     |
| Investments at cost, which approximates fair value:             |               |               |
| Federated Capital Preservation Fund                             | 14,805,319    | 14,506,568    |

During 2007 and 2006, the Plan's investments (including investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

|   | 2007            | 2006         |
|---|-----------------|--------------|
| Change in investments at fair value as determined by quoted market price: |                 |              |
| Common stock of Trustmark Corporation                                     | \$ (9,697,231)  | \$ 7,238,190 |
| Mutual funds  | (2,437,413)     | 465,772      |
| Net (depreciation) appreciation in fair value of investments              | \$ (12,134,644) | \$ 7,703,962 |

The Plan provides participants the opportunity to annually elect whether cash dividends paid on employer stock will be invested in shares of employer stock within the individual participant's account or be paid to the participant in cash.

Note 4. Tax Status

The IRS has determined and informed the Company by a letter dated November 19, 2001, that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.



TRUSTMARK 401(k) PLAN  
December 31, 2007 and 2006

NOTES TO FINANCIAL STATEMENTS

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Note 5. Related Parties

Certain Plan investments are invested in the common stock of Trustmark Corporation. Investment transactions in employer securities qualify as party-in-interest transactions. For the years ended December 31, 2007 and 2006, dividends of \$1,285,482 and \$1,297,155, respectively, were received by the Plan from the Company.

Trustmark National Bank serves as the investment advisor for the Performance Funds Trust Mutual Funds.

Note 6. Contingencies

The Company and its subsidiaries are parties to lawsuits and other claims that arise in the ordinary course of business. Some of the lawsuits assert claims related to various business activities, and some of the lawsuits allege substantial claims for damages. The cases are being vigorously contested. In the regular course of business, management evaluates estimated losses or costs related to litigation, and provision is made for anticipated losses whenever management believes that such losses are probable and can be reasonably estimated. At the present time, management believes, based on the advice of legal counsel, that the final resolution of pending legal proceedings will not have a material impact on the Company or the Plan's financial statements.

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TRUSTMARK 401(k) PLAN  
 Plan Sponsor: Trustmark Corporation  
 Plan Sponsor: EIN 64-0471500  
 Plan Number: 002

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)  
 December 31, 2007

| (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | Shares/Units Held                        | (e) Current Value    |
|---|--|--|----------------------|
| Money market accounts:                                    |  |  |                      |
| Federated   | Capital Preservation Fund  | 1,480,532                                | \$ 14,805,319        |
| Federated   | Prime Obligations Fund   | 7,257,012                                | 7,257,012            |
| Total money market accounts                               |  |  | 22,062,331           |
| Fixed income mutual funds:                                |  |  |                      |
| *   | Performance Funds Trust  | Short-Term Government Income Fund        | 174,193 1,722,767    |
| *   | Performance Funds Trust  | Intermediate Term Government Income Fund | 180,366 1,855,969    |
| American Funds  | High Income Trust Fund   | 61,177                                   | 725,564              |
| Federated   | Mortgage Institutional Services Fund   | 46,659                                   | 459,587              |
| Federated   | Intermediate Corporate Bond Institutional Services Fund  | 16,545                                   | 166,275              |
| Federated   | Total Return Bond Institutional Services Fund  | 133,699                                  | 1,430,584            |
| Total fixed income mutual funds                           |  |  | 6,360,746            |
| Common stock:   |  |  |                      |
| *   | Trustmark Corporation  | Common Stock                             | 1,435,553 36,405,629 |
| Equity mutual funds:                                      |  |  |                      |
| *   | Performance Funds Trust  | Mid-Cap Equity Fund                      | 825,433 11,003,027   |
| *   | Performance Funds Trust  | Large-Cap Equity Fund                    | 809,676 8,517,797    |
| *   | Performance Funds Trust  | Leader's Equity Fund                     | 186,262 1,853,302    |
| *   | Performance Funds Trust  | Strategic Dividend Fund                  | 23,701 278,722       |
| American Funds  | Euro Pacific Growth Fund   | 31,460                                   | 1,578,034            |
| Davis   | New York Venture Fund  | 27,304                                   | 1,092,423            |
| Federated   | Kaufmann Fund  | 191,959                                  | 1,195,904            |
| Federated   | Kaufmann Small Cap Fund  | 13,906                                   | 359,891              |



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|               |   |         |                |
|---------------|---|---------|----------------|
| Federated     | MDT Balanced Fund   | 370,862 | 5,103,058      |
| Federated     | Mid-Cap Index Fund  | 164,880 | 3,591,079      |
| Franklin      | Balance Sheet Investment Fund                               | 103,292 | 5,986,786      |
| Franklin      | Mutual Discovery Fund                                       | 274,284 | 8,801,766      |
| Goldman Sachs | Structured Small Cap Equity Fund                            | 262,194 | 3,007,367      |
| JP Morgan     | Mid-Cap Value Fund  | 107,203 | 2,590,018      |
| Nationwide    | Investor Destinations Aggressive Services Fund              | 205,648 | 2,235,396      |
| Nationwide    | Investor Destinations Conservative Services Fund            | 45,145  | 465,443        |
| Nationwide    | Investor Destinations Moderate Services Fund                | 316,920 | 3,460,767      |
| Nationwide    | Investor Destinations Moderately Aggressive Services Fund   | 303,438 | 3,380,300      |
| Nationwide    | Investor Destinations Moderately Conservative Services Fund | 59,779  | 626,486        |
| Neuberger     | Neuberger Berman Genesis Assets Advantage Fund              | 188,487 | 5,426,528      |
| Oppenheimer   | Global Fund   | 49,970  | 3,625,798      |
| Oppenheimer   | International Small Co Fund                                 | 89,927  | 2,423,542      |
| Van Kampen    | Growth & Income Fund  | 76,957  | 1,635,352      |
| T. Rowe Price | Growth Stock Fund   | 123,874 | 4,137,398      |
| Templeton     | Foreign Fund  | 307,516 | 3,850,096      |
|               | Total equity mutual funds                                   |         | 86,226,280     |
|               | Total Assets (Held at End of Year)                          |         | \$ 151,054,986 |

\* Denotes party-in-interest based on the following relationship:

Trustmark National Bank serves as investment advisor for Performance Funds Trust; Trustmark Corporation is the parent company of Trustmark National Bank.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

TRUSTMARK 401(k) PLAN  
BY: TRUSTMARK CORPORATION, PLAN SPONSOR AND ADMINISTRATOR

BY: /s/ Louis E. Greer  
Louis E. Greer  
Treasurer and Principal  
Financial Officer

DATE: June 25, 2008

EXHIBIT INDEX

| Exhibit<br>Number | Description of Exhibits                                  |
|-------------------|--|
| 23                | Consent of Independent Registered Public Accounting Firm |