

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

COMMERCIAL FEDERAL CORP

CIK: **744778** | IRS No.: **470658852** | State of Incorporation: **NE** | Fiscal Year End: **0630**
Type: **8-K** | Act: **34** | File No.: **001-11515** | Film No.: **96620701**
SIC: **6035** Savings institution, federally chartered

Mailing Address

COMMERCIAL FEDERAL
TOWER 13TH FLOOR
2120 SOUTH J72ND STREET
OMAHA NE 68124

Business Address

2120 S 72ND ST
OMAHA NE 68124
4025549200

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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 21, 1996

COMMERCIAL FEDERAL CORPORATION

(Exact name of registrant as specified in its charter)

Nebraska

1-11515

47-0658852

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

2120 South 72nd Street, Omaha, Nebraska

68124

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (402) 554-9200

ITEM 5. OTHER EVENTS.

On August 21, 1996, the Registrant consummated the repurchase of 1,250,100 shares of its common stock, \$0.01 par value (the "Common Stock"), from CAI Corporation ("CAI"), a Dallas-based investment company, for an aggregate purchase price of \$48.9 million, consisting of cash consideration of \$28.2 million and surrender of a warrant (valued at \$20.7 million) which would have enabled the Registrant to purchase 99 shares of non-voting common stock of CAI. The repurchased shares represented 8.3% of the outstanding shares of the Common Stock prior to the repurchase. After repurchase, a total of 13,844,036 shares of Common Stock remain issued and outstanding as of August 21, 1996. The cash portion of the repurchase was financed by a loan from a financial institution secured by 1,403,200 shares or 15.6% of the outstanding common stock of

Commercial Federal Bank, a Federal Savings Bank (the "Bank"), a wholly owned subsidiary of the Registrant. As consideration, the Registrant also reimbursed CAI for certain expenses incurred in connection with its ownership of the shares and paid CAI cash in lieu of the pro rata portion of any dividend CAI otherwise would have received for the current quarter ended September 30, 1996.

Concurrent with the close of the repurchase, two directors of the Registrant, Robin R. Glackin and Steven M. Ellis, who also serve as executive officers of CAI, resigned from the Registrant's Board of Directors. In addition, CAI and each of its shareholders agreed that, for a period of 60 months, they will not (i) directly or indirectly acquire, agree to acquire or make any proposal to acquire, any securities of the Registrant or any of its subsidiaries, any warrant or option to acquire any such securities, or any security convertible into or exchangeable for any such securities, (ii) seek or propose any merger or business combination or similar transaction involving the Registrant or any of its subsidiaries, (iii) make or participate in any proxy solicitation with respect to any securities of the Registrant or its subsidiaries, (iv) form or participate in any "group" (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934) with respect to any securities of the Registrant or its subsidiaries, (v) otherwise seek to control or influence the management or Board of Directors of the Registrant or any of its subsidiaries, or (vi) have any discussions with any party regarding any of the foregoing. CAI and the Registrant have each agreed to waive and release all claims against the other and the Registrant has agreed to indemnify CAI and its directors, officers and affiliates against certain derivative claims.

For additional information regarding the repurchase, please see the Registrant's press release dated August 21, 1996 which is attached hereto as Exhibit 99.1.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

Exhibit 99.1 Press Release Dated August 21, 1996

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.

COMMERCIAL FEDERAL CORPORATION

By: /s/ James A. Laphen

James A. Laphen, President and Chief
Operating Officer (Duly Authorized
and Chief Financial Officer and

Date: August 26, 1996

Date: August 21, 1996
Contact: Stan R. Blakey
Vice President & Director of Investor Relations
(402) 390-6553

FOR IMMEDIATE RELEASE

Omaha, Nebraska (August 21, 1996)-Commercial Federal Corporation today announced that it has repurchased the 1,250,100 shares of its common stock currently owned by CAI Corporation, a Dallas-based investment company. This transaction follows Commercial Federal's August 6, 1996, purchase of a warrant from El Paso Electric Company which enabled it to become a shareholder of CAI Corporation. Commercial Federal will exchange aggregate consideration of approximately \$48.9 million, consisting of cash and the warrant, for the 1,250,100 shares. It is Commercial Federal's intention that a substantial portion of the repurchased shares--which represent approximately 8.3 percent of the Company's outstanding shares--will be retired.

"As a result of this transaction, Commercial Federal has significantly enhanced stockholder value through the repurchase of our own shares," said William A. Fitzgerald, chairman of the board and chief executive officer of Commercial Federal. Commercial Federal's management currently anticipates that this acquisition will be accretive to the Company's future annual earnings by as much as 5.0 to 6.0 percent.

"This is an investment by Commercial Federal in what we perceive to be a very valuable asset--namely Commercial Federal," added Mr. Fitzgerald. "Obviously, the Board of Directors and management of Commercial Federal believe in the value and the potential of the Company's stock. After careful analysis of the Company's financial position and growth prospects, the

benefits of this transaction were impossible to ignore. As always, our strategy remains focused on exploring all strategic alternatives that will create added value for our stockholders."

In addition, Commercial Federal today announced that Robin R. Glackin, president and chief executive officer of CAI Corporation, and Steven M. Ellis, senior vice president and treasurer of CAI Corporation, have resigned, effective today, from Commercial Federal's Board of Directors. As part of the arrangement between the parties, Commercial Federal has agreed to pay certain expenses of CAI Corporation.

Commercial Federal Corporation, with assets of approximately \$6.6 billion, is the parent company of Commercial Federal Bank, a federal savings

bank which operates 98 retail offices in Nebraska, Colorado, Kansas, Oklahoma and Iowa. In addition to retail banking, Commercial Federal operations include mortgage banking, consumer financing, insurance and stock brokerage.

Commercial Federal shares are traded on the New York Stock Exchange under the symbol "CFB."