

**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 31, 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.

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## **Item 7.01 Regulation FD Disclosure**

On May 31, 2017, First Republic Bank (the “Bank”) issued a press release announcing a public offering (the “Offering”) of depositary shares, each representing a 1/40th interest in a share of the Bank’s Noncumulative Perpetual Series H Preferred Stock, at a public offering price of \$25.00 per depositary share. In addition, the Bank will grant the underwriters an option for up to 30 days to purchase additional depositary shares at the public offering price less the underwriting discount.

The Bank intends to use the net proceeds from the Offering to fund the redemption of all the outstanding shares of its Noncumulative Perpetual Series B Preferred Stock, which the Bank previously announced will be redeemed on June 16, 2017. The redemption of the Noncumulative Perpetual Series B Preferred Stock is not contingent upon the completion of the Offering. The Bank intends to use any additional net proceeds from the Offering for general corporate purposes, which may include, among other things, funding loans or purchasing investment securities for its portfolio.

Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC are serving as the joint bookrunning managers. In connection with the Offering, the Bank distributed a preliminary offering circular on May 31, 2017 to investors. Copies of the press release and the preliminary offering circular are attached hereto as Exhibits 99.1 and 99.2, respectively.

The information furnished by the Bank pursuant to this item and Item 9.01, including Exhibits 99.1 and 99.2, 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 offering circular of the Bank or any of its filings under the Securities Act of 1933, as amended, if applicable, or the Exchange Act.

## **Item 9.01 Financial Statements and Exhibits.**

*(d) Exhibits.*

Exhibit 99.1      Press Release, dated May 31, 2017

Exhibit 99.2      Preliminary Offering Circular, dated May 31, 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 31, 2017

First Republic Bank

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

## EXHIBIT INDEX

<b><u>Exhibit Number</u></b>	<b><u>Description</u></b>
Exhibit 99.1	Press Release, dated May 31, 2017
Exhibit 99.2	Preliminary Offering Circular, dated May 31, 2017



**FIRST REPUBLIC ANNOUNCES  
SERIES H PREFERRED STOCK OFFERING**

**SAN FRANCISCO, May 31, 2017** – First Republic Bank (“First Republic”) (NYSE:FRC), a leading private bank and wealth management company, today announced a public offering of depositary shares, each representing a 1/40th interest in a share of its Noncumulative Perpetual Series H Preferred Stock, at a public offering price of \$25.00 per depositary share. In addition, First Republic will grant the underwriters an option for up to 30 days to purchase additional depositary shares at the public offering price less the underwriting discount.

First Republic intends to use the net proceeds from the offering to fund the redemption of all the outstanding shares of its Series B Preferred Stock, which First Republic previously announced will be redeemed on June 16, 2017. The redemption of the Series B Preferred stock is not contingent upon the completion of the offering. First Republic intends to use any additional net proceeds from the offering for general corporate purposes, which may include, among other things, funding loans or purchasing investment securities for its portfolio.

Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC are serving as joint book-running managers.

The offering will be made only by means of an offering circular. The preliminary offering circular relating to the offering is available at [www.frc-offering.com](http://www.frc-offering.com). Copies of the preliminary offering circular may also be obtained from: Merrill Lynch, Pierce, Fenner & Smith Incorporated, NC1-004-03-43, 200 North College Street, 3rd floor, Charlotte, NC 28255-0001, Attention: Prospectus Department, or email: [dg.prospectus\\_requests@baml.com](mailto:dg.prospectus_requests@baml.com); Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, New York, New York 10014, or by email at [prospectus@morganstanley.com](mailto:prospectus@morganstanley.com); UBS Securities LLC, Attention: Prospectus Department, 1285 Avenue of the Americas, New York, NY, 10019 or by calling 1-888-827-7275; and Wells Fargo Securities, LLC, 608 2<sup>nd</sup> Avenue South, Minneapolis, MN 55402, Attention: WFS Customer Service, email: [wfscustomerservice@wellsfargo.com](mailto:wfscustomerservice@wellsfargo.com) or by calling toll-free at 1-800-645-3751.

This press release is for informational purposes only and shall not constitute an offer to sell or a solicitation of an offer to buy the securities, nor shall there be any sale of the securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. The securities are neither insured nor approved by the Federal Deposit Insurance Corporation.

## **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.

## **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements about First Republic's 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. 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 in the section titled "Risk Factors" in First Republic's preliminary offering circular relating to this offering, including the documents incorporated by reference therein, and other risks described in documents subsequently filed by First Republic from time to time under the Securities Exchange Act of 1934, as amended. Further, any forward-looking statement speaks only as of the date on which it is made, and First Republic undertakes 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.

### **Investors:**

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### **Media:**

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Subject to Completion  
Preliminary Offering Circular, Dated May 31, 2017

OFFERING CIRCULAR



**FIRST REPUBLIC BANK**

It's a privilege to serve you®

**Depository Shares Each Representing a 1/40th Interest in a Share of      %  
Noncumulative Perpetual Series H Preferred Stock**

First Republic Bank is offering to sell      depository shares, each representing a 1/40th ownership interest in a share of      % Noncumulative Perpetual Series H Preferred Stock, with a liquidation preference of \$1,000 per share (equivalent to \$25 per depository share) (the "Series H Preferred Stock"). The depository shares are represented by depository receipts. As a holder of depository shares, you will be entitled to all proportional rights and preferences of the Series H Preferred Stock (including dividend, voting, redemption and liquidation rights). You must exercise such rights through the depository.

Dividends on the Series H Preferred Stock will be payable quarterly in arrears when, as and if declared by our board of directors (or a duly authorized committee thereof), at a rate per annum equal to      %. If declared, dividends will be paid on the 30th day of each March, June, September and December, or, if any such date is not a business day, the immediately preceding business day, commencing on June 30, 2017.

Dividends on the Series H Preferred Stock will not be cumulative. If dividends are not declared on the Series H Preferred Stock for payment on any dividend payment date, those dividends will not accrue or be payable, and if we have not declared a dividend before the dividend payment date for any dividend period, we will have no obligation to pay dividends for that dividend period, whether or not dividends on the Series H Preferred Stock are declared for any future dividend period.

We may redeem the Series H Preferred Stock at our option, for cash, (i) either in whole or in part, from time to time, on or after June 30, 2022, with not less than 30 days' and not more than 60 days' notice, or (ii) in whole but not in part, at any time within 90 days following a Regulatory Capital Treatment Event (as defined herein), in each case at a redemption price of \$1,000 per share (equivalent to \$25 per depository share), plus the sum of any declared and unpaid dividends for prior dividend periods and accrued but unpaid and undeclared dividends for the then-current dividend period to, but excluding, the redemption date. Under current regulatory capital rules, we would need regulatory approval to redeem the Series H Preferred Stock. If we redeem any of the Series H Preferred Stock, the depository will redeem a proportionate number of depository shares. The Series H Preferred Stock will not have any voting rights, except as set forth under "Description of Series H Preferred Stock—Voting Rights" beginning on page 21 of this offering circular.

We have applied to list the depository shares on the New York Stock Exchange under the symbol "FRC-PrH." If the application is approved, trading of the depository shares on the New York Stock Exchange is expected to begin within 30 days after the date of initial delivery of the depository shares. Shares of the Series H Preferred Stock will not be listed. Our common stock is listed on the New York Stock Exchange under the symbol "FRC."

**Investing in our depository shares involves risks. See the section entitled "Risk Factors" beginning on page 10 of this offering circular and beginning on page 27 of our Annual Report on Form 10-K for the year ended December 31, 2016, and other documents incorporated by reference in this offering circular.**

**THIS DOCUMENT CONSTITUTES PART OF AN OFFERING CIRCULAR COVERING SECURITIES THAT ARE EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, PURSUANT TO SECTION 3(A)(2) THEREOF. NONE OF THE SECURITIES AND EXCHANGE COMMISSION, THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT'S DIVISION OF FINANCIAL INSTITUTIONS OR ANY OTHER FEDERAL OR STATE REGULATORY BODY HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

**OUR DEPOSITORY SHARES ARE NOT SAVINGS ACCOUNTS OR DEPOSITS, ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY, AND ARE SUBJECT TO INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE ENTIRE AMOUNT YOU INVEST.**

	Per Depository Share	Total <sup>(2)</sup>
Public offering price . . . . .	\$25.0000	\$
Underwriting discounts <sup>(1)</sup> . . . . .	\$	\$
Proceeds, before expenses, to us <sup>(1)</sup> . . . . .	\$	\$

(1) The underwriting discount of \$      per depository share will be deducted from the public offering price, except that for sales to certain institutions, the underwriting discount deducted will be \$      per depository share, and to the extent of those sales, the total underwriting discounts will be less than the total shown above, and the total proceeds (before expenses) to us will be more than the total shown above. As a result of sales of      depository shares to certain institutions, the total proceeds to us, after deducting the underwriting discounts (but prior to deducting our expenses for the offering), will equal \$      .

(2) Assumes no exercise of the underwriters' option to purchase additional shares as described below. The underwriters may also exercise their option to purchase up to an additional      depository shares, at the public offering price less the underwriting discount, for 30 days after the date of this offering circular.

The underwriters expect to deliver the depository shares in book-entry form only, through the facilities of The Depository Trust Company ("DTC"), against payment on or about June      , 2017.

*Joint Book-Running Managers*

**BofA Merrill Lynch      Morgan Stanley      UBS Investment Bank      Wells Fargo Securities**

The date of this offering circular is May      , 2017

Information contained herein is subject to completion or amendment. This preliminary offering circular 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 jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

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## ABOUT THIS OFFERING CIRCULAR

You should rely only on the information contained in this offering circular and any supplement or addendum, including any documents incorporated by reference herein or therein, that may be provided to you. Neither we nor the underwriters have authorized anyone to provide you with additional or different information. The underwriters are offering to sell, and seeking offers to buy, our depositary shares only in jurisdictions where such offers and sales are permitted. The information in this offering circular and any supplement or addendum, including any documents incorporated by reference herein or therein, is accurate only as of the dates hereof or thereof, regardless of the time of delivery of this offering circular or any such supplement or addendum or the time of any sale of our depositary shares. Our financial condition, liquidity, results of operations, business and prospects may have changed since any such date.

This offering circular is not a prospectus for the purposes of the Prospectus Directive (as defined below). In the United Kingdom, this offering circular is distributed to and only directed at persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the “Order”); (ii) who are high net worth companies, unincorporated associations and other persons falling within Article 49(2)(a) to (d) of the Order; or (iii) to whom it may otherwise lawfully be communicated in accordance with the Order (all such persons falling within (i)-(iii) together being referred to as “relevant persons”). The Shares (as defined below) are only available to, and an invitation, offer or agreement to subscribe or otherwise acquire the Shares will be engaged only with, relevant persons. Any person who is not a relevant person should not act or rely on this offering circular or any of its content.

Except as otherwise indicated or as the context indicates otherwise, used throughout this offering circular, the terms “First Republic,” the “Bank,” “we,” “our” and “us” mean First Republic Bank, a California-chartered commercial bank that was re-established as an independent institution in July 2010, including all its subsidiaries, as well as its predecessor entities, which had been in existence since 1985.

## AVAILABLE INFORMATION

We are subject to the information reporting requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as administered and enforced by the Federal Deposit Insurance Corporation (the “FDIC”), and we are subject to FDIC rules promulgated thereunder. Consequently, we file annual, quarterly and current reports, proxy statements and other information with the FDIC, copies of which are made available to the public over the Internet at <https://efr.fdic.gov/fcxweb/efr/index.html>. You may also inspect and copy any document we file with the FDIC at the public reference facilities maintained at the FDIC, Accounting and Securities Disclosure Section, Division of Risk Management Supervision, 550 17th Street, N.W., Washington, D.C. 20429.

Copies of the FDIC filings referenced below in “Incorporation of Certain Documents by Reference” are also available at a website maintained by us at <http://www.frc-offering.com>. You may request a copy of these filings at no cost by writing or by telephoning us at the following address or telephone number:

First Republic Bank  
111 Pine Street, 2nd Floor  
San Francisco, CA 94111  
Attention: Investor Relations  
(415) 392-1400

## INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

Certain information previously filed with the FDIC has been “incorporated by reference” into this offering circular. This means that we disclose important information to you by referring you to other documents filed with the FDIC under the Exchange Act. The information incorporated by reference is deemed a part of this offering circular. We incorporate by reference into this offering circular the following documents filed with the FDIC (other than, in each case, those documents or portions of those documents that are furnished and not filed):

- Our Annual Report on Form 10-K for the year ended December 31, 2016;
- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2017;
- Our Current Reports on Form 8-K filed on February 7, 2017 (solely with respect to Item 8.01), February 8, 2017, February 13, 2017, March 6, 2017 (solely with respect to Item 5.02 on such date), March 8, 2017 (solely with respect to Items 3.02 and 8.01 on such date), May 9, 2017, May 12, 2017 (solely with respect to Items 1.01 and 5.02 on such date) and May 17, 2017 (solely with respect to Item 8.01);
- Our Proxy Statement on Schedule 14A for the Bank’s Annual Meeting of Shareholders held on May 9, 2017; and
- All documents that we file under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this offering circular and before the termination of the offering of securities under this offering circular.

You may obtain a copy of these filings as described under “Available Information.”

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This offering circular, including the documents that are incorporated by reference, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements in this offering circular 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 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. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of risks and uncertainties more fully described under “Risk Factors” beginning on page 10 of this offering circular and in our Annual Report on Form 10-K for the year ended December 31, 2016.

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 loan losses, changes in nonperforming assets, impairment of investments and our allowance for loan losses;
- 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;
- The possibility of earthquakes and other natural disasters affecting the markets in which we operate;
- Interest rate risk and credit risk;
- Our ability to maintain and follow high underwriting standards;
- Economic and market conditions affecting the valuation of our investment securities portfolio, which could result in other-than-temporary impairment if the general economy deteriorates, credit ratings decline, the financial condition of issuers deteriorates, interest rates increase or the liquidity for securities is limited;
- Real estate prices generally and in our markets;
- Our geographic and product concentrations;
- Demand for our products and services;
- The regulatory environment in which we operate, our regulatory compliance and future regulatory requirements;
- The phase-in of the final capital rules regarding the Basel III framework, changes to the definitions and components of regulatory capital and a new approach for risk-weighted assets;
- 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;
- Our ability to avoid litigation and its associated costs and liabilities;
- The impact of new accounting standards;
- Future 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.

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. 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.

## OFFERING CIRCULAR SUMMARY

*This summary highlights certain material information contained elsewhere or incorporated by reference in this offering circular. Because this is a summary, it may not contain all of the information that is important to you when deciding whether to invest in the depositary shares. Therefore, you should carefully read this entire offering circular, as well as the information incorporated by reference herein, before investing. You should pay special attention to the information under "Risk Factors" beginning on page 10 of this offering circular, as well as our financial statements and related notes in our Annual Report on Form 10-K for the year ended December 31, 2016 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2017.*

### First Republic Bank

#### Our Business

Commencing business in 1985 and following our re-establishment as an independent institution in July 2010, we are a California-chartered, FDIC-insured commercial bank and trust company headquartered in San Francisco. We specialize in providing personalized, relationship-based services, including private banking, private business banking, real estate lending and wealth management services, including trust and custody services, to clients in the following metropolitan areas: San Francisco, Palo Alto, Los Angeles, Santa Barbara, Newport Beach, San Diego, Portland (Oregon), Boston, Palm Beach (Florida), Greenwich and New York City. We provide our services through 74 offices, of which 69 are preferred banking offices and 5 offices offer exclusively lending, wealth management or trust services.

We provide our clients with a diverse suite of financial products that foster long-term relationships, while at the same time maintaining a disciplined underwriting policy. We offer a broad range of lending products to meet the needs of our clients, including residential mortgage loans and lines of credit, multifamily loans, commercial real estate loans, residential construction loans, loans to commercial businesses and small business loans. We have a history of building long-term client relationships and attracting new clients through what we believe is our superior customer service and our ability to deliver a diverse product offering.

#### Our Strategy

Our core business principles, strong credit standards and service-based culture have successfully guided our efforts over the past 31 years. We believe focusing on these principles will continue to enable us to expand our capabilities for providing value-added services to a targeted high net worth client base and generate steady, long-term growth.

On the loan side, we focus on originating high-quality loans, which develop into comprehensive relationships as a result of the delivery of superior client service. Our retail deposit offices and wealth management activities also attract significant new clients. Our successful, high-quality service and sales professionals are critical to driving our business and allow us to provide products and services that benefit our clients. We are focused on growing our wealth management business and increasing assets under management or administration by increasing services offered to Bank clients, acquiring new clients and hiring additional professionals, who bring their clients with them. In addition, we focus on creating and growing a stable, high-quality, lower-cost core deposit base.

We have historically accessed the capital markets opportunistically to raise capital, to support growth, for asset liability management and to make acquisitions, in addition to other needs. We expect to continue this approach by making public offerings from time to time of our common stock, preferred stock, senior notes,

subordinated notes, or other forms of capital or debt instruments, as market conditions warrant and subject to any required regulatory approvals.

### **Recent Developments**

On May 30, 2017, we launched and priced a public offering of \$500,000,000 in aggregate principal amount of our 2.500% Senior Notes due 2022 (the “2.500% Senior Notes”). The 2.500% Senior Notes were sold pursuant to an underwriting agreement, dated May 30, 2017, by and among the Bank, as issuer, and Merrill Lynch, Pierce, Fenner & Smith Incorporated, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC and Morgan Stanley & Co. LLC, as representatives of the underwriters. The aggregate public offering price was \$499,580,000 and the aggregate underwriting discounts and commissions were \$3,000,000. The offering of the 2.500% Senior Notes is expected to close on or about June 6, 2017, subject to the satisfaction of customary closing conditions.

### **Offices**

Our principal executive offices are located at 111 Pine Street, 2nd Floor, San Francisco, California 94111. The main telephone number at these offices is (415) 392-1400 and our website address is [www.firstrepublic.com](http://www.firstrepublic.com). Information contained on our website is not part of or incorporated by reference into this offering circular.

### The Offering

Issuer ..... First Republic Bank, a California-chartered, FDIC-insured commercial bank.

Securities Offered ..... depositary shares (liquidation preference equivalent to \$25 per depositary share), each representing a 1/40th ownership interest in a share of % Noncumulative Perpetual Series H Preferred Stock (liquidation preference \$1,000 per share). In addition, we have granted the underwriters an option to purchase up to an additional depositary shares, at the public offering price less the underwriting discount, for 30 days after the date of this offering circular. Each holder of a depositary share will be entitled, through the depositary, in proportion to the applicable fraction of a share of Series H Preferred Stock represented by such depositary share, to all the rights and preferences of the Series H Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights).

Dividends ..... Dividends on the Series H Preferred Stock will be payable quarterly in arrears when, as and if declared by our board of directors (or a duly authorized committee thereof), at a rate per annum equal to % (equivalent to \$ per annum per depositary share). If declared, dividends will be paid on the 30th day of each March, June, September and December, or if any such date is not a business day, the immediately preceding business day, commencing on June 30, 2017.

Dividends on the Series H Preferred Stock will not be cumulative. If dividends are not declared on the Series H Preferred Stock for payment on any dividend payment date, those dividends will not accumulate or be payable and we will have no obligation to pay dividends for that dividend period, whether or not dividends on the Series H Preferred Stock are declared for any future dividend period.

Liquidation Preference ..... Upon any voluntary or involuntary liquidation, dissolution or winding up of First Republic Bank, the holders of the outstanding shares of Series H Preferred Stock are entitled to be paid out of the assets of First Republic Bank available for distribution to shareholders, before any distribution of assets is made to holders of our common stock or of any other shares of our capital stock ranking junior as to such a distribution to the Series H Preferred Stock, a liquidating distribution in the amount of the liquidation preference of \$1,000 per share (equivalent to \$25 per depositary share), plus the sum of any declared and unpaid dividends for dividend periods prior to the dividend period in which the liquidation distribution is made and declared and unpaid dividends for the then-current dividend period in which the liquidation distribution is made to the date of such liquidation distribution. Distributions will be made only to the extent of First Republic Bank's assets that are available after satisfaction of all liabilities to depositors and creditors and subject to the rights of

holders of any securities ranking senior to the Series H Preferred Stock and then *pro rata* as to the Series H Preferred Stock and any other shares of our stock ranking equally as to such distribution.

Maturity ..... The Series H Preferred Stock has no maturity date, and we are not required to redeem the Series H Preferred Stock. Accordingly, the Series H Preferred Stock and the depositary shares will remain outstanding indefinitely, unless we opt to redeem them and we obtain any required regulatory approvals.

Redemption At First Republic's

Option ..... We may redeem the Series H Preferred Stock at our option, for cash, (i) either in whole or in part, from time to time, on or after June 30, 2022, upon not less than 30 days' and not more than 60 days' notice ("Optional Redemption"), or (ii) in whole but not in part, at any time within 90 days following a Regulatory Capital Treatment Event (as defined herein) ("Regulatory Event Redemption"). The redemption price in each case will be equal to \$1,000 per share of Series H Preferred Stock (equivalent to \$25 per depositary share), plus the sum of any declared and unpaid dividends for prior dividend periods and accrued but unpaid and undeclared dividends for the then-current dividend period to, but excluding, the date of redemption.

The Series H Preferred Stock will not be subject to any mandatory redemption, sinking fund or similar obligation of us to redeem, repurchase or retire the shares of the Series H Preferred Stock. If we redeem the Series H Preferred Stock, the depositary will redeem a proportionate number of depositary shares. Neither the holders of the Series H Preferred Stock nor holders of depositary shares will have the right to require the redemption or repurchase of the Series H Preferred Stock.

Any redemption of the Series H Preferred Stock is subject to our receipt of any required prior approval by the FDIC and the California Department of Business Oversight's Division of Financial Institutions (the "DBO") and to the satisfaction of any conditions set forth in the capital guidelines or regulations of the FDIC applicable to redemption of the Series H Preferred Stock.

Ranking ..... The Series H Preferred Stock will rank senior to our common stock, and any other class or series of preferred stock that by its terms ranks junior to the Series H Preferred Stock, and at least equally with the 6.20% Noncumulative Perpetual Series B Preferred Stock (the "Series B Preferred Stock"), the 5.625% Noncumulative Perpetual Series C Preferred Stock (the "Series C Preferred Stock"), the 5.50% Noncumulative Perpetual Series D Preferred Stock (the "Series D Preferred Stock"), the 7.00% Noncumulative Perpetual Series E Preferred Stock (the "Series E Preferred Stock"), the 5.70% Noncumulative Perpetual Series F Preferred Stock (the "Series F Preferred Stock") and the 5.50% Noncumulative Perpetual Series G

Preferred Stock (the “Series G Preferred Stock”), and with all future series of preferred stock that we may issue with respect to the payment of dividends or amounts upon liquidation, dissolution or winding up. On May 17, 2017, we announced that on June 16, 2017 we will redeem all the outstanding shares of our Series B Preferred Stock, which have an aggregate liquidation preference of \$150.0 million. The total liquidation preference of preferred stock outstanding on the date hereof (which includes the Series B Preferred Stock and excludes the Series H Preferred Stock) is \$940.0 million.

Voting Rights ..... The Series H Preferred Stock, and thus the depositary shares, will generally have no voting rights. However, if dividends on any outstanding shares of Series H Preferred Stock, and thus any depositary shares, are not paid or set aside (whether or not declared) for any six dividend periods (whether or not consecutive), holders of the depositary shares, voting as a single class together with the holders of all other series of stock upon which like voting rights have been conferred and are exercisable (including the Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock and Series G Preferred Stock), will be entitled to elect two directors to serve on our board until all dividends on the Series H Preferred Stock are paid in full for at least four consecutive dividend periods. In addition, we may not make changes to the provisions of our articles of incorporation or bylaws that adversely affect the voting powers, preferences or special rights of the Series H Preferred Stock without the approval of holders of at least two-thirds of the outstanding shares of Series H Preferred Stock.

Listing ..... We have applied to list the depositary shares on the New York Stock Exchange (“NYSE”) under the symbol “FRC-PrH.” If the application is approved, trading of the depositary shares on the NYSE is expected to begin within 30 days after the date of initial delivery of the depositary shares. The Series H Preferred Stock will not be listed.

Settlement Date ..... Delivery of the depositary shares will be made against payment therefor on or about June , 2017.

Form ..... The depositary shares representing the Series H Preferred Stock will be deposited with a custodian for, and registered in the name of, a nominee of DTC.

Withdrawal of Series H Preferred Stock ..... Upon surrender of depositary shares at the principal office of the depositary, upon payment of any unpaid amount due the depositary, and subject to the terms of the deposit agreement, the owner of the depositary shares evidenced thereby is entitled to delivery of the number of shares of Series H Preferred Stock and all money and other property, if any, represented by such depositary shares. Holders of shares of Series H Preferred Stock thus withdrawn will not thereafter be entitled to deposit such shares under the deposit agreement or to receive depositary shares therefor.



No Conversion .....	Except as provided in the immediately preceding paragraph, neither the Series H Preferred Stock nor the depositary shares are convertible into or exchangeable for any of our property or other securities.
Tax Considerations .....	For a discussion of the material tax considerations related to the Series H Preferred Stock and the depositary shares, see “Material U.S. Federal Income Tax Considerations” in this offering circular.
Use of Proceeds .....	We expect to receive net proceeds from this offering of approximately \$      million (or approximately \$      million if the underwriters exercise in full their option to purchase additional depositary shares from us) after deducting the underwriting discount and estimated offering expenses payable by us. We intend to use the net proceeds from this offering to fund the redemption of our Series B Preferred Stock. On May 17, 2017, we announced that on June 16, 2017 we will redeem all the outstanding shares of our Series B Preferred Stock, which have an aggregate liquidation preference of \$150.0 million. The redemption of the Series B Preferred Stock is not contingent upon the completion of this offering. We intend to use any additional net proceeds generated from this offering for general corporate purposes, which may include, among other things, funding loans or purchasing investment securities for our portfolio.
Risk Factors .....	Investing in the depositary shares involves significant risks. See the section entitled “Risk Factors” beginning on page 10 of this offering circular and in our Annual Report on Form 10-K for the year ended December 31, 2016, as filed with the FDIC and incorporated by reference into this offering circular.
Conflicts of Interest .....	First Republic Securities Company, LLC, which may receive a brokerage commission in relation to certain depositary shares, is our wholly-owned subsidiary. See “Underwriting (Conflicts of Interest)—Conflicts of Interest” in this offering circular.

## SELECTED FINANCIAL INFORMATION

The following table presents selected financial and other data for us as of the dates and for the periods indicated. The balance sheet and results of operations data as of and for the years ended December 31, 2012 through December 31, 2016 have been derived from our audited financial statements.

The financial statements as of and for the years ended December 31, 2012 through December 31, 2016 have been audited by KPMG LLP, which is an independent registered public accounting firm. The information presented under the captions “Selected Ratios,” “Selected Asset Quality Ratios,” “Capital Ratios” and “Ratio of Earnings to Fixed Charges and Preferred Stock Dividends” is unaudited.

The data presented as of and for the three months ended March 31, 2017 and 2016 is derived from our unaudited condensed financial statements, which, in the opinion of our management, reflect all adjustments necessary for a fair statement of the results for these interim periods. These adjustments consist of normal recurring adjustments. The results of operations for the three months ended March 31, 2017 are not necessarily indicative of the results of operations that may be expected for the year ending December 31, 2017.

The selected financial and other data is qualified in its entirety by, and should be read in conjunction with, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements, including the notes thereto, which are included in the Bank’s Annual Report on Form 10-K for the year ended December 31, 2016 and the Bank’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, each of which is incorporated by reference into this offering circular.

(\$ in millions, except per share amounts)	As of or for the Three Months Ended March 31,		As of or for the Year Ended December 31,				
	2017	2016	2016	2015	2014	2013	2012
<b>Selected Financial Data:</b>							
Interest income	\$ 553	\$ 459	\$ 1,981	\$ 1,664	\$ 1,483	\$ 1,356	\$ 1,287
Interest expense	53	35	164	148	153	132	114
Net interest income	500	424	1,817	1,516	1,330	1,224	1,173
Provision for loan losses	9	4	47	55	56	37	63
Net interest income after provision for loan losses	491	420	1,770	1,461	1,274	1,187	1,110
Noninterest income	101	95	395	325	318	244	169
Noninterest expense	379	319	1,337	1,096	923	768	677
Net income	177	157	673	522	487	462	401
Dividends on preferred stock and other	15	16	69	59	56	41	32
Net income available to common shareholders	\$ 162	\$ 141	\$ 605	\$ 463	\$ 431	\$ 421	\$ 369
<b>Selected Ratios:</b>							
Basic earnings per common share ("EPS")	\$ 1.04	\$ 0.97	\$ 4.07	\$ 3.27	\$ 3.16	\$ 3.21	\$ 2.84
Diluted EPS	\$ 1.01	\$ 0.93	\$ 3.93	\$ 3.18	\$ 3.07	\$ 3.10	\$ 2.75
Net income to average assets <sup>(1)</sup>	0.97%	1.03%	1.02%	0.96%	1.06%	1.20%	1.28%
Net income available to common shareholders to average common equity <sup>(1)</sup>	11.00%	11.73%	11.67%	10.72%	11.72%	13.50%	13.48%
Average total equity to average total assets	9.42%	9.63%	9.59%	9.67%	9.93%	9.87%	9.79%
Dividends per common share	\$ 0.16	\$ 0.15	\$ 0.63	\$ 0.59	\$ 0.54	\$ 0.36	\$ 0.30
Dividend payout ratio	15.9%	16.1%	16.1%	18.5%	17.6%	11.6%	10.9%
Book value per common share	\$ 39.13	\$ 33.12	\$ 37.39	\$ 32.28	\$ 28.13	\$ 24.63	\$ 22.10
Tangible book value per common share	\$ 37.16	\$ 31.05	\$ 35.35	\$ 30.16	\$ 26.56	\$ 22.83	\$ 20.07
Net interest margin <sup>(1),(2)</sup>	3.13%	3.20%	3.20%	3.21%	3.32%	3.62%	4.22%
Efficiency ratio <sup>(3)</sup>	63.0%	61.4%	60.5%	59.5%	56.0%	52.3%	50.5%
<b>Selected Balance Sheet Data:</b>							
Total assets	\$76,504	\$62,103	\$73,278	\$58,981	\$48,350	\$42,113	\$34,389
Cash and cash equivalents	2,756	1,946	2,108	1,131	817	808	602
Investment securities	15,972	11,391	15,158	10,452	6,638	4,824	3,537
Loans	53,932	45,396	52,008	44,083	37,809	34,001	27,987
Less: Allowance for loan losses	(315)	(265)	(306)	(261)	(207)	(153)	(130)
Loans, net	53,617	45,131	51,702	43,822	37,602	33,848	27,857
Goodwill and other intangible assets	310	302	316	309	217	239	265
Deposits	61,207	50,935	58,602	47,893	37,131	32,083	27,088
Securities sold under agreements to repurchase	100	100	100	100	—	—	—
FHLB advances	5,900	3,800	5,900	4,000	5,275	5,150	3,225
Senior notes	398	397	398	397	396	—	—
Subordinated notes	777	—	387	—	—	—	—
Total equity	\$ 7,089	\$ 5,985	\$ 6,909	\$ 5,706	\$ 4,778	\$ 4,160	\$ 3,400
<b>Other Financial Information:</b>							
Wealth management assets	\$90,132	\$73,421	\$83,580	\$72,293	\$53,377	\$41,578	\$31,290
Loans serviced for others	\$11,838	\$10,654	\$11,655	\$10,531	\$ 9,590	\$ 6,000	\$ 4,581
<b>Selected Asset Quality Ratios:</b>							
Nonperforming assets to total assets	0.07%	0.10%	0.07%	0.12%	0.10%	0.14%	0.14%
Nonperforming assets to loans and REO	0.10%	0.13%	0.09%	0.17%	0.12%	0.17%	0.18%
Allowance for loan losses to total loans	0.58%	0.59%	0.59%	0.59%	0.55%	0.45%	0.46%
Allowance for loan losses to nonperforming loans	609%	449%	625%	355%	451%	281%	264%
Net charge-offs to average total loans <sup>(1)</sup>	0.00%	0.00%	0.00%	0.00%	0.01%	0.05%	0.01%
<b>Capital Ratios:</b>							
Tier 1 leverage ratio <sup>(4)</sup>	9.22%	9.38%	9.37%	9.21%	9.43%	9.19%	9.33%
Common Equity Tier 1 ratio <sup>(4),(5)</sup>	11.15%	10.61%	10.83%	10.76%	n/a	n/a	n/a
Tier 1 common equity ratio <sup>(5)</sup>	n/a	n/a	n/a	n/a	10.90%	10.30%	11.14%
Tier 1 risk-based capital ratio <sup>(4)</sup>	12.94%	13.24%	13.07%	13.13%	13.55%	13.34%	13.28%
Total risk-based capital ratio <sup>(4)</sup>	15.04%	13.88%	14.46%	13.78%	14.20%	13.89%	13.87%

(continued on following page)

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(\$ in millions, except per share amounts)	As of or for the Three Months Ended March 31,		As of or for the Year Ended December 31,				
	2017	2016	2016	2015	2014	2013	2012
<b>Ratio of Earnings to Fixed Charges and Preferred Stock Dividends: <sup>(6)</sup></b>							
Excluding interest on deposits . . . . .	3.92x	4.15x	4.03x	3.80x	3.77x	4.72x	5.51x
Including interest on deposits . . . . .	3.17x	3.40x	3.30x	3.17x	3.14x	3.69x	4.08x

- (1) For periods less than a year, ratios are annualized.
- (2) Calculated on a fully taxable-equivalent basis.
- (3) Efficiency ratio is the ratio of noninterest expense to the sum of net interest income and noninterest income.
- (4) Beginning in 2015, ratios reflect the adoption of the Basel III Capital Rules and will be phased in through the end of 2018. Ratios for prior periods represent the previous capital rules under Basel I.
- (5) Beginning in 2015, Common Equity Tier 1 ratio is a new ratio requirement under the Basel III Capital Rules and represents common equity, less goodwill and intangible assets net of any associated deferred tax liabilities, divided by risk-weighted assets (subject to phase-in adjustments through the end of 2018). In prior periods, the Tier 1 common equity ratio represents common equity, less goodwill and intangible assets, divided by risk-weighted assets.
- (6) Represents earnings to fixed charges and preferred stock dividend requirements.

## RISK FACTORS

*An investment in the depositary shares involves a high degree of risk. There are risks, many beyond our control, that could cause our financial condition or results of operations to differ materially from management's expectations. This offering circular does not describe all of those risks. The following is a list of certain risks specific to the depositary shares and the Series H Preferred Stock. Before purchasing the depositary shares, you should carefully consider these risks and the more detailed explanation of risks described in our Annual Report on Form 10-K for the year ended December 31, 2016 under the caption "Item 1A. Risk Factors," and other information included in or incorporated by reference into this offering circular. Any of these risks, by itself or together with one or more other factors, may adversely affect our business, results of operations or financial condition or the market price or liquidity of the depositary shares and the Series H Preferred Stock, perhaps materially. Additional risks that we do not presently know or that we currently deem immaterial may also have an adverse effect on our business, results of operations or financial condition or the market price or liquidity of the depositary shares and the Series H Preferred Stock. Further, to the extent that any of the information contained herein constitutes forward-looking statements, the risk factors below and in the documents incorporated by reference also are cautionary statements identifying important factors that could cause actual results to differ materially from those expressed in any such forward-looking statements. See "Cautionary Note Regarding Forward-Looking Statements" on page iii of this offering circular.*

***The depositary shares and the Series H Preferred Stock are not insured deposits.***

The depositary shares and the Series H Preferred Stock are not bank deposits and are not insured or guaranteed by the FDIC or any other government agency. An investment in the depositary shares has risks, and you may lose your entire investment.

***You are making an investment decision about both the depositary shares and the Series H Preferred Stock.***

As described in this offering circular, we are issuing depositary shares representing fractional interests in shares of the Series H Preferred Stock. Accordingly, the depositary will rely solely on the payments it receives from us on the Series H Preferred Stock to fund all payments on the depositary shares. You should carefully review the information in this offering circular regarding both of these securities, as the terms of the Series H Preferred Stock govern your rights to payments on the depositary shares.

***You are not entitled to receive dividends unless declared by us, and dividends are not cumulative.***

Dividends on the Series H Preferred Stock, and thus our depositary shares, are not cumulative. If our board of directors (or a duly authorized committee thereof) does not declare a dividend on the Series H Preferred Stock for any dividend period, including if prevented from doing so by bank regulators, you will not be entitled to receive any such dividend, and any such undeclared and unpaid dividend will not accumulate or be payable. We will have no obligation to pay dividends for a dividend period after the dividend payment date for that period if our board of directors has not declared such dividend before the related dividend payment date, whether or not dividends are declared for any subsequent dividend period with respect to the Series H Preferred Stock or any other preferred stock we may issue and whether or not funds are or subsequently become available.

As a California-chartered commercial bank supervised and regulated by the DBO and the FDIC, our ability to declare and pay dividends and redeem the Series H Preferred Stock depends on certain federal and state regulatory considerations. In particular, California law prohibits us from making a distribution to shareholders that exceeds the lesser of (i) our retained earnings or (ii) our net income for the last three fiscal years, less the amount of any distributions made during that period. With the approval of the California Commissioner of Business Oversight (the "Commissioner"), however, we may make a distribution that does not exceed the greater of (i) our retained earnings, (ii) our net income for our last fiscal year or (iii) our net income for our current fiscal year. The Commissioner may otherwise limit our distributions to shareholders if the Commissioner finds that our

shareholders' equity is not adequate or that making such distributions would be unsafe or unsound for us. In addition, a number of the Dodd-Frank Act's provisions, such as the new comprehensive capital framework for U.S. banking organizations, as implemented by the FDIC, impose on banks the need to maintain more and higher quality regulatory capital than has historically been the case. These capital requirements, which are to be phased in until the end of 2018, could adversely affect our ability to pay dividends or may result in additional limitations on our ability to pay dividends or redeem the Series H Preferred Stock. See "Item 1. Business—Supervision and Regulation—Capital Requirements" and "—Restrictions on Dividends and Other Distributions" in our Annual Report on Form 10-K for the year ended December 31, 2016.

Our board of directors could also determine that it would be in our best interest to pay less than the full amount of stated dividends or no dividends on the Series H Preferred Stock (and thus the depositary shares) for any dividend period, even at a time when sufficient funds were available to make the payment. In making this determination, our board of directors would consider all the factors it considered relevant, which we expect would include our financial condition and capital needs, the impact of current or pending legislation and regulations and general economic conditions and that we are not permitted to pay a dividend on our common stock in any period in which we do not pay full dividends to holders of our depositary shares.

***The depositary shares and the Series H Preferred Stock are new issues of securities and do not have established trading markets, which may negatively affect their market value and your ability to transfer or sell your shares.***

The depositary shares and the Series H Preferred Stock are each a new issue of securities with no established trading market. Since the Series H Preferred Stock, and thus the depositary shares, have no stated maturity date, investors seeking liquidity will be limited to selling their depositary shares in the secondary market. We have applied to list the depositary shares on the New York Stock Exchange ("NYSE") under the symbol "FRC-PrH." If the application is approved, trading of the depositary shares on the NYSE is expected to begin within 30 days after the date of initial delivery of the depositary shares. However, an active trading market on the NYSE for the depositary shares may not develop or, even if it develops, may not last, in which case the trading price of the depositary shares could be adversely affected, the difference between bid and asked prices could be substantial and your ability to transfer depositary shares will be limited.

Although we have applied to list the depositary shares, we do not intend to list the Series H Preferred Stock, and the Series H Preferred Stock will therefore only be transferable in the over-the-counter market. Therefore, an active trading market in the Series H Preferred Stock is unlikely to develop, the trading price of the Series H Preferred Stock is likely to be adversely affected and the ability to transfer Series H Preferred Stock will be limited.

***Investors should not expect us to redeem the Series H Preferred Stock on the date it becomes redeemable or on any particular date afterwards, and any redemption is subject to FDIC approval.***

The Series H Preferred Stock is a perpetual equity security, and as such, it has no maturity or mandatory redemption date and is not redeemable at the option of investors, including the holders of depositary shares offered by this offering circular. By its terms, we may redeem the Series H Preferred Stock at our option (i) either in whole or in part, from time to time, on or after June 30, 2022 or (ii) in whole but not in part, at any time within 90 days following a Regulatory Capital Treatment Event (as defined in "Description of Series H Preferred Stock—Redemption—Redemption Following a Regulatory Capital Event"). Any decision we may make at any time to propose a redemption of the Series H Preferred Stock will depend upon, among other things, our evaluation of our capital position, including for bank regulatory capital ratio purposes, the composition of our shareholders' equity and general market conditions at that time. Our right to redeem the Series H Preferred Stock is subject to an important limitation. Under the FDIC's current risk-based capital guidelines applicable to us, any redemption of the Series H Preferred Stock is subject to prior approval of the FDIC. There can be no assurance that the FDIC will approve any redemption of the Series H Preferred Stock that we may propose.

***As a result of our obligations to creditors and holders of securities ranking equal to the Series H Preferred Stock, we may not be able to make dividend or liquidation payments to you.***

The Series H Preferred Stock ranks:

- junior to our deposits, borrowings and any other obligations to our creditors upon our liquidation;
- equal to our shares of preferred stock, including our Series B Preferred Stock Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock and Series G Preferred Stock, issued on a parity basis with regard to payment of dividends and amounts due upon liquidation, dissolution or winding-up; and
- senior to our common stock with regard to payment of dividends and amounts due upon liquidation, dissolution or winding-up.

Payment of amounts due on the Series H Preferred Stock, and thus the depositary shares, will be subordinated to all of our existing and future debt. If we incur significant indebtedness, we may not have sufficient funds to make dividend or liquidation payments on the Series H Preferred Stock, and thus the depositary shares. Upon our liquidation, our obligations to our depositors and creditors would rank senior to the Series H Preferred Stock, and thus our depositary shares. We may also in the future issue shares of preferred stock that rank senior to the Series H Preferred Stock, and thus the depositary shares, as to dividend and liquidation payments, subject to the requisite consent of the holders of the Series H Preferred Stock and other preferred stock ranking on a parity with our Series H Preferred Stock, as described under “Description of Series H Preferred Stock—Voting Rights.”

We may issue additional Series H Preferred Stock and/or shares of another class or series of preferred stock ranking on a parity with the Series H Preferred Stock with respect to the payment of dividends and the distribution of assets upon liquidation, dissolution or winding up. Upon declaration of a dividend, or upon our liquidation, dissolution or winding up, we are required to pay the holders of any preferred stock issued on a parity basis with the Series H Preferred Stock at the same time and in the same proportions as we are required to pay the holders of the Series H Preferred Stock, and thus with you, as holders of the depositary shares. Consequently, if we do not have sufficient funds to pay scheduled dividends to the holders of the preferred stock issued on a parity basis and the Series H Preferred Stock, and thus depositary shares, we may not declare or pay a portion of the scheduled dividends. Similarly, upon our liquidation, dissolution or winding up, if we do not have sufficient funds to pay the full liquidation preference to the holders of the preferred stock issued on a parity basis and the Series H Preferred Stock, you may receive less than the liquidation preference of your depositary shares.

At March 31, 2017, we had \$150.0 million of Series B Preferred Stock issued and outstanding, \$150.0 million of Series C Preferred Stock issued and outstanding, \$190.0 million of Series D Preferred Stock issued and outstanding, \$200.0 million of Series E Preferred Stock issued and outstanding, \$100.0 million of Series F Preferred Stock issued and outstanding and \$150.0 million of Series G Preferred Stock issued and outstanding. On May 17, 2017, we announced that on June 16, 2017 we will redeem all the outstanding shares of our Series B Preferred Stock.

***Our performance, general market conditions and unpredictable factors could adversely affect the market price for the depositary shares and the Series H Preferred Stock.***

There can be no assurance about the market price for the depositary shares. Several factors, many of which are beyond our control, will influence the market price of the depositary shares. Factors that might influence the market price of the depositary shares include:

- whether we declare or fail to declare dividends on the Series H Preferred Stock from time to time;
- our operating performance, financial condition and prospects, or the operating performance, financial condition and prospects of our competitors;
- our creditworthiness;

- the ratings given to our securities by ratings agencies, including the ratings given to the depositary shares;
- prevailing interest rates;
- developments in the credit, mortgage and housing markets, the markets for securities relating to mortgages or housing and developments with respect to financial institutions generally;
- the market for similar securities; and
- economic, financial, geopolitical, regulatory or judicial events that affect us or the financial markets generally.

Accordingly, the depositary shares that an investor purchases, whether in this offering or in the secondary market, may trade at a discount to their cost.

***Holder of the depositary shares and the Series H Preferred Stock have extremely limited voting rights.***

The terms of the Series H Preferred Stock generally provide that, except as otherwise required by law, the holders of the Series H Preferred Stock, and thus the depositary shares, are only entitled to vote in the following limited circumstances: (i) to approve the creation of any class or series of shares that ranks, as to dividends or distribution of assets, senior to the Series H Preferred Stock; or (ii) to alter or change the provisions of our Amended and Restated Articles of Incorporation (the “Articles”), the Certificate of Determination governing the Series H Preferred Stock or our Amended and Restated Bylaws (the “Bylaws”) so as to adversely affect the voting powers, preferences or special rights of the holders of the Series H Preferred Stock. If we fail to pay (whether or not declared) the full amount of the stated cash dividends on the Series H Preferred Stock, and thus the depositary shares, with respect to any six dividend periods (whether or not consecutive), holders of the Series H Preferred Stock, and thus the depositary shares, voting as a single class together with holders of any other shares upon which like voting rights have been conferred and are exercisable (including the Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock and Series G Preferred Stock), will be entitled to elect two directors to serve on the Board (unless the number of directors has already been increased by two as a result of our failure to declare, pay or set aside dividends on other series of preferred stock with like voting rights) until we have paid or declared and set aside for payment full dividends on the Series H Preferred Stock, and thus the depositary shares, for at least four consecutive dividend periods.

***We may issue additional depositary shares, shares of Series H Preferred Stock, securities convertible or exchangeable for Series H Preferred Stock or a new series of preferred stock that ranks equally with the Series H Preferred Stock, and thereby materially and adversely affect the price of the depositary shares and the Series H Preferred Stock.***

We are not restricted from authorizing or issuing additional depositary shares, shares of Series H Preferred Stock, securities convertible or exchangeable for Series H Preferred Stock, or a new series of preferred stock that ranks equally with the Series H Preferred Stock. We have no obligation to consider the interest of the holders of the Series H Preferred Stock or the depositary shares representing the Series H Preferred Stock in engaging in any such offering or transaction. If we issue such additional securities, it may materially and adversely affect the price of the depositary shares or the Series H Preferred Stock.

***We are subject to extensive regulation, and ownership of the depositary shares or the Series H Preferred Stock may have regulatory implications for holders thereof.***

Although we do not believe that the Series H Preferred Stock, and therefore the depositary shares, are currently considered “voting securities” for purposes of the Bank Holding Company Act of 1956, as amended (the “BHCA”), if they were to become “voting securities,” whether because we have missed six dividend



payments and, as a result, holders of the Series H Preferred Stock have the right to elect directors, or for other reasons, a holder of 25% or more of the Series H Preferred Stock, or a holder of a lesser percentage of the Series H Preferred Stock that is deemed to exercise a “controlling influence” over us, may become subject to regulation under the BHCA. In addition, if the Series H Preferred Stock becomes “voting securities,” then (a) any bank holding company or foreign bank that is subject to the BHCA may need approval to acquire or retain more than 5% of the then-outstanding Series H Preferred Stock, (b) any holder (or group of holders acting in concert) may need regulatory approval to retain 10% or more of the Series H Preferred Stock, and (c) any person may be required to obtain the prior approval of the Commissioner before acquiring “control” of us, as defined in California statutes and regulations. A holder or group of holders may also be deemed to control us if they own 25% or more, or in some cases, one-third or more of our total equity, both voting and non-voting, aggregating all shares held by the investor across all classes of stock. Holders of the depositary shares should consult their own counsel with regard to regulatory implications.

## USE OF PROCEEDS

We expect to receive net proceeds from this offering of approximately \$       million (or approximately \$       million if the underwriters exercise in full their option to purchase additional depositary shares from us) after the deducting underwriting discount and estimated offering expenses payable by us. We intend to use the net proceeds from this offering to fund the redemption of our Series B Preferred Stock. On May 17, 2017, we announced that on June 16, 2017 we will redeem all the outstanding shares of our Series B Preferred Stock, which have an aggregate liquidation preference of \$150.0 million. The redemption of the Series B Preferred Stock is not contingent upon the completion of this offering. We intend to use any additional net proceeds generated from this offering for general corporate purposes, which may include, among other things, funding loans or purchasing investment securities for our portfolio.

## CAPITALIZATION

The following table sets forth our capitalization and capital ratios as of March 31, 2017 (i) on an actual basis and (ii) on an as adjusted basis to give effect to (A) the sale of \_\_\_\_\_ depositary shares, representing shares of Series H Preferred Stock, by us in this offering, assuming the underwriters do not exercise in full their option to purchase additional depositary shares from us, after underwriting discounts and estimated offering expenses payable by us and (B) the application of the net proceeds of this offering to fund the redemption of our Series B Preferred Stock. You should read this table in conjunction with our consolidated financial statements and the notes thereto included in the documents incorporated by reference into this offering circular.

	As of March 31, 2017	
	Actual	As Adjusted
	(In thousands, except share amounts)	
<b>Capitalization</b>		
<b>Shareholders' Equity</b>		
Preferred Stock, 6.20% Noncumulative Perpetual Series B, \$0.01 par value, \$1,000 liquidation preference per share; 150,000 shares authorized, issued and outstanding <sup>(1)</sup> . . . .	150,000	
Preferred Stock, 5.625%, Noncumulative Perpetual Series C, \$0.01 par value, \$1,000 liquidation preference per share; 172,500 shares authorized, 150,000 shares issued and outstanding . . . . .	150,000	
Preferred Stock, 5.50%, Noncumulative Perpetual Series D, \$0.01 par value, \$1,000 liquidation preference per share; 200,000 shares authorized, 190,000 shares issued and outstanding . . . . .	190,000	
Preferred Stock, 7.00% Noncumulative Perpetual Series E, \$0.01 par value, \$1,000 liquidation preference per share; 200,000 shares authorized, issued and outstanding . . . . .	200,000	
Preferred Stock 5.70% Noncumulative Perpetual Series F, \$0.01 par value, \$1,000 liquidation preference per share; 115,000 shares authorized, 100,000 shares issued and outstanding . . . . .	100,000	
Preferred Stock 5.50% Noncumulative Perpetual Series G, \$0.01 par value, \$1,000 liquidation preference per share; 172,500 shares authorized, 150,000 shares issued and outstanding . . . . .	150,000	
Preferred Stock _____ % Noncumulative Perpetual Series H, \$0.01 par value, \$1,000 liquidation preference per share; _____ shares authorized, issued and outstanding . . . . .	—	
Common Stock, par value \$0.01 per share, 400,000,000 shares authorized, 157,122,490 shares outstanding <sup>(2)</sup> . . . . .	1,571	
Additional paid-in capital . . . . .	3,547,447	
Retained earnings . . . . .	2,595,978	
Accumulated other comprehensive income . . . . .	3,749	
<b>Total Shareholders' Equity</b> . . . . .	<b>\$7,088,745</b>	<b>\$</b>
<b>Capital Ratios</b>		
Tier 1 leverage ratio . . . . .	9.22%	%
Common Equity Tier 1 ratio . . . . .	11.15%	%
Tier 1 risk-based capital ratio . . . . .	12.94%	%
Total risk-based capital ratio . . . . .	15.04%	%

(1) On May 17, 2017, the Bank announced that on June 16, 2017 it will redeem all the outstanding shares of its Series B Preferred Stock at their aggregate liquidation preference.

(2) As of March 31, 2017, shares outstanding do not include (a) 4,505,515 shares that remain issuable upon the exercise of additional outstanding stock options granted, (b) 2,906,591 restricted stock units and performance share units that have been awarded (c) 726,255 shares reserved for future awards under our 2010 Omnibus Award Plan, as amended (the "2010 Plan"), or (d) 1,482,311 shares reserved for future purchase under our Employee Stock Purchase Plan. On May 9, 2017, the Bank's shareholders approved the Bank's 2017 Omnibus Award Plan, under which 4,500,000 shares are reserved for future awards, plus the number of shares that were remaining available under the 2010 Plan.

## DESCRIPTION OF SERIES H PREFERRED STOCK

*The depositary will initially be the sole holder of the % Noncumulative Perpetual Series H Preferred Stock, with a liquidation preference of \$1,000 per share (equivalent to \$25 per depositary share) (the “Series H Preferred Stock”), as described under “Description of Depositary Shares,” and all references in this offering circular to the holders of the Series H Preferred Stock mean the depositary. However, the holders of the depositary shares representing shares of Series H Preferred Stock will be entitled, through the depositary, to exercise the rights and preferences of holders of the Series H Preferred Stock, as described under “Description of Depositary Shares.”*

*The following description summarizes the material terms of our Series H Preferred Stock. Because it is only a summary, it may not contain all the information that is important to you. For a complete description, you should refer to our Articles, Bylaws, certificates of determination and any applicable provisions of relevant law.*

### General

The Articles authorize us to issue 25,000,000 shares of preferred stock in one or more series and authorize our Board to fix the number of shares and determine the rights, preferences, privileges and restrictions of any such series of preferred stock. There are currently 150,000 shares of Series B Preferred Stock, par value \$0.01 per share, outstanding and designated as the “6.20% Noncumulative Perpetual Series B Preferred Stock” with an aggregate liquidation preference of \$150.0 million. On May 17, 2017, the Bank announced that on June 16, 2017 it will redeem all the outstanding shares of its Series B Preferred Stock at their aggregate liquidation preference. There are currently 150,000 shares of Series C Preferred Stock, par value \$0.01 per share, outstanding and designated as the “5.625% Noncumulative Perpetual Series C Preferred Stock” with an aggregate liquidation preference of \$150.0 million. There are currently 190,000 shares of Series D Preferred Stock, par value \$0.01 per share, outstanding and designated as the “5.50% Noncumulative Perpetual Series D Preferred Stock” with an aggregate liquidation preference of \$190.0 million. There are currently 200,000 shares of Series E Preferred Stock, par value \$0.01 per share, outstanding and designated as the “7.00% Noncumulative Perpetual Series E Preferred Stock” with an aggregate liquidation preference of \$200.0 million. There are currently 100,000 shares of Series F Preferred Stock, par value \$0.01 per share, outstanding and designated as the “5.70% Noncumulative Perpetual Series F Preferred Stock” with an aggregate liquidation preference of \$100.0 million. There are currently 150,000 shares of Series G Preferred Stock, par value \$0.01 per share, outstanding and designated as the “5.50% Noncumulative Perpetual Series G Preferred Stock” with an aggregate liquidation preference of \$150.0 million.

Before the completion of the offering, we will have authorized a series of preferred stock consisting of shares, designated as the “ % Noncumulative Perpetual Series H Preferred Stock.” We will only issue additional shares of Series H Preferred Stock if the additional shares and the originally issued shares are fungible for U.S. tax purposes. The following summary of the terms and provisions of the Series H Preferred Stock is not complete and is qualified in its entirety by reference to the pertinent sections of the certificate of determination designating the Series H Preferred Stock, which will be filed with the FDIC on Form 8-K and posted on our website. At this time, we are offering depositary shares representing shares of Series H Preferred Stock (or shares of Series H Preferred Stock if the underwriters exercise in full their option to purchase an additional depositary shares from us). The Series H Preferred Stock, upon issuance against full payment of the purchase price for the depositary shares, will be fully paid and nonassessable. The depositary will initially be the sole holder of the Series H Preferred Stock. The holders of depositary shares will be required to exercise their proportional rights in the shares of Series H Preferred Stock through the depositary, as described in “Description of Depositary Shares.”

The transfer agent, registrar and dividends disbursing agent for the Series H Preferred Stock will be Computershare Inc. and Computershare Trust Company, N.A., collectively.

### Ranking

The Series H Preferred Stock will rank senior to our common stock and any other class or series of preferred stock that by its terms ranks junior to the Series H Preferred Stock, and at least equally with our Series B

Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock and Series G Preferred Stock and with all future series of preferred stock that we may issue (except for any senior stock that may be issued with the requisite consent of the holders of the Series H Preferred Stock and all other Parity Stock (as defined below)), with respect to payment of dividends or amounts upon our liquidation, dissolution or winding up.

## **Dividends**

Holders of Series H Preferred Stock will be entitled to receive, when, as and if declared by our board of directors (or a duly authorized committee thereof), out of funds legally available for the payment of distributions, cash dividends that will be noncumulative and payable quarterly, at the rate of % of the liquidation preference per annum (equivalent to \$ per annum per share of Series H Preferred Stock). Dividends on the Series H Preferred Stock, if declared, will be payable quarterly on the 30th day of each March, June, September and December or, if any such date is not a business day, the immediately preceding business day. A dividend period means each period commencing on (and including) a dividend payment date and continuing to (but excluding) the next succeeding dividend payment date, except that the first dividend period for the initial issuance of shares of Series H Preferred Stock will commence upon (and include) the date of original issuance of those shares. If additional shares of Series H Preferred Stock are issued at a future date, the first dividend period for such shares will commence upon (and include) the later of the date of original issuance of Series H Preferred Stock and the first day of the quarterly period in which such later date of issue occurs. If declared, the first dividend on the Series H Preferred Stock, and thus the depositary shares, will be paid on June 30, 2017, and will be for less than a full quarter. That dividend and any dividend payable on the Series H Preferred Stock for any other partial dividend period will be computed on the basis of a 360-day year consisting of twelve 30-day months. We will pay dividends to holders of record of Series H Preferred Stock as they appear in our share records at the close of business on the applicable record date designated by our board of directors for the payment of dividends that is not more than 60 nor less than 10 days prior to such dividend payment date; provided, however, that if the date fixed for redemption of any Series H Preferred Stock occurs after a dividend is authorized and declared but before it is paid, such dividend shall be paid as part of the redemption price to the person to whom the redemption price is paid.

No dividends on the Series H Preferred Stock will be declared or be paid or set aside for payment at any time when the terms and provisions of any of our agreements, including any agreement relating to our indebtedness, prohibits such declaration, payment or setting aside for payment or provides that such declaration, payment or setting aside for payment would constitute a breach of or a default under such agreement, or if such authorization or payment is restricted or prohibited by law.

Dividends will not be cumulative. If we fail to declare a dividend for any dividend payment date, then that dividend will not accumulate and be payable, the holders of the Series H Preferred Stock will have no right to receive a dividend related to that dividend period, and we will have no obligation to pay a dividend for the related dividend period or to pay any interest, whether or not dividends on the Series H Preferred Stock are declared for any future dividend period. If we fail to pay or set aside for payment scheduled dividends (whether or not declared) with respect to any six dividend periods (whether or not consecutive), holders of Series H Preferred Stock will be entitled to vote for the election of two directors, as described below under “—Voting Rights.”

Full dividends will not be declared or paid or set apart for payment on any preferred stock ranking on parity with the Series H Preferred Stock as to payment of dividends or amounts upon our liquidation, dissolution or winding up (“Parity Stock”) or any other shares of capital stock that rank junior to the Series H Preferred Stock as to payment of dividends or amounts upon our liquidation, dissolution or winding up (“Junior Stock”) during any dividend period unless dividends on the Series H Preferred Stock for that dividend period are declared and paid in full. When such cash dividends are not paid in full, or a sum sufficient for the full payment is not set aside, dividends upon shares of Series H Preferred Stock and dividends on other Parity Stock payable during the dividend period will be declared *pro rata* so that the amount of dividends payable per share on the Series H

Preferred Stock and any other Parity Stock will in all cases bear to each other the same ratio that full dividends for the then-current dividend period on the shares of Series H Preferred Stock and full dividends, including required or permitted accumulations, if any, on shares of the other Parity Stock, bear to each other. If full dividends on the Series H Preferred Stock have not been declared and paid or set aside for payment for a dividend period, the following restrictions will apply for that dividend period:

- no dividend or distribution, other than in shares of Junior Stock, may be declared, set aside for payment or paid on any shares of stock of any class or series of Junior Stock;
- we may not redeem, purchase or otherwise acquire any Junior Stock, and no monies may be paid to or made available for a sinking fund for the redemption of any Junior Stock, except by conversion into or exchange for Junior Stock, or by the tendering of Junior Stock in payment for the exercise of options under our stock option plans then in effect; and
- we may not redeem, purchase or otherwise acquire any shares of the Series H Preferred Stock other than pursuant to *pro rata* offers to purchase or exchange, or a concurrent redemption of all of, the outstanding shares of Series H Preferred Stock.

There can be no assurances that any dividends on the Series H Preferred Stock will be declared or, if declared, what the amounts of dividends will be or whether these dividends, if declared for any dividend period, will continue for any future dividend period. The declaration and payment of future dividends on the Series H Preferred Stock will be subject to business conditions, regulatory considerations, our earnings and financial condition and the judgment of our board of directors.

See “Item 1. Business—Supervision and Regulation—Restrictions on Dividends and Other Distributions” in our Annual Report on Form 10-K for the year ended December 31, 2016 for bank regulatory restrictions on our ability to pay dividends on our capital stock.

### **Liquidation Rights**

Upon any voluntary or involuntary liquidation, dissolution or winding up of First Republic Bank, the holders of the outstanding shares of Series H Preferred Stock are entitled to be paid out of the assets of First Republic Bank legally available for distribution to our shareholders, before any distribution of assets is made to holders of common stock or any other Junior Stock, a liquidating distribution in the amount of a liquidation preference of \$1,000 per share, plus the sum of any declared and unpaid dividends for dividend periods prior to the dividend period in which the liquidation distribution is made and declared and unpaid dividends for the then current dividend period in which the liquidation distribution is made to the date of such liquidation distribution. After payment of the full amount of the liquidating distributions to which they are entitled, the holders of Series H Preferred Stock will have no right or claim to any of our remaining assets.

Distributions will be made only to the extent that our assets that are available after satisfaction of all liabilities to depositors, and creditors and subject to the rights of any securities ranking senior to the Series H Preferred Stock. If our remaining assets are not sufficient to pay the full liquidating distributions to the holders of the Series H Preferred Stock and all Parity Stock, then we will distribute our assets to those holders *pro rata* in proportion to the full liquidating distributions to which they would otherwise have received.

For purposes of the liquidation rights, neither the sale, conveyance, lease, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of our property or business, nor the consolidation or merger by us with or into any other entity or by another entity with or into us will constitute a liquidation, dissolution or winding up of the Bank. If we enter into any merger or consolidation transaction with or into any other entity and we are not the surviving entity in such transaction, the Series H Preferred Stock may be converted into shares of the surviving or successor corporation or the direct or indirect parent of the surviving or successor corporation having terms identical to the terms of the Series H Preferred Stock set forth herein.

## **Conversion Rights**

The Series H Preferred Stock is not convertible into or exchangeable for any other of our property, interests or securities.

## **Redemption**

### ***Optional Redemption***

The Series H Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. However, the Series H Preferred Stock may be redeemed on or after June 30, 2022, with not less than 30 days' and not more than 60 days' notice ("Optional Redemption"). On that date or any date thereafter, we may redeem the Series H Preferred Stock from time to time, in whole or in part, at our option, for cash, subject to the approval of the appropriate federal banking agency (and any state banking agency, as may be required by law), at the cash redemption price provided below. Dividends will not accrue on those shares of Series H Preferred Stock on and after the redemption date. Neither the holders of Series H Preferred Stock nor the holders of the related depositary shares have the right to require the redemption or repurchase of the Series H Preferred Stock.

### ***Redemption Following a Regulatory Capital Event***

We may redeem the Series H Preferred Stock, in whole but not in part, for cash, at any time within 90 days following a Regulatory Capital Treatment Event, at our option, subject to the approval of the appropriate federal banking agency, at the cash redemption price provided below ("Regulatory Event Redemption"). A "Regulatory Capital Treatment Event" means our good faith determination that, as a result of (i) any amendment to, or change in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of the Series H Preferred Stock; (ii) any proposed change in those laws or regulations that is announced after the initial issuance of the Series H Preferred Stock; or (iii) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of the Series H Preferred Stock, there is more than an insubstantial risk that we will not be entitled to treat the full liquidation value of the Series H Preferred Stock then outstanding as "Tier 1 Capital" (or its equivalent) for purposes of the capital adequacy guidelines of the FDIC (or, as and if applicable, the capital adequacy guidelines or regulations of any successor appropriate federal banking agency), as then in effect and applicable, for as long as any share of Series H Preferred Stock is outstanding. Dividends will not accrue on those shares of Series H Preferred Stock on and after the redemption date.

### ***Redemption Price***

The redemption price for any redemption of Series H Preferred Stock, whether an Optional Redemption or Regulatory Event Redemption, will be equal to \$1,000 per share of Series H Preferred Stock (equivalent to \$25 per depositary share) plus the sum of any declared and unpaid dividends for prior dividend periods and accrued but unpaid and undeclared dividends for the then-current dividend period to, but excluding, the date of redemption.

### ***Redemption Procedures***

If we elect to redeem any shares of Series H Preferred Stock, we will provide notice by first class mail, postage prepaid, addressed to the holders of record of the shares of Series H Preferred Stock to be redeemed, mailed not less than 30 days and not more than 60 days before the date fixed for redemption thereof (*provided, however*, that if the shares of Series H Preferred Stock or the depositary shares representing the shares of Series H Preferred Stock are held in book-entry form through DTC, we may give this notice in any manner permitted by DTC). Any notice mailed or otherwise given as provided in this paragraph will be conclusively presumed to have been duly given, whether or not the holder receives this notice, and failure duly to give this notice by mail or otherwise, or any defect in this notice or in the mailing or provision of this notice, to any holder

of shares of Series H Preferred Stock designated for redemption will not affect the redemption of any other shares of Series H Preferred Stock. Each notice of redemption shall state:

- the redemption date;
- the redemption price;
- if fewer than all shares of Series H Preferred Stock are to be redeemed, the number of shares of Series H Preferred Stock to be redeemed; and
- the manner in which holders of Series H Preferred Stock called for redemption may obtain payment of the redemption price in respect to those shares.

If notice of redemption of any shares of Series H Preferred Stock has been given and if the funds necessary for such redemption have been set aside by us in trust for the benefit of the holders of any shares of Series H Preferred Stock so called for redemption, then from and after the redemption date such shares of Series H Preferred Stock will no longer be deemed outstanding, and all rights of the holders of such shares will terminate, except the right to receive the redemption price, without interest.

In the case of any redemption of only part of the Series H Preferred Stock at the time outstanding, the shares of Series H Preferred Stock to be redeemed will be selected either *pro rata* or by lot. Subject to the provisions hereof, the board of directors will have the full power and authority to prescribe the terms and conditions upon which shares of Series H Preferred Stock may be redeemed from time to time.

The Series H Preferred Stock has no stated maturity and will not be subject to any sinking fund or mandatory redemption provisions.

### **Regulatory Restrictions on Redemption Rights**

Under current risk-based capital regulations, a bank insured by the FDIC may not redeem shares of preferred stock included as Tier 1 capital without the prior approval of the FDIC. See “Risk Factors—Investors should not expect us to redeem the Series H Preferred Stock on the date it becomes redeemable or on any particular date afterwards, and any redemption is subject to FDIC approval” in this offering circular. Any redemption of the Series H Preferred Stock is subject to our receipt of any required prior approval by the FDIC and the Commissioner and to the satisfaction of any conditions in the capital guidelines or regulations of the FDIC applicable to such redemption. Ordinarily, the FDIC would not permit such a redemption unless the FDIC determines that the bank’s condition and circumstances warrant the reduction of a source of permanent capital.

### **Voting Rights**

Registered owners of Series H Preferred Stock will not have any voting rights, except as set forth below or as otherwise required by law.

On any matter in which the Series H Preferred Stock is entitled to vote as a class with holders of any other shares upon which like voting rights have been conferred and are exercisable, including any action by written consent, each share of Series H Preferred Stock will be entitled to one vote. As more fully described under “Description of the Depositary Shares,” the depositary, as holder of all Series H Preferred Stock, will grant 1/40th of a vote per depositary share to the registered owner of each depositary share so that each depositary share will be entitled to exercise its proportionate voting rights.

If at any time the full amount of dividends on the Series H Preferred Stock have not been paid or set aside for payment (whether or not declared) for any six dividend periods (whether or not consecutive), holders of the depositary shares representing the Series H Preferred Stock voting as a single class together with holders of any other stock, including the Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E



Preferred Stock, Series F Preferred Stock, and Series G Preferred Stock, that ranks on a parity with the Series H Preferred Stock as to payment of dividends and that has voting rights equivalent to those described in this paragraph (“Voting Parity Stock”), will be entitled to elect two directors to serve on the board of directors (the “Preferred Stock Directors”) at any annual meeting of shareholders or any special meeting of the holders of Series H Preferred Stock and any Voting Parity Stock, and the holders of our common stock will be entitled to vote for the election of the remaining number of directors authorized by our Articles or Bylaws. Our board of directors will at no time have more than two Preferred Stock Directors.

If, at any time after the right to elect directors is vested in the Series H Preferred Stock, the holders of the Series H Preferred Stock and any Voting Parity Stock call a special meeting of shareholders for the election of directors, and at the time the special meeting is called, the election of the Preferred Stock Directors to the Board would cause the number of directors to exceed the maximum number authorized under our Articles or Bylaws, then the holders of Series H Preferred Stock and any Voting Parity Stock, voting as a single class, shall be entitled to elect the Preferred Stock Directors and our common stock shall be entitled to elect the remaining number of authorized directors, the terms of office of all persons who were directors immediately prior to the special meeting shall terminate, and the directors elected by the holders of our Series H Preferred Stock and any Voting Parity Stock and the directors elected by the holders of our common stock shall constitute the directors of the Bank until the next annual meeting.

The Preferred Stock Directors elected at any such special meeting will hold office until the next annual meeting of our shareholders unless they have been previously terminated as described below. Except as otherwise provided for by applicable law, any Preferred Stock Director may be removed only by the vote of the holders of record of the outstanding Series H Preferred Stock entitled to vote (voting together as a single class with holders of any Voting Parity Stock). As long as the right to elect Preferred Stock Directors is continuing, (i) any vacancy in the office of any Preferred Stock Director may be filled by the vote of the holders of record of the outstanding Series H Preferred Stock entitled to vote (voting together as a single class with holders of any Voting Parity Stock), and (ii) in the case of the removal of any Preferred Director, the vacancy may be filled by the vote of the holders of the outstanding Series H Preferred Stock entitled to vote (voting together as a single class with holders of any Voting Parity Stock) at the same meeting at which such removal shall be voted. Until the time that any such vacancy is filled at a shareholder meeting as provided above, a successor shall be elected by the Board to serve until the next such shareholder meeting upon the nomination of the then remaining Preferred Stock Director.

Whenever all dividends on the Series H Preferred Stock and any other stock upon which like voting rights have been conferred and are exercisable have been paid in full for four consecutive dividend periods (or otherwise for at least one year), then the right of the holders of Series H Preferred Stock to elect the Preferred Stock Directors will cease (but subject always to the same provisions for the vesting of these voting rights in the case of any similar non-payment of dividends in respect of future dividend periods), and if no other shareholders have like voting rights that are then exercisable, the terms of office of all Preferred Stock Directors will immediately terminate.

We cannot take any of the following actions without the affirmative vote of holders of at least two-thirds of the outstanding shares of Series H Preferred Stock:

- create any class or series of shares that ranks, as to dividends or distribution of assets, senior to the Series H Preferred Stock; or
- alter or change the provisions of our Articles, the Certificate of Determination governing the Series H Preferred Stock or our Bylaws so as to adversely affect the voting powers, preferences or special rights of the holders of the Series H Preferred Stock;

*provided, however*, that with respect to the occurrence of any event listed in the second bullet point above, so long as any shares of Series H Preferred Stock remain outstanding with the terms thereof unchanged or new

shares of the surviving corporation or entity are issued with the identical terms as the Series H Preferred Stock, in each case taking into account that upon the occurrence of this event we may not be the surviving entity, the occurrence of any such event shall not be deemed to adversely affect any right, preference, privilege or voting power of the Series H Preferred Stock or the holders thereof, and *provided, further*, that any increase in the amount of our authorized common stock or preferred stock or the creation or issuance of any other Parity Stock or Junior Stock and any change to the number of directors or number of classes of directors shall not be deemed to adversely affect such rights, preferences, privileges or voting powers.

Under California law, in addition to any required approval by its board of directors or its voting shareholders, an amendment to the articles of incorporation of a California corporation also must be approved by the affirmative vote of a majority of the outstanding shares of a class of shares, whether or not such class is entitled to a vote by the articles of incorporation, if the amendment proposes to: (i) increase or decrease the aggregate number of authorized shares of such class; (ii) effect an exchange, reclassification, or cancellation of all or part of the shares of such class; (iii) effect an exchange, or create a right of exchange, of all or part of the shares of another class into the shares of such class; (iv) change the rights, preferences, privileges or restrictions of the shares of such class; (v) create a new class of shares having rights, preferences or privileges prior to the shares of such class, or increase the rights, preferences or privileges or the number of authorized shares of any class having rights, preferences or privileges prior to the shares of such class; (vi) in the case of preferred shares, divide the shares of any class into series having different rights, preferences, privileges or restrictions or authorize the board to do so; or (vii) cancel or otherwise affect dividends on the shares of such class which have accrued but have not been paid.

The holders of Series H Preferred Stock will have no voting rights if we redeem all outstanding Series H Preferred Stock (or call for redemption all outstanding Series H Preferred Stock and deposit sufficient funds in a trust to effect the redemption) on or before the time the act occurs that would otherwise require a vote.

### **Series B Preferred Stock**

The Series B Preferred Stock has a liquidation preference of \$1,000 per share and is perpetual. The Series B Preferred Stock is entitled to receive noncumulative cash dividends at a rate of 6.20% per annum when, as and if declared by the board of directors on a quarterly basis. The Series B Preferred Stock has no pre-emptive rights, is not subject to a sinking fund, and is not convertible into or exchangeable or exercisable for any of our other securities. The Series B Preferred Stock is redeemable at our option, from time to time, for cash, (i) either in whole or in part on or after June 1, 2017 or (ii) in whole but not in part at any time within 90 days following our good faith determination that, as a result of a change or proposed change in law or regulation or an administrative or judicial action that there is more than an insubstantial risk that we will not be entitled to treat the full liquidation value of the Series B Preferred Stock then outstanding as Tier 1 capital. In either case, no redemption premium will be paid. On May 17, 2017, the Bank announced that on June 16, 2017 it will redeem all the outstanding shares of its Series B Preferred Stock at their aggregate liquidation preference. We intend to use the net proceeds received from this offering in part to fund the redemption of the Series B Preferred Stock, but the redemption is not contingent upon the completion of this offering.

The Series B Preferred Stock ranks senior to our common stock, and equally with all existing and future series of preferred stock that by their terms do not rank junior to the Series B Preferred Stock, including the Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock, Series G Preferred Stock and Series H Preferred Stock, with respect to the payment of dividends and distributions upon liquidation, dissolution or winding up. The Series B Preferred Stock generally has no voting rights. However, if dividends on any outstanding shares of Series B Preferred Stock are not paid or set aside for payment (whether or not declared) for any six dividend periods (whether or not consecutive), holders of the Series B Preferred Stock, voting as a single class with the holders of all other series of preferred stock upon which like voting rights have been conferred and are exercisable, will be entitled to elect two directors to serve on our board of directors until all dividends on the Series B Preferred Stock are paid in full for at least four consecutive dividend periods. The holders of our Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred

Stock, Series F Preferred Stock, Series G Preferred Stock and Series H Preferred Stock together will not have the right to elect more than two directors to serve on our board of directors. In addition, the affirmative vote of holders of at least two-thirds of the outstanding shares of Series B Preferred Stock will be required to (i) create any class or series of shares that ranks, as to dividends and distributions upon liquidation, senior to the Series B Preferred Stock or (ii) alter or change the provisions of our Articles, the certificate of determination governing the Series B Preferred Stock or our Bylaws so as to adversely affect the voting powers, preferences or special rights of the holders of the Series B Preferred Stock.

### **Series C Preferred Stock**

The Series C Preferred Stock has a liquidation preference of \$1,000 per share and is perpetual. The Series C Preferred Stock is entitled to receive noncumulative cash dividends at a rate of 5.625% per annum when, as and if declared by the board of directors on a quarterly basis. The Series C Preferred Stock has no pre-emptive rights, is not subject to a sinking fund, and is not convertible into or exchangeable or exercisable for any of our other securities. The Series C Preferred Stock is redeemable at our option, from time to time, for cash, (i) either in whole or in part on or after December 29, 2017 or (ii) in whole but not in part at any time within 90 days following our good faith determination that, as a result of a change or proposed change in law or regulation or an administrative or judicial action that there is more than an insubstantial risk that we will not be entitled to treat the full liquidation value of the Series C Preferred Stock then outstanding as Tier 1 capital. In either case, no redemption premium will be paid.

The Series C Preferred Stock ranks senior to our common stock, and equally with all existing and future series of preferred stock that by their terms do not rank junior to the Series C Preferred Stock, including the Series B Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock, Series G Preferred Stock and Series H Preferred Stock, with respect to the payment of dividends and distributions upon liquidation, dissolution or winding up. The Series C Preferred Stock generally has no voting rights. However, if dividends on any outstanding shares of Series C Preferred Stock are not paid or set aside for payment (whether or not declared) for any six dividend periods (whether or not consecutive), holders of the Series C Preferred Stock, voting as a single class with the holders of all other series of preferred stock upon which like voting rights have been conferred and are exercisable, will be entitled to elect two directors to serve on our board of directors until all dividends on the Series C Preferred Stock are paid in full for at least four consecutive dividend periods. The holders of our Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock, Series G Preferred Stock and Series H Preferred Stock together will not have the right to elect more than two directors to serve on our board of directors. In addition, the affirmative vote of holders of at least two-thirds of the outstanding shares of Series C Preferred Stock will be required to (i) create any class or series of shares that ranks, as to dividends and distributions upon liquidation, senior to the Series C Preferred Stock or (ii) alter or change the provisions of our Articles, the certificate of determination governing the Series C Preferred Stock or our Bylaws so as to adversely affect the voting powers, preferences or special rights of the holders of the Series C Preferred Stock.

### **Series D Preferred Stock**

The Series D Preferred Stock has a liquidation preference of \$1,000 per share and is perpetual. The Series D Preferred Stock is entitled to receive noncumulative cash dividends at a rate of 5.50% per annum when, as and if declared by the board of directors on a quarterly basis. The Series D Preferred Stock has no pre-emptive rights, is not subject to a sinking fund, and is not convertible into or exchangeable or exercisable for any of our other securities. The Series D Preferred Stock is redeemable at our option, from time to time, for cash, (i) either in whole or in part on or after June 29, 2018 or (ii) in whole but not in part at any time within 90 days following our good faith determination that, as a result of a change or proposed change in law or regulation or an administrative or judicial action that there is more than an insubstantial risk that we will not be entitled to treat the full liquidation value of the Series D Preferred Stock then outstanding as Tier 1 capital. In either case, no redemption premium will be paid.

The Series D Preferred Stock ranks senior to our common stock, and equally with all existing and future series of preferred stock that by their terms do not rank junior to the Series D Preferred Stock, including the Series B Preferred Stock, Series C Preferred Stock, Series E Preferred Stock, Series F Preferred Stock, Series G Preferred Stock and Series H Preferred Stock, with respect to the payment of dividends and distributions upon liquidation, dissolution or winding up. The Series D Preferred Stock generally has no voting rights. However, if dividends on any outstanding shares of Series D Preferred Stock are not paid or set aside for payment (whether or not declared) for any six dividend periods (whether or not consecutive), holders of the Series D Preferred Stock, voting as a single class with the holders of all other series of preferred stock upon which like voting rights have been conferred and are exercisable, will be entitled to elect two directors to serve on our board of directors until all dividends on the Series D Preferred Stock are paid in full for at least four consecutive dividend periods. The holders of our Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock, Series G Preferred Stock and Series H Preferred Stock together will not have the right to elect more than two directors to serve on our board of directors. In addition, the affirmative vote of holders of at least two-thirds of the outstanding shares of Series D Preferred Stock will be required to (i) create any class or series of shares that ranks, as to dividends and distributions upon liquidation, senior to the Series D Preferred Stock or (ii) alter or change the provisions of our Articles, the certificate of determination governing the Series D Preferred Stock or our Bylaws so as to adversely affect the voting powers, preferences or special rights of the holders of the Series D Preferred Stock.

### **Series E Preferred Stock**

The Series E Preferred Stock has a liquidation preference of \$1,000 per share and is perpetual. The Series E Preferred Stock is entitled to receive noncumulative cash dividends at a rate of 7.00% per annum when, as and if declared by the board of directors on a quarterly basis. The Series E Preferred Stock has no pre-emptive rights, is not subject to a sinking fund, and is not convertible into or exchangeable or exercisable for any of our other securities. The Series E Preferred Stock is redeemable at our option, from time to time, for cash, (i) either in whole or in part on or after December 28, 2018 or (ii) in whole but not in part at any time within 90 days following our good faith determination that, as a result of a change or proposed change in law or regulation or an administrative or judicial action that there is more than an insubstantial risk that we will not be entitled to treat the full liquidation value of the Series E Preferred Stock then outstanding as Tier 1 capital. In either case, no redemption premium will be paid.

The Series E Preferred Stock ranks senior to our common stock, and equally with all existing and future series of preferred stock that by their terms do not rank junior to the Series E Preferred Stock, including the Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series F Preferred Stock, Series G Preferred Stock and Series H Preferred Stock, with respect to the payment of dividends and distributions upon liquidation, dissolution or winding up. The Series E Preferred Stock generally has no voting rights. However, if dividends on any outstanding shares of Series E Preferred Stock are not paid or set aside for payment (whether or not declared) for any six dividend periods (whether or not consecutive), holders of the Series E Preferred Stock, voting as a single class with the holders of all other series of preferred stock upon which like voting rights have been conferred and are exercisable, will be entitled to elect two directors to serve on our board of directors until all dividends on the Series E Preferred Stock are paid in full for at least four consecutive dividend periods. The holders of our Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock, Series G Preferred Stock and Series H Preferred Stock together will not have the right to elect more than two directors to serve on our board of directors. In addition, the affirmative vote of holders of at least two-thirds of the outstanding shares of Series E Preferred Stock will be required to (i) create any class or series of shares that ranks, as to dividends and distributions upon liquidation, senior to the Series E Preferred Stock or (ii) alter or change the provisions of our Articles, the certificate of determination governing the Series E Preferred Stock or our Bylaws so as to adversely affect the voting powers, preferences or special rights of the holders of the Series E Preferred Stock.

### **Series F Preferred Stock**

The Series F Preferred Stock has a liquidation preference of \$1,000 per share and is perpetual. The Series F Preferred Stock is entitled to receive noncumulative cash dividends at a rate of 5.70% per annum when, as and if declared by the board of directors on a quarterly basis. The Series F Preferred Stock has no pre-emptive rights, is not subject to a sinking fund, and is not convertible into or exchangeable or exercisable for any of our other securities. The Series F Preferred Stock is redeemable at our option, from time to time, for cash, (i) either in whole or in part on or after June 30, 2020 or (ii) in whole but not in part at any time within 90 days following our good faith determination that, as a result of a change or proposed change in law or regulation or an administrative or judicial action that there is more than an insubstantial risk that we will not be entitled to treat the full liquidation value of the Series F Preferred Stock then outstanding as Tier 1 capital. In either case, no redemption premium will be paid.

The Series F Preferred Stock ranks senior to our common stock, and equally with all existing and future series of preferred stock that by their terms do not rank junior to the Series F Preferred Stock, including the Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series G Preferred Stock and Series H Preferred Stock, with respect to the payment of dividends and distributions upon liquidation, dissolution or winding up. The Series F Preferred Stock generally has no voting rights. However, if dividends on any outstanding shares of Series F Preferred Stock are not paid or set aside for payment (whether or not declared) for any six dividend periods (whether or not consecutive), holders of the Series F Preferred Stock, voting as a single class with the holders of all other series of preferred stock upon which like voting rights have been conferred and are exercisable, will be entitled to elect two directors to serve on our board of directors until all dividends on the Series F Preferred Stock are paid in full for at least four consecutive dividend periods. The holders of our Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock, Series G Preferred Stock and Series H Preferred Stock together will not have the right to elect more than two directors to serve on our board of directors. In addition, the affirmative vote of holders of at least two-thirds of the outstanding shares of Series F Preferred Stock will be required to (i) create any class or series of shares that ranks, as to dividends and distributions upon liquidation, senior to the Series F Preferred Stock or (ii) alter or change the provisions of our Articles, the certificate of determination governing the Series F Preferred Stock or our Bylaws so as to adversely affect the voting powers, preferences or special rights of the holders of the Series F Preferred Stock.

### **Series G Preferred Stock**

The Series G Preferred Stock has a liquidation preference of \$1,000 per share and is perpetual. The Series G Preferred Stock is entitled to receive noncumulative cash dividends at a rate of 5.50% per annum when, as and if declared by the board of directors on a quarterly basis. The Series G Preferred Stock has no pre-emptive rights, is not subject to a sinking fund, and is not convertible into or exchangeable or exercisable for any of our other securities. The Series G Preferred Stock is redeemable at our option, from time to time, for cash, (i) either in whole or in part on or after March 30, 2021 or (ii) in whole but not in part at any time within 90 days following our good faith determination that, as a result of a change or proposed change in law or regulation or an administrative or judicial action that there is more than an insubstantial risk that we will not be entitled to treat the full liquidation value of the Series G Preferred Stock then outstanding as Tier 1 capital. In either case, no redemption premium will be paid.

The Series G Preferred Stock ranks senior to our common stock, and equally with all existing and future series of preferred stock that by their terms do not rank junior to the Series G Preferred Stock, including the Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock and Series H Preferred Stock with respect to the payment of dividends and distributions upon liquidation, dissolution or winding up. The Series G Preferred Stock generally has no voting rights. However, if dividends on any outstanding shares of Series G Preferred Stock are not paid or set aside for payment (whether or not declared) for any six dividend periods (whether or not consecutive), holders of the Series G Preferred Stock, voting as a single class with the holders of all other series of preferred stock upon which like voting rights have

been conferred and are exercisable, will be entitled to elect two directors to serve on our board of directors until all dividends on the Series G Preferred Stock are paid in full for at least four consecutive dividend periods. The holders of our Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, Series F Preferred Stock, Series G Preferred Stock and Series H Preferred Stock together will not have the right to elect more than two directors to serve on our board of directors. In addition, the affirmative vote of holders of at least two-thirds of the outstanding shares of Series G Preferred Stock will be required to (i) create any class or series of shares that ranks, as to dividends and distributions upon liquidation, senior to the Series G Preferred Stock or (ii) alter or change the provisions of our Articles, the certificate of determination governing the Series G Preferred Stock or our Bylaws so as to adversely affect the voting powers, preferences or special rights of the holders of the Series G Preferred Stock.

### **Regulatory Risk of Voting Rights**

Although we do not believe that any series of our preferred stock is considered “voting securities” for purposes of the BHCA, if one or more series were to become a class of “voting securities,” whether because we have missed six dividend payments and, as a result, holders of the preferred stock have the right to elect directors, or for other reasons, a company that owns or controls 25% or more of such class, or less than 25% if it otherwise exercises any “controlling influence” over us (including by holding more than 25% or, in some cases, more than one-third of our total equity), may then be subject to regulation as a bank holding company in accordance with the BHCA. In addition, if our preferred stock becomes voting securities:

- any bank holding company may be required to obtain the prior approval of the Board of Governors of the Federal Reserve System (“Federal Reserve”) to acquire or retain more than 5% of the then-outstanding preferred stock;
- any person (or group of persons acting in concert) other than a bank holding company may be required to obtain the approval of the FDIC to acquire or retain 10% or more of the preferred stock; and
- any person may be required to obtain the prior approval of the Commissioner before acquiring “control” of us, as defined in California statutes and regulations.

Holders of our preferred stock should consult their own counsel with regard to regulatory implications.

## DESCRIPTION OF DEPOSITARY SHARES

### General

The Series H Preferred Stock will be deposited with Computershare Inc. and Computershare Trust Company, N.A., collectively, as depositary, under a deposit agreement. Each depositary share will represent a 1/40th fractional ownership interest in a share of Series H Preferred Stock. Subject to the terms of the deposit agreement, each holder of a depositary share will be entitled to all the rights and preferences of a 1/40th fractional ownership interest in a share of Series H Preferred Stock (including dividend, voting, redemption and liquidation rights and preferences). Immediately following our issuance of the Series H Preferred Stock, we will deposit the Series H Preferred Stock with the depositary, which upon our instructions will issue and deliver the depositary shares to DTC for credit to the accounts of such participants of DTC and in such amounts as Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC shall specify.

### Listing

We have applied to list the depositary shares on the NYSE under the symbol "FRC-PrH." If the application is approved, trading of the depositary shares on the NYSE is expected to begin within 30 days after the date of initial delivery of the depositary shares. See "Underwriting (Conflicts of Interest)." The Series H Preferred Stock will not be listed, and we do not expect that there will be any trading market for the Series H Preferred Stock except as represented by depositary shares.

### Dividends

Each dividend payable on a depositary share will be in an amount equal to 1/40th of the dividend declared and payable on each share of Series H Preferred Stock.

The depositary will distribute all cash dividends paid on the Series H Preferred Stock to the record holders of the depositary shares in proportion to the number of depositary shares held by the holders. The depositary will distribute only such amount, however, as can be distributed without attributing to any holder of depositary shares a fraction of one cent, and any balance not so distributable will be held by the depositary (without liability for interest thereon) and will be added to and be treated as part of the next sum received by the depositary for distribution to record holders of depositary shares then outstanding.

If a dividend is other than in cash and it is feasible for the depositary to distribute the property it receives, the depositary, upon written instructions from us, will distribute the property to the record holders of the depositary shares. If such a distribution is not feasible and we so direct, the depositary will sell on behalf of the holders of depositary shares the property and distribute the net proceeds from the sale to the holders of the depositary shares in proportion to the number of depositary shares held by the holders.

Record dates for the payment of dividends and other matters relating to the depositary shares will be the same as the corresponding record dates for the Series H Preferred Stock.

The amounts distributed to holders of depositary shares will be reduced by any amounts required to be withheld by the depositary or by us on account of taxes or other governmental charges. The depositary may refuse to make any payment or distribution, or any transfer, exchange or withdrawal of any depositary shares or the Series H Preferred Stock until such taxes or other governmental charges are paid. To the extent that the depositary determines that amounts are required to be withheld in relation to the distribution of any property pursuant to the deposit agreement, the depositary may, in certain circumstances, sell all or a portion of such property to pay such taxes and distribute the balance of the net proceeds (after the deduction of such taxes) to the holder of the depositary shares in proportion to the number of depositary shares held by the holder.

## **Liquidation Preference**

In the event of any liquidation, dissolution or winding up of our affairs, the holders of the depositary shares will be entitled to 1/40th of the liquidation preference accorded each share of Series H Preferred Stock.

If we consolidate or merge with or into any other entity or we sell, lease, transfer or convey all or substantially all of our property or business, we will not be deemed to have liquidated, dissolved or wound up. In the event of our liquidation, dissolution or winding up, a holder of depositary shares will receive the fraction of the liquidation preference accorded each share of underlying Series H Preferred Stock represented by the depositary shares.

## **Redemption**

Whenever we redeem any of the Series H Preferred Stock held by the depositary, the depositary will redeem as of the same redemption date, from the proceeds received by the depositary resulting from the redemption of the Series H Preferred Stock held by the depositary, the number of depositary shares representing the redeemed Series H Preferred Stock. A notice of the redemption furnished by us will be mailed by the depositary by first class mail, postage prepaid, not less than 30 nor more than 60 days before the date fixed for redemption thereof, addressed to the respective holders of record of the depositary shares to be redeemed at their respective addresses as they appear on the share transfer records of the depositary (*provided, however*, that if the depositary shares are held in book-entry form through DTC, we may give this notice in any manner permitted by DTC). A failure to give such notice or any defect in the notice or in our mailing will not affect the validity of the proceedings for the redemption of any shares of Series H Preferred Stock or depositary shares except as to the holder to whom notice was defective or not given. Each notice shall state:

- the redemption date;
- the redemption price;
- if fewer than all shares of Series H Preferred Stock are to be redeemed, the number of shares of Series H Preferred Stock to be redeemed (and the corresponding number of depositary shares); and
- the place or places where the depositary receipts evidencing the depositary shares are to be surrendered for payment of the redemption price.

If we redeem fewer than all of the outstanding shares of Series H Preferred Stock, the depositary will select the corresponding number of depositary shares to be redeemed *pro rata* or by lot. In any such case, depositary shares will be redeemed only in increments of 40 depositary shares and any integral multiple thereof, and the notice mailed to such holder shall also specify the number of depositary shares to be redeemed from such holder.

The holders of depositary shares at the close of business on a dividend record date will be entitled to receive the dividend payable with respect to the depositary shares evidenced by such depositary shares on the corresponding dividend payment date notwithstanding the redemption of the depositary shares between such dividend record date and the corresponding dividend payment date or our default in the payment of the dividend due. Except as provided above, we will make no payment or allowance for unpaid dividends on the Series H Preferred Stock or depositary shares to be redeemed.

## **Voting**

Because each depositary share represents a 1/40th ownership interest in a share of Series H Preferred Stock, holders of depositary receipts will be entitled to vote 1/40th of a vote per depositary share under those limited circumstances in which holders of the Series H Preferred Stock are entitled to vote, as described above in “Description of Series H Preferred Stock—Voting Rights.”



When the depositary receives notice of any meeting at which the holders of the Series H Preferred Stock are entitled to vote, the depositary will mail the information contained in the notice to the record holders of the depositary shares relating to the Series H Preferred Stock. Each record holder of the depositary shares on the record date, which will be the same date as the record date for the Series H Preferred Stock, may instruct the depositary to vote the amount of the Series H Preferred Stock represented by the holder's depositary shares. To the extent possible, the depositary will vote the amount of the Series H Preferred Stock represented by depositary shares in accordance with the instructions it receives. We will agree to take all reasonable actions that the depositary determines are necessary to enable the depositary to vote as instructed. If the depositary does not receive specific instructions from the holders of any depositary shares representing the Series H Preferred Stock, it will abstain from voting with respect to such shares (but shall appear at the meeting with respect to such shares unless directed to the contrary).

### **Withdrawal of Series H Preferred Stock**

Upon surrender of depositary shares at the principal office of the depositary, upon payment of any unpaid amount due the depositary, and subject to the terms of the deposit agreement, the owner of the depositary shares evidenced thereby is entitled to delivery of the number of shares of Series H Preferred Stock and all money and other property, if any, represented by such depositary shares. Only whole shares of Series H Preferred Stock may be withdrawn. If the depositary shares surrendered by the holder in connection with withdrawal exceed the number of depositary shares that represent the number of whole shares of Series H Preferred Stock to be withdrawn, the depositary will deliver to that holder at the same time a new depositary receipt evidencing the excess number of depositary shares. Holders of Series H Preferred Stock thus withdrawn will not thereafter be entitled to deposit such shares under the deposit agreement or to receive depositary shares therefor.

### **The Deposit Agreement**

We will enter into a deposit agreement with Computershare Inc. and Computershare Trust Company, N.A., collectively, as depositary. We and the depositary may amend any form of certificate evidencing the depositary shares and any provision of the deposit agreement. However, unless the existing holders of at least a majority of the depositary shares then outstanding have approved the amendment, we and the depositary may not make any amendment that:

- would materially and adversely alter the rights of the holders of depositary shares; or
- would be materially and adversely inconsistent with the rights granted to the holders of the underlying Series H Preferred Stock.

Except in order to comply with the law, no amendment may (i) impair the right of any holders of the depositary shares to surrender their depositary shares with instructions to deliver the Series H Preferred Stock and all money and other property represented by the depositary shares or (ii) alter the tax treatment set forth under the caption "Material U.S. Federal Income Tax Considerations" in this offering circular. Every holder of outstanding depositary shares at the time any amendment becomes effective who continues to hold the depositary shares will be deemed to consent and agree to the amendment and to be bound by the amended deposit agreement.

We may terminate the deposit agreement at any time with 30 days notice to the depositary, and the depositary will give notice of that termination to the record holders of all outstanding depositary receipts.

Upon a termination of the deposit agreement, holders of the depositary shares may surrender their depositary shares and receive in exchange the number of whole shares of Series H Preferred Stock and any other property represented by the depositary shares.

In addition, the deposit agreement will automatically terminate if:

- we redeem all outstanding shares of Series H Preferred Stock and the depositary has distributed proceeds to the holders of depositary shares; or

- a final distribution of the Series H Preferred Stock in connection with any liquidation, dissolution or winding up has occurred, and the depositary has distributed the distribution to the holders of the depositary shares.

### **Charges of the Depositary**

We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will pay charges of the depositary in connection with the initial deposit of the Series H Preferred Stock and initial issuance of depositary shares, any redemption of the Series H Preferred Stock and all withdrawals of Series H Preferred Stock by owners of depositary shares. Holders of depositary shares will pay any transfer, income and other taxes and governmental charges and any charges as are provided in the deposit agreement to be for their accounts.

### **Resignation and Removal of the Depositary**

The depositary may resign at any time by delivering to us notice of its election to resign. We may also remove or replace a depositary at any time. Any resignation or removal will take effect upon the earlier of the appointment of a successor depositary and 60 days following such notice. We will appoint a successor depositary within 60 days after delivery of the notice of resignation or removal. The successor must be a bank or trust company with its principal office in the United States and have a combined capital and surplus of at least \$50 million.

### **Miscellaneous**

The depositary will forward to the holders of depositary shares any reports and communications from us with respect to the underlying Series H Preferred Stock. Neither we nor the depositary will be liable if any law or any circumstances beyond their control prevent or delay them from performing their obligations under the deposit agreement. The obligations of ours and a depositary under the deposit agreement will be limited to performing their duties without bad faith, gross negligence or willful misconduct. Neither we nor a depositary must prosecute or defend any legal proceeding with respect to any depositary shares or the underlying Series H Preferred Stock unless they are furnished with satisfactory indemnity. Both we and the depositary may rely on the written advice of counsel or accountants, or information provided by holders of depositary shares or other persons they believe in good faith to be competent, and on documents they believe in good faith to be genuine and signed by a proper party. In the event a depositary receives conflicting claims, requests or instructions from us and any holders of depositary shares, the depositary will be entitled to act on the claims, requests or instructions received from us.

### **Book Entry, Delivery and Form**

DTC acts as securities depositary for the depositary shares. The depositary shares sold in this offering will be registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC.

DTC has advised us that it is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered under the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a

wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or through intermediaries (“Indirect Participants”). The rules applicable to DTC and its Direct and Indirect Participants are on file with the SEC. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of depository shares under the DTC system must be made by or through Direct Participants, which will receive a credit for the depository shares on DTC’s records. The ownership interest of each actual purchase of depository shares (the “beneficial owner”) is in turn recorded on the Direct and Indirect Participants’ records. Beneficial owners will not receive written confirmation from DTC of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the beneficial owner entered into the transaction. Transfers of ownership interest in the depository shares will be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interest in the depository shares, except in the event that use of the book-entry system for the depository shares is discontinued. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

To facilitate subsequent transfers, the depository shares deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of depository shares with DTC and its registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the depository shares; DTC’s records reflect only the identity of the Direct Participants to whose accounts are credited, which may or may not be the beneficial owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

In those instances where a vote is required, neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the depository shares unless authorized by a Direct Participant. Under its usual procedures, DTC mails an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the depository shares are credited on the record date, which accounts are identified in a listing attached to the omnibus proxy.

Redemption proceeds, distributions and dividend payments on the depository shares will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts, upon DTC’s receipt of funds and corresponding detail information from us or our agent on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Direct or Indirect Participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Direct or Indirect Participant and not of DTC (nor its nominee), us or any agent of ours, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividends to Cede & Co. (or such other DTC nominee) is the responsibility of us or our agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the beneficial owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the depository shares at any time by giving reasonable notice to us or our agent. Additionally, we may decide to discontinue the book-

entry only system of transfers with respect to the depositary shares. Under such circumstances, if a successor depositary is not obtained, we will print and deliver certificates in fully registered form for the depositary shares.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof.

**Transfer Restrictions**

All of our depositary shares will be offered and sold pursuant to an exemption from registration under the Securities Act of 1933, as amended, and other exemptions provided by the laws of the United States and other jurisdictions where such securities were offered and sold. Our depositary shares may only be transferred or sold in compliance with all applicable state, federal and foreign securities laws.

## MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the material U.S. federal income tax considerations relevant to the purchase, ownership and disposition of the depositary shares. The summary is limited to taxpayers who will hold the depositary shares as “capital assets.” This section does not apply to you if you are a member of a special class of holders subject to special rules, including:

- a dealer in securities or currencies;
- a financial institution;
- a regulated investment company;
- a real estate investment trust;
- an insurance company;
- a tax-exempt organization;
- a person holding our depositary shares as part of a hedging, integrated or conversion transaction, a constructive sale or a straddle;
- a person that purchases or sells our depositary shares as part of a wash sale for tax purposes;
- a trader in securities that has elected the mark-to-market method of accounting for its securities;
- a person liable for alternative minimum tax;
- a person who owns 10% or more of our voting stock;
- a partnership or other pass-through entity for U.S. federal income tax purposes; or
- a U.S. holder (as defined below) whose “functional currency” is not the U.S. dollar.

The following summary is based upon current provisions of the Internal Revenue Code of 1986, as amended (the “Code”), Treasury regulations and judicial or administrative authority, all of which are subject to change, possibly with retroactive effect. State, local and foreign tax consequences are not summarized. In addition, this section is based in part upon the assumption that each obligation in the deposit agreement and any related agreement will be performed in accordance with its terms.

If a partnership (or an entity treated as a partnership for tax purposes) holds depositary shares, the tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. If you are a partner in a partnership holding depositary shares, you should consult your tax advisors.

You should consult your own tax advisor regarding the U.S. federal, state and local and other tax consequences of owning and disposing of depositary shares in your particular circumstances.

In general, and taking into account the assumptions described earlier, beneficial owners of depositary shares will be treated as owners of a proportionate amount of the underlying Series H Preferred Stock for U.S. federal income tax purposes.

### **U.S. Holders**

This subsection describes the tax consequences to a U.S. holder. You are a U.S. holder if you are a beneficial owner of depositary shares for U.S. federal income tax purposes and you are:

- a citizen or resident of the United States,
- a domestic corporation,

- an estate the income of which is subject to U.S. federal income tax regardless of its source, or
- a trust if a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorized to control all substantial decisions of the trust.

If you are not a U.S. holder, this subsection does not apply to you and you should refer to “—Non-U.S. Holders” below.

### ***Dividends***

Dividends paid on depositary shares will be dividends for U.S. federal income tax purposes to the extent paid out of our current or accumulated earnings and profits, as determined for U.S. federal income tax purposes, and will be taxable as income. To the extent that the amount of any dividend paid on a depositary share exceeds our current and accumulated earnings and profits attributable to that depositary share, the dividend will be treated first as a return of capital and will be applied against and reduce your adjusted tax basis (but not below zero) in that depositary share. This reduction in basis would increase any gain or reduce any loss realized by you on the subsequent sale, redemption or other disposition of your depositary shares. The amount of any such dividend in excess of your adjusted tax basis will then be taxed as gain from the sale or exchange of your depositary shares. For purposes of the remainder of this discussion, it is assumed that dividends paid with respect to the depositary share will constitute dividends for U.S. federal income tax purposes.

If you are a corporation, dividends that are received by you will generally be eligible for a 70% dividends-received deduction under the Code if you meet certain holding period and other applicable requirements. If you are a non-corporate U.S. holder, dividends paid to you will generally qualify for taxation at special rates if you meet certain holding period and other applicable requirements.

In general, for purposes of meeting the holding period requirements for both the dividends-received deduction and the special rate on dividends described above, you may not count towards your holding period any period in which you have diminished your risk of loss by holding one or more other positions with respect to substantially similar or related property. In addition, the dividends-received deduction, as well as the special rate on dividends, are disallowed if the recipient of a dividend is obligated to make related payments with respect to positions in substantially similar or related property. This disallowance applies even if the minimum holding period has been met.

You should consider the effect of section 246A of the Code, which reduces the dividends-received deduction allowed with respect to “debt-financed portfolio stock.” The Code also imposes a 20% alternative minimum tax on corporations. In some circumstances, the portion of dividends subject to the dividends-received deduction will serve to increase a corporation's minimum tax base for purposes of the determination of the alternative minimum tax.

You should consult your own tax adviser in determining the application of these rules in light of your particular circumstances.

### ***Dispositions, Including Redemptions***

A sale, exchange or other disposition of depositary shares will generally result in gain or loss equal to the difference between the amount realized upon the disposition and your adjusted tax basis in the depositary share, which will generally equal your purchase price for the depositary share, subject to reduction (if applicable) as described under the caption “—Dividends” above. Such gain or loss will be capital gain or loss and will be long-term capital gain or loss if your holding period for the depositary share exceeds one year. Long-term capital gain recognized by a non-corporate U.S. holder is generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

A redemption of depositary shares for cash will be treated as a sale or exchange if it is (1) “not substantially equivalent to a dividend,” (2) “substantially disproportionate” with respect to you, (3) “in complete redemption”

of your interest in our depositary shares, or (4) if you are not a corporate holder, “in partial liquidation,” each of the above within the meaning of Section 302(b) of the Code. In determining whether any of these tests has been met, depositary shares, common shares and other preferred shares considered to be owned by you by reason of certain constructive ownership rules set forth in Section 318 of the Code, as well as depositary shares, common shares and other preferred shares actually owned by you, must generally be taken into account. Because the determination as to whether any of the alternative tests of Section 302(b) of the Code will be satisfied with respect to any particular U.S. holder of the depositary shares depends upon the facts and circumstances at the time that the determination must be made, prospective U.S. holders of the depositary shares are advised to consult their own tax advisors regarding the tax treatment of a redemption. If a redemption of depositary shares is treated as a sale or exchange, it will be taxable as described in the preceding paragraph. If a redemption is treated as a distribution, the entire amount received will be treated as a distribution and will be taxable as described under the caption “—Dividends” above.

### ***Medicare Tax***

A U.S. holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax on the lesser of (1) the U.S. holder’s “net investment income” (or “undistributed net investment income” in the case of an estate or trust) for the relevant taxable year and (2) the excess of the U.S. holder’s modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals will be between \$125,000 and \$250,000, depending on the individual’s circumstances). A U.S. holder’s net investment income includes its dividend income and its net gains from the disposition of the depositary shares, unless such dividends or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are a U.S. holder that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the depositary shares.

### ***Information Reporting and Backup Withholding***

If you are a U.S. holder, you will generally be subject to information reporting with respect to any dividend payments by us to you and proceeds of the sale or other disposition by you of our depositary shares, unless you are an exempt recipient and appropriately establish that exemption. In addition, such payments will generally be subject to United States federal backup withholding unless you supply a taxpayer identification number, certified under penalties of perjury, as well as certain other information or otherwise establish an exemption from backup withholding. Any amounts withheld under the backup withholding rules will be allowed as a credit against your United States federal income tax liability, provided the required information is timely furnished to the Internal Revenue Service.

### ***Non-U.S. Holders***

The discussion in this section is addressed to non-U.S. holders of the depositary shares. You are a non-U.S. holder if you are not a U.S. holder.

### ***Dividends***

Except as described below, if you are a non-U.S. holder of depositary shares, dividends (including any redemption treated as a dividend for U.S. federal income tax purposes as discussed above under “U.S. Holders—Dispositions, Including Redemptions”) paid to you are subject to withholding of U.S. federal income tax at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate. Even if you are eligible for a lower treaty rate, we and other payors will generally be required to withhold at a 30% rate (rather than the lower treaty rate) on dividend payments to you, unless you have furnished to us or another payor:

- a valid Internal Revenue Service Form W-8BEN or W-8BEN-E or an acceptable substitute form upon which you certify, under penalties of perjury, your status as a non-U.S. person and your entitlement to the lower treaty rate with respect to such payments, or

- in the case of payments made outside the United States to an offshore account (generally, an account maintained by you at an office or branch of a bank or other financial institution at any location outside the United States), other documentary evidence establishing your entitlement to the lower treaty rate in accordance with U.S. Treasury regulations.

If you are eligible for a reduced rate of U.S. withholding tax under a tax treaty, you may obtain a refund of any amounts withheld in excess of that rate by timely filing a refund claim with the U.S. Internal Revenue Service.

If dividends paid to you are “effectively connected” with your conduct of a trade or business within the United States, and, if required by a tax treaty, the dividends are attributable to a permanent establishment that you maintain in the United States, we and other payors generally are not required to withhold tax from the dividends, provided that you have furnished to us or another payor a valid Internal Revenue Service Form W-8ECI or an acceptable substitute form upon which you represent, under penalties of perjury, that:

- you are a non-U.S. person, and
- the dividends are effectively connected with your conduct of a trade or business within the United States and are includible in your gross income.

“Effectively connected” dividends are taxed at rates applicable to U.S. citizens, resident aliens and domestic U.S. corporations.

If you are a corporate non-U.S. holder, “effectively connected” dividends that you receive may, under certain circumstances, be subject to an additional “branch profits tax” at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate.

### ***Dispositions, Including Redemptions***

If you are a non-U.S. holder, you generally will not be subject to U.S. federal income tax on gain that you recognize on a disposition (including a redemption that is treated as a disposition) of the depository shares unless:

- the gain is “effectively connected” with your conduct of a trade or business in the United States, and the gain is attributable to a permanent establishment that you maintain in the United States, if that is required by an applicable income tax treaty as a condition for subjecting you to U.S. taxation on a net income basis,
- you are an individual, you hold the depository shares as a capital asset, you are present in the United States for 183 or more days in the taxable year of the sale and certain other conditions exist, or
- we are or have been a U.S. real property holding corporation for U.S. federal income tax purposes and you held, directly or indirectly, at any time during the five-year period ending on the date of disposition, more than 5% of the depository shares and you are not eligible for any treaty exemption.

If you are a corporate non-U.S. holder, “effectively connected” gains that you recognize may also, under certain circumstances, be subject to an additional “branch profits tax” at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate.

We have not been, are not and do not anticipate becoming a U.S. real property holding corporation for U.S. federal income tax purposes.

As discussed above in “U.S. Holders—Dispositions, Including Redemptions,” certain redemptions may be treated as dividends for U.S. federal income tax purpose. See “—Dividends,” above, for a discussion of the tax treatment of such redemptions.



### ***FATCA Withholding***

Pursuant to Sections 1471 through 1474 of the Code, commonly known as the Foreign Account Tax Compliance Act (“FATCA”), a 30% withholding tax (“FATCA withholding”) may be imposed on certain payments to you or to certain foreign financial institutions, investment funds and other non-U.S. persons receiving payments on your behalf if you or such persons fail to comply with certain information reporting requirements. Such payments will include U.S.-source dividends and the gross proceeds from the sale or other disposition of shares that can produce U.S.-source dividends. Payments of dividends that you receive in respect of the depositary shares could be affected by this withholding if you are subject to the FATCA information reporting requirements and fail to comply with them or if you hold depositary shares through a non-U.S. person (e.g., a foreign bank or broker) that fails to comply with these requirements (even if payments to you would not otherwise have been subject to FATCA withholding). Payments of gross proceeds from a sale or other disposition of depositary shares could also be subject to FATCA withholding unless such disposition occurs before January 1, 2019. You should consult your own tax advisors regarding the relevant U.S. law and other official guidance on FATCA withholding.

### ***Federal Estate Taxes***

Depositary shares held by a non-U.S. holder at the time of death will be included in the holder’s gross estate for U.S. federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

### ***Information Reporting and Backup Withholding***

If you are a non-U.S. holder, we and other payors are required to report payments of dividends on Internal Revenue Service Form 1042-S even if the payments are exempt from withholding. You are otherwise generally exempt from backup withholding and information reporting requirements with respect to:

- dividend payments and
- the payment of the proceeds from the sale of depositary shares effected at a U.S. office of a broker,

as long as the income associated with such payments is otherwise exempt from U.S. federal income tax, and:

- the payor or broker does not have actual knowledge or reason to know that you are a U.S. person and you have furnished to the payor or broker:
  - a valid Internal Revenue Service Form W-8BEN or W-8BEN-E or an acceptable substitute form upon which you certify, under penalties of perjury, that you are a non-U.S. person, or
  - other documentation upon which it may rely to treat the payments as made to a non-U.S. person in accordance with U.S. Treasury regulations, or
- you otherwise establish an exemption.

Payment of the proceeds from the sale of depositary shares effected at a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, a sale of depositary shares that is effected at a foreign office of a broker will be subject to information reporting and backup withholding if:

- the proceeds are transferred to an account maintained by you in the United States,
- the payment of proceeds or the confirmation of the sale is mailed to you at a U.S. address, or
- the sale has some other specified connection with the U.S. as provided in U.S. Treasury regulations,

unless the broker does not have actual knowledge or reason to know that you are a U.S. person and the documentation requirements described above are met or you otherwise establish an exemption.

In addition, a sale of depositary shares will be subject to information reporting if it is effected at a foreign office of a broker that is:

- a U.S. person,
- a controlled foreign corporation for U.S. tax purposes,
- a foreign person 50% or more of whose gross income is effectively connected with the conduct of a U.S. trade or business for a specified three-year period, or
- a foreign partnership, if at any time during its tax year:
  - one or more of its partners are “U.S. persons”, as defined in U.S. Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership, or
  - such foreign partnership is engaged in the conduct of a U.S. trade or business,

unless the broker does not have actual knowledge or reason to know that you are a U.S. person and the documentation requirements described above are met or you otherwise establish an exemption. Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that you are a U.S. person.

You generally may obtain a credit or refund of any amounts withheld under the backup withholding rules that exceed your income tax liability by timely filing a refund claim with the Internal Revenue Service.

## CERTAIN ERISA CONSIDERATIONS

A fiduciary of a pension, profit-sharing or other employee benefit plan subject to the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”) (each, a “Plan”), should consider the fiduciary standards of ERISA in the context of the Plan’s particular circumstances before authorizing an investment in our depositary shares. Among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the Plan, and whether the investment would involve a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Section 406 of ERISA and Section 4975 of the Code prohibit Plans, as well as individual retirement accounts, Keogh plans or any other plans that are subject to Section 4975 of the Code (also “Plans”), from engaging in certain transactions involving “plan assets” with persons who are “parties in interest” under ERISA or “disqualified persons” under the Code with respect to the Plan. A violation of these prohibited transaction rules may result in excise tax or other liabilities under ERISA or the Code for those persons and penalties and liabilities under ERISA and the Code for the fiduciary of the Plan, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Employee benefit plans that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) (“Non-ERISA Arrangements”) are not subject to the requirements of Section 406 of ERISA or Section 4975 of the Code but may be subject to similar provisions under applicable federal, state, local, non-U.S. or other laws (“Similar Laws”).

The acquisition of depositary shares by a Plan or any entity whose underlying assets include “plan assets” by reason of any Plan’s investment in the entity (a “Plan Asset Entity”) with respect to which we or certain of our affiliates are or become a party in interest or disqualified person may result in a direct or indirect prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, unless the depositary shares are acquired pursuant to an applicable exemption. The U.S. Department of Labor has issued five prohibited transaction class exemptions, or “PTCEs,” that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the purchase of depositary shares. These exemptions are PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers), PTCE 90-1 (for certain transactions involving insurance company pooled separate accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 95-60 (for transactions involving certain insurance company general accounts), and PTCE 96-23 (for transactions managed by in-house asset managers). In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide limited relief from the prohibited transactions provisions of ERISA and the Code, for the purchase and sale of securities offered hereby, *provided* that neither the issuer of securities offered hereby nor any of its affiliates (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Plan involved in the transaction, and *provided, further*, that the Plan pays no more and receives no less than “adequate consideration” in connection with the transaction (the “service provider exemption”). There can be no assurance that all of the conditions of any such exemptions will be satisfied.

Any purchaser of our depositary shares or any interest therein will be deemed to have represented, by its purchase of such depositary shares offered hereby, that it either (i) is not a Plan, a Plan Asset Entity or a Non-ERISA Arrangement and is not purchasing the depositary shares on behalf of or with the assets of any Plan, Plan Asset Entity or Non-ERISA Arrangement or (ii) the purchase of the depositary shares will not constitute a non-exempt prohibited transaction under ERISA or the Code or a similar violation under any applicable Similar Laws.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering purchasing depositary shares on behalf of or with the assets of any Plan, Plan Asset Entity or Non-ERISA Arrangement consult with their counsel regarding the availability of exemptive relief under any of the PTCEs listed above, the

service provider exemption or the potential consequences of any purchase under Similar Laws, as applicable. Purchasers of depositary shares have exclusive responsibility for ensuring that their purchase of depositary shares do not violate the fiduciary or prohibited transaction rules of ERISA or the Code or any similar provisions of Similar Laws. The sale of any depositary shares to a Plan, Plan Asset Entity or Non-ERISA Arrangement is in no respect a representation by us or any of our affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by any such Plans, Plan Asset Entities or Non-ERISA Arrangements generally or any particular Plan, Plan Asset Entity or Non-ERISA Arrangement or that such investment is appropriate for such Plans, Plan Asset Entities or Non-ERISA Arrangements generally or any particular Plan, Plan Asset Entity or Non-ERISA Arrangement.

**UNDERWRITING (CONFLICTS OF INTEREST)**

Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement between us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of depositary shares set forth opposite its name below.

<u>Underwriter</u>	<u>Number of Depositary Shares</u>
Merrill Lynch, Pierce, Fenner & Smith Incorporated .....	
Morgan Stanley & Co. LLC .....	
UBS Securities LLC .....	
Wells Fargo Securities, LLC .....	
Total .....	

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the depositary shares sold under the underwriting agreement if any of the depositary shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the several underwriters against certain liabilities or to contribute to payments the underwriters may be required to make in respect of those liabilities.

We have agreed for a period from the date of this offering circular through and including the date 30 days after the date hereof that we will not, without the prior written consent of the representatives, offer, sell, contract to sell or otherwise dispose of any of our securities that are substantially similar to the Series H Preferred Stock or the depositary shares, including any securities that are convertible into or exchangeable for, or that represent rights to receive, Series H Preferred Stock, depositary shares or substantially similar securities.

The underwriters are offering the depositary shares, subject to prior sale, when, as and if sold to and accepted by them, subject to the conditions contained in the underwriting agreement. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

The depositary shares are an issue of securities with no established trading market. We have applied to list the depositary shares on the NYSE under the symbol "FRC-PrH." If the application is approved, trading of the depositary shares on the NYSE is expected to begin within 30 days after the date of initial delivery of the depositary shares. However, an active trading market on the NYSE for the depositary shares may not develop or, even if it develops, may not last, in which case the trading price of the depositary shares could be adversely affected, the difference between bid and asked prices could be substantial and your ability to transfer depositary shares will be limited. Because we do not intend to list the underlying Series H Preferred Stock, the Series H Preferred Stock will only be transferable in the over-the-counter market, which is unlikely to facilitate the development of an active trading market in the Series H Preferred Stock. The lack of an active trading market is likely to adversely affect the trading price of the Series H Preferred Stock, and the ability to transfer Series H Preferred Stock will be limited.

The expenses of the offering, not including the underwriting discount, are estimated at \$300,000 and are payable by us.

**Conflicts of Interest**

At our request, the underwriters have reserved up to \_\_\_\_\_ depositary shares for sale at the initial public offering price to persons having business relationships with us (other than directors and employees) who are

clients of our wholly-owned subsidiary, First Republic Securities Company, LLC (“FRSC”). FRSC will receive a brokerage commission of \$ \_\_\_\_\_ per reserved depositary share sold. The number of depositary shares available for sale to the general public will be reduced to the extent that these persons purchase the reserved depositary shares. Any reserved depositary shares not purchased by these persons will be offered by the underwriters to the general public on the same basis as all other depositary shares offered. No reserved shares will be purchased by our directors or executive officers. The offering of depositary shares will conform to the requirements of Rule 5121 of the Conduct Rules of the Financial Industry Regulatory Authority, Inc. FRSC may not confirm sales to any discretionary account without the prior specific written approval of a customer.

**Commissions and Discounts**

The representatives have advised us that the underwriters propose initially to offer the depositary shares to the public at the public offering price set forth on the cover page of this offering circular and to dealers at that price less a concession not in excess of \$ \_\_\_\_\_ per depositary share (or not in excess of \$ \_\_\_\_\_ per depositary share for certain institutions). The underwriters may allow, and the dealers may reallow, a concession not in excess of \$ \_\_\_\_\_ per depositary share to other dealers (or not in excess of \$ \_\_\_\_\_ per depositary share for certain institutions). After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The following table shows the public offering price, underwriting discount and proceeds, before expenses, to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional depositary shares.

	<u>Per Depositary Share</u>	<u>Total Without Option</u>	<u>Total With Option</u>
Public offering price . . . . .	\$25.0000	\$	\$
Underwriting discounts <sup>(1)</sup> . . . . .	\$	\$	\$
Proceeds, before expenses, to us <sup>(1)</sup> . . . . .	\$	\$	\$

(1) The underwriting discount of \$ \_\_\_\_\_ per depositary share will be deducted from the public offering price, except that for sales to certain institutions, the underwriting discount deducted will be \$ \_\_\_\_\_ per depositary share, and to the extent of those sales, the total underwriting discounts will be less than the total shown above, and the total proceeds (before expenses) to us will be more than the total shown above. As a result of sales of \_\_\_\_\_ depositary shares to certain institutions, the total proceeds to us, after deducting the underwriting discounts (but prior to deducting our expenses for the offering), will equal \$ \_\_\_\_\_ (assuming the underwriters do not exercise in full their option to purchase additional depositary shares from us).

**Option to Purchase Additional Securities**

We have granted an option to the underwriters, exercisable for 30 days after the date of this offering circular, to purchase up to \_\_\_\_\_ additional depositary shares at the public offering price, less the underwriting discount. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter’s initial amount reflected in the above table.

**Price Stabilization, Short Positions and Penalty Bids**

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our depositary shares. However, the representatives may engage in transactions that stabilize the price of the depositary shares, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our depositary shares in the open market. These transactions may include short sales, purchases on the open market to cover positions created by

short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of depositary shares than they are required to purchase in the offering. Stabilizing transactions consist of various bids for or purchases of depositary shares made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased depositary shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our depositary shares or preventing or retarding a decline in the market price of our depositary shares. As a result, the price of our depositary shares may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on the NYSE, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our depositary shares. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

### **Electronic Offer, Sale and Distribution of Depositary Shares**

In connection with the offering, certain of the underwriters or securities dealers may distribute offering circulars by electronic means, such as e-mail. In addition, certain of the underwriters may facilitate Internet distribution for this offering to certain of their Internet subscription customers and/or may allocate a limited number of shares for sale to their online brokerage customers. An electronic offering circular is available on the Internet web site maintained by such underwriter(s). Other than the offering circular in electronic format, the information on any such web site is not part of this offering circular.

### **Other Relationships**

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments (including serving as counterparties to certain derivative and hedging arrangements) and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the underwriters or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the depositary shares offered hereby. Any such short positions could adversely affect future trading prices of the depositary shares offered hereby. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Further, in the ordinary course of business, certain of the underwriters in this offering purchase mortgages, including mortgages originated by the Bank. Under certain circumstances disputes could arise based on the representations and warranties made in, and the terms and conditions of, these transactions, and whether any repurchases from the foregoing disputes are required. There are currently no such disputes or requests outstanding for repurchase.

### **T+5 Settlement**

We expect that delivery of the depositary shares will be made against payment therefor on or about the fifth business day following the date of pricing of the depositary shares (this settlement cycle being referred to as “T+5”). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the depositary shares on the date of pricing or the next succeeding business day will be required, by virtue of the fact that the depositary shares initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of depositary shares who wish to trade their depositary shares on the date of pricing or the next succeeding business day should consult their own advisor.

### **Notice to Prospective Investors in the European Economic Area**

In relation to each Member State of the European Economic Area (the “EEA”) that has implemented the Prospectus Directive (each, a “Relevant Member State”), an offer to the public of any of our depositary shares that are the subject of the offering contemplated in this offering circular (the “Shares”) may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any of the Shares may be made at any time under the following exemptions under the Prospectus Directive:

- (a) to any legal entity which is a qualified investor, as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors, as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant underwriter or underwriters nominated by us for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

*provided* that no such offer of the Shares shall result in a requirement for us or the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision and the buyer’s representation below, the expression an “offer of the Shares to the public” in relation to the Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in each Relevant Member State.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any of the Shares will be deemed to have represented, warranted and agreed to and with the underwriters and the Bank that:

- (a) it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and
- (b) in the case of any Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Shares acquired by it in the offering have not been acquired



on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as defined in the Prospectus Directive, or in circumstances in which the prior consent of the underwriters has been given to the offer or resale, or (ii) where the Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the Prospectus Directive as having been made to such persons.

The Bank, its representatives and affiliates will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

#### **Notice to Prospective Investors in the United Kingdom**

Any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the “FSMA”)), in connection with the issue or sale of the Shares, has only been, and will only be, communicated or caused to be communicated in circumstances in which Section 21(1) of the FSMA does not apply to us.

Anything done by and Person in relation to the Shares in, from or otherwise involving the United Kingdom, has been, and may only be done, in compliance with all applicable provisions of the FSMA.

#### **Notice to Prospective Investors in Switzerland**

The depositary shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“SIX”) or on any other stock exchange or regulated trading facility in Switzerland. This offering circular has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this offering circular nor any other offering or marketing material relating to the depositary shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this offering circular nor any other offering or marketing material relating to the offering, the Bank or the depositary shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this offering circular will not be filed with, and the offer of depositary shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of depositary shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (“CISA”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of depositary shares.

#### **Notice to Prospective Investors in the Dubai International Financial Centre**

This offering circular relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (“DFSA”). This offering circular is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this offering circular nor taken steps to verify the information set forth herein and has no responsibility for the offering circular. The depositary shares to which this offering circular relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the depositary shares offered should conduct their own due diligence on the depositary shares. If you do not understand the contents of this offering circular, you should consult an authorized financial advisor.

### **Notice to Prospective Investors in Hong Kong**

The depositary shares may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the depositary shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to depositary shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

### **Notice to Prospective Investors in Singapore**

This offering circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the depositary shares may not be circulated or distributed, nor may the depositary shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the depositary shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, depositary shares, debentures and units of depositary shares and debentures of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the depositary shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

### **Notice to Prospective Investors in Japan**

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

### **Notice to Prospective Investors in Canada**

The depositary shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 “Prospectus Exemptions” or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103

“Registration Requirements, Exemptions and Ongoing Registrant Obligations.” Any resale of the depositary shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement and the accompanying prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (“NI 33-105”), the underwriter is not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

## **VALIDITY OF SECURITIES**

The validity of the depositary shares sold in this offering and the Series H Preferred Stock will be passed upon for us by Sullivan & Cromwell LLP, New York, New York, and for the underwriters by Sidley Austin LLP, New York, New York. From time to time, Sullivan & Cromwell LLP and Sidley Austin LLP provide legal services to us and our subsidiaries.

## **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Our consolidated balance sheets as of December 31, 2016 and 2015 and the consolidated statements of income and comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2016, incorporated in this offering circular by reference to our Annual Report on Form 10-K for the year ended December 31, 2016 have been so incorporated in reliance on the report of KPMG LLP, an independent registered public accounting firm.



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**BofA Merrill Lynch**

**Morgan Stanley**

**UBS Investment Bank**

**Wells Fargo Securities**

May , 2017

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