

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): November 30, 2017

FIRST REPUBLIC BANK

(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction
of incorporation)

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

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

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

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

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

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

Emerging growth company

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

Item 8.01 Other Information

Recent Developments

In the fourth quarter of 2017, the volume of exercises of stock options by First Republic Bank (the “Bank”) employees has increased considerably, which the Bank understands is in response to Federal tax reform legislation that has been proposed in the U.S. Congress. For the period from October 1, 2017 to November 29, 2017, a total of 1,593,796 stock options were exercised by employees, compared to an average number of stock option exercises of approximately 232,000 per quarter during the first three quarters of 2017.

In accordance with Accounting Standards Codification (“ASC”) 718, “Compensation—Stock Compensation,” which became effective for the Bank as of January 1, 2016, excess tax benefits are recorded as a reduction in provision for income taxes in the quarter of option exercise or stock unit vesting. As a result of these stock option exercises, from October 1, 2017 through November 29, 2017, the Bank has recorded \$45.9 million in excess tax benefits, which is an increase in excess tax benefits above the average of \$14.6 million for the first three quarters of 2017. As a result, the Bank’s effective tax rate for the fourth quarter of 2017, based on activity through November 29, 2017, is estimated to be between 4% and 6% and between 13% and 14% for all of 2017. This reduced tax rate, as compared to the third quarter 2017 effective tax rate of 17.3%, is currently expected to increase the Bank’s diluted earnings per share for the fourth quarter of 2017 between \$0.18 and \$0.20 per share.

The following table presents activity related to stock options for October 1, 2017 through November 29, 2017:

Stock Options	Number of Awards
Outstanding as of September 30, 2017	4,119,098
Exercised through November 29, 2017	(1,593,796)
Outstanding as of November 29, 2017	<u>2,525,302</u>

All of the stock options in the table above are currently exercisable. As a result, option holders could exercise additional options this quarter that would result in a further reduction in our provision for income taxes for the current quarter and for the full year, also resulting in a further increase in the Bank’s diluted earnings per share.

The Bank’s diluted earnings per share for the fourth quarter of 2017 will also be impacted by the Bank’s October 2017 underwritten public offering of an aggregate of 2,875,000 new shares of common stock. This offering increases weighted average diluted shares by approximately 2,000,000 for the fourth quarter of 2017.

Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements about the Bank'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 statement is qualified in its entirety by reference to the factors discussed in the section titled "Risk Factors" in the Bank's Annual Report on Form 10-K. Further, any forward-looking statement speaks only as of the date on which it is made, and the Bank 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.

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: November 30, 2017

First Republic Bank

By: /s/ Michael J. Roffler

Name: Michael J. Roffler

Title: Executive Vice President and
Chief Financial Officer