

REGIONS FINANCIAL CORP
Form 8-K
August 27, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

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): August 27, 2018
REGIONS FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE 001-34034 63-0589368
(State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

1900 FIFTH AVENUE NORTH
BIRMINGHAM, ALABAMA 35203
(Address, including zip code, of principal executive office)

Registrant's telephone number, including area code: (800) 734-4667

Not applicable
(Former name or former address, if changed since last report.)

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 communication 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 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2). Emerging growth company "

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

Item 1.01. Entry into a Material Definitive Agreement.

Accelerated Share Repurchase

On August 27, 2018, Regions Financial Corporation (the “Company”) entered into an accelerated share repurchase agreement (the “ASR Agreement”) with Morgan Stanley & Co. LLC (“Morgan Stanley”) to repurchase \$700,000,000 of the Company’s common stock (such common stock, the “common stock” and such repurchase, the “ASR”). The ASR is part of the Company’s current share repurchase program.

Under the terms of the ASR Agreement, the Company will make a payment of \$700,000,000 to Morgan Stanley on August 27, 2018, and expects to receive on the same day an initial delivery of 29,075,805 shares of the Company’s common stock from Morgan Stanley. The final number of shares to be repurchased will be based on the volume-weighted average stock price of the Company’s common stock during the term of the transaction, less a discount and subject to adjustments pursuant to the terms and conditions of the ASR Agreement. At settlement, under certain circumstances, Morgan Stanley may be required to deliver additional shares of common stock to the Company, or under certain circumstances, the Company may be required to deliver shares of common stock or to make a cash payment, at its election, to Morgan Stanley. The final settlement of the transaction under the ASR Agreement is scheduled to occur prior to the end of fiscal year 2018, but the settlement may be accelerated in certain circumstances.

The ASR Agreement contains customary terms for these types of transactions, including, but not limited to, the mechanisms to determine the number of shares or the amount of cash that will be delivered at settlement, the required timing of delivery of the shares, the specific circumstances under which adjustments may be made to the transactions, the specific circumstances under which settlement of the transactions may be accelerated and various agreements and acknowledgments, representations and warranties by the Company and Morgan Stanley to one another.

From time to time, Morgan Stanley and/or its affiliates have directly and indirectly engaged, and may engage in the future, in investment and/or commercial banking transactions with the Company for which they have received, or may receive, customary compensation, fees and expense reimbursements.

The foregoing description of the ASR Agreement does not purport to be complete and is qualified in its entirety by reference to the ASR Agreement, a copy of which is attached as Exhibit 10.1 and is incorporated herein by reference, subject to certain omissions of confidential portions pursuant to a request for confidential treatment, which we intend to file separately with the Securities and Exchange Commission.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit

Number Description of Exhibit

10.1 Confirmation - Accelerated Share Repurchase Agreement, dated August 27, 2018, between Regions Financial Corporation and Morgan Stanley & Co. LLC.*

* The registrant has requested confidential treatment with respect to certain portions of this exhibit pursuant to Rule 24b-2 of the Exchange Act. Such portions have been omitted from this exhibit and filed separately with the Securities and Exchange Commission.

SIGNATURES

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

REGIONS FINANCIAL CORPORATION

By: /s/ Fournier J. Gale, III

Name: Fournier J. Gale, III

Title: Senior Executive Vice President, General Counsel and Corporate Secretary

Date: August 27, 2018