

# TRUSTMARK CORP

## **FORM 8-K** (Current report filing)

Filed 10/22/21 for the Period Ending 10/22/21

Address	248 E CAPITOL ST P O BOX 291 JACKSON, MS, 39201
Telephone	(601) 208-5111
CIK	0000036146
Symbol	TRMK
SIC Code	6021 - National Commercial Banks
Industry	Banks
Sector	Financials
Fiscal Year	12/31

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**UNITED STATES**  
**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**

October 22, 2021

**Date of Report (Date of earliest event reported)**



**TRUSTMARK CORPORATION**

(Exact name of registrant as specified in its charter)

**Mississippi**  
(State or other jurisdiction  
of incorporation)

**000-03683**  
(Commission  
File Number)

**64-0471500**  
(IRS Employer  
Identification No.)

**248 East Capitol Street, Jackson, Mississippi**  
(Address of principal executive offices)

**39201**  
(Zip Code)

**Registrant's telephone number, including area code:**

**(601) 208-5111**

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))

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

Title of each class  
**Common Stock, no par value**

Trading Symbol(s)  
**TRMK**

Name of each exchange on which registered  
**Nasdaq Global Select Market**

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.

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**Item 7.01. Regulation FD Disclosure.**

On October 22, 2021, Trustmark Corporation’s subsidiary, Trustmark National Bank (the “Company”), issued a press release announcing that it entered into a consent order with the Office of the Comptroller of the Currency (“OCC”) and a separate consent order jointly with the U.S. Department of Justice (“DOJ”) and the Consumer Financial Protection Bureau (“CFPB”), to resolve allegations that the Company previously violated the Fair Housing Act (the “FHA”), the Equal Credit Opportunity Act (the “ECOA”) and the Consumer Financial Protection Act within the Memphis metropolitan statistical area (the “Memphis MSA”). A copy of the Company’s press release is attached hereto as Exhibit 99.1 to this Current Report on Form 8-K (this “Report”) and is incorporated herein by reference.

Under the DOJ and CFPB’s joint consent order, the Company will pay a civil money penalty totaling \$5 million, of which \$4 million will satisfy the OCC’s civil money penalty as set forth in the OCC’s consent order; the remaining \$1 million will be paid to the CFPB. The joint consent order also requires the Company, among other things, to implement a mutually agreed-upon Fair Lending Plan, invest \$3.85 million over five years in a loan subsidy fund to increase credit opportunities to residents of majority-Black and Hispanic neighborhoods, and devote a minimum of \$400,000 over five years toward community development partnership contributions and \$200,000 per year over five years toward advertising, community outreach, and credit repair and education in the Company’s Memphis lending area (defined in the consent order as consisting of Shelby County and Fayette County in Tennessee and DeSoto County in Mississippi). The Company will also open one new mortgage loan production office to serve the credit needs of residents in a majority-Black and Hispanic neighborhood in the Company’s Memphis lending area. In addition, the Company will continue to maintain its full-time Community Lending Manager position and its full-time Community Development Manager position, which are both focused on the Memphis MSA.

The joint consent order must be approved by the United States District Court for the Western District of Tennessee.

The information in this Current Report on Form 8-K is being furnished pursuant to Item 7.01 Regulation FD Disclosure. In accordance with General Instruction B.2 of Form 8-K, the information in this Current Report on Form 8-K shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly stated by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

The following exhibits are filed with this Current Report on Form 8-K:

<b>Exhibit Number</b>	<b>Description of Exhibits</b>
99.1	<a href="#">Press Release, dated October 22, 2021</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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## Forward-Looking Statements

Certain statements contained in this document constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. You can identify forward-looking statements by words such as “may,” “hope,” “will,” “should,” “expect,” “plan,” “anticipate,” “intend,” “believe,” “estimate,” “predict,” “project,” “potential,” “seek,” “continue,” “could,” “would,” “future” or the negative of those terms or other words of similar meaning. You should read statements that contain these words carefully because they discuss our future expectations or state other “forward-looking” information. These forward-looking statements include, but are not limited to, statements relating to anticipated future operating and financial performance measures, including net interest margin, credit quality, business initiatives, growth opportunities and growth rates, among other things, and encompass any estimate, prediction, expectation, projection, opinion, anticipation, outlook or statement of belief included therein as well as the management assumptions underlying these forward-looking statements. You should be aware that the occurrence of the events described under the caption “Risk Factors” in Trustmark’s filings with the Securities and Exchange Commission (SEC) could have an adverse effect on our business, results of operations and financial condition. Should one or more of these risks materialize, or should any such underlying assumptions prove to be significantly different, actual results may vary significantly from those anticipated, estimated, projected or expected. Furthermore, many of these risks and uncertainties are currently amplified by and may continue to be amplified by or may, in the future, be amplified by, the novel coronavirus (COVID-19) pandemic, and also by the effectiveness of varying governmental responses in ameliorating the impact of the pandemic on our customers and the economies where they operate.

Risks that could cause actual results to differ materially from current expectations of Management include, but are not limited to, changes in the level of nonperforming assets and charge-offs, an increase in unemployment levels and slowdowns in economic growth, our ability to manage the impact of the COVID-19 pandemic on our markets and our customers, as well as the effectiveness of actions of federal, state and local governments and agencies (including the Board of Governors of the Federal Reserve System (FRB)) to mitigate its spread and economic impact, local, state and national economic and market conditions, conditions in the housing and real estate markets in the regions in which Trustmark operates and the extent and duration of the current volatility in the credit and financial markets, levels of and volatility in crude oil prices, changes in our ability to measure the fair value of assets in our portfolio, material changes in the level and/or volatility of market interest rates, the performance and demand for the products and services we offer, including the level and timing of withdrawals from our deposit accounts, the costs and effects of litigation and of unexpected or adverse outcomes in such litigation, our ability to attract noninterest-bearing deposits and other low-cost funds, competition in loan and deposit pricing, as well as the entry of new competitors into our markets through de novo expansion and acquisitions, economic conditions, including the potential impact of issues related to the European financial system and monetary and other governmental actions designed to address credit, securities, and/or commodity markets, the enactment of legislation and changes in existing regulations or enforcement practices or the adoption of new regulations, changes in accounting standards and practices, including changes in the interpretation of existing standards, that affect our consolidated financial statements, changes in consumer spending, borrowings and savings habits, technological changes, changes in the financial performance or condition of our borrowers, changes in our ability to control expenses, greater than expected costs or difficulties related to the integration of acquisitions or new products and lines of business, cyber-attacks and other breaches which could affect our information system security, natural disasters, environmental disasters, pandemics or other health crises, acts of war or terrorism, and other risks described in our filings with the SEC.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Except as required by law, we undertake no obligation to update or revise any of this information, whether as the result of new information, future events or developments or otherwise.

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**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.

**TRUSTMARK CORPORATION**

BY: /s/ Thomas C. Owens  
Thomas C. Owens  
Treasurer and Principal Financial Officer

DATE: October 22, 2021

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 **Trustmark**  
**Press Release****Trustmark National Bank Announces Settlement of Claims  
Made by Federal Regulators**

JACKSON, Miss – October 22, 2021 - Trustmark National Bank (“Trustmark” or the “Company”), a wholly-owned subsidiary of Trustmark Corporation (NASDAQGS:TRMK), today announced it has entered into settlements with the U.S. Department of Justice (“DOJ”), the Office of the Comptroller of the Currency (“OCC”) and the Consumer Financial Protection Bureau (“CFPB”) to resolve allegations that it previously violated the Fair Housing Act, the Equal Credit Opportunity Act and the Consumer Financial Protection Act within the Memphis metropolitan statistical area (“Memphis MSA”).

“We believe Trustmark’s commitment to fair lending and continuing efforts to provide equal access to affordable mortgage products in the Memphis area and communities across our footprint are reflected in our diverse-market lending strategies,” said Duane A. Dewey, Trustmark President and CEO. “We fully cooperated with the agencies and have entered into these settlements to avoid the distraction of protracted litigation and because we share the common goals of breaking down barriers to home financing and exploring innovative ways to help residents of underserved areas achieve the dream of homeownership. We look forward to making continued progress on the lending initiatives and operational enhancements we began implementing six years ago.”

Mr. Dewey continued, “Trustmark has always viewed customer relationships and community engagement as keys to long-term success. As a service-oriented and values-guided organization, we’re committed to serving the entirety of our communities and have continually worked to expand access to credit and banking services through the full range of consumer and small business credit products that we offer.”

The alleged conduct occurred during the period 2014 to 2016, according to the OCC, and a somewhat longer period for the other two agencies. For many years, Trustmark has been evaluating its performance in majority-minority census tracts (“MMCTs”), including in the Memphis MSA, and proactively developing and implementing enterprise-wide initiatives designed to serve these communities:

- Trustmark’s Advantage program addresses gaps in investor and government mortgage programs that focus on the credit needs of MMCT residents. The Company launched its proprietary first-lien mortgage product, HOMEAdvantage, in 2016 to assist applicants in overcoming common barriers that often prevent them from qualifying for financing under traditional products. The program, available only to residents of MMCTs, low- and moderate-income census tracts and low- and moderate-income borrowers, also includes the True Advantage loan (which provides financing for home improvements and repairs) and the Plus loan (which provides financing for down payment, closing costs or other needs related to home purchases).
  - Trustmark has also introduced down payment assistance programs and loan subsidies to assist residents in MMCT communities overcome obstacles to obtaining mortgage financing.
  - Trustmark has invested in specialized personnel and systems dedicated to business generation in diverse markets. For example, the Company’s Community Lending Specialist (“CLS”) program creates specialized mortgage loan officer positions designed to serve the needs of MMCT residents. Trustmark currently has three CLS’s in the Memphis market, in addition to a Community Lending Manager and a Community Development Manager—Memphis.
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- Through its collaboration with Operation HOPE, a global nonprofit focused on disrupting poverty and empowering inclusion for underserved communities, and in partnership with the City of Memphis, Trustmark provides a trained financial coach within its Poplar Plaza branch in the City of Memphis to deliver counseling and workshops to area residents and all city employees.

Mr. Dewey continued, “Trustmark has built a solid reputation throughout the Southeast United States as a reliable and trustworthy banking partner, and we embrace continuous change to better serve our customers and communities.”

Under the DOJ/CFPB Consent Order, Trustmark will pay a civil money penalty totaling \$5 million, of which \$4 million will satisfy the OCC’s civil money penalty order and the remaining \$1 million will be paid to the CFPB. The DOJ/CFPB Consent Order also provides that Trustmark will invest a total of \$3.85 million over five years in a loan subsidy fund to increase mortgage lending opportunities to Memphis residents in majority Black and Hispanic census tracts (“MBHCTs”) and will devote a total of \$200,000 annually over five years to advertising, community outreach and credit and financial education services. In addition, over the next five years, Trustmark will invest \$400,000 in its community development partnerships to support services related to credit, financial education, homeownership, and foreclosure prevention that benefit residents of MBHCTs in the Memphis market. The Company will also open a loan production office to serve the mortgage lending needs of residents in a MBHCT in the Memphis MSA.

The proposed DOJ/CFPB Consent Order must be approved by the U.S. District Court for the Western District of Tennessee.

#### **About Trustmark**

Trustmark Corporation is a financial services company providing banking and financial solutions through 180 offices in Alabama, Florida, Mississippi, Tennessee and Texas. Visit [trustmark.com](http://trustmark.com) for additional information.

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