

Edgar Filing: People's United Financial, Inc. - Form 424B2

People's United Financial, Inc.

Form 424B2

December 04, 2012

**Table of Contents**

**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to be Registered	Maximum	Amount of Registration Fee(1)
	Aggregate Offering Price	
3.65% Senior Notes due 2022	\$500,000,000	\$68,200.00

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

**Table of Contents**

**Filed Pursuant to Rule 424(b)(2)  
File No. 333-184753**

**Prospectus supplement**

(To prospectus dated November 5, 2012)

***\$500,000,000***

***3.65% Senior Notes due 2022***

*Interest payable June 6 and December 6*

**Issue price: 99.668%**

We will pay interest on the notes at an annual rate equal to 3.65% and will pay interest on June 6 and December 6 of each year, beginning on June 6, 2013. The notes will mature on December 6, 2022. We may redeem some or all of the notes at any time before maturity at the redemption prices set forth under the section entitled "Description of the notes—Optional redemption."

The notes will be unsecured and unsubordinated obligations of People's United Financial, Inc. and will rank equally among themselves and with all of our other unsecured unsubordinated indebtedness. The notes will not be guaranteed by any of our subsidiaries.

The notes will be issued only in registered book-entry form, in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

The notes will not be listed on any securities exchange. Currently there is no public market for the notes.

**See the information under "Risk factors" beginning on page S-6 and the risk factors contained in our Annual Report on Form 10-K for the year ended December 31, 2011, incorporated by reference herein, for a discussion of certain risks that you should consider in connection with an investment in the notes.**

The notes are not deposits or other obligations of a bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	<b>Per Note</b>	<b>Total</b>
Public offering price(1)	99.668%	\$ 498,340,000
Underwriting discount and commissions	0.500%	\$ 2,500,000
Proceeds to People's United Financial, Inc. (before expenses)(1)	99.168%	\$ 495,840,000

## Edgar Filing: People's United Financial, Inc. - Form 424B2

(1) Plus accrued and unpaid interest, if any, from December 6, 2012

The notes will be ready for delivery in book-entry form only through the facilities of The Depository Trust Company and its participants, including the Euroclear System or Clearstream Banking, S.A., against payment in New York, New York on or about December 6, 2012.

*Sole Bookrunner*

**J.P. Morgan**

*Co-Managers*

**Jefferies**

December 3, 2012

**Goldman, Sachs & Co.**

**Table of Contents**

## Table of contents

### Prospectus supplement

	<b>Page</b>
<u>About this prospectus supplement</u>	S-ii
<u>Where you can find more information</u>	S-ii
<u>Special note regarding forward-looking statements</u>	S-iii
<u>Summary</u>	S-1
<u>Risk factors</u>	S-6
<u>Use of proceeds</u>	S-9
<u>Capitalization</u>	S-10
<u>Description of the notes</u>	S-11
<u>Certain United States federal income and estate tax consequences to non-U.S. holders</u>	S-22
<u>Certain ERISA considerations</u>	S-26
<u>Underwriting</u>	S-28
<u>Validity of notes</u>	S-31
<u>Experts</u>	S-31

### Prospectus

<u>About This Prospectus</u>	i
<u>Where You Can Find More Information</u>	i
<u>The Company</u>	1
<u>Consolidated Earnings Ratios</u>	2
<u>Use of Proceeds</u>	3
<u>Validity of the Securities</u>	3
<u>Experts</u>	3

You should rely only on the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell the notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

**Table of Contents**

## **About this prospectus supplement**

This document consists of two parts. The first part is the prospectus supplement, which describes the specific terms of the offering. The second part is the prospectus, which describes more general information, some of which may not apply to the offering. You should read both this prospectus supplement and the accompanying prospectus, together with the additional information described under the headings "Where You Can Find More Information" in the accompanying prospectus and "Where you can find more information" below.

Unless otherwise indicated or unless the context requires otherwise, all references in this prospectus supplement to "People's United Financial," "we," "our," and "us" refer to People's United Financial, Inc. and its consolidated subsidiaries, including People's United Bank, our principal banking subsidiary.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement.

Currency amounts in this prospectus supplement are stated in U.S. dollars.

## **Where you can find more information**

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). Our SEC filings are available to the public at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 100 F Street, NE, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our SEC filings are also available at the offices of the NASDAQ Global Select Market, located at 1735 K Street, N.W., Washington, D.C. 20006.

The SEC allows us to incorporate by reference into this prospectus supplement the information in documents we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus supplement and should be read with the same care. When we update the information contained in this prospectus supplement or in documents that have been incorporated by reference, by making future filings with the SEC, the information in this prospectus supplement or incorporated by reference in this prospectus supplement is considered to be automatically updated and superseded. In other words, in all cases, if you are considering whether to rely on information contained in this prospectus supplement or information incorporated by reference into this prospectus supplement, you should rely on the information contained in the document that was filed later.

We incorporate by reference the documents listed below and any additional documents we file with the SEC in the future under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") until our offering is completed (other than information and exhibits in such documents that are deemed, in accordance with the Exchange Act and SEC rules, not to have been filed under the Exchange Act):

Annual Report on Form 10-K for the year ended December 31, 2011;

## **Table of Contents**

Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012; and

Current Reports on Form 8-K filed on January 20, 2012, February 28, 2012, April 20, 2012, April 30, 2012, June 25, 2012, July 20, 2012, October 19, 2012 and November 26, 2012.

You may request a copy of these filings (other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing) at no cost, by writing to or telephoning us at the following address:

People's United Financial, Inc.

Investor Relations

850 Main Street, 15<sup>th</sup> Floor,

Bridgeport, Connecticut 06604

(203) 338-6799

## **Special note regarding forward-looking statements**

Certain statements in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus may be considered to be forward-looking statements as that term is defined in the U.S. Private Securities Litigation Reform Act of 1995, such as statements that include the words expect, anticipate, believe, should, and similar expressions, and include all statements about People's United Financial's operating results or financial position for future periods. Forward-looking statements represent management's beliefs, based upon information available at the time the statements are made, with regard to the matters addressed; they are not guarantees of future performance.

All forward-looking statements are subject to risks and uncertainties that could cause People's United Financial's actual results or financial condition to differ materially from those expressed in or implied by such statements. Factors of particular importance to People's United Financial include, but are not limited to:

- changes in general, international, national or regional economic conditions;
- changes in interest rates;
- changes in loan default and charge-off rates;
- changes in deposit levels;
- changes in levels of income and expense in non-interest income and expense related activities;
- residential mortgage and secondary market activity;
- changes in accounting and regulatory guidance applicable to banks;
- price levels and conditions in the public securities markets generally;
- competition and its effect on pricing, spending, third-party relationships and revenues;
- the successful integration of acquired companies; and
- changes in regulation resulting from or relating to financial reform legislation.

All forward-looking statements can be affected by inaccurate assumptions or by known or unknown risks and uncertainties. Consequently, no forward-looking statement can be guaranteed.

Additional factors that may cause future results to differ materially from forward-looking statements can be found in portions of our periodic and current reports filed with the SEC and

**Table of Contents**

incorporated by reference in this prospectus supplement. These factors include, for example, those discussed in the **Risk factors** section beginning on page S-6 of this prospectus supplement and **Item 1A. Risk Factors** in our Annual Report on Form 10-K for the year ended December 31, 2011. There is no assurance that any list of risks and uncertainties or risk factors is complete.

Any forward-looking statements made by or on behalf of us in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference in this prospectus supplement or the accompanying prospectus speak only as of the date of this prospectus supplement, the accompanying prospectus or such document incorporated by reference in this prospectus supplement or the accompanying prospectus, as the case may be. We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

S-iv

**Table of Contents**

## **Summary**

*The following summary should be read together with the information contained in other parts of this prospectus supplement and the accompanying prospectus. This summary highlights selected information from this prospectus supplement and the accompanying prospectus to help you understand the offering of the notes. You should read this prospectus supplement and the accompanying prospectus, including the documents we incorporate by reference in this prospectus supplement and the accompanying prospectus, carefully to understand fully the terms of the notes as well as the other considerations that are important to you in making a decision about whether to invest in the notes. You should pay special attention to the *Risk factors* section beginning on page S-6 of this prospectus supplement and in *Item 1A. Risk Factors* in our Annual Report on Form 10-K for the year ended December 31, 2011, which is incorporated by reference in this prospectus supplement, before you determine whether an investment in the notes is appropriate for you.*

### **People's United Financial, Inc.**

People's United Financial, Inc. is a savings and loan holding company incorporated under the state laws of Delaware and the holding company for People's United Bank, a federally-chartered stock savings bank headquartered in Bridgeport, Connecticut.

The principal business of People's United Financial is to provide, through People's United Bank and its subsidiaries, commercial banking, retail and business banking, and wealth management services to individual, corporate and municipal customers. Traditional banking activities are conducted primarily within New England and New York, and include extending secured and unsecured commercial and consumer loans, originating mortgage loans secured by residential and commercial properties, and accepting consumer, commercial and municipal deposits.

In addition to traditional banking activities, People's United Bank provides specialized financial services tailored to specific markets including: personal, institutional and employee benefit trusts; cash management; and municipal banking and finance. Through its non-banking subsidiaries, People's United Bank offers: brokerage, financial advisory services, investment management services and life insurance through People's Securities, Inc.; equipment financing through People's Capital and Leasing Corp. and People's United Equipment Finance Corp.; and other insurance services through People's United Insurance Agency, Inc.

In October 2011, People's United Bank filed an application with the Office of the Comptroller of the Currency (the "OCC") to convert to a national bank charter. In connection with this conversion, People's United Financial intends to submit an application to the Federal Reserve Bank of New York (the "FRB-NY") to convert to a bank holding company. In connection with doing so, People's United Financial expects to make an election for financial holding company status.

Our principal executive offices are located at 850 Main Street, Bridgeport, Connecticut 06604, and our telephone number at that address is 203-338-7171.



**Table of Contents**

**Summary of offering**

The following summary contains basic information about the notes and is not intended to be complete. It does not contain all the information that is important to you. For a more complete understanding of the notes, you should read the section of this prospectus supplement entitled Description of the notes.

Issuer	People's United Financial, Inc., a Delaware corporation
Securities offered	\$500,000,000 aggregate principal amount of 3.65% Senior Notes due 2022 (the "notes")
Issue date	December 6, 2012
Maturity	December 6, 2022
Interest	We will pay interest on the notes at the rate of 3.65% per year payable in cash on June 6 and December 6 of each year, beginning on June 6, 2013.
Optional redemption	<p>At any time prior to September 6, 2022 (the date falling three months prior to the maturity date), at our option, we may redeem the notes, in whole or in part, at a redemption price equal to the greater of (a) 100% of the principal amount of the notes to be redeemed or (b) a "make-whole" amount described herein, plus in either case accrued and unpaid interest to the redemption date. See "Description of the notes" Optional redemption.</p> <p>In addition, at our option, we may redeem the notes, in whole or in part, at any time on or following September 6, 2022 (the date falling three months prior to the maturity date), at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to the redemption date.</p>
Ranking	<p>The notes will be People's United Financial, Inc.'s unsecured unsubordinated obligations and will rank equally with all of its other unsecured unsubordinated indebtedness, and will be effectively subordinated to any secured indebtedness to the extent of the value of the collateral securing such indebtedness, and structurally subordinated to the existing and future indebtedness of its subsidiaries.</p> <p>As of September 30, 2012, People's United Financial, Inc.'s consolidated subsidiaries had, in the aggregate, outstanding debt and other liabilities, including deposits, of approximately \$23.5 billion, all of which would structurally rank senior to the notes in case of liquidation or otherwise (excluding intercompany liabilities). As of September 30, 2012, People's United Financial, Inc. (not including its consolidated subsidiaries) had no outstanding unsecured unsubordinated debt or secured debt and approximately \$139.9 million of outstanding unsecured subordinated debt.</p>



## **Table of Contents**

	The indenture does not limit the amount of additional indebtedness we or our subsidiaries may incur.
Restrictive covenants	<p>We will issue the notes under a senior debt indenture between us and The Bank of New York Mellon, as trustee. The senior debt indenture includes provisions that, among other things, restrict our ability to:</p> <p>dispose of, grant security interests in or issue shares of voting stock of People's United Bank and</p> <p>transfer all or substantially all of our assets or merge or consolidate with or into other entities,</p> <p>without satisfying the conditions described in the section entitled "Description of the notes—Certain covenants" in this prospectus supplement.</p>
No guarantees	The notes are not guaranteed by any of our subsidiaries. As a result, the notes will be structurally subordinated to the liabilities of our subsidiaries as discussed above under "Ranking."
Additional notes	We may, without the consent of holders, issue additional notes in the future on the same terms and conditions (except for any differences in the issue price and interest accrued prior to the issue date of the additional notes, and with the same CUSIP number as the notes offered hereby), provided that such additional notes are fungible with the notes for U.S. federal income tax purposes. The notes offered by this prospectus supplement and any such additional notes would rank equally and ratably and would be treated as a single series for all purposes under the indenture.
Use of proceeds	<p>We expect to receive net proceeds from this offering of approximately \$494.5 million after deducting underwriting discounts and commissions and estimated expenses payable by us. We intend to use the proceeds for general corporate purposes, including (subject to obtaining required regulatory approval) stock repurchases and contributions of capital or extensions of credit to People's United Bank.</p> <p>See the section entitled "Use of proceeds."</p>
Listing	The notes will not be listed on any securities exchange.

**Table of Contents****Summary selected consolidated financial information**

The following table presents selected summary consolidated financial and other data as of and for the periods presented. The selected historical financial data as of December 31, 2011 and 2010 and for each of the years in the three-year period ended December 31, 2011 are derived from our audited consolidated financial statements and related notes, which are incorporated by reference into this prospectus supplement and the accompanying prospectus. The selected historical financial data for prior years is derived from our audited consolidated financial statements which are not incorporated by reference into this prospectus supplement and accompanying prospectus. The selected historical data as of September 30, 2012 and 2011 and for the nine-month periods ended September 30, 2012 and 2011 are derived from our unaudited consolidated financial statements and related notes, which are incorporated by reference into this prospectus supplement and the accompanying prospectus. Such unaudited financial statements have been prepared on the same basis as our annual consolidated financial statements and include all adjustments, consisting of only normal recurring adjustments, necessary for the fair presentation of the data in all material respects. The results for any interim period are not necessarily indicative of the results of operations to be expected for a full fiscal year.

	Nine months ended September 30,			Years ended December 31,			
(dollars in millions, except per share data)	2012	2011	2011	2010	2009	2008	2007
<b>Earnings Data:</b>							
Net interest income (fully taxable equivalent)	\$ 711.8	\$ 679.1	\$ 921.2	\$ 697.3	\$ 580.2	\$ 640.3	\$ 486.6
Provision for loan losses	37.2	43.0	63.7	60.0	57.0	26.2	8.0
Non-interest income(1)	229.5	235.9	307.6	270.0	284.3	279.6	185.4
Non-interest expense(1)(2)	623.2	641.7	871.9	782.0	659.8	685.0	439.3
Net income	184.1	151.0	192.4	82.5	101.2	137.8	150.7
Operating earnings(3)	190.7	173.6	230.7	122.2	104.3	171.0	190.3
<b>Selected Statistical Data:</b>							
Net interest margin	3.94%	4.09%	4.10%	3.67%	3.20%	3.63%	4.13%
Operating net interest margin(3)	3.89	4.02	4.03	3.67	3.20	3.63	4.13
Return on average assets	0.88	0.79	0.74	0.37	0.49	0.68	1.18
Operating return on average assets(3)	0.91	0.90	0.89	0.55	0.50	0.84	1.49
Return on average tangible assets	0.96	0.85	0.80	0.41	0.53	0.73	1.19
Return on average stockholders' equity	4.7	3.8	3.6	1.5	2.0	2.6	4.2
Return on average tangible stockholders' equity	8.1	6.2	6.0	2.3	2.8	3.7	4.3
Operating return on average tangible stockholders' equity(3)	8.4	7.1	7.2	3.4	2.9	4.6	5.5
Efficiency ratio(3)	62.2	64.5	64.0	73.3	72.7	65.8	56.1

## Table of Contents

(dollars in millions, except per share data)	Nine months ended September 30,		Years ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
<b>Financial Condition Data:</b>							
Total assets	\$ 28,576	\$ 27,200	\$ 27,553	\$ 25,032	\$ 21,257	\$ 20,168	\$ 13,555
Loans	21,040	20,136	20,385	17,323	14,099	14,547	8,894
Securities	3,787	2,540	2,931	3,033	902	1,902	61
Short-term investments(4)	64	779	411	1,120	3,492	1,139	3,516
Allowance for loan losses	186	177	183	173	173	158	73
Goodwill and other acquisition-related intangibles	2,160	2,151	2,174	1,962	1,515	1,536	104
Deposits	21,363	20,487	20,816	17,933	15,446		