

FEDERAL DEPOSIT INSURANCE CORPORATION

Washington, D.C. 20429

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): December 10, 2021

FIRST REPUBLIC BANK

(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction
of incorporation)

80-0513856
(I.R.S. Employer
Identification No.)

111 Pine Street, 2nd Floor
San Francisco, CA 94111
(Address, including zip code, of principal executive office)

Registrant's telephone number, including area code: (415) 392-1400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value	FRC	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 5.125% Noncumulative Perpetual Series H Preferred Stock	FRC-PrH	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 5.50% Noncumulative Perpetual Series I Preferred Stock	FRC-PrI	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 4.70% Noncumulative Perpetual Series J Preferred Stock	FRC-PrJ	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 4.125% Noncumulative Perpetual Series K Preferred Stock	FRC-PrK	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 4.250% Noncumulative Perpetual Series L Preferred Stock	FRC-PrL	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 4.000% Noncumulative Perpetual Series M Preferred Stock	FRC-PrM	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 4.500% Noncumulative Perpetual Series N Preferred Stock	FRC-PrN	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors;
Appointment of Certain Officers; Compensatory Arrangements of Certain
Officers.**

Temporary Leave of Absence of Chairman and Chief Executive Officer

On December 10, 2021, the Board of Directors (the “Board”) of First Republic Bank (the “Bank”) approved a medically-recommended temporary leave of absence for Mr. James H. Herbert, II from his roles as Chairman and Co-Chief Executive Officer of the Bank from January 1, 2022 to June 30, 2022 (the “Leave”) and related retirement from the Board. During the Leave, Ms. Hafize Gaye Erkan will continue to serve as Co-CEO.

Mr. Herbert’s existing employment agreement has been amended (the “Amendment”) to provide that Mr. Herbert will waive his annual salary and annual bonus for the portion of the year he is on Leave. As of the last day of his Leave, Mr. Herbert may resume service pursuant to his existing employment agreement and is expected to be reappointed to the Board.

The Amendment also confirms that, in light of Mr. Herbert’s status as founder and over 36 years of service as Chief Executive Officer, Mr. Herbert will remain eligible during and following the Leave to retire upon 60 days advance written notice. In the event of Mr. Herbert’s retirement, all of his then-outstanding equity awards will remain eligible to vest based on achievement of any applicable performance goals and Mr. Herbert will receive a pro rata annual bonus for the year of retirement.

The foregoing summary is qualified in its entirety by the text of the Amendment, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

Appointments of Acting Chairman and President

Effective January 1, 2022, the Board appointed Mr. George G. C. Parker, who has served on the Board since 2003, as the Acting Chairman of the Bank. Also effective January 1, 2022, the Board appointed Mr. Michael J. Roffler as President, in addition to his current role as Chief Financial Officer, which role he has served in since 2015. Additional information regarding Messrs. Parker and Roffler can be found in the Bank’s Proxy Statement for the 2021 Annual Meeting of Stockholders.

Item 7.01 Regulation FD Disclosure.

On December 13, 2021, the Bank issued a press release announcing the Leave, the Amendment, the appointment of Mr. Parker as Acting Chairman and the appointment of Mr. Roffler as President. A copy of the press release is attached hereto as Exhibit 99.1.

The information furnished by the Bank pursuant to this item, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit 10.1 Employment Agreement Amendment No. 8, effective December 10, 2021, to the Employment Agreement dated June 15, 2010, as amended effective February 27, 2012, February 25, 2014, December 1, 2015, May 10, 2017, February 13, 2019, February 24, 2021 and July 12, 2021 between James H. Herbert, II and the Bank.

Exhibit 99.1 Press Release, dated December 13, 2021.

SIGNATURES

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

Date: December 13, 2021.

First Republic Bank

By: /s/ Michael J. Roffler
Name: Michael J. Roffler
Title: Executive Vice President and
Chief Financial Officer

December 10, 2021

Mr. James H. Herbert, II

Re: Employment Agreement Amendment No. 8

Dear Jim:

This Amendment No. 8 (the "Amendment"), amends the Employment Agreement between you and First Republic Bank ("Bank") dated June 15, 2010, as amended pursuant to Amendment No. 1 effective February 27, 2012, Amendment No. 2 effective February 25, 2014, Amendment No. 3 effective December 1, 2015, Amendment No. 4 effective May 10, 2017, Amendment No. 5 effective February 13, 2019, Amendment No. 6 effective February 24, 2021, and Amendment No. 7 effective July 12, 2021 (your "Employment Agreement"). This Amendment shall be effective **December 10, 2021**, as set forth below. Capitalized terms shall have the meanings specified in your Employment Agreement unless otherwise provided herein.

1. Temporary Leave of Absence.

You and the Bank mutually agree that you will take a medically-recommended temporary leave of absence from your roles at the Bank (your "Leave") from January 1, 2022 (the "Leave Start Date") to June 30, 2022. During your Leave, you are not expected to provide active services to the Bank as Co-Chief Executive Officer, Executive Chairman or otherwise, and as part of your Leave, you are hereby retiring from the board of directors of the Bank (and any direct or indirect subsidiary of the Bank) as of the close of business on December 31, 2021. As of the last day of your Leave, you may resume service pursuant to your Employment Agreement in the Bank's discretion, taking into account the advice of your physician (any date you return to service pursuant to this paragraph, the "Service Resumption Date"). It is expected that, upon any Service Resumption Date, you will be reappointed to the Board of the Bank.

2. Amendment.

You and the Bank mutually agree that during your Leave, the compensation and benefits set forth in your Employment Agreement shall be modified as follows: (i) you will waive your Annual Salary during the period of your Leave; and (ii) your Annual Bonus pursuant to your Employment Agreement shall be paid on a pro rata basis, based on the number of days that you provide services to the Bank while not on Leave. For the avoidance of doubt, (i) your Leave shall not constitute termination of employment, Good Reason or Disability, (ii) the failure to be re-

appointed to the positions contemplated by your Employment Agreement (including appointment to Board) on any Service Resumption Date shall constitute Good Reason, and (iii) upon any Service Resumption Date, your Annual Salary shall be at least equal to your Annual Salary as in effect on December 31, 2021, as adjusted pursuant to your Employment Agreement, as applicable, in each case unless otherwise mutually agreed by you and the Bank. Except as specifically set forth in this paragraph, your Employment Agreement shall remain in full force and effect during your Leave and for its remaining term.

3. Retirement Treatment.

In light of your Founder's status and over 36 years of service as Chief Executive Officer, the Bank confirms that you are currently eligible, and will remain eligible during and following your Leave, to elect, in your sole discretion to retire (the "Retirement"). Any such Retirement would be effective upon 60 days advance written notice (the "Retirement Date"), and it is mutually agreed that any and all other Notice Periods, or similar notice requirements, are waived. In connection with any such Retirement, you would cease to be an employee, officer or director of, or consultant or advisor to, the Bank or of any direct or indirect subsidiary of the Bank, unless otherwise mutually agreed. In connection with your Retirement, the Bank confirms that you would be eligible for retirement treatment as described in this paragraph. If you elect to retire, all of your then-outstanding equity awards will remain eligible to vest in accordance with the terms of the applicable award agreement as if your service to the Bank had not terminated, subject to and based on the level of achievement of any applicable performance goals as of the end of the applicable performance period(s). In addition, you will receive your pro rata salary and Annual Bonus for the year in which your retirement becomes effective, Section 5(d) of your original Employment Agreement shall survive for the time period set forth therein, and Section 3(b) of Amendment 4 to your Employment Agreement and Section 2(e) of Amendment 5 to your Employment Agreement each will continue for two years after your retirement becomes effective (notwithstanding any lesser time period described therein and, with respect to Section 3(b) of Amendment 4 of your Employment Agreement subject to the Bank's discretion to substitute appropriate office access); the Bank acknowledges and agrees that it will not deny you any payments or benefits (including, without limitation, retirement payments or benefits) under any Bank plan, agreement or arrangement for which you are eligible pursuant to your Retirement.

4. No Other Amendments.

Except as amended hereby, your Employment Agreement remains in full force and effect.

Very truly yours,

FIRST REPUBLIC BANK

By: /s/ Michael J. Roffler

Name: Michael J. Roffler

Title: Executive Vice President and
Chief Financial Officer

Date: December 12, 2021

By: /s/ Edward J. Dobranski

Name: Edward J. Dobranski

Title: Executive Vice President and
General Counsel

Date: December 12, 2021

Accepted and agreed:

/s/ James H. Herbert, II

James H. Herbert, II

Date: December 12, 2021



**FIRST REPUBLIC BANK BOARD OF DIRECTORS
ANNOUNCES LEADERSHIP TRANSITIONS**

JIM HERBERT TO TAKE LEAVE OF ABSENCE; MIKE ROFFLER NAMED PRESIDENT

December 13, 2021 – [First Republic Bank's](#) (NYSE:FRC) Board of Directors today announced leadership transitions effective January 1, 2022.

Founder, Chairman and Co-CEO Jim Herbert will take a medical leave of absence from his executive position in response to a recent medical recommendation regarding a coronary health issue. This leave is in accordance with First Republic Bank policies and will begin on January 1, 2022, for a period currently expected to be six months. Herbert will also step down from the Board of Directors during this time and is expected to be reappointed to the Board upon his return.

“Jim is now the third-longest serving CEO in the S&P 500,” said Reynold Levy, Lead Independent Director. “He has built a unique culture, consistent profitability and incredible value for our clients, colleagues and shareholders since founding First Republic over 36 years ago. The Board fully supports Jim’s decision to step away from the stress of day-to-day operations to focus on his health.”

Hafize Gaye Erkan will continue to serve as Co-CEO as well as assume additional responsibilities. Erkan has been part of the executive management team since joining First Republic in 2014. She was appointed President in 2017, Board Member in 2019 and Co-CEO in 2021. Previously, she worked at Goldman Sachs, as Managing Director and Head of Financial Institutions Group Strats and has over 20 years of finance and banking experience.

“I am extremely proud of the caring, sincere and client-focused culture of First Republic,” said Jim Herbert, Founder, Chairman and Co-CEO. “As a longstanding shareholder, I have full confidence in Gaye alongside our terrific management team, the continued consistency and stability of our business model and, very importantly, the exceptional colleagues who put our culture and our clients first each day.”

The Board of Directors has appointed Mike Roffler President, effective January 1, 2022. Roffler joined the company in 2009 and has served as its CFO since 2015, with over 25 years of accounting and banking experience, including as a partner at KPMG. He will also continue to serve in the role of CFO for an interim period.

“We are delighted to promote Mike to the position of President,” shared George Parker, Board Member. “Mike has been an instrumental cultural and strategic leader at First Republic for over a decade. He is well regarded by shareholders, clients and colleagues, and is a key member of our executive team.”



Beginning January 1, 2022, George G.C. Parker will serve as Acting Chairman of the Board. Parker has served as a Board Member of First Republic since 2003. He is a Professor Emeritus at Stanford Graduate School of Business, where he taught finance and banking for over 30 years. With extensive board and chair experience, Parker previously served on the Boards for Continental Airlines and Threshold Pharmaceuticals, Inc., among others.

About First Republic Bank

Founded in 1985, First Republic and its subsidiaries offer private banking, private business banking and private wealth management, including investment, trust and brokerage services. First Republic specializes in delivering exceptional, relationship-based service and offers a complete line of products, including residential, commercial and personal loans, deposit services, and wealth management. Services are offered through preferred banking or wealth management offices primarily in San Francisco, Palo Alto, Los Angeles, Santa Barbara, Newport Beach and San Diego, California; Portland, Oregon; Boston, Massachusetts; Palm Beach, Florida; Greenwich, Connecticut; New York, New York; and Jackson, Wyoming. First Republic is a constituent of the S&P 500 Index and KBW Nasdaq Bank Index. For more information, visit firstrepublic.com.

FRC – G

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements in this press release that are not historical facts are hereby identified as “forward-looking statements” for the purpose of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Any statements about our expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as “anticipates,” “believes,” “can,” “could,” “may,” “predicts,” “potential,” “should,” “will,” “estimates,” “plans,” “projects,” “continuing,” “ongoing,” “expects,” “intends” and similar words or phrases. Accordingly, these statements are only predictions and involve estimates, known and unknown risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed in them.

Forward-looking statements involving such risks and uncertainties include, but are not limited to, statements regarding: projections of loans, assets, deposits, liabilities, revenues, expenses, tax liabilities, net income, capital expenditures, liquidity, dividends, capital structure, investments or other financial items; expectations regarding the banking and wealth management industries; descriptions of plans or objectives of management for future operations, products or services; forecasts of future economic



conditions generally and in our market areas in particular, which may affect the ability of borrowers to repay their loans and the value of real property or other property held as collateral for such loans; our opportunities for growth and our plans for expansion (including opening new offices); expectations about the performance of any new offices; projections about the amount and the value of intangible assets, as well as amortization of recorded amounts; future provisions for credit losses on loans and debt securities, as well as for unfunded loan commitments; changes in nonperforming assets; expectations regarding the impact and duration of COVID-19; projections about future levels of loan originations or loan repayments; projections regarding costs, including the impact on our efficiency ratio; and descriptions of assumptions underlying or relating to any of the foregoing.

Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to: significant competition to attract and retain banking and wealth management customers, from both traditional and non-traditional financial services and technology companies; our ability to recruit and retain key managers, employees and board members; natural or other disasters, including earthquakes, wildfires, pandemics or acts of terrorism affecting the markets in which we operate; the negative impacts and disruptions resulting from COVID-19 on our colleagues and clients, the communities we serve and the domestic and global economy, which may have an adverse effect on our business, financial position and results of operations; interest rate risk and credit risk; our ability to maintain and follow high underwriting standards; economic and market conditions, including those affecting the valuation of our investment securities portfolio and credit losses on our loans and debt securities; real estate prices generally and in our markets; our geographic and product concentrations; demand for our products and services; developments and uncertainty related to the future use and availability of some reference rates, such as the London Interbank Offered Rate and the 11th District Monthly Weighted Average Cost of Funds Index, as well as other alternative reference rates; the regulatory environment in which we operate, our regulatory compliance and future regulatory requirements; any future changes to regulatory capital requirements; legislative and regulatory actions affecting us and the financial services industry, such as the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), including increased compliance costs, limitations on activities and requirements to hold additional capital, as well as changes to the Dodd-Frank Act pursuant to the Economic Growth, Regulatory Relief, and Consumer Protection Act; our ability to avoid litigation and its associated costs and liabilities; future Federal Deposit Insurance Corporation (“FDIC”) special assessments or changes to regular assessments; fraud, cybersecurity and privacy risks; and custom technology preferences of our customers and our ability to successfully execute on initiatives relating to enhancements of our technology infrastructure, including client-facing systems and applications. For a discussion of these and other risks and uncertainties, see First Republic’s FDIC filings, including, but not limited to, the risk factors in First Republic’s Annual Report on Form 10-K and any subsequent reports filed by First Republic with the FDIC. These filings are available in the Investor Relations section of our website.



FIRST REPUBLIC BANK

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PRESS RELEASE

FOR IMMEDIATE RELEASE

All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations, and, therefore, you are cautioned not to place undue reliance on such statements. Any forward-looking statements are qualified in their entirety by reference to the factors discussed throughout our public filings under the Exchange Act. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events.

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