

CVB FINANCIAL CORP
Form 10-K/A
March 24, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K/A
Amendment No. 1

x **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the fiscal year ended December 31, 2015

or

.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the transition period from N/A to N/A

Commission file number: 1-10140

CVB FINANCIAL CORP.

(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of
incorporation or organization)
701 N. Haven Avenue, Suite 350

95-3629339
(I.R.S. Employer
Identification No.)

Ontario, California
(Address of Principal Executive Offices)
Registrant's telephone number, including area code: (909) 980-4030

91764
(Zip Code)

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

Title of Class	Name of Each Exchange on Which Registered
Common Stock, no par value	NASDAQ Stock Market, LLC

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of June 30, 2015, the aggregate market value of the common stock held by non-affiliates of the registrant was approximately \$1,735,610,715.

Number of shares of common stock of the registrant outstanding as of February 17, 2016: 106,372,382.

DOCUMENTS INCORPORATED BY REFERENCE

Definitive Proxy Statement for the Annual Meeting of Stockholders which will be filed within 120 days of the fiscal year ended December 31, 2015

PART OF

Part III of Form 10-K

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EXPLANATORY NOTE

This Amendment No. 1 on Form 10-K/A (Form 10-K/A) to our Annual Report on Form 10-K for the year ended December 31, 2015, initially filed with the Securities and Exchange Commission on February 29, 2016 (the Original Filing), is being filed for the sole purpose of including the Report of Independent Registered Public Accounting Firm dated February 29, 2016 within Item 8. Financial Statements and Supplementary Data, which was inadvertently omitted from the Annual Report. Except as stated above, this Form 10-K/A does not reflect events occurring after the Original Filing and does not amend, modify, update or change in any way the disclosures or any other information, including any of the financial information, contained in the Original Filing. Accordingly, this Form 10-K/A should be read in conjunction with the Original Filing.

As required by Rule 12b-15 under the Securities Exchange Act of 1934, as amended, new certifications by our principal executive officer and principal financial officer are filed as exhibits to this Form 10-K/A.

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**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA
CVB Financial Corp.**

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- (1) Included in this amendment No. 1 on Form 10-K/A (Form 10-K/A) to the Annual Report on Form 10-K for the year ended December 31, 2015 filed with the Securities and Exchange Commission on February 29, 2016. This Form 10-K/A is being filed for the sole purpose of including the Report of Independent Registered Public Accounting Firm dated February 29, 2016, within Item 8. Financial Statements and Supplementary Data, which was inadvertently omitted from the Annual Report. Except as stated above, this Form 10-K/A does not reflect events occurring after the Original Filing and does not amend, modify, update, or change in any way the disclosures or any other information, including any of the financial information, contained in the Original Filing.

All schedules are omitted because they are not applicable, not material or because the information is included in the financial statements or the notes thereto.

For information about the location of management s annual reports on internal control, our financial reporting and the audit report of KPMG LLP thereon. See Item 9A. Controls and Procedures.

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	December 31, 2015	December 31, 2014
Assets		
Cash and due from banks	\$ 102,772	\$ 95,030
Interest-earning balances due from Federal Reserve	3,325	10,738
Total cash and cash equivalents	106,097	105,768
Interest-earning balances due from depository institutions	32,691	27,118
Investment securities available-for-sale, at fair value (with amortized cost of \$2,337,715 at December 31, 2015, and \$3,083,582 at December 31, 2014)	2,368,646	3,137,158
Investment securities held-to-maturity (with fair value of \$853,039 at December 31, 2015, and \$2,177 at December 31, 2014)	850,989	1,528
Investment in stock of Federal Home Loan Bank (FHLB)	17,588	25,338
Loans and lease finance receivables	4,016,937	3,817,067
Allowance for loan losses	(59,156)	(59,825)
Net loans and lease finance receivables	3,957,781	3,757,242
Premises and equipment, net	31,382	33,591
Bank owned life insurance	130,956	126,927
Accrued interest receivable	22,732	23,194
Intangibles	2,265	3,214
Goodwill	74,244	74,244
Other real estate owned	6,993	5,637
Income taxes	47,251	31,461
Other assets	21,585	25,500
Total assets	\$ 7,671,200	\$ 7,377,920
Liabilities and Stockholders Equity		
Deposits:		
Noninterest-bearing	\$ 3,250,174	\$ 2,866,365
Interest-bearing	2,667,086	2,738,293
Total deposits	5,917,260	5,604,658
Customer repurchase agreements	690,704	563,627
FHLB advances		199,479
Other borrowings	46,000	46,000

Accrued interest payable	264	1,161
Deferred compensation	11,269	10,291
Junior subordinated debentures	25,774	25,774
Payable for securities purchased	1,696	
Other liabilities	54,834	48,821
Total liabilities	6,747,801	6,499,811
Commitments and Contingencies		
Stockholders Equity		
Common stock, authorized, 225,000,000 shares without par; issued and outstanding 106,384,982 at December 31, 2015, and 105,893,216 at December 31, 2014	502,571	495,220
Retained earnings	399,919	351,814
Accumulated other comprehensive income, net of tax	20,909	31,075
Total stockholders equity	923,399	878,109
Total liabilities and stockholders equity	\$ 7,671,200	\$ 7,377,920

See accompanying notes to the consolidated financial statements.

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CVB FINANCIAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME

(Dollars in thousands, except per share amounts)

	For the Year Ended December 31,		
	2015	2014	2013
Interest income:			
Loans and leases, including fees	\$ 185,663	\$ 181,619	\$ 179,631
Investment securities:			
Investment securities available-for-sale	63,190	68,214	50,211
Investment securities held-to-maturity	9,018	164	188
Total investment income	72,208	68,378	50,399
Dividends from FHLB stock	2,774	2,130	2,033
Federal funds sold	634	427	221
Interest-earning deposits with other institutions	234	349	489
Total interest income	261,513	252,903	232,773
Interest expense:			
Deposits	5,266	4,977	4,887
Borrowings	2,867	10,991	10,999
Junior subordinated debentures	438	421	621
Total interest expense	8,571	16,389	16,507
Net interest income before recapture of provision for loan losses	252,942	236,514	216,266
Recapture of provision for loan losses	(5,600)	(16,100)	(16,750)
Net interest income after recapture of provision for loan losses	258,542	252,614	233,016
Noninterest income:			
Service charges on deposit accounts	15,567	15,778	15,923
Trust and investment services	8,642	8,118	8,071
Bankcard services	3,094	3,386	3,481
BOLI income	2,561	2,428	2,511
Gain on sale of loans	732	6,001	
(Loss) gain on sale of securities, net	(22)		2,094
Decrease in FDIC loss sharing asset, net	(902)	(3,591)	(12,860)
Gain on OREO, net	416	1,020	3,131
Other	3,395	3,272	2,936

Total noninterest income	33,483	36,412	25,287
Noninterest expense:			
Salaries and employee benefits	78,878	77,118	71,015
Occupancy and equipment	14,892	15,264	14,504
Professional services	6,188	6,018	5,709
Software licenses and maintenance	3,930	4,464	4,671
Promotion	5,015	5,195	4,681
(Recapture of) provision for unfunded loan commitments	(500)	(1,250)	500
Amortization of intangible assets	949	1,137	1,127
Debt termination expense	13,870		
OREO expense	443	307	856
Insurance reimbursements		(372)	(4,155)
Acquisition related expenses	475	1,973	
Other	16,519	16,375	15,120
Total noninterest expense	140,659	126,229	114,028
Earnings before income taxes	151,366	162,797	144,275
Income taxes	52,221	58,776	48,667
Net earnings	\$ 99,145	\$ 104,021	\$ 95,608
Other comprehensive income:			
Unrealized (loss) gain on securities arising during the period	\$ (17,550)	\$ 69,661	\$ (88,562)
Less: Reclassification adjustment for net loss (gain) on securities included in net income	22		(2,094)
Other comprehensive (loss) income, before tax	(17,528)	69,661	(90,656)
Less: Income tax benefit (expense) related to items of other comprehensive (loss) income	7,362	(29,256)	38,075
Other comprehensive (loss) income, net of tax	(10,166)	40,405	(52,581)
Comprehensive income	\$ 88,979	\$ 144,426	\$ 43,027
Basic earnings per common share	\$ 0.93	\$ 0.98	\$ 0.91
Diluted earnings per common share	\$ 0.93	\$ 0.98	\$ 0.91
Cash dividends declared per common share	\$ 0.480	\$ 0.400	\$ 0.385

See accompanying notes to the consolidated financial statements.

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CVB FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY

(Dollars and shares in thousands)

	Common Shares Outstanding	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance, January 1, 2013	104,890	\$ 484,709	\$ 235,010	\$ 43,251	\$ 762,970
Repurchase of common stock	(42)	(559)			(559)
Exercise of stock options	428	4,517			4,517
Tax benefit from exercise of stock options		475			475
Shares issued pursuant to stock-based compensation plan	94	1,926			1,926
Cash dividends declared on common stock (\$0.385 per share)			(40,469)		(40,469)
Net earnings			95,608		95,608
Other comprehensive loss				(52,581)	(52,581)
Balance, December 31, 2013	105,370	491,068	290,149	(9,330)	771,887
Repurchase of common stock	(384)	(5,474)			(5,474)
Exercise of stock options	512	5,522			5,522
Tax benefit from exercise of stock options		1,116			1,116
Shares issued pursuant to stock-based compensation plan	395	2,988			2,988