

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): February 13, 2019

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

Appointment of President to Board of Directors

On February 13, 2019, the Board of Directors (the “Board”) of First Republic Bank (the “Bank”) elected Ms. Hafize Gaye Erkan, the Bank’s President, as a director of the Bank.

Ms. Erkan, age 39, has been part of the executive management team since joining the Bank in 2014. Ms. Erkan joined the Bank as Chief Investment Officer and Co-Chief Risk Officer. She was appointed Chief Deposit Officer in January 2016 and President of the Bank in May 2017. Before joining First Republic, she was an advisor to the Bank and was Managing Director and Head of Financial Institutions Group Strategies at Goldman Sachs. Ms. Erkan has a Ph.D in Operations Research and Financial Engineering from Princeton University and a Bachelor of Science degree from Bogazici University in Turkey.

Ms. Erkan was appointed as a member of the Directors’ Information Security and Technology Committee, Directors’ Enterprise Risk Management Committee and the Directors’ Investment Committee. Additionally, Mr. James H. Herbert, II, its Chairman and Chief Executive Officer (Founding), will no longer serve on the Bank’s Directors’ Enterprise Risk Management Committee. As a member of the Bank’s management team, Ms. Erkan will not receive any compensation for her service as a director of the Bank.

There are no arrangements or understandings between Ms. Erkan and any other persons pursuant to which she was selected as a director, and Ms. Erkan has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Extension of Employment Agreement with Chairman and Chief Executive Officer

The Bank and Mr. Herbert have agreed to extend Mr. Herbert’s employment by the Bank. Specifically, Mr. Herbert’s existing employment agreement has been amended (the “Amendment”) to provide that Mr. Herbert will continue to serve as Chairman and Chief Executive Officer of the Bank through December 31, 2021. Prior to the Amendment, Mr. Herbert’s employment agreement provided he would serve as Chairman and Chief Executive Officer until December 31, 2020. The Amendment also extends the “Extended Term” of the employment agreement by two years (until December 31, 2028) during which Mr. Herbert will cease to serve as the Bank’s Chief Executive Officer but will continue to serve as a member of the Bank’s Board of Directors (subject to his election by shareholders) and as the Bank’s Executive Chairman. The Extended Term will now run from January 1, 2022 until December 31, 2028 (formerly January 1, 2021 through December 31, 2025). The Amendment also amends Mr. Herbert’s severance entitlement upon a termination by the Bank “without Cause” or by Mr. Herbert for “Good Reason” to three times the sum of his annual salary and 0.50% of the Bank’s budgeted business plan pre-tax profits for the year of termination.

The Amendment was approved by the Board of the Bank and became effective on February 13, 2019.

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

Item 7.01 Regulation FD Disclosure.

On February 14, 2019, the Bank issued a press release announcing the Amendment and the appointment of Ms. Erkan to the Board of Directors and Mr. Herbert's employment agreement extension. A copy of the press release is attached hereto as Exhibit 99.1.

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

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit 10.1 Employment Agreement Amendment No. 5, effective February 13, 2019, to the Employment Agreement dated June 15, 2010, as amended effective February 27, 2012, February 25, 2014, December 1, 2015 and May 10, 2017, between James H. Herbert, II and the Bank.

Exhibit 99.1 Press Release, dated February 14, 2019.

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
Exhibit 10.1	Employment Agreement Amendment No. 5, effective February 13, 2019, to the Employment Agreement dated June 15, 2010, as amended effective February 27, 2012, February 25, 2014, December 1, 2015, and May 10, 2017 between James H. Herbert, II and the Bank.
Exhibit 99.1	Press Release, dated February 14, 2019

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: February 19, 2019.

First Republic Bank

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

February 13, 2019

Mr. James H. Herbert, II

Re: Employment Agreement Amendment No. 5

Dear Jim:

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

1. **Term.**

The expiration of the Term of your Employment Agreement is extended for three years from December 31, 2025 to December 31, 2028, subject to earlier termination under Section 6 of the Employment Agreement. The portion of the Term constituting the Extended Term is changed to January 1, 2022 through December 31, 2028. During the period from the Effective Date through December 31, 2021, you will continue to be employed by Bank in the position of Chairman and Chief Executive Officer of Bank and continue to serve as a member of the Board subject, with respect to your service as Chairman and a member of the Board of Directors, to your being elected to the Board by the shareholders of Bank.

2. **Amendments to Certain Sections of the Employment Agreement.**

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

(b) The second sentence of Section 6(c)(3) of the Employment Agreement, as previously amended by Amendment Nos. 1 and 3, is further amended by changing “two (2)” to “three (3)” in clause (B) thereof.

(c) As provided under Amendment No. 4 to the existing Employment Agreement, during the Extended Term you will receive an annual grant of restricted stock units (“*RSUs*”) in or around June each year equal in number to 64% of the number of performance-based RSUs awarded to you in 2021.

(d) For the avoidance of doubt and consistent with the provisions of paragraph 3 of Amendment No. 3 to your Employment Agreement, if at any time during the Term your service to Bank terminates as a result of either Bank’s termination of your service without Cause or your

resignation from Bank for Good Reason (including, without limitation, because you are not elected to the Board by shareholders of Bank or are not appointed as Executive Chairman during the Extended Term), prior to completion of the service vesting and/or performance period applicable to any then-outstanding time-based and/or performance-based RSUs, your awards will provide that you will remain eligible to vest in accordance with the terms of the applicable award agreement as if your service to Bank had not terminated, subject to and based on the level of achievement of any applicable performance goals as of the end of the applicable performance period.

(e) The description of the support services to be provided during the Term (including the Extended Term) in Amendment No. 4 to the Employment Agreement is modified to add Jackson, Wyoming as a location where you will continue to have use of your current offices and level of administrative support at Bank, if needed.

3. Advisors' Fees.

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

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

Very truly yours,

FIRST REPUBLIC BANK

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

Date: February 13, 2019

By: /s/ Edward J. Dobranski
Name: Edward J. Dobranski
Title: Executive Vice President and
General Counsel

Date: February 13, 2019

Accepted and agreed:

/s/ James. H. Herbert, II
James H. Herbert, II

Date: February 13, 2019



FIRST REPUBLIC BANK APPOINTS PRESIDENT MS. HAFIZE GAYE ERKAN TO ITS BOARD OF DIRECTORS

SAN FRANCISCO, Feb. 14, 2019 – [First Republic Bank](#) (NYSE:FRC), a leading private bank and wealth management company, today announced that its President, Ms. Hafize Gaye Erkan, has joined its Board of Directors.

“Gaye’s appointment to our Board of Directors reflects her substantial contributions to First Republic,” said Jim Herbert, Chairman and CEO. “This appointment is an important next step as we continue our leadership succession.”

Erkan has been part of the executive management team since joining First Republic in 2014 and was previously an advisor to the Bank. Before joining First Republic, she worked at Goldman Sachs, as Managing Director and Head of Financial Institutions Group Strats. Erkan has a Ph.D in Operations Research and Financial Engineering from Princeton University and a Bachelor of Science degree from Bogazici University in Turkey.

“I’m honored by this appointment and look forward to continuing to contribute to First Republic’s success, alongside Jim, fellow Directors, and our entire leadership team,” said Erkan.

First Republic’s Board of Directors also extended the employment contract of Chairman and Chief Executive Officer Jim Herbert through December 31, 2028. Herbert, who founded the Bank in 1985, will serve as CEO and Chairman through December 31, 2021, and thereafter as Executive Chairman through December 31, 2028.

“Under Jim’s leadership, First Republic has grown into one of the most highly regarded and successful financial institutions in the country,” said Lead Outside Director Reynold Levy. “The Board is very pleased to both appoint Gaye to our Board and extend Jim’s service as Chairman and CEO.”

About First Republic Bank

Founded in 1985, First Republic and its subsidiaries offer private banking, private business banking and private wealth management, including investment, trust and brokerage services. First Republic specializes in delivering exceptional, relationship-based service and offers a complete line of products, including residential, commercial and personal loans, deposit services, and wealth management. Services are offered through preferred banking or wealth management offices primarily in San Francisco, Palo Alto, Los Angeles, Santa Barbara, Newport Beach and San Diego, California; Portland, Oregon; Boston, Massachusetts; Palm Beach, Florida; Greenwich, Connecticut; New York, New York; and Jackson,



FIRST REPUBLIC BANK
It's a privilege to serve you®

PRESS RELEASE

FOR IMMEDIATE RELEASE

Wyoming. First Republic is a constituent of the S&P 500 Index and KBW Nasdaq Bank Index. For more information, visit firstrepublic.com.

Investors:

Andrew Greenebaum / Lasse Glassen
Addo Investor Relations
agreenebaum@addoir.com
lglassen@addoir.com
(310) 829-5400

Media:

Greg Berardi
Blue Marlin Partners
greg@blumarlinpartners.com
(415) 239-7826

San Francisco • Palo Alto • Los Angeles • Santa Barbara • Newport Beach • San Diego • Portland • Boston • Palm Beach • Greenwich • New York • Jackson

111 PINE STREET, SAN FRANCISCO, CALIFORNIA 94111, TEL (415) 392-1400 OR (800) 392-1400, FAX (415) 392-1413

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