

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): May 10, 2017

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))

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 1.01 Entry into a Material Definitive Agreement
Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Extension of Employment Agreement with Chairman and Chief Executive Officer

First Republic Bank (the “Bank”) and James H. Herbert, II, its Chairman and Chief Executive Officer (Founding), have agreed to extend Mr. Herbert’s employment by the Bank. Specifically, Mr. Herbert’s existing employment agreement has been amended (the “Amendment”) to provide that Mr. Herbert will continue to serve as Chairman and Chief Executive Officer of the Bank through December 31, 2020. Prior to the Amendment, Mr. Herbert’s employment agreement provided he would serve as Chairman and Chief Executive Officer until December 31, 2017. The Amendment also extends by four years (until December 31, 2025) the “Extended Term” of the employment agreement during which Mr. Herbert will cease to serve as the Bank’s Chief Executive Officer but will continue to serve as a member of the Bank’s Board of Directors (subject to his election by shareholders) and as the Bank’s Executive Chairman. The Extended Term will now run from January 1, 2021 until December 31, 2025 (formerly January 1, 2018 through December 31, 2021).

The Amendment was approved by the Board of Directors and was effective on May 10, 2017. Pursuant to the Amendment, during the Extended Term, Mr. Herbert will be paid an annual salary equal to 64% of his annual salary as in effect at December 31, 2020. In addition, during the Extended Term, Mr. Herbert will be eligible to receive an annual bonus of thirty-two one-hundredths of one percent (0.32%) of the Bank’s Pre-Tax Profits (as defined in the employment agreement). Such annual bonus will be payable in cash and will not exceed any amount set by the Bank’s 2017 Executive Incentive Plan. Additionally, during the Extended Term, Mr. Herbert will be eligible to receive an annual grant of restricted-stock units (“RSUs”) equal to 64% of the number of RSUs awarded to him in 2020.

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.

Appointment of President

On May 10, 2017, the Bank appointed Hafize Gaye Erkan, its Executive Vice President, Chief Deposit Officer and Chief Investment Officer, as its President.

Ms. Erkan, age 38, joined First Republic in June 2014 as Chief Investment Officer and Co-Chief Risk Officer and was additionally appointed Chief Deposit Officer on January 1, 2016. She also served as an advisor to the Bank for the prior two years. Before joining the Bank, Ms. Erkan worked for nine years at Goldman Sachs, most recently as Managing Director and Head of Financial Institutions Group Strats. Ms.

Erkan has a Ph.D. in Operations Research and Financial Engineering from Princeton University and a Bachelor of Science degree from Bogazici University in Turkey. Ms. Erkan has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Item 7.01 Regulation FD Disclosure.

On May 10, 2017, the Bank issued a press release announcing the Amendment and the appointment of Ms. Erkan 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. 4, effective May 10, 2017, to the Employment Agreement dated June 15, 2010, as amended effective February 27, 2012, February 25, 2014 and December 1, 2015, between James H. Herbert, II and the Bank.

Exhibit 99.1 Press Release, dated May 10, 2017.

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: May 12, 2017

First Republic Bank

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

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
Exhibit 10.1	Employment Agreement Amendment No. 4, effective May 10, 2017, to the Employment Agreement dated June 15, 2010, as amended effective February 27, 2012, February 25, 2014 and December 1, 2015, between James H. Herbert, II and the Bank.
Exhibit 99.1	Press Release, dated May 10, 2017.

May 10, 2017

Mr. James H. Herbert, II

Re: Employment Agreement Amendment No. 4

Dear Jim:

This Amendment No. 4 (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, and Amendment No. 3 effective December 1, 2015 (the “*Employment Agreement*”). This Amendment shall be effective **May 10, 2017** (the “*Effective Date*”), as set forth below. Capitalized terms shall have the meanings specified in the Employment Agreement unless otherwise provided herein.

1. Term.

(a) The expiration of the Term of your Employment Agreement is extended for four years from December 31, 2021 to December 31, 2025, subject to earlier termination under Section 6 of the Employment Agreement. The portion of the Term constituting the Extended Term is changed to January 1, 2021 through December 31, 2025. During the period from the Effective Date through December 31, 2020, you will continue to be employed by Bank in the position of Chairman and Chief Executive Officer of Bank and continue to serve as a member of the Board subject, with respect to your service as Chairman and a member of the Board of Directors, to your being elected to the Board by the shareholders of Bank.

The extension of the period when you will serve as Chief Executive Officer is intended to encourage and support an active transition period during which you will selectively transfer various direct reports and other responsibilities to other Bank executives. It is envisioned that a number of such transfers will take place before December 31, 2020 so that all such transfers do not occur during a concentrated period. This implies an orderly reduction of your direct management workload as you move towards your reduced role as Executive Chairman beginning January 1, 2021. This is in the best interests of Bank as it will, among other benefits, provide for a smoother transfer and a higher degree of certainty of success in such transfers.

(b) Subject to the terms of the Employment Agreement, as of the commencement of the Extended Term, you will cease to serve in the position of Chief Executive Officer of Bank; however during the Extended Term you will continue to be employed by Bank in the position of Executive Chairman and you will continue to serve as a member of the Board, subject to your being elected to the Board by the shareholders of Bank. In your capacity as Executive Chairman, you shall devote such time as is necessary to remain actively involved in the leadership of the Board and development of Bank’s overall strategy, preservation of its unique culture, and maintenance of relationships with its key largest clients and shareholders; provided, however,

during your tenure as Executive Chairman your direct reports and oversight responsibilities shall be limited in a manner to enable you to pursue outside interests that are non-competitive and are of a personal and/or business nature in compliance with Bank's policies. Any references in the Employment Agreement or the Restricted Stock Agreement, dated as of February 27, 2012, between you and Bank, to "Chairman" during the Extended Term shall hereby be deemed to be replaced with "Executive Chairman."

2. Amendments to Certain Sections of the Employment Agreement.

(a) During the Extended Term, you will be paid an Annual Salary equal to 64% of the Annual Salary in effect at December 31, 2020. In addition, during the Extended Term you will be eligible to receive an Annual Bonus on the basis as provided for in Section 4(b) of the Employment Agreement (and subject to the other terms and conditions of the Employment Agreement), except that, the percentage of Bank's Pre-Tax Profits (as defined in the Employment Agreement) for each year during the Extended Term shall be thirty-two one-hundredths of one percent (0.32%). Additionally, during the Extended Term, you will be eligible to receive an annual grant of RSUs equal to 64% of the number of RSUs awarded to you in 2020.

(b) The proviso at the end of the second sentence of Section 4(b) of the Employment Agreement shall be amended to provide as follows: "; provided, however, that for each fiscal year through the end of the Extended Term, your Annual Bonus payable in cash shall not exceed any maximum amount set by Bank's Executive Bonus Plan in effect at the time".

3. Support for Services to be Provided.

During the Term (including the Extended Term):

(a) You are encouraged for reasons of both safety and efficiency to continue to use Bank's access to private aircraft travel for appropriate purposes, and in a manner consistent with Bank's policy for such; and

(b) You will continue to have use of your current offices and level of administrative support at Bank in both San Francisco and New York City, and will continue to be reimbursed for all business expenses (including without limitation travel expenses) incurred for Bank's benefit in accordance with Bank's then generally applicable policies for the reimbursement of such expenses applicable to its Chief Executive Officer and other senior executive officers.

4. Advisors' Fees.

Upon presentation of invoices evidencing such, Bank will pay the reasonable fees and expenses of your attorneys, advisors and consultants incurred in connection with the preparation and negotiation of this Amendment.

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

Very truly yours,

FIRST REPUBLIC BANK

/s/ Michael J. Roffler

By: Michael J. Roffler

Title: Executive Vice President and Chief Financial
Officer

Date: **May 10, 2017**

Accepted and agreed:

/s/ James H. Herbert, II

Date: **May 10, 2017**



PRESS RELEASE

IMMEDIATE RELEASE

FIRST REPUBLIC BANK EXTENDS CONTRACT OF CHAIRMAN AND FOUNDING CEO JIM HERBERT

MS. HAFIZE GAYE ERKAN NAMED PRESIDENT

SAN FRANCISCO, May 10, 2017 – [First Republic Bank](#) (NYSE:FRC), a leading private bank and wealth management company, today announced that its Board of Directors has extended the employment contract of Chairman and Founding Chief Executive Officer Jim Herbert.

The Board approved an extension of Herbert's contract as Chairman and CEO through Dec. 31, 2020, following which he will serve as Executive Chairman through Dec. 31, 2025. Herbert is the Bank's founding CEO and has led the institution since it was established in 1985.

“Under Jim's leadership, First Republic has become one of the strongest financial institutions in America, recognized for delivering exceptional service to clients and outstanding financial performance to investors,” said Lead Outside Director Reynold Levy. “The Board is very pleased to extend Jim's service as Chairman and CEO.”

The Bank's Board also ratified the appointment of Hafize Gaye Erkan as President. As President, Erkan will work closely with all members of the executive management team in executing and further improving the Bank's successful, increasingly technology-enabled, relationship-based business model. Erkan will also retain her existing responsibilities heading the Bank's deposit franchise and investment portfolio.

Erkan has been part of the executive management team since joining First Republic three years ago and was an advisor to the Bank for the prior two years. Before joining First Republic, she worked for nine years at Goldman Sachs, most recently as Managing Director and Head of Financial Institutions Group Strats. Erkan has a Ph.D in Operations Research and Financial Engineering from Princeton University and a Bachelor of Science degree from Bogazici University in Turkey.

“Gaye is an exceptional financial services executive who has already made a significant impact on First Republic,” Herbert said. “Along with our very strong executive team, Gaye is focused on supporting and further developing First Republic's client-centric business model and culture.”

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, with a solid commitment to

responsiveness and action. 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; and New York, New York. First Republic offers a complete line of banking products for individuals and businesses, including deposit services, as well as residential, commercial and personal loans. For more information, visit firstrepublic.com.

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