
**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): May 22, 2020

BANC OF CALIFORNIA, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-35522
(Commission File Number)

04-3639825
(IRS Employer
Identification No.)

3 MacArthur Place, Santa Ana, California
(Address of principal executive offices)

92707
(Zip Code)

Registrant's telephone number, including area code: (855) 361-2262

N/A
(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 (see General Instruction A.2.):

- 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.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	BANC	New York Stock Exchange
Depository Shares each representing a 1/40th Interest in a share of 7.375% Non-Cumulative Perpetual Preferred Stock, Series D	BANC PRD	New York Stock Exchange
Depository Shares each representing a 1/40th Interest in a share of 7.00% Non-Cumulative Perpetual Preferred Stock, Series E	BANC PRE	New York Stock Exchange

Item 1.02 Termination of a Material Definitive Agreement.

On May 22, 2020, Banc of California, National Association (the “Bank”), a wholly owned subsidiary of Banc of California, Inc. (the “Company”), entered into an agreement (the “Termination Agreement”) to amend and terminate certain agreements that the Bank previously entered into with the Los Angeles Football Club (“LAFC”) on February 28, 2017 (the “LAFC Agreements”). Among other things, the LAFC Agreements granted the Bank the exclusive naming rights to the Banc of California Stadium, a soccer stadium of LAFC, as well as the right to be the official bank of LAFC. Pursuant to the LAFC Agreements, the Bank had agreed to pay LAFC \$100 million over a period of 15 years, of which \$15 million has been recognized as expense from January 1, 2018 through March 31, 2020. In addition to the stated contract amount of \$100 million, the LAFC Agreements obligated the Bank to pay for other annual expenses, which have averaged approximately \$500 thousand per year. The annual pre-tax expense related to the LAFC Agreements including the other expenses, has averaged approximately \$7.2 million.

Under the Termination Agreement, the Bank and LAFC agreed to restructure their partnership to allow LAFC to expand its roster of sponsors and partners into categories that were previously exclusive to the Bank under the LAFC Agreements, and the Bank will step away from its naming-rights position on LAFC’s soccer stadium. The Bank will continue to serve as LAFC’s primary banking partner and remain as a partner on a number of other collaborations. As part of the Termination Agreement, the Bank agreed to pay LAFC a \$20.1 million termination fee. The LAFC Agreements will be terminated effective as of 11:59 pm Pacific Time on December 31, 2020, unless otherwise terminated earlier by LAFC pursuant to the Termination Agreement (the “Termination Date”). The Bank will not have any continuing payment obligations to LAFC following the Termination Date. With respect to the remainder of 2020, the Company does not expect to have any additional payment obligations except in certain specified circumstances set forth in the Termination Agreement, which amount would not exceed \$2.8 million.

The Company estimates the pre-tax impact from its entry into the Termination Agreement to be a one-time charge to operations of approximately \$26 million in the second quarter of 2020. Such charge to operations includes the write-off of all or a portion of a prepaid advertising asset. The ultimate impact of this transaction is subject to final accounting for the Termination Agreement. As a result of the Termination Agreement, the Bank estimates an aggregate pre-tax cost savings of approximately \$87 million, or approximately \$7 million per year, over the remaining 12 ½ year life of the LAFC Agreements.

Forward-Looking Statements

This Current Report on Form 8-K includes forward-looking statements within the meaning of the “Safe Harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements are necessarily subject to risk and uncertainty and actual results could differ materially from those anticipated due to various factors, including those set forth from time to time in the documents filed or furnished by the Company with the Securities and Exchange Commission. You should not place undue reliance on forward-looking statements and the Company undertakes no obligation to update any such statements to reflect circumstances or events that occur after the date on which the forward-looking statement is made.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

[99.1](#)Banc of California, Inc. Press Release dated May 26, 2020.

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

May 26, 2020

BANC OF CALIFORNIA, INC.

/s/ Lynn M. Hopkins

Lynn M. Hopkins

Executive Vice President and Chief Financial Officer



**BANC OF
CALIFORNIA**

Press Release

LAFC AND BANC OF CALIFORNIA RESTRUCTURE PARTNERSHIP

Banc of California to remain an LAFC partner; LAFC will seek new naming partner for the stadium

LOS ANGELES, Calif. (May 26, 2020)--(BUSINESS WIRE)--The Los Angeles Football Club (LAFC) and Banc of California, N.A. today jointly announced a restructuring of their long-term partnership. The restructuring will include the bank eventually stepping away from its naming-rights position on LAFC's downtown stadium, while continuing to serve as LAFC's primary banking partner and remaining a partner on a number of other collaborations. The restructuring will also give LAFC the ability to expand its roster of sponsors and partners in support of the Club for years to come.

"We are extremely proud of our relationship with Banc of California and all that we have built and accomplished together," LAFC Co-Owner and President Tom Penn said. "We thank them for being our founding naming rights partner, helping us create something special and making Banc of California Stadium one of the best sports and entertainment experiences in Los Angeles. We are excited to continue working with Banc of California on our joint community initiatives, while also pursuing a new naming rights partner for the stadium."

Banc of California became the naming rights partner for LAFC's state-of-the-art stadium located in the heart of Los Angeles in August 2016, and the \$350-million building will retain its name for the immediate future. "The Banc" has been home to all LAFC home matches, as well as numerous other sporting events, music concerts, festivals and special events.

"Banc of California has been honored to play a key role in the formation of LAFC and the establishment of Banc of California Stadium which is now a sports landmark in the heart of Los Angeles," said Jared Wolff, CEO of Banc of California. "We are especially proud of our joint community outreach initiatives which include our financial literacy program and more recently COVID-19 blood drives at the stadium. We look forward to continuing our collaboration with LAFC to support the Club and to serve our community."

LAFC has sold out every MLS game at the stadium, a streak of 44 straight matches since April 2018, and has over 18,500 season ticket members. In just its second season, the Club enjoyed a record-breaking 2019, establishing a new MLS mark for most points in a season as they won the Supporter's Shield; Carlos Vela was named the MLS Most Valuable Player; and Bob Bradley was MLS Coach of the Year. Off the field, LAFC was named to Fast Company's annual list of the World's Most Innovative Companies for 2019, Front Office Sports' Best Employer in Sports List for 2019 and the Front Office of the Year by the Independent Supporters Council.

Banc of California Stadium has quickly established itself as an entertainment icon in Los Angeles, hosting landmark concerts like Mumford & Sons, Iron Maiden and The Original Misfits while serving as a dynamic site for major events such as Rolling Loud, Wango Tango, movie premieres, and major sporting and corporate events.

About Banc of California, Inc.

Banc of California, Inc. (NYSE: BANC) is a bank holding company with approximately \$7.7 billion in assets and one wholly-owned banking subsidiary, Banc of California, N.A. (the "Bank"). The Bank has 39 offices including 31 full-service branches located throughout Southern California. Through our dedicated professionals, we provide customized and innovative banking and lending solutions to businesses, entrepreneurs and individuals throughout California. We help to improve the communities where we live and work, by supporting organizations that provide financial literacy and job training, small business support and affordable housing. With a commitment to service and building enduring relationships, we provide a higher standard of banking. We look forward to helping you achieve your goals. For more information, please visit us at www.bancofcal.com.

Source: Banc of California, Inc.

Investor Relations Inquiries: (310) 614-9208

Pro-bancofcal@prosek.com

About Los Angeles Football Club (LAFC)

The Los Angeles Football Club (LAFC) is the newest MLS soccer club serving the greater Los Angeles area. Coming off a record-breaking 2019 season, LAFC is dedicated to building a world-class soccer club that represents the diversity of Los Angeles and is committed to delivering an unrivaled experience for fans. LAFC's ownership group is comprised of local leaders and innovators of industry with intellectual capital, financial prowess, operations expertise and success in the fields of entertainment, sports, technology and media. LAFC is invested in the world's game and Los Angeles, constructing and developing the 22,000 seat Banc of California Stadium and a top-flight training center on the campus of Cal State Los Angeles.

Source: Los Angeles Football Club

Public Relations Inquiries: (310) 936-6080 or seth.burton@LAFC.com